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BERNARD J. BARRETT, State Bar No. 165869
JOHN T. WISJE, State Bar No. 87567
COMMODITY FUTURES TRADING COMMISSION
10900 Wilshire Boulevard, Suite 400
Los Angeles, California 90024
Telephone (310) 443-4700
Facsimile (310) 443-4745

Attorneys for Plaintiff
Commodity Futures Trading Commission

NOTE CHANGES MADE BY THE COURT

CLERK U.S. DISTRICT COURT
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CLERK, U.S. DISTRICT COURT

AUG 23 2002

CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ORIGINAL

PA

COMMODITY FUTURES TRADING)
COMMISSION,)

Plaintiff,)

vs.)

NAWAB ALI KHAN ALI, et al.,)

Defendants.)

Case No. 02-6619 SHSx

~~PROPOSED~~ STATUTORY
RESTRAINING ORDER AND
ORDER TO SHOW CAUSE RE:
PRELIMINARY INJUNCTION

FILED UNDER SEAL

This matter came on for *ex parte* hearing on August __, 2002 on the Ex Parte
Application of Plaintiff Commodity Futures Trading Commission (the
"Commission") for a: Statutory Restraining Order and Order to Show Cause re:
Preliminary Injunction (the "Application"). The Court, having considered the
Commission's Complaint, Application, Memorandum of Points and Authorities,

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Declarations and Exhibits, and other materials and all other evidence presented by all parties filed herein, and having heard the arguments of counsel, finds that:

1. This Court has jurisdiction over the parties and over the subject matter of this action pursuant to Sections 2(c)(2)(B) (i) and (ii) and 6c(a) and of the Commodity Exchange Act, 7 U.S.C. §§ 2 (2001);

2. Venue lies properly within this District pursuant to Sections 6c(e) of the Commodity Exchange Act, 7 U.S.C. § 13a-1(e) (2001);

3. There is good cause to believe that Defendants have engaged, are engaging and are about to engage in acts and practices constituting violations of the Commodity Exchange Act, 7 U.S.C. §§ 1, et seq. (2001);

4. There is good cause to believe that immediate and irreparable damage to the Court's ability to grant effective final relief for investors in the form of monetary redress will occur from the sale, transfer, assignment, or other disposition of assets of Defendants Nawab Ali Khan Ali, Sterling FX International LLC and Mega Trend 2000, Inc. unless Defendants are immediately restrained and enjoined by Order of this Court;

5. Good cause exists for the freezing of the assets of Defendants Nawab Ali Khan Ali, Sterling FX International LLC and Mega Trend 2000, Inc.;

I.

ORDER AGAINST TRANSFER, DISSIPATION, AND DISPOSAL OF ASSETS

IT IS HEREBY ORDERED that:

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6. Defendants and their agents, servants, employees, attorneys, and persons in active concert or participation with any of them who receive actual notice of this Order by personal service or otherwise, including facsimile transmission, are enjoined and restrained from directly or indirectly dissipating, withdrawing, transferring, removing, concealing or disposing of funds, securities, assets or other property either now or hereafter owned, controlled, or held (whether legally, equitably or otherwise) by or in the name of Defendants Nawab Ali Khan Ali (who is also known as "Nawab Khan" and "Eric Ali"), Sterling FX International LLC or Mega Trend 2000, Inc., wherever such funds, assets or other property may be situated, including outside the United States.

7. Any financial or brokerage institution or other person or entity located within the territorial jurisdiction of the United States courts that is holding any funds or assets in the name of or otherwise belonging to or under the control of Defendants Nawab Ali Khan Ali (also known as "Nawab Khan" and "Eric Ali"), Sterling FX International LLC or Mega Trend 2000, which receives actual notice of this Order by personal service, or otherwise, including facsimile transmission, shall hold and retain within its control and prohibit the withdrawal, removal, transfer or other disposal of any such funds or other assets, and any trading accounts in the names of any of such defendants shall be placed on a "liquidation-only" status. A list of such institutions, as far as they are known at this time, is attached to this Order as Exhibit A.

1 II.

2 ORDER PROHIBITING DESTRUCTION OF BOOKS AND RECORDS

3
4 IT IS HEREBY ORDERED that:

5 8. Defendants and their agents, servants, employees, attorneys, and persons
6 in active concert or participation with any of them who receive actual notice of
7 this Order by personal service or otherwise, including facsimile, are enjoined from
8 directly or indirectly destroying, mutilating, concealing, altering, or disposing of
9 any of the books, records, documents, correspondence, brochures, manuals,
10 electronically stored data, tape recordings, or other property, wherever such
11 materials may be situated, that refer or relate in any manner to any transaction or
12 matter described in the Complaint in this case.
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16 III.

17 ACCESS TO AND INSPECTION OF BOOKS AND RECORDS

18 IT IS FURTHER ORDERED that:

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20 9. Representatives of the Commission shall have immediate access to the
21 books, records and other documents of Defendants, wherever such materials may
22 be situated, for purposes of inspecting and copying such materials. Defendants
23 and their agents, servants, employees, attorneys, and persons in active concert or
24 participation with any of them who receive actual notice of this Order by personal
25 service or otherwise, including facsimile, shall cooperate fully with the
26 Commission to locate and provide to representatives of the Commission all books
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and records of Defendants, wherever such books and records may be situated.

IV.

PERSONS BOUND BY THIS ORDER

IT IS FURTHER ORDERED that:

10. This Order shall be binding upon Defendants, along with any of their officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of this Consent Order by personal service or otherwise (including service by facsimile transmission).

V.

BOND NOT REQUIRED OF PLAINTIFF

IT IS FURTHER ORDERED that:

11. Plaintiff Commission is an agency of the United States of America and, accordingly, no bond need be posted by the Commission.

VI.

ORDER TO SHOW CAUSE

IT IS FURTHER ORDERED that:

12. Defendants Nawab Ali Khan Ali, Sterling FX International LLC, Mega Trend 2000, Inc, and Roger Barreto shall show cause, if there be any, at 1:30 a.m. on September 16, 2002 before the Honorable PERCY ANDERSON Courtroom 15, United States District Court, Central District of California,

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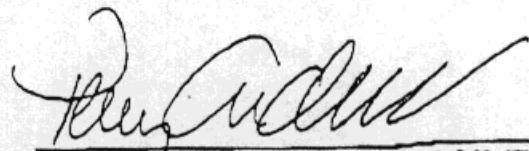
Injunction should not be granted to prohibit further violations of the Commodity Exchange Act and why the other relief requested should not be granted pending trial on the merits of this action.

13. Any papers in opposition to Plaintiff's Application for an Order for Preliminary Injunction shall be hand-served on Plaintiff's attorneys of record and filed on or before September 9, 2002.

14. Service of a copy of this Order in accordance with Rule 4 of the Federal Rules of Civil Procedure, or in any manner provided by law, on or before 5:00 a.m./p.m) on August 28, 2002 shall be deemed good and sufficient service and notice thereof.

IT IS SO ORDERED.

Dated: August 23, 2002



UNITED STATES DISTRICT JUDGE

Presented by:

John T. Wise
John T. Wise
Attorney for Plaintiff
Commodity Futures Trading
Commission

COUNSEL SHALL DELIVER A CONFORMED COURTESY COPY OF ANY OPPOSITION TO THE COURTESY BOX ON THE WALL OUTSIDE THE ENTRANCE TO JUDGE PERLY ANDERSON'S CHAMBERS ON THE SPRING STREET LEVEL OF THE UNITED STATES COURTHOUSE, 312 N. SPRING ST., BY 4:00 P.M. ON THE DATE DUE.

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EXHIBIT A

List of Financial Institutions

Bank Accounts:

- A. Sterling FX: Bank of America Nos.
 - 01621-17320
 - 01628-17320
- B. Mega Trend: Cal Fed No. 172 4167976

Trading Accounts:

- C: Sterling FX:
 - FXCM account Nos:
 - 00007078
 - 02030023
 - 02030024
 - 02030025
 - 02030026
 - 02030027
 - 00007076
 - 00007077
 - 00007212
 - 00007213