

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 05-60928-CIV-ALTONAGA/TURNOFF

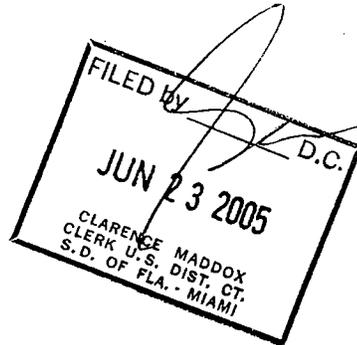
COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

v.

WORLD MARKET ADVISORS, INC., et al.

Defendants.



**ORDER OF PRELIMINARY INJUNCTION AGAINST WORLD
MARKET ADVISORS, INC., U.S. CAPITAL MANAGEMENT, INC.,
UNITED EQUITY GROUP, INC., LIBERTY ONE ADVISORS, INC. AND
LIGHTHOUSE CAPITAL MANAGEMENT, INC.**

This matter came on for hearing on plaintiff, Commodity Futures Trading Commission's ("CFTC") Motion for a Preliminary Injunction and Other Equitable Relief. The Court, having considered the pleadings, declarations, exhibits, and memorandum filed in support of the CFTC's motion, and all other evidence filed herein, finds that:

1. This Court has jurisdiction over the parties and over the subject matter of this action pursuant to Section 6c of the Commodity Exchange Act, as amended (the "Act"), 7 U.S.C. § 13a-1(a) (2002);

2. Venue properly lies with this Court pursuant to Section 6c(a) of the Act, 7 U.S.C. § 13a-1(a), in that the defendants are found in, inhabit, or transact business in this district, and the acts and practices alleged to be in violation of the Act have occurred, are occurring, or are about to occur within this district, among other places.

3. There is good cause to believe that World Market Advisors, Inc., (“WMA”), U.S. Capital Management, Inc. (“U.S. Capital”), United Equity Group, Inc. (“United Equity”), Liberty One Advisors, LLC (“Liberty One”), Lighthouse Capital Management, LLC (“Lighthouse”) (collectively the “WMA Common Enterprise”), have engaged, are engaging and are about to engage in acts and practices constituting violations of the Act, 7 U.S.C. §§ 1, *et seq.* (2002) and the CFTC’s Regulations (“Regulations”), 17 C.F.R. §§ 1 *et seq.* (2005); and

4. There is good cause for granting a preliminary injunction to preserve the status quo, protect public customers from further loss and damage, and enable the CFTC to fulfill its statutory duties.

IT IS THEREFORE ORDERED THAT:

5. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse are restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:

- A. Cheating or defrauding or attempting to cheat or defraud any other person, or deceiving or attempting to deceive any other person by any means whatsoever in connection with an offer to enter into, the entry of or confirmation of the execution of, any commodity option contract, in violation of Section 4c(b) of the Act and Regulation 32.9(a) and (c), 17 C.F.R. § 32.9(a) and (c); and
- B. Acting as a principal of any agent who has violated the above Sections of the Act or Regulations, pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2.

6. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse, are further restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:

- A. Engaging in, controlling, or directing the trading of any commodity futures, commodity options, forex futures and options accounts, on their own behalf or on behalf of any other person or entity, whether by power of attorney or otherwise;

- B. Introducing customers to any other person engaged in the business of trading in commodity futures, commodity options, forex futures and options;
- C. Placing orders, giving advice or price quotations or other information in connection with the purchase or sale of commodity futures, commodity options, forex futures and options contracts for themselves and others; and
- D. Otherwise engaging in any business activities related to commodity futures, commodity options, forex futures and options trading.

7. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse are further restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:

- A. Destroying, mutilating, concealing, altering or disposing of any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property of defendants, wherever located, including all such records concerning defendants' business operations; and
- B. Refusing to permit authorized representatives of the CFTC to inspect, when and as requested by those representatives, any books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property of defendants, wherever located, including all such records concerning defendants' business operations.

8. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse are further restrained, enjoined and prohibited, until further order of the Court, from directly or indirectly:

- A. Withdrawing, transferring, removing, dissipating, concealing or disposing of, in any manner, any funds, or other property, wherever situated, including but not limited to, all funds, personal property, money or securities held in safes, safety deposit boxes and all funds on deposit in any financial institution, bank or savings and loan account held by, under the control of, or in the name of the defendants.

9. Until further order of this Court, defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse and each firm, corporation, partnership, association or other person

or entity which holds or is a depository of their funds, securities, assets or other property of any kind, are prohibited from directly or indirectly transferring, withdrawing, removing or disposing of any such funds, securities, assets or other property of, or within the custody, control or possession of, the above named defendants, including, but not limited to, all funds, personal property, money or securities held in safes, safety deposit boxes and all funds on deposit in any financial institution, bank or savings and loan account, including funds or property of investors, wherever located, whether held in the names of the above named defendants or otherwise.

10. The injunctive provisions of this Order shall be binding on defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse, upon any person insofar as he or she is acting in the capacity of officer, agent, servant, employee or attorney of defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse and upon any person who receives actual notice of this Order by personal service, facsimile or otherwise insofar as he or she is acting in active concert or participation with defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse.

11. The presidents or managers of Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse shall prepare, sign and file with the Court, within 30 days of this Order, a complete and accurate accounting for the period of October 1, 2002, to the date of such accounting, which shall be no earlier than the date of this Order. Each such accounting on behalf of the corporate defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse shall include, without limitation, the identification of:

- A. All funds, securities, commodity interests, assets and other property currently owned or controlled (legally, equitably or otherwise) directly or indirectly by the corporate defendants, whether individually or jointly;

- B. All funds, securities, commodity interests, assets and other property received directly or indirectly by corporate defendants, describing the source, amount, disposition, and current location of each listed item;
- C. All funds, securities, commodity interests, assets and other property transferred or otherwise disposed of directly or indirectly by corporate defendants, describing the source, amount, disposition, and current location of each listed item, including accounts or assets of corporate defendants held by financial institutions located outside the territorial United States by signing the Consent to Release of Financial Records attached to the Court's Order; and
- D. The names and last known addresses of each bailee, debtor or other person or entity currently holding any funds, securities, commodity interests, assets or other property owned or controlled (legally, equitably or otherwise) by corporate defendants.

12. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse are directed to allow representatives of the CFTC, when and as requested by those representatives, to inspect the books, records and other electronically stored data, tape recordings, and other documents of defendants and their agents, including all such records of their business operations, wherever they are situated and whether they are in the hands of defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse or others, and to copy said documents, data, and records either on or off the premises where they may be located.

13. Defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse are further ordered to immediately identify and provide an accounting for all assets and property that they currently maintain outside the United States, including but not limited to all funds on deposit in any financial institution, including but not limited to banks and brokerage houses, held by, under the control of, or in the name of the defendants WMA, U.S. Capital, United Equity, Liberty One, and Lighthouse, whether jointly or otherwise.

14. It is further ordered that Edwin J. Yoshimura, Senior Attorney for the CFTC, or Donald G. Nash, an Investigator with the CFTC, shall serve this Order and all other papers in

this cause. It is further ordered that this Order may be served by facsimile transmission, electronic mail or data transfer, courier service, certified, registered or first class mail, Federal Express or personal service..

15. This Order shall remain in effect until further order of the Court and the Court shall retain jurisdiction over this action to ensure compliance with this Order and for all other purposes related to this action.

IT IS SO ORDERED.

Dated: June 23, 2005

Cecilia M. Althoff
UNITED STATES DISTRICT JUDGE