

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN FRANCISCO DIVISION

ORIGINAL  
AM 9:51

E-filing

FILED IN U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

4 UNITED STATES COMMODITY FUTURES )  
5 TRADING COMMISSION, )

6 Plaintiff, )

7 vs. )

8 SNC ASSET MANAGEMENT, INC., SNC )  
9 INVESTMENTS, INC., PETER SON and )  
10 JIN K. CHUNG, )

11 Defendants, )

12 and, )

13 ANN LEE, )

14 Relief Defendant. )  
15

Cv 09 2555 PJH  
Civil Action No.

(Proposed) ORDER GRANTING  
PLAINTIFF'S *EX PARTE*  
APPLICATION FOR STATUTORY  
RESTRAINING ORDER, ORDER  
FOR AN ACCOUNTING, ORDER  
GRANTING EXPEDITED  
DISCOVERY, ORDER TO SHOW  
CAUSE REGARDING  
PRELIMINARY INJUNCTION,  
AND OTHER EQUITABLE  
RELIEF

16 *me* This matter came before the Court for hearing on June 9, 2009, on Plaintiff

17  
18 U.S. Commodity Futures Trading Commission's ("Commission") *Ex Parte* Application for  
19 Statutory Restraining Order, Order Requiring an Accounting, Order Granting Expedited  
20 Discovery, Order to Show Cause Regarding Preliminary Injunction, and Other Equitable  
21 Relief (the "Application"). The Court, having considered the Application and all other  
22 evidence presented by the Commission, and having heard the arguments of counsel, finds  
23 that:

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25 1. This Court has jurisdiction over the parties and over the subject matter of this  
26 action pursuant to Section 6c of the Commodity Exchange Act, 7 U.S.C. §§ 13a-1 and

27 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
28 Order for An Accounting, Order Granting Expedited Discovery, Order to Show Cause  
Regarding Preliminary Injunction, and Other Equitable Relief Case No. \_\_\_\_\_

1 2(c)(2)(B) and (C) (2006) (the “Act”), and Section 2(c)(2) of the Act as amended by the  
2 Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC  
3 Reauthorization Act (“CRA”)), §§ 13101-13204, 122 Stat. 1651(enacted June 18, 2008) (to  
4 be codified at 7 U.S.C. § 2(c)(2)).  
5

6 2. Venue lies properly within this District pursuant to Section 6c(e) of the Act,  
7 7 U.S.C. § 13a-1(e) (2006).

8 3. There is good cause to believe that Defendants SNC Asset Management, Inc.,  
9 (“SNC Asset”), SNC Investments, Inc., (“SNC Investments”) and their principals and control  
10 persons, Peter Son (“Son”) and Jin K. Chung (“Chung”) (hereinafter collectively  
11 “Defendants”) have engaged, are engaging, and are about to engage in acts and practices  
12 constituting violations of the Act, as amended, to be codified at 7 U.S.C. § 1 *et seq.*,  
13

14 4. There is good cause to believe that Relief Defendant Ann Lee (“Relief  
15 Defendant”) has received, is receiving, and is about to receive funds, assets or property as a  
16 result of Defendants’ violative acts and practices and has been unjustifiably enriched thereby.  
17 The Relief Defendant does not have any legitimate interest or entitlement to these funds, assets  
18 or property received as a result of Defendants’ violative conduct.  
19

20 5. There is good cause to believe that immediate and irreparable damage to the  
21 Court’s ability to grant effective final relief for customers in the form of monetary redress  
22 will occur from the sale, transfer, assignment, or other disposition by Defendants and Relief  
23 Defendant of assets or records unless Defendants and Relief Defendant are immediately  
24 restrained and enjoined by Order of the Court.  
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28 (Proposed) Order Granting Plaintiff’s *Ex Parte* Application for Statutory Restraining Order,  
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1 is not limited to, writings, drawings, graphs, charts, photographs, audio and video recordings,  
2 computer records, and other data compilations from which information can be obtained and  
3 translated, if necessary, through detection devices into reasonably usable form. A draft or  
4 non-identical copy is a separate document within the meaning of the term.  
5

6 12. The term "assets" means any legal or equitable interest in, right to, or claim  
7 to, any real or personal property, whether individually or jointly, directly or indirectly  
8 controlled, and wherever located, including but not limited to: chattels, goods, instruments,  
9 equipment, fixtures, general intangibles, effects, leaseholds, mail or other deliveries,  
10 inventory, checks, notes, accounts (including, but not limited to, bank accounts and accounts  
11 at other financial institutions), credits, receivables, lines of credit, contracts (including spot,  
12 futures, or option contracts), insurance policies, and all cash.  
13

14 13. "Defendants" shall mean and refer to not only SNC Asset Management, Inc.,  
15 SNC Investments, Inc., Peter Son, and Jin Chung, but also to any d/b/a, successor, affiliate,  
16 subsidiary, or other entity owned, controlled, managed, or held by, on behalf of, or for the  
17 benefit of SNC Asset Management, Inc., SNC Investments, Inc., Peter Son, and/or Jin  
18 Chung.  
19

20 14. "Relief Defendant" shall mean and refer to not only Ann Lee, but also to any  
21 d/b/a, successor, or other entity owned, controlled, managed, or held by, on behalf of, or for  
22 the benefit of Ann Lee.  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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1 or indirect control, whether jointly or singly;

2           18.     Transfer to the territory of the United States and to the possession, custody,  
3 and control of the Commission, all funds, documents, and assets, including the assets (other  
4 than real property), located outside the United States that are held by each and every  
5 Defendant or Relief Defendant, for their benefit, or under their direct or indirect control,  
6 whether jointly or singly; and

7           19.     Provide the Commission access to all records of Defendants and Relief  
8 Defendant held by financial institutions located within or outside the territorial United States  
9 by signing the Consent to Release of Financial Records (attached to this Order as attachments  
10 A – E).

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12  
13 **III.    Directives to Financial Institutions and Others**

14           **IT IS FURTHER ORDERED**, pending further Order of this Court, that any  
15 financial or brokerage institution, business entity, or person that holds or has held, controls or  
16 has controlled, or maintains or has maintained custody of any of the assets at any time since  
17 January 1, 2000, shall:

18           20.     Prohibit Defendants, Relief Defendant, and all other persons from  
19 withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing,  
20 dissipating, converting, selling, or otherwise disposing of the assets, except as directed by  
21 further Order of the Court;

22           21.     Deny Defendants and Relief Defendant and all other persons (except for the  
23 Commission or a Court appointed receiver) access to any safe deposit box that is: (a) owned,  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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1 controlled, managed, or held by, on behalf of, or for the benefit of Defendants or Relief  
2 Defendant, either individually or jointly, whether in the name, alias, or fictitious "doing  
3 business as" name; or (b) otherwise subject to access by Defendants or Relief Defendant;

4  
5 22. Provide counsel for the Commission within five (5) business days of receiving  
6 a copy of this Order, a statement setting forth: (a) the identification number of each and  
7 every account or other asset owned, controlled, managed, or held by, on behalf of, or for the  
8 benefit of Defendants or Relief Defendant (as defined above), either individually or jointly;  
9 (b) the balance of each such account, or a description of the nature and value of such asset as  
10 of the close of business on the day on which this Order is served, and, if the account or other  
11 asset has been closed or removed, the date closed or removed, the total funds removed in  
12 order to close the account, and the name of the person or entity to whom such account or  
13 other asset was remitted; and (c) the identification of any safe deposit box that is owned,  
14 controlled, managed, or held by, on behalf of, or for the benefit of Defendants or Relief  
15 Defendant, either individually or jointly, or is otherwise subject to access by Defendants or  
16 Relief Defendant; and

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19 23. Upon request by the Commission, promptly provide the Commission and/or a  
20 Receiver with copies of all records or other documentation pertaining to such account or  
21 asset, including, but not limited to, originals or copies of account applications, account  
22 statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts,  
23 all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and  
24 safe deposit box logs.  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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1 **IV. Maintenance of Business Records**

2 **IT IS FURTHER ORDERED that:**

3 24. Defendants, Relief Defendant, and their agents, servants, employees, assigns,  
4 attorneys, and persons in active concert or participation with the Defendants or Relief  
5 Defendant, including any successor thereof, and all other persons or entities who receive  
6 notice of this Order by personal service or otherwise, are restrained and enjoined from  
7 directly or indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in  
8 any manner, directly or indirectly, any documents that relate to the business practices, or  
9 business or personal finances of Defendants or Relief Defendant.  
10  
11

12 **V. Inspection and Copying of Books and Records**

13 **IT IS FURTHER ORDERED that:**

14 25. Representatives of the Commission shall be immediately allowed to inspect  
15 the books, records, and other documents of Defendants, Relief Defendant, and their agents,  
16 including, but not limited to, electronically stored information, tape recordings, and computer  
17 discs, wherever they may be situated and whether they are in the person of Defendants,  
18 Relief Defendant, or others, and to copy said documents, information and records, either on  
19 or off the premises; and Defendants, Relief Defendant, and their agents, servants, employees,  
20 assigns, attorneys, and persons in active concert or participation with the Defendants or Relief  
21 Defendant, including any successor thereof, who receive actual notice of this Order by  
22 personal service or otherwise, including facsimile or e-mail transmission, shall cooperate  
23 fully with the Commission to locate and provide to representatives of the Commission all  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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1 books and records of Defendants and Relief Defendant, wherever such books and records  
2 may be situated, and to locate and provide to representatives of the Commission information  
3 regarding the whereabouts of Defendants and Relief Defendant.  
4

5 **VI. Order Granting Expedited Discovery**

6 **IT IS HEREBY ORDERED that:**

7 26. The Commission may conduct expedited discovery in advance of discovery  
8 allowed by FRCP Rule 26, the Commission may take depositions of Defendants, <sup>and</sup> Relief  
9 Defendant, ~~and non parties~~ subject to two calendar days notice pursuant to FRCP 30(a) and  
10

11 45; notice may be given personally, by facsimile, or by e-mail, and more than ten depositions  
12 may be taken. *Depositions may be taken of non-parties subject to reasonable*

13 **VII. Bond Not Required of Plaintiff**

14 **IT IS FURTHER ORDERED that:**

15 27. The Commission is an agency of the United States of America and,  
16 accordingly, need not post a bond.  
17

18 **VIII. Order to Show Cause**

19 **IT IS FURTHER ORDERED that:**

20 28. Defendants shall appear before this Court on the 22nd day of  
21

22 June, 2009, at 3:00 p.m., before the Honorable

23 Maxine M. Chesney at the United States Courthouse for the

24 Northern District of California, 450 Golden Gate Avenue, San Francisco, California 94102,

25 to show cause, if there be any, why an Order for Preliminary Injunction should not be granted  
26

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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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1 to prohibit further violations of the Act and why the other relief requested should not be  
2 granted pending trial on the merits of this action.

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4 29. Should any party wish to file a memorandum of law or other papers in  
5 opposition to Plaintiff's Motion for a Preliminary Injunction, all papers shall be filed on or  
6 before June 17, 2009, <sup>at 2:00 PDT</sup> and served via facsimile or overnight delivery to the  
7 Commission's Washington D.C. office no later than 2:00 o'clock p.m. <sup>PDT</sup> on  
8 June 17, 2009. Any reply papers shall be filed with the Court and  
9 delivered to opposing counsel no later than 3:00 o'clock p.m. <sup>PDT</sup> on  
10 June 19, 2009. Service of all papers shall be by electronic mail,  
11  
12 facsimile, or personal service.

13 **IX. Service**

14 **IT IS FURTHER ORDERED that:**

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16 30. Copies of this Order may be served by any means, including facsimile and e-  
17 mail transmission, upon any entity or person that may have possession, custody, or control of  
18 any documents or the assets that may be subject to any provision of this Order, and,  
19 additionally, that Luke Marsh, Toye Olarinde, Gretchen Lowe, Kara Mucha, Michelle  
20 Bougas, and representative(s) of the U.S. Marshal Service are specially appointed by the  
21 Court to effect service. Further, service of the Summons, Complaint, or other process may  
22 be effected by any Commission representative, any U.S. Marshal or deputy U.S. Marshal, or  
23 in accordance with FRCP 4, and service on corporate entities may be effected by serving the  
24 Summons, Complaint, or other process via overnight delivery to the registered agent of said  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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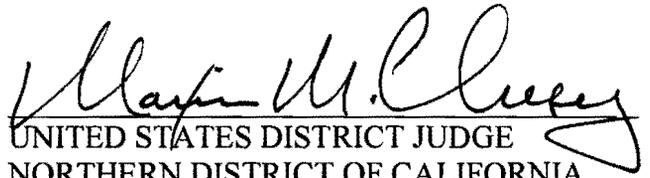
1 corporate entities.

2 **X. Force and Effect**

3 **IT IS FURTHER ORDERED** that:

4 <sup>8:00 a.m. on June 24, 2009 or until</sup>  
31. This Order shall remain in full force and effect until further order of this Court  
5 and that this Court retains jurisdiction of this matter for all purposes.  
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7 **IT IS SO ORDERED**, on the 10<sup>th</sup> day of June, 2009 at 8:00 a.m. PDT

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11 UNITED STATES DISTRICT JUDGE  
12 NORTHERN DISTRICT OF CALIFORNIA  
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28 (Proposed) Order Granting Plaintiff's *Ex Parte* Application for Statutory Restraining Order,  
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