

ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

U.S. DISTRICT COURT NORTHERN DISTRICT OF TEXAS FILED MAR - 4 2009 CLERK, U.S. DISTRICT COURT By _____ Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

RAY M. WHITE
CRW MANAGEMENT, L.P.

Defendants.

CHRISTOPHER R. WHITE
HURRICANE MOTORSPORTS, LLC

Relief Defendants,

3-09-CV-0407-K

**EX PARTE ORDER FREEZING ASSETS
AND GRANTING TRO AND OTHER EMERGENCY RELIEF**

This matter came before the Court this ^{4th} 3rd day of March, 2009, on motion of the Securities and Exchange Commission (Commission”), for the issuance of an order: (1) freezing assets, (2) temporarily restraining the Defendants from engaging in certain violative conduct, (3) requiring preparation of sworn, interim accountings; (4) prohibiting document alteration or destruction, (5) authorizing expedited discovery; and (6) authorizing alternative methods of service. Having considered the Commission’s Complaint, supporting memorandum, declarations and exhibits thereto, and the argument of counsel, the Court finds:

1. This Court has jurisdiction over the subject matter of this action and over Defendants Ray M. White and CRW Management, L.P. (collectively “Defendants”) and Relief Defendants Christopher R. White and Hurricane Motorsports, LLC (collectively “Relief

Defendants”), and the Commission is a proper party to bring this action seeking the relief sought in its Complaint.

2. There is good cause to believe that the Defendants have engaged, are engaged, and will continue to engage, in acts and practices that constitute and will constitute violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)]; and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(B)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

3. There is good cause to believe that investor funds and assets obtained by the Defendants and Relief Defendants from the unlawful activities described in the Commission’s Complaint have been and will be misappropriated, hidden, wasted, or otherwise used to the detriment of investors. Furthermore, there is good cause to believe that the Defendants and Relief Defendants do not have sufficient funds or assets to satisfy the relief that might be ordered in this action.

4. There is good cause to believe that Defendants used improper means to obtain investor funds and assets.

5. There is good cause to believe that the Defendants will continue to engage in the acts and practices constituting the violations set forth above unless restrained and enjoined by order of this Court.

6. There is good cause to believe that giving notice to the Defendants and Relief Defendants of the Commission’s motion for this Order would result in immediate and irreparable injury, loss, or damage to investors.

7. There is good cause to believe that an interim accounting is appropriate as to each Defendant to determine the disposition of investor funds and to ascertain the total assets that should continue to be frozen.

8. There is good cause to believe that it is necessary to preserve and maintain the business records of Defendants and Relief Defendants from destruction.

9. This proceeding is one in which the Commission seeks a preliminary injunction.

10. The timing restrictions of Fed. R. Civ. P. 26(d) and (f), 30(a)(2)(C) and 34 do not apply to this proceeding in light of the Commission's requested relief and its demonstration of good cause.

11. Expedited discovery is appropriate to permit a prompt and fair hearing on the Commission's Motion for Preliminary Injunction.

IT IS THEREFORE ORDERED:

I.

Defendants and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are restrained and enjoined from making use of any means or instrumentalities of interstate commerce, or of the mails or of any facility of a national security exchange, directly or indirectly, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;
- (c) to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person; or
- (d) to use or employ any manipulative or deceptive device or contrivance in contravention of a rule or regulation prescribed by the Securities and Exchange Commission.

[Exchange Act § 10(b) and Rule 10b-5 thereunder (15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5)].

II.

Defendants and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are restrained and enjoined in the offer or sale of any securities by use of any means or instruments of transportation or communication in interstate commerce, or of the mails, from, directly or indirectly:

- (a) employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) engaging in any transactions, practices or courses of business which operate or would operate as a fraud or deceit upon any purchaser or prospective purchaser.

[Securities Act § 17(a) (15 U.S.C. § 77q(a))].

III.

Defendants and their agents, servants, employees, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are restrained and enjoined from, directly or indirectly:

- (a) making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities through the use or medium of any offering document or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;
- (b) carrying any securities or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, to offer to sell, or to offer to buy, through the use or medium of any offering documents or otherwise, any securities, unless a registration statement has been filed with the Commission as to such securities, or while a registration statement filed with the Commission as to such securities is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding of examination under Section 8 of the Securities Act [15 U.S.C. § 77h]; provided, however, that nothing in this Part III of this Order shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act [15 U.S.C. § 77e].

[Securities Act §§ 5(a) and 5(c) (15 U.S.C. §§ 77e(a) and 77e(c))].

IV.

Defendants and Relief Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise are restrained and enjoined from, directly or indirectly, making any payment or expenditure of funds, incurring any additional liability (including, specifically, by advances on any line of credit and any charges on any credit card), or effecting any sale, gift, hypothecation or other disposition of any asset, pending provision of sufficient proof to the Court of sufficient funds or assets to satisfy all claims alleged in the Commission's Complaint, or the posting of a bond or surety sufficient to assure payment of any such claim. Further, any bank, trust company, broker-dealer, depository institution, entity, or individual holding accounts or assets for or on behalf of any of the Defendants and Relief Defendants shall make no transactions in assets or securities (excepting liquidating necessary as to wasting assets) and no disbursement of assets or securities (including extensions of credit, or advances on existing lines of credit), including the honor of any negotiable instrument (including, specifically, any check, draft, or cashier's check) purchased by or for the Defendants and Relief Defendants, pending further order of this Court.

V.

To effectuate the provisions of Paragraph IV, the Commission may cause a copy of this Order to be served on any bank, trust company, broker-dealer, depository institution, entity, or individual either by United States mail or by facsimile as if such service were personal service, to restrain and enjoin any such institution, entity, or individual from disbursing assets, directly or indirectly, to or on behalf of Defendants and Relief Defendants, or any companies or persons or entities under their control.

VI.

Defendants and Relief Defendants and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, are restrained and enjoined from destroying, removing, mutilating, altering, concealing or disposing of, in any manner, any of their books and records or any documents relating in any manner to the matters set forth in the Commission's Complaint, or the books and records of any entities under their control, until further order of this Court.

VII.

Each Defendant and Relief Defendant shall make an interim accounting under oath, within ten days of the issuance of this Order or three days prior to the hearing on the Commission's application for preliminary injunction and other relief, whichever is sooner, describing in detail: (a) all monies and other benefits they received, directly and indirectly, from or as a result of the activities alleged in the Complaint or thereafter transferred, including the amount, date, method, and location of transfer, payee and payor, and purpose of payment or transfer; (b) the account identifying information for all accounts held by or for the benefit of the Defendant or Relief Defendant, including the name of bank, trust company, brokerage firm or other depository institution, account numbers, and the names, dates of birth, addresses, and social security numbers of signatories on any such account. The accounting shall be sufficient to permit a full understanding of the flow of funds relating to the activities alleged in the Complaint to the extent known by Defendant or Relief Defendant or within the Defendant's or Relief Defendant's power to learn. The accounting and all documents reviewed in the course of the preparation thereof or otherwise pertaining thereto shall be delivered by facsimile or overnight courier to Timothy S.

McCole, Securities and Exchange Commission, Burnett Plaza, 19th Floor, 801 Cherry Street, Unit 18, Fort Worth, Texas 76102 by the deadline set forth above.

IX.

A. Any party may notice and conduct depositions upon oral examination and may request production of documents or other things for inspection and or copying from parties prior to the expiration of thirty (30) days after service of the Complaint on the Defendants.

B. All parties shall comply with the provisions of Rule 45 of the Federal Rules of Civil Procedure regarding issuance and service of subpoenas unless the person designated to provide testimony or to produce documents or things agrees to provide the testimony or to produce the documents or things without the issuance of a subpoena and/or to do so at a place other than one at which testimony or production can be compelled.

C. Any party may notice and conduct depositions upon oral examination subject to minimum notice of 72 hours.

D. All parties shall produce for inspection and copying all documents and things that are requested within 72 hours of service of a written request for those documents and things.

E. All parties shall serve written responses to any other party's request for discovery.

The Defendants and Relief Defendants' responses shall be sent to the Plaintiff Commission addressed as follows:

United States Securities and Exchange Commission
Fort Worth Regional Office
Attention: Timothy S. McCole
Burnett Plaza, Suite 1900
801 Cherry Street, Unit #18
Fort Worth, TX 76102-6882
McColeT@SEC.gov
Facsimile: (817) 978-4927

The Plaintiff Commission's responses shall be sent to the other parties at such address(es) as may be designated by them in writing. Such delivery shall be made by the most expeditious means available, including by email and facsimile machine.


X.

The United States Marshal in any district in which any Defendant or Relief Defendant resides, transacts business, or may be found, is hereby authorized and directed to make service of process at the request of the Commission.

XI.

The hearing on the Commission's motion for a preliminary injunction shall take place at 10:30 o'clock a.m. on march 11, 2009, in Courtroom 1027 or at such other time or place as counsel may be heard, and that the Defendants and Relief Defendants, and each of them, shall serve any papers in opposition to the Commission's motion so as to be received no later than five days before the time established in this Order for a hearing on the motion. Service shall be made by fax to Timothy S. McCole, Trial Counsel, at fax number (817) 978-4927, and by overnight delivery of the papers to the Commission, Burnett Plaza, Suite 1900, 801 Cherry Street, Unit 18, Fort Worth, Texas, 76102, to the attention of Timothy S. McCole, Trial Counsel, or such other place and person as counsel for the Commission may direct in writing.

Dated: March 11, 2009


UNITED STATES DISTRICT JUDGE