



LLC, A TEXAS LIMITED LIABILITY COMPANY (NATT); HOWARD GLENN JUDAH, JR. (Judah); and GREGORY F. JABLONSKI (Jablonski) (each a "Defendant" and collectively, the "Defendants"); their agents, officers, servants, employees, representatives, attorneys and any other party in active concert with or participation with them who receives actual notice of the order by personal service or otherwise; and Sterling Bancshares, Inc. aka Sterling Bank (Sterling); Capital One Bank (USA), N.A. (Capital One); and SLSF Escrow Services, LLC (SLSF) as Relief Defendants only (each a "Relief Defendant" and collectively, the "Relief Defendants").

The Petition further requested the Court appoint Janet Mortenson (Mortenson) as Temporary Receiver for Defendants NLS-Texas and NATT without notice and hearing; and after notice and hearing, appoint Mortenson as Receiver for Defendants NLS-Texas NATT and NLS-Colorado.

The Court issued the Temporary Restraining Order and Order Appointing Temporary Receiver of Defendants NLS-Texas and on February 13, 2009 (TRO), which is still in full force and effect.

This order shall take effect and remain in effect until a final judgment is entered in this case, subject however to further orders of this Court prior thereto.

It appears to the Court that this is an action by the State of Texas through its Attorney General, Greg Abbott, under the authority granted by the Constitution and the laws of the State of Texas, and at the request of the Securities Commissioner of Texas, Denise Voigt Crawford. It appears that this Court has jurisdiction over all parties and subject matter. The Court, after considering the evidence presented and arguments of counsel, is of the opinion and so finds that a sufficient showing has been made that

there exists a present necessity for entry of a temporary order enjoining the Defendants, their officers, directors, employees, agents and representatives from violating the Securities Act of Texas, TEX. REV. CIV. STAT. Art. 581-1 *et. seq.*, in connection with the sale and offer for sale of securities. Further, the Court is of the opinion that Defendants, their officers, directors, agents, employees and representatives should be enjoined from wasting, withdrawing, concealing, or disposing of any books, records, or assets relating to Defendants' business of selling securities and offering securities for sale. Further, the Court is of the opinion that, pending further orders of the Court, Defendants, their officers, directors, agents, employees and representatives should be enjoined from contacting via telephone, electronic mail, or other written correspondence, or otherwise communicating, in any way, with any investor or customer of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company without prior written approval from the Receiver appointed herein.

It appears to the Court that it is necessary to appoint a receiver to take sole control and possession of, and to manage the company, money, property, and assets of the following entities: National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company, all money, property, and assets of Defendants containing or derived from proceeds of Defendants' sale of securities or used in furtherance thereof.

## FINDINGS

In support of its determination, the Court makes the following findings:

1. The Court has jurisdiction over the parties and the subject matter herein and Plaintiff is entitled to a Temporary Injunction and Order Appointing Permanent Receiver as granted herein.
2. The State of Texas has a probable right and will probably prevail upon final hearing of this action.
3. There is no adequate remedy at law.
4. Defendants are in violation of the Securities Act by selling unregistered securities to the public, selling securities through unregistered securities dealers, salesmen, and agents, and committing fraud and fraudulent practices in connection with the sale of securities, and unless temporarily enjoined, the Defendants will continue to commit violations of the law of the State of Texas, all contrary to the best interests of the general public and of the State of Texas.
5. Defendants have acted as a dealer, salesman, or issuer, or as an affiliate of a dealer, salesman, or issuer, and Defendants have engaged in acts, transactions, practices, or courses of business declared to be fraudulent practices by Section 32 of the Securities Act and have acted as a dealer, salesman, or issuer or an affiliate of a dealer, salesman, or issuer in connection with such fraudulent practices.
6. Immediate and irreparable injury, loss, and damage will result to the present investors and future investors who have purchased and will purchase securities from Defendants, and to the general public, unless Defendants are enjoined from promoting, issuing, selling, offering for sale, negotiating for sale, advertising, soliciting, dealing in or distributing any security or securities without complying with the registration provisions of the Securities Act, and from committing fraud and fraudulent practices in the sale and offer for sale of securities.
7. Defendants, their officers, agents, servants, employees, and attorneys should be enjoined from wasting, concealing or disposing of any books, records, property or assets of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company, and property or assets of Defendants containing or derived from proceeds of Defendants' sale of securities or used in furtherance thereof.

8. A receiver is needed to conserve and manage the property and assets of and to conduct the affairs of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company, and all money, property, and assets of Defendants; to prevent the wasting of assets containing or derived from proceeds of Defendants' sale of securities or used in furtherance thereof, for the benefit of the investors should restitution and disgorgement be granted in this case under §32 of the Securities Act; and to preserve the status quo. Unless a receiver is appointed, the property and assets of Defendants will be dissipated, wasted, and secreted to the irreparable and immediate injury to the investors.
9. The Court may appoint a receiver pursuant to Section 25-1 of the Securities Act.
10. Defendants have been properly served, by personal service, with the Petition and the TRO.

It is therefore ORDERED that the Defendants **NATIONAL LIFE SETTLEMENTS, LLC, A TEXAS LIMITED LIABILITY COMPANY; NATIONAL LIFE SETTLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY; NATT, LLC, A TEXAS LIMITED LIABILITY COMPANY; HOWARD GLENN JUDAH, JR.; and GREGORY F. JABLONSKI;** their officers, directors, principals, partners, joint venturers, employees, salesmen, agents, attorneys, representatives, and others acting in concert with any of the Defendants who receive actual notice of the Court's order by personal service, facsimile transmission, or otherwise, are hereby **COMMANDED** and ORDERED as follows:

**ORDER ENJOINING DEFENDANTS AND THOSE RELATED THERETO**

**TO: NATIONAL LIFE SETTLEMENTS, LLC, A TEXAS LIMITED LIABILITY COMPANY; NATIONAL LIFE SETTLEMENTS, LLC, A COLORADO LIMITED LIABILITY COMPANY; NATT, LLC, A TEXAS LIMITED LIABILITY COMPANY; HOWARD GLENN JUDAH, JR.; and GREGORY F. JABLONSKI;** their officers, directors, principals, partners, joint venturers, employees, salesmen, agents, attorneys, representatives, and others acting in concert with any of the Defendants who receive actual notice of the Court's order by personal service, facsimile transmission, or otherwise;

1. **Dissipation of assets.** Disposing of, transferring, selling, assigning, negotiating, expending, encumbering, partitioning, canceling, concealing, secreting, disguising, hypothecating or removing money, assets, notes, equipment, fixtures, receivables, expectancies, funds or other property or objects of value, whether real, personal, or mixed and whether tangible or intangible, wherever situated, belonging to, owned by, in the possession of, acquired by, or claimed by Defendants, their affiliated companies, or their officers, directors, principals, partners, and attorneys, and others acting in concert with or in behalf of said entities where such property results from or is derived from the securities offered and sold by Defendants;
2. **Destruction or removal of books and records.** Disposing of, transferring, selling, assigning, canceling, concealing, destroying, hiding, moving, secreting, disguising, or hypothecating the books, records, ledgers, journals, invoices, contracts, notes, leases, investor lists, investor files, investor subscription agreements, tax forms or advice, receipts, computer files, electronic information of any kind, materials, or any other documents or tangible items relating in any way to Defendants and their affiliated companies, or relating in any manner whatsoever to the services or contracts relating to securities offered and sold by the Defendants, which are now or which may come within or under the possession, custody, or control of the Defendants, their affiliated companies, and their agents, servants, officers, directors, principals, partners, joint venturers, successors, shareholders, employees, salesmen, representatives, attorneys, or any other entity acting in concert with or on behalf of Defendants;
3. **Selling securities.** Promoting, issuing, selling, offering for sale, negotiating for sale, advertising, soliciting, dealing in or distributing any securities, including investment contracts, in any way and by any manner or means, either directly or indirectly through agents, servants, officers, directors, shareholders, employees, representatives, or any other entity acting for them or on their behalf without complying with the securities registration requirements found in the Texas Securities Act;
4. **Acting as an agent, dealer or salesman.** Promoting, issuing, selling, offering for sale, negotiating for sale, advertising, soliciting, holding seminars, dealing in or distributing any securities, including investment contracts, to investors in any way and by any manner or means, either directly or indirectly through agents, servants, officers, directors, shareholders, employees, representatives, or any other entity acting for them or in their behalf, without complying with all dealer and salesman registration requirements of the Texas Securities Act;
5. **Engaging in fraud.** Engaging in any fraud or fraudulent practice in connection with the offer for sale or sale of securities, in violation of the Texas Securities Act or other laws of Texas, including any misrepresentation of fact or omission of material facts;

6. **Interfering with investigation.** Obstructing, hampering, seeking to delay, or interfering in any manner with any investigation of Defendants' sale of securities, including notes, evidences of indebtedness, investment contracts, conducted pursuant to the lawful authority of the Texas State Securities Board, the Office of the Attorney General, the Receiver, or any other law enforcement or governmental authority;
7. **Communicating with Investors and Customers.** Contacting, via telephone, electronic mail or other written correspondence, or otherwise communicating, in any way, with investors or customers of either National Life Settlements, LLC, a Texas Limited Liability Company, or NATT, LLC, a Texas Limited Liability Company, without prior written approval from the Receiver appointed herein.
8. **Interfering with operation of trusts.** Interfering in any manner with or taking any action as trustee over any trust related in any way to National Life Settlements LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, or related in any way to any securities issued, offered or sold by Defendants, without the express consent of the Receiver.
9. **Interfering with the Receiver or the Receivership Estate.** Interfering with, obstructing, or hampering the Receiver appointed under this Order, including accessing or using any web site, telephone, voice mail, or electronic mail account owned or used by Defendant National Life Settlements, LLC, a Texas Limited Liability Company or Defendant NATT, LLC, a Texas Limited Liability Company.

#### **ORDER APPOINTING RECEIVER**

It is FURTHER ORDERED, ADJUDGED, and DECREED by this Court that Janet Mortenson (sometimes called the "Receiver" in this Order), is authorized to serve as Permanent Receiver of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company and National Life Settlements, LLC, a Colorado Limited Liability Company. Janet Mortenson is further authorized to serve as Permanent Receiver of all money, property, and assets of National Life Settlements, LLC, Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company, as well as all money, property, and assets of Defendants, Howard

Glenn Judah, Jr., and Gregory F. Jablonski aka Gregory F. Joblonski as appear to the Receiver to contain or be derived from proceeds of Defendants' sale of securities or used in furtherance thereof (collectively "Receivership Estate" or "Estate"). The primary obligations of the Receiver, which will guide her in using her discretion, are:

1. To notify investor-victims of these proceedings;
2. To locate, seize, take sole control, and preserve all money, property, and assets of National Life Settlements, LLC, a Texas Limited Liability Company and NATT, LLC, a Texas Limited Liability Company derived from proceeds of Defendants' sale of securities;
3. To discover what money has been sent to Defendants, in what amounts, when, and under what terms;
4. To effect fair restitution if possible, from assets under control of the Receiver, according to a plan to be approved by the Court after a diligent investigation has been made into the identity of investor-victims, the amounts they paid to Defendants, any amounts already paid by Defendants to the investor-victims, and the circumstances under their dealings with Defendants arose;
5. To assist the State Securities Board, the Attorney General and/or law enforcement entities in their investigation of Defendants' violations of the Securities Act to the extent not inconsistent with the other terms of this order and/or the best interests of the receivership estate and the investor- victims; and
6. To keep receivership expenses as low as possible consistent with an accurate and efficient administration of the receivership estate.

Janet Mortenson is thus HEREBY APPOINTED as Permanent Receiver for National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company with the full power of an equity receiver under common law as well as such powers as are enumerated in this Order. Janet Mortenson is further appointed as Permanent Receiver of all money, property, and assets of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability



Company, and National Life Settlements, LLC, a Colorado Limited Liability Company, as well as all money, property, and assets of Defendants Howard Glenn Judah, Jr., and Gregory F. Jablonski, aka Gregory F. Joblonski as appear to the Receiver to contain or be derived from proceeds of Defendants' sale of securities or used in furtherance thereof. Except for an act of willful malfeasance or gross negligence, the Receiver shall not be liable for any loss or damage incurred by the Receivership Estate, or any of Defendants, the Defendants' clients or associates, or their subsidiaries or affiliates, their officers, directors, agents, and employees, or by any of Defendants' creditors or equity holders because of any act performed or not performed by her or her agents or assigns in connection with the discharge of her duties and responsibilities hereunder. Janet Mortenson is DIRECTED AND EMPOWERED as Receiver to exercise the following powers in her sole discretion, either personally or through a designated agent, in pursuit of the obligations set out above:

1. To take possession and full and sole legal control of all funds, property, real, personal or mixed, and assets of whatever nature and wherever located (within or without the State of Texas), as appear to the Receiver in her sole discretion to be derived from Defendants' fraudulent operations or used in furtherance thereof, whether directly or indirectly; specifically including BUT NOT LIMITED TO the following accounts, assets and things:
  - (a) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *National Life Settlements, LLC*, Account No. 5000182103, whereby Howard Judah, Gregory Jablonski, and Emily Dianne Huber are named as authorized signatories;
  - (b) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *National Life Settlements, LLC*, Account No. 131018434, whereby Howard G. Judah, Erica M. Judah and Gregory Francis Jablonski are named as authorized signatories;
  - (c) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Cathedral Mountain Trust*, Account No. 5000351355, whereby Gregory Francis Jablonski, Trustee, Stephen G. Jablonski Trustee, and

Thomas Martin McLaughlin, Trustee, are named as authorized signatories;

- (d) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Cathedral Mountain Trust*, Account No. 5000351398, whereby Gregory Francis Jablonski, Trustee, Stephen G. Jablonski Trustee, and Thomas Martin McLaughlin, Trustee, are named as authorized signatories;
- (e) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Howard G. Judah dba Owl Mortgage*, Account No. 311004573, whereby Howard G. Judah and Janet E. Judah are named as authorized signatories;
- (f) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Preservation Capital LLC*, Account No. 5000263715, whereby Gregory Francis Jablonski and Howard G. Judah are named as authorized signatories;
- (g) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *TomTrot Trust (and/or "TomTrott")*, Account No. 5000263413, whereby Howard G. Judah, Trustee, is named as the authorized signatory;
- (h) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *PRS Investments, LLC*, Account No. 5000238982, whereby John A. Carroll and Howard G. Judah are named as authorized signatories,
- (i) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *JCJ and Associates, LLC*, Account No. 5000131991, whereby Gregory Francis Jablonski and Stephen G. Jablonski are named as authorized signatories;
- (j) An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *NATT, LLC*, Account No. 5000194934, with Erica M. Judah is an authorized signatory;
- (k) An account maintained at Capital One Bank, N.A., styled *NATT, LLC*, Account No. 3830636284, with unknown signatories;
- (l) An account maintained at Capital One Bank, N.A., styled *NATT, LLC*, Account No. 3820506811, with Howard Judah and Gregory Jablonski as authorized signatories;
- (m) An account maintained at Capital One Bank, N.A., styled *National Life Settlements, LLC*, Account No. 3820298518, with Howard G. Judah, Gregory Jablonski and Emily Huber as authorized signatories;

- (n) An account maintained at Capital One Bank, N.A., styled *Shooters Challenge, LLC*, Account No. 3820597175, with unknown authorized signatories;
  - (o) Any accounts, including any escrow accounts, maintained at SLSF Escrow Services, LLC; and
  - (p) Any trust related in any way to National Life Settlements LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or related in any way to any securities issued, offered or sold by Defendants; and
  - (q) Any recognized legal privilege owned or held by National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company.
2. To take possession of, full legal title to, and sole ownership and control of any and all rights, powers, and interests in, pursuant to, or in connection with any trust, beneficial interest, insurance policy, contract, assignment, or related instrument owned or held by National Life Settlements LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, or NATT, LLC, a Texas Limited Liability Company.
  2. To take possession and full and sole legal control of all books, records, computers, computer disks, other electronic data storage devices and materials relating to Defendants' fraudulent operations and all money, property and assets of Defendants which appear to the Receiver in her sole discretion to contain or be derived from proceeds of Defendants' sale of securities or used in furtherance thereof, including computers, financial and other records, books of accounts, checks, accounts receivable, passbooks, account numbers, and access codes for the accounts of deposit of Defendants described in paragraph 1 above, wherever and by whomever these records or accounts may be held;
  3. To enter, occupy and take full and sole legal control of any portion of the premises located at 14614 Falling Creek, Suite 260, Houston, Texas 77068 ("Premises"), including changing locks and terminating or changing the names of accounts for utilities, cable, satellite, or telephone service at the Premises. If it appears to the Receiver that a non-affiliated entity, as described below, maintains any records or operates any business on the Premises, the Receiver is authorized to make reasonable accommodations to such third party to minimize, as practicable, the disruption of its business if such accommodations do not conflict with the Receiver's duties; however, the Receiver is authorized to inspect all portions of the Premises to locate assets or records of any Defendant or Relief

Defendant and is empowered to take into her possession any records, including computers or other devices potentially containing electronic records, that she believes might be records of the Defendants and to retain possession of those records until such time as she can determine they are not records of the Defendants but of some non-affiliated entity. After determining that records in fact belong to a non-affiliated entity, the Receiver will return those records, but shall have the right to copy any portion of those records that contains information related to the Defendants. In this context, the term 'non-affiliated' includes a business appearing to have no other relationship with the Defendants than one of office/space sharing. The Receiver shall further have the authority to terminate any lease if she determines it is in the best interest of the receivership estate; and to remove assets, property, materials and records, whether written or stored in computers, and including said computers, from the Premises located at 14614 Falling Creek, Suite 260, Houston, Texas 77068;

4. To enter, occupy and take full and sole legal title, as of the date of this Order, to the property known as Lot 5, Block 4, Windrose West Sec. 13, Harris County, Texas, and also known as 20511 Misty Crossing Lane, Spring, Texas 77379 ("the House"), including changing locks and security codes terminating or changing the names of accounts for utilities, cable, satellite, or telephone service at the House, and listing and selling the House under such terms and conditions as she in her sole discretion may determine;
5. To conduct, manage, and take sole charge of all business affairs of, and on behalf of Defendant National Life Settlements, LLC, a Texas Limited Liability Company, Defendant NATT, LLC, a Texas Limited Liability Company, and Defendant National Life Settlements, LLC, a Colorado Limited Liability Company;
6. To receive, collect and open all mail directed to National Life Settlements, LLC, a Texas Limited Liability Company, NATT, a Texas Limited Liability Company and National Life Settlements, LLC, a Colorado Limited Liability Company, or delivered to any address or post office box used by these Defendants, and to direct the post office and commercial delivery services to forward all such mail and deliveries to the Receiver's office;
7. To sign checks or other instruments withdrawing, depositing or transferring funds with respect to any account listed in paragraph 1 of this Order or otherwise identified by the Receiver as property of the Receivership Estate.
8. To negotiate, transfer, or redeem any certificate, contract, instrument or security held by or in the name of Defendants;
9. To dismiss employees, contractors, consultants, attorneys, agents or assistants of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company, or to change the terms of employment or engagement

with any of them, or to hire employees, contractors, consultants, accountants, attorneys, legal assistants, or other assistants under terms to be determined by the Receiver, whose services, in the sole discretion of the Receiver, are necessary for an efficient and accurate administration of the receivership estate;

10. To recover by taking full legal control and ownership of assets or property acquired with funds derived from or obtained through Defendants' investment scheme, whether directly or indirectly, including any assets located offshore, to any trust related in any way to National Life Settlements LLC, a Texas Limited Liability Company, NATT, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company, or to any trust related in any way to any securities issued, offered or sold by Defendants;
11. To file, prosecute, compromise, adjust, intervene in, become a party to, or defend any suit or suits in any state, federal, or foreign courts or forums by or against Defendants which may be deemed necessary, in the sole discretion of the Receiver, to further the obligations of the Receiver as set out above, but not to serve as an arbiter of claims by creditors of Defendants, or other claimants who are not investor-victims, as determined in the sole discretion of the Receiver;
12. To institute such actions or proceeding to impose a constructive trust, obtain possession, and/or recover judgment with respect to persons or entities who received assets or records traceable to the Receivership Estate. Unless otherwise authorized by this Court, all such actions shall be filed in this Court.
12. To dispose, for the benefit of investor-victims, of real and personal property of Defendants, if that property is determined by the Receiver to have been obtained or derived from the unlawful sale of securities;
13. To open accounts and transfer money from one institution to another, or one account to another, as necessary in the Receiver's sole discretion, and under terms the Receiver considers appropriate, for orderly administration and restitution;
14. To enter into contracts as necessary for the orderly administration of the receivership estate and to pay reasonable and necessary expenses incurred in connection with the foregoing duties out of the receivership estate;
15. To delegate to agents the authority to exercise any of the powers conferred on the Receiver by this order;
16. To advance her own funds, if necessary in her sole discretion, to pay any expense incurred in carrying out her responsibilities under this Order and to reimburse herself immediately for any funds advanced;

17. To file an accounting and a final report when she has concluded her duties under this Order; and
18. To exercise all equitable powers under the statutes and common law of this State authorizing the appointment of a Receiver.

The Receiver is further ORDERED to retain, and not deposit, any non-negotiated checks she seizes or receives from individuals or entities who appear to be investor-victims of Defendants.

The Receiver is further ORDERED to refrain from paying any Defendant's personal expenses or living expenses except as may be specifically ordered by the court.

The Court further ORDERS that the Receiver shall be paid for her services at her customary hourly rate, currently \$350.00, plus reasonable expenses. If the Receiver adjusts her customary hourly rate, she shall file a notice of that adjustment with the Court and she shall be paid at the adjusted rate, commencing at the beginning of the next month, unless the Court orders otherwise. The Receiver shall file invoices for her fees with the Court and serve copies on all parties of record. If no party of record files an objection with the Court within ten days of the filing of an invoice, then the Receiver shall pay herself from funds of the receivership estate. If a party files an objection, the objection must state with specificity the particular items of the Receiver's invoice to which an objection is made and the objecting party must obtain a hearing within ten days of filing the objection. If an objection is filed within ten days, the Receiver shall not pay herself the contested portion of the invoice until a hearing has been held on the objection and a ruling has been issued. If no hearing is obtained within ten days of the filing of an objection, the Receiver may pay herself the full amount of her invoice.

It is further ORDERED, that this Court has exclusive jurisdiction over all claims and causes of action against Defendants and others who assisted or aided Defendants in the operation of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company, or Defendants' sale or offer for sale of securities, and over all matters involving the Receiver and the Receivership.

**ORDER TO RELIEF DEFENDANTS AND FINANCIAL INSTITUTIONS**

It is further ORDERED, to the extent this has not already been done in compliance with the TRO, the State of Texas shall notify the following financial institutions, depositories or recipients of investor funds of the entry of this Temporary Injunction Order and Order Appointing Permanent Receiver, in that accounts identified herein contain the proceeds from the unlawful and fraudulent scheme described herein:

- A. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *National Life Settlements, LLC*, Account No. 5000182103, whereby Howard Judah, Gregory Jablonski, and Emily Dianne Huber are named as authorized signatories;
- B. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *National Life Settlements, LLC*, Account No. 131018434, whereby Howard G. Judah, Erica M. Judah and Gregory Francis Jablonski are named as authorized signatories;
- C. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Cathedral Mountain Trust*, Account No. 5000351355, whereby Gregory Francis Jablonski, Trustee, Stephen G. Jablonski Trustee, and Thomas Martin McLaughlin, Trustee, are named as authorized signatories;
- D. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Cathedral Mountain Trust*, Account No. 5000351398, whereby Gregory Francis Jablonski, Trustee, Stephen G. Jablonski Trustee, and Thomas Martin McLaughlin, Trustee, are named as authorized signatories;

- E. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Howard G. Judah dba Owl Mortgage*, Account No. 311004573, whereby Howard G. Judah and Janet E. Judah are named as authorized signatories;
- F. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *Preservation Capital LLC*, Account No. 5000263715, whereby Gregory Francis Jablonski and Howard G. Judah are named as authorized signatories;
- G. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *TomTrot Trust (and/or "TomTrott")*, Account No. 5000263413, whereby Howard G. Judah, Trustee, is named as the authorized signatory;
- H. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *PRS Investments, LLC*, Account No. 5000238982, whereby John A. Carroll and Howard G. Judah are named as authorized signatories,
- I. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *JCJ and Associates, LLC*, Account No. 5000131991, whereby Gregory Francis Jablonski and Stephen G. Jablonski are named as authorized signatories;
- J. An account maintained at Sterling Bancshares, Inc. aka Sterling Bank styled *NATT, LLC*, Account No. 5000194934, with Erica M. Judah is an authorized signatory;
- K. An account maintained at Capital One Bank, N.A., styled *NATT, LLC*, Account No. 3830636284, with unknown signatories;
- L. An account maintained at Capital One Bank, N.A., styled *NATT, LLC*, Account No. 3820506811, with Howard Judah and Gregory Jablonski as authorized signatories;
- M. An account maintained at Capital One Bank, N.A., styled *National Life Settlements, LLC*, Account No. 3820298518, with Howard G. Judah, Gregory Jablonski and Emily Huber as authorized signatories;
- N. An account maintained at Capital One Bank, N.A., styled *Shooters Challenge, LLC*, Account No. 3820597175, with unknown authorized signatories;
- O. Any accounts, including any escrow accounts, maintained at SLSF Escrow Services, LLC; and



- P. Any trust related in any way to National Life Settlements LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or related in any way to any securities issued, offered or sold by Defendants.

The Court hereby orders that any financial or brokerage institution, escrow agent, title company, storage facility, commodity trading company, depository, recipient, business entity or person (1) holding money in the name and/or for the benefit of National Life Settlements, LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company; (2) maintaining custody or control of any account or other asset derived from Defendants' fraud, or (3) maintaining custody or control of any corporation, partnership, or other entity directly or indirectly owned, managed, controlled by, or under common control with any of Defendants; and which received actual notice of this Order by personal service, facsimile, or otherwise, shall:

1. Hold and retain within its control and prohibit the withdrawal, removal, assignment, transfer, pledge, hypothecation, encumbrance, disbursement, dissipation, conversion, sale, or other disposal of any assets, funds, or other property of Defendants, under the control of Defendants, or on behalf of Defendants, in whole or in part, except in accordance with the Receiver's written instructions or any further order of the Court;

2. Deny, to anyone other than the Receiver or her authorized agent, access to any safe deposit boxes or storage facilities that are either titled in the name, individually or jointly, of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, National Life Settlements, LLC, a Colorado Limited Liability Company, Howard Glenn Judah, Jr., Gregory F. Jablonski aka Gregory F. Joblonski, or are otherwise subject to access by any of them;

3. Within fifteen (15) business days of the date of service of this Order, deliver to the Receiver appointed herein, Janet Mortenson, or her designated agents, by facsimile at (713) 610-3892 and the account holder a notarized statement, made under oath, setting forth:

- A. The identification of each account or asset titled in the name, individually or jointly, of Defendants, held on behalf of Defendants, or for the benefit of Defendants; and
- B. The balance of each such account, or a description and appraisal of the value of such asset, by closing time of the business day when notice of this Order was served; and if the account is closed or the asset has been removed, identify the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or asset was remitted;
- C. The identification of any safe deposit box or storage facility that is either titled in the name individually or jointly of Defendants or otherwise subject to access or control by any of the Defendants; and
- D. Allow the Receiver appointed herein immediate access to inspect and copy any records or other documentation pertaining to such account or asset, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs. Any such financial institution, account custodian, or other aforementioned entity may arrange for the Receiver to obtain copies of any such records which the Receiver seeks, provided that such institution or custodian may charge a reasonable fee for such copies, which fee shall be paid from the receivership estate.

4. Within 24 hours of receiving this Order, deliver to the Receiver or her designated agents, by facsimile at (713) 610-3892 a list of all transactions in the accounts, for the preceding two months, including but not limited to withdrawals, wire transfers, deposits, or other charges and offsets.

**MANDATORY TURN-OVER ORDER**

**TO: NATIONAL LIFE SETTLEMENTS, LLC, A TEXAS LLC  
NATIONAL LIFE SETTLEMENTS, LLC, A COLORADO LLC  
NATT, LLC, A TEXAS LLC  
HOWARD GLENN JUDAH, JR.  
GREGORY F. JABLONSKI AKA GREGORY F. JOBLONSKI**

TO THE EXTENT YOU HAVE NOT DONE SO IN COMPLIANCE WITH THE  
TEMPORARY RESTRAINING ORDER, AND TO THE EXTENT OF ANY OF THE

FOLLOWING ITEMS ARE WITHIN YOUR CUSTODY, CAR OR CONTROL, YOU AND EACH OF YOU AR ORDERED TO PERFORM THE FOLLOWING ACTS:

A. Immediately place in the possession of the Receiver appointed herein, Janet Mortenson, or one or more of her designated agents for the purpose of this turnover, all of the books, records, documents and other records, whether written, graphic, photographed, magnetically recorded, electronically recorded, generated by computer, or stored in a computer or other device, including said computer or other device, pertaining to National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company;

B. Immediately place in the possession of the Receiver appointed herein, Janet Mortenson, or one or more of her designated agents for the purpose of this turnover, all cash, checks, money orders, notes receivables, or the like, of or pertaining to National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company and National Life Settlements, LLC, a Colorado Limited Liability Company; and

C. Immediately place in possession of the Receiver appointed herein, Janet Mortenson, or one of more of her designated agents for the purpose of this turnover, all assets derived from the operation of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, and National Life Settlements, LLC, a Colorado Limited Liability Company except for assets in the possession of third parties, of which you are to immediately report the exact location and name of the custodian of the assets to the Receiver or her designated agents;

D. Repatriate to an account under the sole control of the Receiver any funds, documents, and assets located outside the State of Texas, held either by any Defendant or his agents, for any Defendant's benefit, or held under any Defendant's direct or indirect control, individually or jointly, and immediately notify the Receiver of the institution and account in which any repatriated funds are located;

E. Provide to the Receiver a list of all investors in investment programs offered and sold by National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company, including addresses and phone numbers;

F. Upon request of the Receiver or her designated agents, provide the Receiver with a full accounting of all funds, documents and assets outside the State of Texas held either by Defendants; for Defendants' benefit; or under Defendants' direct or indirect control, individually or jointly;

G. Prevent any transfer, disposition, or dissipation whatsoever of any documents, assets or funds controlled by the Defendants, either directly or indirectly;

H. Provide the Receiver or her designated agents access to Defendants' records and documents held by financial institutions outside the State of Texas.

I. By 12:00 noon on February 23, 2009, provide to the Receiver a list of all vehicles owned by the Defendants, including the make, model, year, Vehicle Identification Number, state of registration, owner named on the title to the vehicle, and the name and address of the insurance carrier on each vehicle.

J. By 12:00 noon on February 23, 2009, provide to the Receiver a list of all insurance policies owned by the Defendants or any person or entity under the Defendants' ownership or control.

**DIRECTION TO UNITED STATES POSTAL SERVICE**

**TO: ALL POSTMASTERS AND OTHER OFFICERS OR EMPLOYEES OF THE UNITED STATES POSTAL SERVICE**

YOU AND EACH OF YOU are hereby DIRECTED to cooperate with the Receiver appointed herein, Janet Mortenson or her designated agents, in connection with the delivery and forwarding of any and all mail addressed to National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company in order to effectuate the terms and purposes of this Order.

**DIRECTION TO LANDLORDS AND LEASING AGENTS**

**TO: LANDLORDS AND LEASING AGENTS OF PREMISES LEASED OR OCCUPIED BY NATIONAL LIFE SETTLEMENTS, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company, YOU AND EACH OF YOU ARE HEREBY DIRECTED AND AUTHORIZED TO:**

YOU AND EACH OF YOU are hereby DIRECTED to deliver to the Receiver appointed herein, Janet Mortenson, or one or more of her designated agents for the purpose of this order, the following: all mail, parcels, or other deliveries addressed to National Life Settlements, LLC, a Texas Limited Liability Company, at 14614 Falling

Creek, Suite 260, Houston, Texas 77068, NATT, LLC, a Texas Limited Liability Company, at 14614 Falling Creek, Suite 260, Houston 77068, or National Life Settlements, LLC, a Colorado Limited Liability Company.

**ORDER AUTHORIZING SERVICE PURSUANT TO RULE 103**

The Court hereby authorizes any person not less than eighteen years of age, who is not a party to or interested in the outcome of this suit, to serve citation and writ of injunction on any Defendant named herein.

**OTHER ORDERS**

It is ORDERED that this Court shall have exclusive jurisdiction over all claims and causes of action against Defendants arising from or related to the operation of National Life Settlements, LLC, a Texas Limited Liability Company, NATT, LLC, a Texas Limited Liability Company, or National Life Settlements, LLC, a Colorado Limited Liability Company arising from or related to Defendants' sale or offer for sale of securities.

It is further ORDERED that no bond is required of the State of Texas and this Temporary Injunction Order and Order Appointing Permanent Receiver shall issue and be effective immediately.


It is further ORDERED that the existing Temporary Restraining Order is dissolved by virtue of this Temporary Injunction Order upon the entry of this Temporary Injunction Order and Order Appointing Permanent Receiver, and this Temporary Injunction Order is likewise effective immediately upon its entry, all without any lapse or intervening period and without the necessity of a bond, and the Order Regarding Receiver set out herein is effective immediately upon entry, the Court finding the \$100

posted as cash in lieu of bond is sufficient for the purposes of the Order Regarding Receiver set out as part of this Temporary Injunction Order and Order Appointing Permanent Receiver.

It is further ORDERED that Plaintiff's Application for a Permanent Injunction is set for hearing on the 28<sup>th</sup> day of April, 2009, at 2:00 o'clock P.M. and this Temporary Injunction Order shall continue in effect until further order of this Court or an appellate court.

All of the foregoing is subject to further Orders of this Court.

SIGNED this the 26<sup>th</sup> day of February, 2009, at 3:55 o'clock P.M. in  
Austin, Travis County, Texas

  
DISTRICT JUDGE PRESIDING

**POSTED**

