

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS**

<b>U.S. COMMODITY FUTURES TRADING COMMISSION,</b>	)	
	)	
<b>Plaintiff,</b>	)	<b>CIVIL ACTION NO. 12-2559</b>
	)	
<b>v.</b>	)	
	)	
<b>J. HANSEN INVESTMENTS, LLC and JONATHAN HANSEN,</b>	)	<b>STATUTORY RESTRAINING ORDER, ORDER FOR EXPEDITED DISCOVERY AND ORDER TO SHOW CAUSE RE: PRELIMINARY INJUNCTION</b>
<b>Defendants.</b>	)	
	)	

Plaintiff U.S. Commodity Futures Trading Commission (“Commission” or “CFTC”) has filed a Complaint for Injunctive and Other Equitable Relief and Civil Monetary Penalties (“Complaint”), and moved, pursuant to Section 6c of the Commodity Exchange Act (“Act”), as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act of 2008), §§ 13101-13204, 122 Stat. 1651 (enacted June 18, 2008), and the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”), Pub. L. No. 111-203, §§ 701-774, 124 Stat. 1376, 1641 *et seq.* (effective July 16, 2011), 7 U.S.C. § 13a-1 (2006 & Supp. V. 2011), for a statutory restraining order providing the Commission with access to the books and records or other documents of Defendants and freezing Defendants’ assets. Additionally, the Commission moved for an order authorizing expedited discovery and an order to show cause why a preliminary injunction should not be issued. The Court has considered the pleadings, declarations, attachments and memorandum of law filed in support of the Commission’s motion, and all other evidence and arguments presented by the Commission, and finds that:

1. This Court has jurisdiction over the parties and over the subject matter of this action pursuant to Section 6c of the Act, as amended, 7 U.S.C. § 13a-1 (2006 & Supp. V. 2011).

2. Venue properly lies within this District pursuant to Sections 6c(e) of the Act, 7 U.S.C. § 13a-1(e) (2006 & Supp. V. 2011).

3. There is good cause to believe that defendants, Jonathan Hansen (“Hansen”) and J. Hansen Investments, LLC (“JHI”) (collectively, “Defendants”), have engaged, are engaging, or are about to engage in acts and practices constituting violations of the Act, as amended by the CRA and Dodd-Frank Act, 7 U.S.C. §§ 1, *et seq.* (2006 & Supp. V. 2011), and Commission Regulations, 17 C.F.R. § 1.1 *et seq.* (2012).

4. Plaintiff has presented evidence that since at least April 2009 through January 2012, Defendants fraudulently solicited and accepted at least \$1,117,160 from at least ten individuals to participate in a commodity pool to trade E-Mini S&P 500 futures contracts on their behalf.

5. There is good cause to believe that immediate and irreparable damage to the Court’s ability to grant effective final relief for customers/pool participants in the form of monetary redress will occur from the sale, transfer, assignment, or other disposition by Defendants of assets or records unless Defendants are immediately restrained and enjoined by order of the Court.

6. There is good cause for the Court to freeze assets owned, controlled, managed, or held by or on behalf of, or for the benefit of Defendants.

7. There is good cause for entry of an order prohibiting Defendants, their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with the Defendants, including any successor thereof, from destroying records and/or denying agents of

the Commission access to inspect and copy records to ensure that the Commission representatives have immediate and complete access to those books and records.

8. There is good cause for the Plaintiff to conduct expedited discovery in order to locate Defendants' other customers, identify customer funds and other assets of the Defendants and clarify the source and whereabouts of various funds.

9. Absent the entry of this statutory restraining order, Defendants are likely to dissipate or transfer assets and destroy business records.

10. Weighing the equities and considering the Commission's likelihood of success in its claims for relief, the issuance of a statutory restraining order is in the public interest.

#### **DEFINITIONS**

11. The term "document" is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes, but is not limited to, writings, or printed matter of any kind, including without limitation: records, correspondence, memoranda, notes, rolodexes, address books, diaries, statistics, e-mail, letters, telegrams, minutes, contracts, reports, studies, checks, statements, receipts, returns, summaries, pamphlets, books, prospectuses, interoffice or intra-office communications, telephone message slips, offers, notations of conversations, bulletins, drawings, plans, computer printouts, computer input or output, teletypes, facsimiles, invoices, worksheets, ledger books, books of accounts, and all drafts, alterations, modifications, changes and amendments of any of the foregoing. The term "document" also includes graphs, charts, photographs, phonographic record, audio and video recordings, computer records, and other data compilations from which information can be obtained or translated, if necessary, through detection devices into reasonable usable form. The term "document" also refers to each and every document in your actual or constructive

possession, including but not limited to: (i) all documents within your custody or control of any of your present or former agents, employers, employees, partners, and (ii) all documents which you have a legal or equitable right to obtain from another person. A draft or non-identical copy is a separate document within the meaning of the term. A document also includes the file and folder tabs associated with each original and copy.

12. “Assets” means any legal or equitable interest in, right to, or claim to, any real or personal property, whether individually or jointly, directly or indirectly controlled, and wherever located, including but not limited to: chattels, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds, mail or other deliveries, inventory, checks, notes, accounts (including but not limited to, bank accounts and accounts at financial institutions), credits, receivables, lines of credit, contracts (including spot, futures, options , or swap contracts), insurance policies, and all cash, wherever located.

13. “Defendants” refer to Jonathan Hansen and J. Hansen Investments, LLC, and any person insofar as he or she is acting in the capacity of an officer, agent, servant, employee, or attorney of Jonathan Hansen or J. Hansen Investments, LLC, and any person who receives actual notice of this Order by personal service or otherwise insofar as he or she is acting in concert or participation with Jonathan Hansen or J. Hansen Investments, LLC. “Defendants” also refer to any d/b/a, successor, affiliate, subsidiary, or other entity owned, controlled, managed, or held, on behalf of, or for the benefit of Jonathan Hansen or J. Hansen Investments, LLC.

**RELIEF GRANTED**

**I.**

**ORDER AGAINST TRANSFER, DISSIPATION, AND DISPOSAL OF ASSETS**

**IT IS HEREBY ORDERED** that:

14. Defendants and their agents, servants, employees, assigns, attorneys, and 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 transferring, selling, alienating, liquidating, encumbering, pledging, leasing, loaning, assigning, concealing, dissipating, converting, withdrawing, or otherwise disposing of any assets, wherever located, including assets held outside the United States, except as provided in Section III of this order, or as otherwise ordered by the Court. The assets affected by this paragraph shall include both existing assets and assets acquired after the effective date of this Order.

15. Defendants are restrained and enjoined from directly or indirectly opening or causing to be opened any safe deposit boxes titled in the name of or subject to access by any or all of the Defendants.

16. The assets affected by this section shall not include assets that have been obtained by the Defendants after entry of this Order and are not derived from or otherwise related to the activities alleged in the Commission's Complaint.

**II.**

**DIRECTIVES TO FINANCIAL INSTITUTIONS AND OTHERS**

**IT IS FURTHER ORDERED**, pending further order of this Court, that any financial or brokerage institution, business entity, or person that holds, controls, or maintains custody of any

account or asset of Defendants, or has held, controlled, or maintained custody of any account or asset of Defendants at any time since April 1, 2009, shall:

17. Prohibit Defendants and all other persons from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling or otherwise disposing of any such asset except as directed by further order of the Court;

18. Deny Defendants and all other persons identified in this Order, access to any safe deposit box that is: (a) titled in the name of Defendants either individually or jointly; or (b) otherwise subject to access by Defendants;

19. Provide counsel for the Commission, within five (5) business days of receiving a copy of this Order, a statement setting forth: (a) the identification number of each and every such account or asset titled in the name, individually or jointly, of each and every Defendant, or held on behalf of, or for the benefit of each and every Defendant; (b) the balance of each such account, or a description of the nature and value of such asset as of the close of business on the day on which this Order is served, and, if the account or other asset has been closed or removed, 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 other asset was remitted; and (c) the identification of any safe deposit box that is either titled in the name, individually or jointly, of each and every Defendant or is otherwise subject to access by Defendants; and

20. Upon request by the Commission, promptly provide the Commission with copies of all 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, Internal Revenue Service 1099 forms, and safe deposit box logs.

21. Cooperate with all reasonable requests of the Commission relating to implementation of this Order, including transferring funds at the Commission's direction and producing records related to Defendants' accounts.

**III.**

**MAINTENANCE OF BUSINESS RECORDS**

**IT IS FURTHER ORDERED** that:

22. Defendants and their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with them, and all other persons or entities who receive notice of this order by personal service or otherwise, are restrained and enjoined from directly or indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in any manner, directly or indirectly, any documents that relate to the business practices or business or personal finances of Defendants.

**IV.**

**INSPECTION AND COPYING OF BOOKS AND RECORDS**

**IT IS FURTHER ORDRED** that:

23. Representatives of the Commission be immediately allowed to inspect the books, records, and other documents of Defendants, and their agents, including, but not limited to, electronically stored information, tape recordings, and computer disks, wherever they may be situated and whether they are in the possession of Defendants, or others, and to copy said documents, data and records, either on or off the premises where they may be situated.

24. Defendants shall, within 24 hours of the service of this Order, cause to be prepared and delivered to the Commission, a detailed and complete schedule of all passwords and identification (ID) numbers for all websites, electronic mail accounts, videophone accounts and all accounts at any bank, financial institution or brokerage firm (including any introducing broker or futures commission merchant) operated by Defendants or to which any of Defendants has access.

25. Defendants shall, within 24 hours of the service of this Order, cause to be prepared and delivered to the Commission, a detailed and complete schedule of all desk top computers, laptop computers and/or personal digital assistants (PDA) owned and/or used by them in connection with their business. The schedules required by this section shall include at a minimum the make, model and description of each, along with the location, the name of the person primarily assigned to use the computer and/or PDA, and all passwords necessary to access and use the software contained on the computer and/or PDA. The Commission shall be authorized make an electronic, digital or hard copy of all of the data contained on the computer(s) and/or PDA(s).

**V.**

**ORDER PERMITTING EXPEDITED DISCOVERY**

**IT IS FURTHER ORDERED** that:

26. The prohibition upon discovery before the early meeting of counsel is removed pursuant to Rule 26(d) of the Federal Rules of Civil Procedure.

27. The prohibition upon the immediate commencement of depositions is removed pursuant to Rule 30(a)(2)(C) of the Federal Rules of Civil Procedure.

28. The parties may proceed to take the oral deposition of any person upon three calendar days actual notice if the notice is served upon the parties personally or by telecopier to the party's last known business telecopier number.



29. The parties may take the deposition of any person for the purpose of discovering the nature, location, status and extent of assets of the Defendants and the location of any documents reflecting those assets.

**VI.**

**BOND NOT REQUIRED OF PLAINTIFF**

30. The Commission is an agency of the United States of America and, accordingly, need not post a bond.

**VII.**

**ORDER TO SHOW CAUSE**

**IT IS FURTHER ORDERED** that:

31. Defendants shall appear before this Court on the 6th day of September, 2012, at 10:00 a.m., before the Honorable Nancy F. Atlas at the United States Courthouse for the Southern District of Texas, Courtroom, 9F to show cause, if there be any, why an order for preliminary injunction should not be entered to preserve the status quo obtained by the statutory restraining order, prohibit further violations of the Act and grant other relief requested pending trial on the merits of this action.

32. Should any party wish to file a memorandum of law or other papers in opposition to Plaintiff's Motion for a Preliminary Injunction, all papers shall be filed on or before noon on September 5, 2012 and served no later than September 5, 2012., at 5:00 p.m.

**VIII.**

**SERVICE OF ORDER**

**IT IS FURTHER ORDERED** that:

33. Copies of this order may be served by any means, including facsimile transmission, upon any entity or person that may have possession, custody, or control of any documents or assets of Defendants or that may be subject to any provision of this order, and, additionally, that Paul Hayeck, Christine Ryall, Danielle Karst, George Malas, or other representatives of the Commission are specially appointed by the Court to effect service. Service of the summons, Complaint or other process may be effected by U.S. Marshal or Deputy U.S. Marshal, or in accordance with Fed. R. Civ. P. 4.

34. The United States Marshals Service is directed to assist the Commission in the service of the summons, complaint, and this statutory restraining order on the Defendants.

**IX.**

**SERVICE ON THE COMMISSION**

**IT IS FURTHER ORDERED** that:

35. Defendants shall serve all pleadings, correspondence, notices required by this Order, and other materials on the Commission by delivering a copy to Danielle Karst, Division of Enforcement, U.S. Commodity Futures Trading Commission, 1155 21st Street, N.W., Washington, D.C. 20581, by electronic filing, e-mail, personal delivery or courier service (such as Federal Express or United Parcel Service) and not by regular mail due to potential delay resulting from heightened security and decontamination procedures applicable to the Commission's regular mail.


X.

**FORCE AND EFFECT**

**IT IS FURTHER ORDERED** that:

36. This order shall remain in full force and effect until further order of this Court and that this Court retains jurisdiction of this matter for all purposes.

**IT SO ORDERED**, at Houston, Texas on this 29th day of August, 2012.

  
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Nancy F. Atlas  
United States District Judge