

**IN THE UNITED STATES DISTRICT COURT
FOR THE
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

COMMODITY FUTURES TRADING

COMMISSION

Plaintiff,

v.

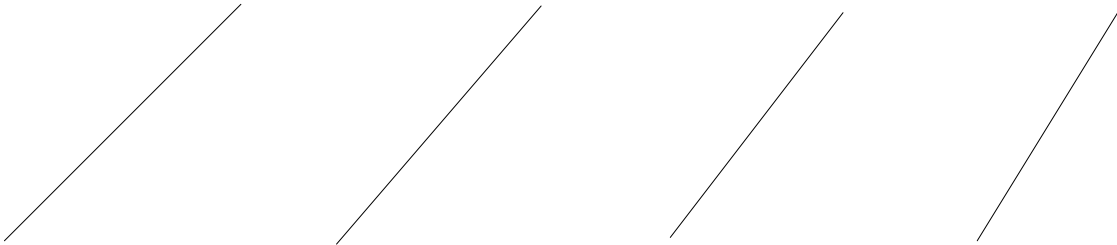
AURIFEX COMMODITY RESEARCH

**COMPANY;
AURIFEX RESEARCH, L.L.C.;
TY KLOTZ, individually and d/b/a
AURIFEX INVESTMENTS; and
MONETTE KLOTZ, individually and d/b/a
AURIFEX INVESTMENTS,**

Defendants.

***EX PARTE* STATUTORY RESTRAINING ORDER**

The Court having read the Complaint for Injunctive and Other Equitable Relief and for Civil Monetary Penalties Under the Commodity Exchange Act, the Plaintiff's Motion for an *Ex Parte* Statutory Restraining Order ("SRO"), the Brief in Support of Plaintiff's Motions for an *Ex Parte* Statutory Restraining Order, Preliminary Injunction and Expedited Discovery, the declaration of Steve Browning, International Regulatory Liaison, Lloyd's of London Worldwide Markets, and all other papers filed herein by the Plaintiff, Commodity Futures Trading Commission ("Commission"); and having heard the presentations of Susan Padove and Kenneth Hampton, it appearing that the Court has jurisdiction over the subject matter of

this action and that Section 6c of the Commodity Exchange Act, as amended ("Act"), 7 U.S.C. § 13a-1 (2002), permits this Court to grant an *ex parte* statutory restraining order; it further appearing to the satisfaction of the Court that there is good cause to believe that defendants Aurifex Commodity Research Company ("Aurifex Co."), Aurifex Research L.L.C. ("Aurifex LLC"), Ty Klotz ("Klotz") and Monette Klotz ("M. Klotz") (collectively the "Defendants"), have engaged in, are engaging in or are about to engage in violations of Sections 4b(a)(2)(i) and (iii), 4c(b), 4m(1), 4n(4) and 4o(1) of the Act, 7 U.S.C. §§ 6b(a)(2)(i) and (iii), 6c(b), 6(m)(1), 6n(4) and 6o(1) (2002), and Commission Regulations 4.20(c), 4.21, 4.22 and 33.10 there under, 17 C.F.R. § 4.20(c), 4.21, 4.22 and

33.10 (2005), and that defendants Aurifex Co., Aurifex LLC and Klotz have engaged in, are engaging in or are about to engage in violations of Section 4b(a)(2)(ii), 7 U.S.C. § 6b(a)(2)(ii), and it further appearing to the satisfaction of the Court that this is a proper case for granting an *ex parte* statutory restraining order to preserve the *status quo* and to protect public customers from further loss and damage and to prevent Defendants' assets from being further dissipated;

IT IS HEREBY ORDERED:

1. That the Defendants, and all persons insofar as they are acting in the capacity of agents, servants, employees, successors, assigns, nominees or attorneys of the Defendants and all persons insofar as they are acting in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, shall be prohibited from directly or indirectly:

- a) Dissipating, withdrawing, transferring, removing, concealing or disposing of cash, cashier's checks, funds, assets or other property of, or within the custody, control or possession of defendants Aurifex Co., Aurifex LLC, Klotz or M. Klotz, including funds or property of commodity pool participants, wherever located, whether held in the name of Aurifex Co., Aurifex LLC, Klotz or M. Klotz, or any of their aliases or nominees, including but not limited to Aurifex Investments, or otherwise. The assets affected by this paragraph shall include both existing assets and assets acquired after the effective date of this Order, wherever located, including assets located outside the United States.
- b) Destroying, mutilating, concealing, altering or disposing of, in any manner, any of the books and records, documents, correspondence, brochures, manuals, electronically stored data, tape records or other property of Defendants, wherever located, including all such records concerning their business operations, until further order of the Court.

2. IT IS FURTHER ORDERED that each firm, corporation or other person or entity with notice which holds, or which is a depository of, funds, securities, property, or other assets of or under the control of defendants Aurifex Co., Aurifex LLC, Klotz or

M. Klotz, whether held in the name of Aurifex Co., Aurifex LLC, Klotz or M. Klotz or any of their aliases, including but not limited to Aurifex Investments, or otherwise, including funds and property of commodity pool participants, is prohibited from transferring, withdrawing, removing or disposing of any such funds, securities, property, or other assets until further order of the Court. Upon request by the Commission, they shall promptly provide the Commission with copies of all records or other documentation pertaining to such accounts or assets, 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 statements or slips, currency transaction reports, 1099 forms and safe deposit box logs. However, it is also further expressly ordered that any registered futures commission merchant ("FCM") or securities broker-dealer which has any open positions in any futures trading account of or under the control of defendants Aurifex Co., Aurifex LLC, Klotz or M. Klotz, whether held in the name of Aurifex Co., Aurifex LLC, Klotz or M. Klotz or any of their aliases, including but not limited to Aurifex Investments, or otherwise, is ordered to liquidate all of those positions at the market price at the opening of the market on the next business day after receipt of this Order and to retain such funds that remain after liquidation of the open positions on deposit in the account until further order of the Court.

3. IT IS FURTHER ORDERED that representatives of the plaintiff Commission be allowed to immediately inspect the books, records and other electronically stored data, tape recording, and other documents of Defendants and their agents, including all such records of Defendants' business operations, wherever they are situated and whether they are in the hands of Defendants, or others and to copy said

documents, data, and records either on or off the premises wherever they may be situated.

4. IT IS FURTHER ORDERED that this Order may be served by facsimile transmissions.

5. IT IS FURTHER ORDERED that this *Ex Parte* Statutory Restraining Order shall remain in full force and effect until further Order of this Court, upon application, notice and an opportunity to be heard.

6. IT IS FURTHER ORDERED that this matter is set for hearing on Friday, March 17, 2006, at 2:00 o'clock at the U.S. Courthouse located at 601 Federal Bldg., without further notice, at which time it is anticipated that Defendants shall show cause why the restraining order should not be extended until the hearing on Plaintiff's motion for preliminary injunction.

7. IT IS FURTHER ORDERED that Ken Hampton, Don Nash and Thomas J. Koprowski, employees of the Commission, are hereby specially appointed to serve process, including the summons and complaint, and all other papers in this cause.

Date: 3/7/06

/s/ Gordon J. Quist
United States District Judge

Time: 5:20 p.m. EST