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

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
JUN 5 2008
CLERK, U.S. DISTRICT COURT
By _____ Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

**W FINANCIAL GROUP, LLC,
ADLEY H. ABDULWAHAB a/k/a Adley Wahab,
MICHAEL K. WALLENS, SR., and
MICHAEL K. WALLENS, JR.**

Defendants,

Civil Action No.
3:08-CV-0499-N

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

This matter came on before me, the undersigned United States District Judge, this 5th day of June, 2008, on *ex parte* motion of the Securities and Exchange Commission ("Commission"), for the issuance of an order (1) freezing assets, (2) requiring preparation of sworn accountings; (3) prohibiting document alteration or destruction, (4) authorizing expedited discovery; (5) repatriating all funds and assets, and (6) authorizing alternative methods of service against Defendants W Financial Group, LLC, Adley H. Abdulwahab a/k/a Adley Wahab, Michael K. Wallens, Sr., and Michael K. Wallens, Jr. (collectively "Defendants"). Having considered the Commission's Complaint, supporting memorandum, declarations and exhibits thereto, and argument of counsel, this Court finds as follows:

1. This Court has jurisdiction over the subject matter of this action and over all parties hereto, 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 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"); and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder.

3. There is good cause to believe that investor funds and assets obtained by the Defendants from the unlawful activities described in the Commission's Complaint have been and will be misappropriated, wasted or otherwise used to the detriment of investors. Furthermore, there is good cause to believe that the 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 investor funds and assets obtained by the Defendants from the unlawful activities described in the Commission's Complaint may be outside the jurisdiction of this Court, and that the Defendants may have assets outside the jurisdiction of this Court.

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

IT IS THEREFORE ORDERED:

I.

Defendants, and their officers, agents, employees, servants, 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, and from assigning, conveying, transferring, encumbering, disbursing, dissipating, selling, hypothecating or concealing any assets, monies, or other property owned by or in the actual or constructive possession of these Defendants, pending a showing to this Court that they have sufficient funds or assets to satisfy all claims arising from the violations alleged in the Complaint, pending the posting of a bond or surety sufficient to assure payment of any such claim, or until further order of this Court. Further, any bank, trust company, broker-dealer or other depository institution holding accounts for or on behalf of the Defendants shall make no transactions in securities (excepting liquidating transactions necessary as to wasting assets) and no disbursements of funds 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, pending further order of this Court.*

II.

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

* Provided, however, that Defendants Abd-Elwahab, Wallers, Sr., and Wallers, Jr. may each expend up to \$100/day for the ordinary expenses of daily living. DCB

III.

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.

IV.

Defendants shall make an interim accounting, under oath, ~~within ten days of the~~ ^{one} ~~issuance of this Order or three~~ days prior to any hearing on the Commission's application for preliminary injunction and other relief, ~~whichever is sooner~~, detailing by amount, date, method and location of transfer, payee and payor, purpose of payment or transfer: (1) all monies and other benefits they received, directly and indirectly, as a result of the activities alleged in the Complaint or thereafter transferred; (2) their current assets wherever they may be located and by whomever they are being held, and their current liabilities, and (3) account identifying information, including name of bank, trust company, brokerage firm or other depository institution holding proceeds of activities alleged in the Complaint; account numbers; names, dates of birth, addresses and social security numbers of signatories on any such account maintained in their name or for their benefit at any point during the period from January 2006, through the date of the accounting. 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 Defendants, or within their 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 Jeffrey B.

Norris, Securities and Exchange Commission, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102 by the deadline set forth above.

V.

Defendants shall immediately repatriate all funds and assets obtained, directly or indirectly, from the activities described in the Commission's Complaint that are now located outside the jurisdiction of this Court. Such funds shall be immediately transferred or paid to the Court-Appointed Receiver or into the Registry of this Court. Furthermore, with respect to any other asset owned by the Defendants that is now located outside the jurisdiction of this Court, including, specifically, any monies, securities, real property, or other assets, the Defendants shall immediately identify to the Court or the Court-Appointed Receiver the location of such asset, the price paid or consideration given, and the date upon which it was purchased and/or received. Securities, or other personalty that can be readily moved or transferred, and title or other documents reflecting ownership as to real property, shall be delivered to the Court-Appointed Receiver or into to the Registry of this Court without delay.

VI.

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

VII.

~~A. All parties may take depositions upon oral examination, and demand production of documents or other things, of parties and persons who are not parties prior to the expiration of 30 days after service of the Commission's Complaint on the Defendants.~~

DCG

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 provision of testimony or production of documents is agreed to by the person(s) subpoenaed.

C. Pursuant to Rule 30(a) of the Federal Rules of Civil Procedure, all parties may take depositions upon oral examination, subject to 72 hours' notice.

D. Pursuant to Rule 34(b) of the Federal Rules of Civil Procedure, the parties shall produce all documents requested within 72 hours of service of such request.

E. All written responses to any parties' requests for discovery under the Federal Rules of Civil Procedure shall be delivered by facsimile or overnight courier to Jeffrey B. Norris, Securities and Exchange Commission, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102, or such other place as counsel may direct. Such delivery shall be made by the most expeditious means available, including facsimile machine.

VIII.

Defendants shall serve, by the most expeditious means possible, including facsimile, and in accordance with paragraph VII., above, any papers in opposition to the Commission's Motion for Preliminary Injunction and for other relief no later than 96 hours before any scheduled hearing on the Motion for Preliminary Injunction. The Commission shall serve any reply at least 24 hours before any hearing on the Motion for Preliminary Injunction by the most expeditious means available, including facsimile.

IX.

Pursuant to Rule 4 of the Federal Rules of Civil Procedure, service of all pleadings, and court orders may be made personally, by facsimile, by electronic mail, by overnight courier, ~~or by mail~~ upon Defendants or their attorneys by representatives of the Plaintiff Commission, ~~or by an alternative provision for service permitted by Rule 4 of the Federal Rules of Civil Procedure,~~ or as D/G

this Court may direct by further order.

6/15/08 or

X.

All provisions of this order shall remain in full force and effect until ~~specifically modified~~ by further order of this Court. Under Fed. R. Civ. P. 43(e), the Court—in determining whether the Defendants should be preliminarily enjoined—may consider solely the affidavits, exhibits, and pleadings filed by the parties. See, e.g., *FSLIC v. Dixon*, 835 F.2d 554, 558-59 (5th Cir. 1987); *E.E. Maxwell Co. v. Arti Décor, Ltd.*, 635 F. Supp. 749, 751 n.3 (N.D. Tex. 1986).

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XI.

Unless the Court rules upon the Commission's Motion for Preliminary Injunction pursuant to Fed. R. Civ. P. 43(e), adjudication of the Commission's Motion for Preliminary Injunction shall take place at the United States Courthouse, Room B51, Dallas, Texas, on the 13 day of June, 2008, at 10 o'clock a.m. or at such other time or place as counsel may be heard, and that the 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~~ three days before the time established in this Order for a hearing on the application. Service shall be made by telecopy to Jeffrey B. Norris, Trial Counsel, at telecopy number (817) 978-4927, and by overnight delivery of the papers to the Commission, 801 Cherry Street, Suite 1900, Fort Worth, Texas, 76102, to the attention of Jeffrey B. Norris, Trial Counsel, or such other place and person as counsel for the Commission may direct in writing.

and Motion to Appoint Receiver
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Dated: June 5, 2008, at 2:20 p.m.

D. C. Lively
UNITED STATES DISTRICT JUDGE