

1 FUTTERMAN DUPREE DODD CROLEY MAIER LLP
2 JAMIE L. DUPREE (158105)
2 JAIME G. TOUCHSTONE (233187)
3 180 Sansome Street, 17th Floor
3 San Francisco, CA 94104
4 Telephone: (415) 399-3840
4 Facsimile: (415) 399-3838
5 jdupree@fddcm.com
5 jtouchstone@fddcm.com

6 *Attorneys for Receiver*
Stephen E. Anderson

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8 **UNITED STATES DISTRICT COURT**
9 **EASTERN DISTRICT OF CALIFORNIA**
10 **SACRAMENTO**

11 SECURITIES AND EXCHANGE
12 COMMISSION,
12 *Plaintiff*
13 v.
14 ANTHONY VASSALLO, et al,
15 *Defendants.*

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17 Case No. CV 09-000665 LKK-DAD
18 **ORDER DIRECTING**
19 **WELLS FARGO TO FREEZE USR SITE**
20 **ACQUISITION, LLC SAVINGS**
21 **ACCOUNT PENDING FURTHER**
22 **COURT ORDER**
23 Judge Lawrence K. Karlton

24 On April 30, 2009, this Court filed the Order Appointing Temporary Receiver for Equity
25 Investment Management and Trading, Inc. (“EIMT”) and Order to Show Cause for Appointment
26 of Permanent Receiver (“OAR”) and on July 31, 2009, the Court filed an Order permanently
27 appointing Receiver. Pursuant to the OAR, for good cause shown, and in order to empower and
28 authorize the Receiver to carry out his duties and obligations,

29 **THE COURT HEREBY FINDS AND ORDERS AS FOLLOWS:**

30 On November 7, 2007, and November 8, 2007, \$2,000,000 of EIMT investor funds were
31 transferred to Jeff Dennis Ferentz (a California attorney) and/or Jeff Dennis Ferentz, Inc.
32 (collectively “Ferentz”), in connection with a “bank sanctioned high yield project funding
33 program.” The funds were deposited into the Jeff Dennis Ferentz, Inc. Client Trust Account (the
34 “Ferentz Account”). The unsigned joint venture agreement located by Receiver for this

1 investment lists the parties as Defendant Anthony Vassallo as the investor and Jon Fragosa, Jeff
2 Dennis Ferentz, and Charles Jarvis as the “Facilitator.” Receiver’s investigation has revealed that
3 another investor “invested” \$900,000 with Ferentz in connection with the same transaction on
4 November 7, 2007, the same time as EIMT transferred its \$2,000,000 to Ferentz.

5 This Court previously issued orders authorizing banks and financial institutions to assist
6 Receiver in tracing the EIMT investor funds transferred to Ferentz including funds transferred
7 from Jeffrey Dennis Ferentz, Inc. to entities controlled by Mr. Ferentz, including “USR Site
8 Acquisition, LLC.” (Doc. Nos. 149 and 219), which remain in full force and effect.

9 Receiver’s investigation has revealed that the balance of the Ferentz Account at the
10 beginning of November 2007 was \$1,111.49 before the \$2,900,000 was deposited on
11 November 7 and 8, 2007; at the end of November 2007, the balance was \$96,476.49. In short,
12 the vast majority of the funds deposited in the Ferentz Account in November 2007 was
13 transferred out of that account shortly after deposit.

14 Receiver has determined that \$700,000 was transferred from the Ferentz Account to a
15 Wells Fargo savings account in the name of “USR Site Acquisition” on November 26, 2007.
16 The primary signatory and “Owner/Key Individual” on the account is Charlie Jarvis and the
17 secondary “Owner/Key Individual” on the account is Jeff D. Ferentz (“USR Site Acquisition
18 Account”).

19 The only money deposited into the USR Site Acquisition Account was the \$700,000 from
20 the Ferentz Account on November 26, 2007. Since that time, there have been interest payments
21 made on the account and regular withdrawals but no other deposits. As of March 31, 2010, the
22 USR Site Acquisition Account had a balance of \$168,055.45.

23 To assist Receiver in preventing the further transfer of and/or dissipation of EIMT assets,
24 Wells Fargo is hereby directed to freeze the Wells Fargo savings account in the name of “USR
25 Site Acquisition,” Account No. ####-####703 (the full number of which will be provided to Wells
26 Fargo from Receiver) until further order of this Court.

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