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**UNITED STATES DISTRICT COURT**  
**DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff

v.

JOHN F. THOMAS [aka JOHN RODGERS,  
JONATHAN WEST, JOHN FRANK, and  
JOHN MARSHALL], THOMAS BECKER,  
DOUGLAS MARTIN, PAUL HANSON,  
DAMIAN OSTERTAG, EINSTEIN SPORTS  
ADVISORY, LLC, QSA, LLC, VEGAS  
BASKETBALL CLUB, LLC, VEGAS  
FOOTBALL CLUB, LLC, WELLINGTON  
SPORTS CLUB, LLC, WELSCORP, INC.,  
and EXECUTIVE FINANCIAL SERVICES,  
INC.,

Defendants

Case No.: 2:19-cv-01515-APG-VCF

**AMENDED<sup>1</sup> PRELIMINARY  
INJUNCTION AND ORDER (1)  
FREEZING ASSETS, (2) PROHIBITING  
THE DESTRUCTION OF DOCUMENTS,  
AND (3) REQUIRING ACCOUNTINGS**

[ECF No. 6]

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Plaintiff Securities and Exchange Commission (SEC) filed a motion for preliminary injunction. ECF No. 6. After briefing by the parties and a hearing on December 4, 2019, I find as follows:

- A. This court has jurisdiction over the parties to, and the subject matter of, this action.
- B. Good cause exists to believe that:
- (1) Defendants Douglas Martin, Executive Financial Services, Inc. (EFS), and Paul Hanson, have engaged in, are engaging in, and are about to engage in transactions, acts, practices and courses of business that constitute

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<sup>1</sup> This amended injunction and order deletes references to defendants Thomas and Becker from section X. They were included in the original injunction due to my clerical error.

1 violations of Sections 5(a) and 5(c) of the Securities Act of 1933  
2 (“Securities Act”) (15 U.S.C. §§ 77e(a), 77e(c));

3 (2) Defendants John F. Thomas, Thomas Becker, Wellington Sports Club,  
4 LLC (Wellington), Welscorp, Inc. (Welscorp), Einstein Sports Advisory,  
5 Ltd. (ESA), Quantum Sports Advisory, LLC (QSA), Vegas Basketball  
6 Club, LLC (VBC) and Vegas Football Club, LLC (VFC) (collectively, the  
7 Six Entities) have engaged in, are engaging in, and are about to engage in  
8 transactions, acts, practices and courses of business that constitute  
9 violations of Section 17(a) of the Securities Act (15 U.S.C. § 77q(a)) and  
10 Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”)  
11 (15 U.S.C. § 78j(b)) and Rule 10b-5 thereunder (17 C.F.R. § 240.10b-5);  
12 and

13 (3) Defendants Martin, Hanson, and EFS have engaged in, are engaging in,  
14 and are about to engage in transactions, acts, practices and courses of  
15 business that constitute violations of Section 15(a) of the Exchange Act  
16 (15 U.S.C. §§ 78o(a)).

17 C. The SEC has demonstrated (1) a prima facie case that one or more violations of  
18 the securities laws have occurred and (2) a reasonable likelihood that the  
19 violations will be repeated.

20 **I.**

21 I HEREBY GRANT that the SEC’s Motion (ECF No. 6) in part.

22 **II.**

23 I FURTHER ORDER that defendants Martin, Hanson, and EFS, and their officers,  
agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active  
concert or participation with any of them who receive actual notice of this Order, by personal  
service or otherwise, are preliminarily enjoined from, directly or indirectly, in the absence of any  
applicable exemption:

- 1 A. unless a registration statement is in effect as to a security, making use of any  
2 means or instruments of transportation or communication in interstate commerce  
3 or of the mails to sell such security through the use or medium of any prospectus  
4 or otherwise;
- 5 B. unless a registration statement is in effect as to a security, carrying or causing to  
6 be carried through the mails or in interstate commerce, by any means or  
7 instruments of transportation, any such security for the purpose of sale or for  
8 delivery after sale; or
- 9 C. making use of any means or instruments of transportation or communication in  
10 interstate commerce or of the mails to offer to sell or offer to buy through the use  
11 or medium of any prospectus or otherwise any security, unless a registration  
12 statement has been filed with the SEC as to such security, or while the registration  
13 statement is the subject of a refusal order or stop order or (prior to the effective  
14 date of the registration statement) any public proceeding or examination under  
15 Section 8 of the Securities Act, 15 U.S.C. § 77h in violation of Section 5 of the  
16 Securities Act, 15 U.S.C. § 77e.

15 **III.**

16 IT IS FURTHER ORDERED that defendants Thomas, Becker, Wellington, Welscorp,  
17 ESA, QSA, VBC, VFC, and their officers, agents, servants, employees, attorneys, subsidiaries  
18 and affiliates, and those persons in active concert or participation with any of them, who receive  
19 actual notice of this Order, by personal service or otherwise, are preliminarily enjoined from,  
20 directly or indirectly, in the offer or sale of any securities, by the use of any means or instruments  
21 of transportation or communication in interstate commerce or by the use of the mails:

- 21 A. employing any device, scheme or artifice to defraud;
- 22 B. obtaining money or property by means of any untrue statement of a material fact  
23 or any omission to state a material fact necessary in order to make the statements

1 made, in light of the circumstances under which they were made, not misleading;  
2 or

3 C. engaging in any transaction, practice, or course of business which operates or  
4 would operate as a fraud or deceit upon the purchaser;

5 in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a)

6 **IV.**

7 IT IS FURTHER ORDERED that defendants Thomas, Becker, Wellington, Welscorp,  
8 ESA, QSA, VBC, VFC, and their officers, agents, servants, employees, attorneys, subsidiaries  
9 and affiliates, and those persons in active concert or participation with any of them, who receive  
10 actual notice of this Order, by personal service or otherwise, are preliminarily enjoined from,  
11 directly or indirectly, in connection with the purchase or sale of any security, by the use of any  
12 means or instrumentality of interstate commerce, or of the mails, or of any facility of any  
13 national securities exchange:

14 A. employing any device, scheme or artifice to defraud;

15 B. making any untrue statement of a material fact or omitting to state a material fact  
16 necessary in order to make the statements made, in the light of the circumstances  
17 under which they were made, not misleading; or

18 C. engaging in any act, practice, or course of business which operates or would  
19 operate as a fraud or deceit upon any person;

20 in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5  
21 thereunder, 17 C.F.R. § 240.10b-5.

22 **V.**

23 IT IS FURTHER ORDERED that defendants Martin, Hanson, and EFS and their agents,  
servants, employees, attorneys, and affiliates, and those persons in active concert or participation  
with any of them, who receive actual notice of this Order, by personal service or otherwise, are  
preliminarily enjoined from, directly or indirectly, effecting transactions in, or inducing or  
attempting to induce the purchase or sale of, securities without being registered with the SEC, or

1 affiliated with a broker-dealer registered with the SEC in violation of Section 15(a) of the  
2 Exchange Act, 15 U.S.C. § 78o(a).

3 **VI.**

4 IT IS FURTHER ORDERED that defendants Thomas and Becker, and their agents,  
5 servants, employees, attorneys, and affiliates, and those persons in active concert or participation  
6 with any of them, who receive actual notice of this Order, by personal service or otherwise, are  
7 preliminarily enjoined from, directly or indirectly, including through any entity owned or  
8 controlled by them, participating in the issuance, purchase, offer, or sale of any security in an  
9 unregistered offering provided, however, that such injunction shall not prevent them from  
10 purchasing or selling securities for their own personal accounts.

10 **VII.**

11 IT IS FURTHER ORDERED that, except as otherwise ordered by this court, defendants  
12 Thomas, Becker, Wellington, Welscorp, ESA, QSA, VBC, and VFC, and their officers, agents,  
13 servants, employees, attorneys, subsidiaries and affiliate, and those persons in active concert with  
14 them, who receive actual notice of this Order, by personal service or otherwise, are preliminarily  
15 enjoined from, directly or indirectly, transferring, assigning, selling, hypothecating, changing,  
16 wasting, dissipating, converting, concealing, encumbering, or otherwise disposing of, in any  
17 manner, any funds, assets, securities, claims or other real or personal property, including any  
18 notes or deeds of trust or other interest in real property, wherever located, of defendants Thomas,  
19 Becker, Wellington, Welscorp, ESA, QSA, VBC, and VFC, or their subsidiaries or affiliates,  
20 owned by, controlled by, managed by or in the possession or custody of any of them and from  
21 transferring, encumbering, dissipating, incurring charges or cash advances on any debit or credit  
22 card of defendants Thomas, Becker, Wellington, Welscorp, ESA, QSA, VBC, and VFC, or their  
23 subsidiaries and affiliates.

22 **VIII.**

23 IT IS FURTHER ORDERED that, except as otherwise ordered by this court, an  
immediate freeze shall be placed on all monies and assets (with an allowance for necessary and

1 reasonable living expenses, which might include legal fees, to be granted only upon good cause  
 2 shown by application to the court with notice to and an opportunity for the SEC to be heard) in  
 3 all accounts at any bank, financial institution or brokerage firm or Internet or “e-commerce”  
 4 payment processor, all certificates of deposit, and other funds or assets, held in the name of, for  
 5 the benefit of, or over which account authority is held by Defendants Thomas, Becker,  
 6 Wellington, Welscorp, ESA, QSA, VBC, and VFC, including but not limited to, the accounts  
 7 listed below:

<u>Account Holder</u>	<u>Bank</u>	<u>Account</u>
<b>John F. Thomas III</b>	Aloha Pacific Federal Credit Union	xxxx0030
<b>Vegas Basketball Club LLC</b>	American First National Bank	xxxx1504
<b>No-More-Bad-Hires Inc</b>	Bank of America	xxxx9049
<b>Vegas Football Club LLC</b>	Bank of America	xxxx3801
<b>Vegas Football Club LLC</b>	Bank of America	xxxx7210
<b>Vegas Basketball Club LLC</b>	Bank of America	xxxx8189
<b>Vegas Basketball Club LLC</b>	Bank of America	xxxx8192
<b>Welscorp Inc</b>	Bank of America	xxxx6257
<b>Sports Biometrics LLC</b>	Bank of America	xxxx0188
<b>ESAP LTD</b>	Bank of George	xxxx2366

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<u>Account Holder</u>	<u>Bank</u>	<u>Account</u>
<b>ESA LTD</b>	Bank of Nevada	xxxx3753
<b>Wellington Sports Club LLC</b>	Bank of the West	xxxx9228
<b>QSA LLC</b>	Bank of the West	xxxx4937
<b>Thomas Joseph Becker</b>	Bank of the West	xxxx5082
<b>Thomas J Becker</b>	Citibank	xxxx7862
<b>Boston Biometrics LLC</b>	Citibank	xxxx0183
<b>No-More-Bad-Hires Inc</b>	Citibank	xxxx6907
<b>QSA LLC</b>	Citibank	xxxx3671
<b>Sports Psychometrics LLC</b>	Citibank	xxxx0894
<b>Thomas J Becker</b>	Citizens Bank	xxxx8294
<b>ESA LTD</b>	JPMorgan Chase Bank	xxxx9386
<b>ESA LTD</b>	Meadows Bank	xxxx4424
<b>John Thomas</b>	Midcountry Bank	
<b>John F Thomas/Einstein Sports Advisory LTD</b>	Nevada State Bank	xxxx7518

<u>Account Holder</u>	<u>Bank</u>	<u>Account</u>
<b>ESA LTD</b>	Nevada State Bank	xxxx4947
<b>Thomas J Becker dba ESA LTD</b>	US Bank	xxxx0008
<b>Thomas J Becker</b>	US Bank	xxxx0504
<b>Thomas J Becker dba QSA LLC</b>	US Bank	xxxx8128
<b>Thomas Becker</b>	USAA	xxxx6969
<b>Welscorp Inc</b>	Wells Fargo	xxxx6502
<b>Thomas J Becker</b>	Wells Fargo	xxxx2620
<b>Welscorp Inc</b>	Wells Fargo	xxxx6666
<b>Vegas Football Club LLC</b>	Wells Fargo	xxxx2628
<b>John F Thomas</b>	Wells Fargo	xxxx7399
<b>QSA LLC</b>	Wells Fargo	xxxx6482

**IX.**

IT IS FURTHER ORDERED that, except as otherwise ordered by this court, defendants Thomas, Becker, Wellington, Welscorp, ESA, QSA, VBC, and VFC, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or



1 otherwise, are preliminarily enjoined from, directly or indirectly: destroying, mutilating,  
2 concealing, transferring, altering, or otherwise disposing of, in any manner, any documents,  
3 which includes all books, records, computer programs, computer files, computer printouts,  
4 contracts, emails, correspondence, memoranda, brochures, or any other documents of any kind in  
5 their possession, custody or control, however created, produced, or stored (manually,  
6 mechanically, electronically, or otherwise), pertaining in any manner to Thomas, Becker,  
7 Wellington, Welscorp, ESA, QSA, VBC, VFC, Martin, Hanson, and EFS.

8 **X.**

9 IT IS FURTHER ORDERED that defendants Wellington, Welscorp, ESA, QSA, VBC,  
10 and VFC, within 30 days of the issuance of this Order, shall prepare and deliver to the SEC a  
11 detailed and complete schedule of all of their personal assets, including all real and personal  
12 property exceeding \$5,000 in value, and all bank, securities, and other accounts identified by  
13 institution, branch address and account number. The accounting shall include a description of  
14 the sources of all such assets. Such accounting shall be filed with the court under seal and a copy  
15 shall be delivered to the SEC's Los Angeles Regional Office to the attention of Lynn M. Dean,  
16 Senior Trial Counsel. The SEC and counsel shall maintain the information and documents as  
17 confidential, as befitting a document filed under seal. After completion of the accounting, each  
18 of these defendants shall produce to the SEC's Los Angeles Regional Office, at a time agreeable  
19 to the SEC, all books, records and other documents supporting or underlying their accounting as  
20 approved by the Magistrate Judge.

21 **XI.**

22 IT IS FURTHER ORDERED that any person who receives actual notice of this Order by  
23 personal service or otherwise, and who holds, possesses or controls assets exceeding \$5,000 for  
the account or benefit of any of defendants Thomas, Becker, Wellington, Welscorp, ESA, QSA,  
VBC, and VFC, shall within 14 days of receiving actual notice of this Order provide counsel for

1 the SEC with a written statement identifying all such assets, the value of such assets, or best  
2 approximation thereof, and any account numbers or account names in which the assets are held.

3 DATED this 6th day of December, 2019.

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5 ANDREW P. GORDON  
6 UNITED STATES DISTRICT JUDGE  
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