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9 Attorneys for Plaintiff  
10 Commodity Futures Trading Commission

11 UNITED STATES DISTRICT COURT  
12 SOUTHERN DISTRICT OF CALIFORNIA

13 COMMODITY FUTURES TRADING )  
14 COMMISSION, )

15 Plaintiff, )

16 vs. )

17 WHITE PINE TRUST CORPORATION, a )  
18 California corporation, and RICHARD )  
19 MATTHEWS, an individual, STEPHAN )  
20 BAERE, an individual, )

21 Defendants, )

22 LUCIA MATTHEWS, an individual, )

23 Relief Defendant. )  
24 )

Case No. 04 CV 2093 J

Motion for Statutory Restraining Order,  
Preliminary Injunction, and Other Ancillary  
Relief

Hearing Date: 1/10/05  
Time:  
Honorable Judge Jones

25 Pursuant to Section 6c of the Commodity Exchange Act ("Act"), 7 U.S.C. § 13a-1  
26 (2002), Plaintiff, Commodity Futures Trading Commission ("Commission"), moves for a  
27 statutory restraining order and preliminary injunction and other ancillary relief against defendant  
28 Stephan Baere ("Baere" or "defendant"):

FILED

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CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

DEPUTY

- 1 (1) prohibiting defendant from violating Section 4c(b) of the Act, 7 U.S.C. § 6c(b),  
2 and Regulations 1.1, 32.9 and 32.11, 17 C.F.R. §§ 1.1, 32.9, and 32.11;
- 3 (3) freezing the assets of defendant;
- 4 (4) prohibiting defendant, his agents, attorneys, partners, servants, representatives,  
5 employees, any person(s) acting or purporting to act for or on their behalf, and  
6 corporate and partnership entities, from dissipating, transferring or encumbering  
7 defendant's or relief defendant's assets, including any assets held outside the  
8 United States;
- 9 (5) requiring any financial or brokerage institution, business entity, or person that  
10 holds, controls or maintains custody of any account or asset of, or at any time  
11 since January 1, 2000 has held, controlled, or maintained custody of, any account  
12 of defendant, to: (a) prohibit any person from transferring, dissipating,  
13 withdrawing or encumbering any such current assets; (b) deny any person access  
14 to defendant's safe deposit boxes; and (c) provide the Commission with a  
15 statement describing assets held on behalf of defendant and relief defendant and  
16 allowing representatives of the Commission access to inspect and copy records  
17 pertaining to the accounts;
- 18 (6) requiring the defendant to: (a) provide the Commission with a full accounting,  
19 within three business days of the order's service, of documents, assets and all  
20 funds received from clients and the use of or current location of all such funds; (b)  
21 provide the Commission with a list containing the names, addresses, and  
22 telephone numbers of all of defendants' clients; (c) transfer foreign-held assets  
23 and documents to the United States; and (d) sign consents to the release of  
24 financial records that waive foreign bank secrecy laws;
- 25  
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1 (7) prohibiting defendant, his agents, attorneys, partners, servants, representatives,  
2 employees, attorneys, any person(s) acting or purporting to act for or on their behalf  
3 from: (1) destroying or altering books, records or other documents of defendants and  
4 relief defendants; and (2) denying the receiver and agents of the Commission access  
5 to inspect and copy any such books, records and documents of defendants either on  
6 or off the premises where they may be situated; and  
7

8 In support of this motion, the Commission respectfully refers the Court to the  
9 Commission's Memorandum of Law and exhibits filed herewith. As explained in the  
10 Commission's Memorandum of Law, Baere has been a party to the fraudulent solicitation of  
11 investor funds, as well as soliciting, or accepting any order for, or otherwise dealing in, illegal  
12 off-exchange options in violation of Section 4c(b) of the Act, 7 U.S.C. § 6c(b), and Commission  
13 Regulations 1.1, 32.9, and 32.11, 17 C.F.R. §§ 1.1, 32.9, and 32.11.  
14

15 Counsel for both the Commission and defendant Stephan Baere have met and conferred  
16 prior to the filing of this motion, in an attempt to resolve the matter short of bringing it before the  
17 Court. The parties were unable to agree to a stipulated order of preliminary injunction with  
18 respect to Stephan Baere.  
19

20 For the foregoing reasons, the Commission respectfully requests that the Court enter a  
21 statutory restraining order and order of preliminary injunction (i) prohibiting the defendant from  
22 further violations of the provisions of the Act; (ii) freezing the assets of defendant; (iii)  
23 repatriating funds located in foreign banks and brokerage houses back to the United States, and  
24 (iv) prohibiting the defendant from destroying or altering any books, records or other documents  
25 and barring defendant and his agents from denying access to those books, records and documents  
26 to any representative of plaintiff.  
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Dated: Nov. 18, 2004

Respectfully submitted,

ATTORNEYS FOR PLAINTIFF  
COMMODITY FUTURES TRADING  
COMMISSION  
1155 21<sup>st</sup> Street, NW  
Washington, DC 20581



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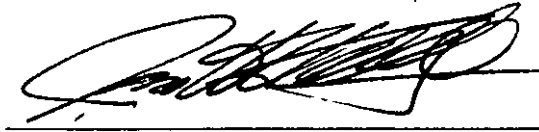
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**CERTIFICATE OF SERVICE**

I certify that on this 18<sup>th</sup> day of November, 2004, I caused to be served one copy of the attached document, via U.S. First Class mail, postage prepaid, to the following:

Kent Wilson  
711 8<sup>th</sup> Ave, 2d floor  
San Diego, CA 92101  
Agent for Service of Process for White Pine Trust Co.

Dirk Metzger  
Suite 700  
550 West C St.  
San Diego, CA 92101  
Attorney for Stephan Baere



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