

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

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

v.

**ARISEBANK,  
JARED RICE SR., and  
STANLEY FORD,**

**Defendants.**

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§ Civil Action No.: 3:18-cv-186-M

**PRELIMINARY INJUNCTION AS TO DEFENDANT STANLEY FORD**

This matter came before the Court this 19<sup>th</sup> day of March, 2018 on motion of Plaintiff the SEC to enter a Preliminary Injunction against Defendant Stanley Ford (“Defendant”).

Having considered the SEC’s motion, its brief in support, its <sup>amended</sup> appendix (including declarations and other exhibits), evidence already in the record, and the argument of counsel, the Court finds:

1. This Court has jurisdiction over the subject matter of this action and over Defendant, and the SEC is a proper party to bring this action seeking the relief sought in its Complaint and in its motion.

2. There is good cause to believe that Defendant has engaged, is engaged, and/or, unless enjoined, will continue to engage, in acts and or practices that constitute and will constitute violations of Sections 5(a), 5(c), and 17(a)(2) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)(2)] and Section 10(b) of the Securities Exchange

Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5(b) thereunder [17 C.F.R. § 240.10b-5(b)].

3. There is good cause to believe that Defendant used improper and unlawful means to obtain investor funds and assets, as described in the SEC's Complaint, its accompanying motion and brief, and its prior filings. There is also good cause to believe that Defendant may dissipate assets and, if he does, irreparable injury or harm would result to investors.

4. There is good cause to believe that the assets, in whatever form they exist, that are owned, controlled, or possessed by Defendant should be frozen to preserve the status quo and to prevent any misappropriation, misapplication, dissipation, or other action taken to the detriment of investors.

5. There is good cause to believe that it is necessary to preserve and maintain the business records of Defendant by prohibiting them from being moved, altered, or destroyed.

6. There is good cause to believe that Defendant may seek to leave the United States *or* *remain outside the United States* in order to avoid responsibility for the fraudulent acts alleged in the SEC's Complaint and underlying motion.

7. There is good cause to believe that investor funds and assets may have been removed or transferred from the territory of the United States to another jurisdiction.

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:**

**I.**

During the pendency of this case, Defendant is restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)] by, directly or indirectly, singly or in concert with others:

- i. making use of any means or instruments of transportation or communication in

interstate commerce or of the mails to sell through the use or medium of any written contract, offering document, prospectus, or otherwise, any security as to which no registration statement was in effect;

- ii. for the purpose of sale or delivery after sale, carrying or causing to be carried through the mails or in interstate commerce, by means or instruments of transportation, securities as to which no registration statement was in effect; and
- iii. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any written contract, offering document, prospectus, or otherwise, securities as to which no registration has been filed.

As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Order by personal service or otherwise: (a) the officers, agents, servants, employees, and attorneys of the Defendant; and (b) other persons in active concert or participation with the Defendant, or with anyone described in (a).

## II.

During the pendency of this case, Defendant is restrained and enjoined from violating Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, by at least negligently obtaining money or property by means of an untrue statement of a material fact or an omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also

binds the following who receive actual notice of this Order by personal service or otherwise: (a) the officers, agents, servants, employees, and attorneys of the Defendant; and (b) other persons in active concert or participation with the Defendant, or with anyone described in (a).

### III.

During the pendency of this case, Defendant is restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5(b) thereunder [17 C.F.R. § 240.10b-5(b)] by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security, knowingly or recklessly making any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Order by personal service or otherwise: (a) the officers, agents, servants, employees, and attorneys of the Defendant; and (b) other persons in active concert or participation with the Defendant, or with anyone described in (a).

### IV.

Except as otherwise specified in previous or subsequent orders issued by the Court, Defendant and persons acting on his behalf 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 (tangible or intangible), pending provision of sufficient proof to the Court of sufficient funds or assets to satisfy all claims alleged in the SEC's Complaint, or the posting of a

bond or surety sufficient to assure payment of any such claim. Further, any bank, trust company, broker-dealer, financial institution, depository (or other) institution, coin exchanges, entity, or individual holding accounts or assets for or on behalf of any of the Defendant shall make no transactions in assets, securities, investments, funds, digital currencies, virtual currencies, cryptocurrencies, or any other tangible or intangible assets (excepting liquidating necessary as to wasting assets) and no disbursement of assets, securities, investments, funds, digital currencies, virtual currencies, cryptocurrencies, or any other tangible or intangible assets (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 Defendant, unless otherwise ordered by this Court.

As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Order by personal service or otherwise: (a) the officers, agents, servants, employees, and attorneys of the Defendant; and (b) other persons in active concert or participation with the Defendant, or with anyone described in (a).

V.

The SEC may cause a copy of this Order to be served on any bank, trust company, broker-dealer, financial institution, coin exchange, depository (or other) institution, entity, or individual either by United States mail, email, facsimile, or by an alternative provision for service permitted by Rule 4 of the Federal Rules of Civil Procedure, or as this Court may direct by further order, as if such service were personal service, to restrain and enjoin any such bank, company, institution, exchange, entity, or individual from disbursing assets, directly or indirectly, to or on behalf of the Defendant, or any companies or persons or entities under his control.

**VI.**

The Defendant, and any entities or affiliates under his control, are restrained and enjoined from destroying, removing, mutilating, altering, concealing, secreting, or disposing of, in any manner, any of their books, records, documents, accounts, account passwords, encryption passwords, computer passwords, device PINs and passwords, cryptographic keys, or any instruments, data, and papers relating in any manner to the matters set forth in the SEC's Complaint and the underlying motion and brief, unless otherwise ordered by this Court.

As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Order by personal service or otherwise: (a) the officers, agents, servants, employees, and attorneys of the Defendant; and (b) other persons in active concert or participation with the Defendant, or with anyone described in (a).

**VII.**

The United States Marshal in any district in which the Defendant resides, transacts business, or may be found, is hereby authorized and directed to make service of process at the request of the SEC. Furthermore, the SEC is permitted to effect service of all pleadings and other papers, including court orders, by facsimile, overnight courier, email, or mail upon the Defendant and his agents or attorneys or by an alternative provision for service permitted by Rule 4 of the Federal Rules of Civil Procedure, or as this Court may direct by further order.

**VIII.**

*If Defendant is in the United States during the pendency of this proceeding,* Defendant shall surrender his passport to the Clerk of the Court and *is* barred from traveling *will be* outside the United States, until further Order of this Court. *MP*

**IX.**

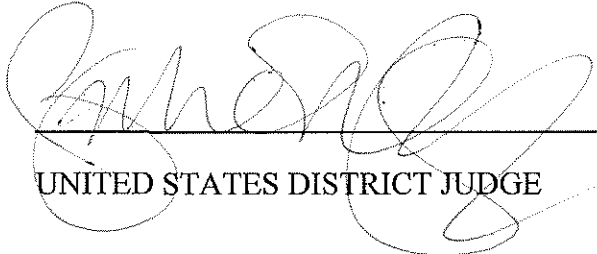
The Defendant, and his directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with anyone or more of them, and each of them, shall:

- (A) take such steps as are necessary to repatriate to the territory of the United States all funds, assets, securities, investments, digital currencies, virtual currencies, and cryptocurrencies of investors described in the SEC's Complaint in this action which are held by them or are under their direct or indirect control, jointly or singly, and transfer such funds into the Registry of the United States District Court, Northern District of Texas; and
- (B) provide the SEC and the Court a written description of the funds, assets, securities, investments, digital currencies, virtual currencies, and cryptocurrencies so repatriated.

**X.**

This order shall remain in effect during the pendency of this case or until further order of the Court.

**IT IS SO ORDERED**, this 19<sup>th</sup> day of March, 2018.

  
UNITED STATES DISTRICT JUDGE