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SOUTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

U.S. COMMODITY FUTURES TRADING COMMISSION and THE PEOPLE OF THE STATE OF CALIFORNIA, by and through the CALIFORNIA CORPORATIONS COMMISSIONER, Plaintiffs, vs. MOHIT A. KHANNA, an individual, and MAK 1 ENTERPRISES GROUP, LLC, a Nevada limited liability company, Defendants; and FIRST OPPORTUNITIES MANAGEMENT GROUP, INC., a Nevada corporation, Relief Defendant.	Case No. '09 CV 1783 BEN CAB PLAINTIFF'S EX PARTE APPLICATION FOR STATUTORY RESTRAINING ORDER, ORDER FOR AN ACCOUNTING, ORDER GRANTING EXPEDITED DISCOVERY, ORDER TO SHOW CAUSE REGARDING PRELIMINARY INJUNCTION, AND OTHER EQUITABLE RELIEF

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Pursuant to Section 6c of the Commodity Exchange Act, 7 U.S.C. §§ 13a-1 (2006) (the "Act"), and Section 2(c)(2)(C)(i)-(iii) of the Act as amended by the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, Title XIII (the CFTC Reauthorization Act ("CRA")), §§ 13101-13204, 122 Stat. 1651 (to be codified at 7 U.S.C. §§ 1 *et seq*. (enacted June 18, 2008)), Plaintiff, the U.S. Commodity Futures Trading Commission ("Commission" or "CFTC"), applies to this Court for an *ex parte* Statutory Restraining Order, without bond, an order requiring an accounting, an order granting expedited discovery, an order assigning a temporary receiver, an order to show cause regarding preliminary injunction, and other equitable relief against Defendants MAK 1 ENTERPRISES GROUP, LLC ("MAK 1"), MOHIT A. KHANNA ("Khanna") (hereinafter collectively referred to as "Defendants"), and FIRST OPPORTUNITIES MANAGEMENT GROUP, LLC, ("Relief Defendant").

By its Application, the Commission seeks an Order which:

1. Freezes assets held in the name of, or under the control or management of Defendants or Relief Defendant ("Assets") and restrains and enjoins Defendants, Relief Defendant, their employees or agents from directly or indirectly dissipating, withdrawing, transferring, removing, concealing or disposing of funds, securities, assets or other property owned, controlled or held (whether legally, equitably or otherwise) by Defendants or Relief Defendant, wherever such funds, assets or other property are located, including those held outside the United States, or from directly or indirectly opening or causing to be opened any safe deposit boxes titled in the name of or subject to access by Defendants or Relief Defendant;

2. Requires any financial or brokerage institution, business entity, or person that holds, controls or maintains custody of any account or asset of, or has held, controlled, or maintained custody of any account of each and every Defendant or Relief Defendant at any time since January 1, 2000, to: (i) prohibit any person (except the Commission or a Court appointed receiver) from withdrawing or encumbering Defendants' or Relief Defendant's assets; (ii) deny any person (except the Commission or a Court appointed receiver) access to each and every safe deposit box of Defendants or Relief Defendant; (iii) provide the Commission with a statement describing the assets, accounts, and safe deposit boxes held by or on behalf of each and every Defendant or Relief Defendant; and (iv) allow representatives of the Commission access to inspect and copy records pertaining to Defendants' or Relief Defendant's financial accounts and other assets;

3. Requires Defendants and Relief Defendant to: (a) provide the Commission with a full detailed accounting of all domestically held funds, documents and assets; (b) provide the Commission with a full accounting of all foreign held funds, documents and assets; (c) transfer foreign held assets and documents to the United States and to the possession of the Commission; and (d) sign consents to the release of financial records that waive foreign bank secrecy laws or otherwise permit the Commission access to all records of Defendants and Relief Defendant held by financial institutions located within or outside the territorial United States;

4. Restrains and enjoins Defendants, Relief Defendant, their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with the Defendants or Relief Defendant, including any successor thereof, from directly or indirectly destroying,

mutilating, concealing, altering, or disposing of any of the books, records, documents, correspondence, brochures, manuals, electronically stored data, tape recordings, or other property of Defendants and Relief Defendant, wherever such materials may be situated, that refer or relate in any manner to any transaction or matter described in the Complaint in this case;

5. Authorizes representatives of the Commission to be allowed immediate access to inspect and copy, either on or off the premises, wherever they may be situated, the books, records, and other documents of Defendants, Relief Defendant, and their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with the Defendants or Relief Defendant, including any successor thereof;

6. Requires Defendants, Relief Defendant, their agents, servants, employees, assigns, attorneys, and persons in active concert or participation with the Defendants or Relief Defendant, including any successor thereof, to cooperate fully with the Commission to locate and provide to representatives of the Commission all assets, books, and records of Defendants, and those of Relief Defendant, wherever such assets, books, and records may be situated;

7. Authorizes the Commission to conduct expedited discovery in advance of discovery allowed by the Federal Rules of Civil Procedure ("FRCP") Rule 26. This includes allowing the Commission leave to take depositions of Defendants, Relief Defendant, and non-parties subject to two calendar days notice pursuant to FRCP 30(a) and 45, so that the Commission can determine the full extent of Defendants' wrongdoing (including, but not limited to, the possible involvement of others), locate other customers who were defrauded

by Defendants, identify customers' funds, identify the Defendants' and Relief Defendant's assets; and

8. Authorizes service of the Statutory Restraining Order and Complaint by any means, including facsimile and e-mail transmission, upon any entity or person that may have possession, custody, or control of any documents or assets of Defendants or Relief Defendant or that may be subject to any provision of the Statutory Restraining Order.

In addition, the Commission requests that the Court issue an order to show cause why a preliminary injunction should not be granted to prohibit further violations of the Act, the Act as amended by the CRA, and Commission Regulations and for such other relief as the Court deems necessary and appropriate under the circumstances.

In support of this Application, Commission respectfully refers the Court to the Plaintiff's Memorandum of Points and Authorities and exhibits filed therewith. As explained in Plaintiff's Memorandum of Points and Authorities, Defendants fraudulently solicited or defrauded the retail public in connection with offering of retail client managed accounts and/or a pooled investment vehicle to trade leveraged or managed foreign currency and speculate on the movement of foreign currency prices in the foreign currency market, misappropriated customer funds to pay off other customers and for personal and business uses, and issued false statements. Defendants fraudulently solicited by, among other things, knowingly (i) making false statements; (ii) providing fraudulent account statements that misrepresented the value of customers' accounts; (iii) misappropriating customer funds for their own personal use, to maintain the appearance of a legitimate investment in the manner

of a "ponzi" scheme, all in violation of provisions of the Act, the Act as amended by the CRA, and the Commission Regulations.

Unless the Court grants the relief for a statutory *ex parte* restraining order, it will be unable to preserve funds for victims of Defendants' unlawful activities and to prevent the destruction of records and other evidence of Defendants' unlawful activities.

WHEREFORE, Commission respectfully requests that all relief requested herein be granted, and that this Court enter the proposed Statutory Restraining Order freezing assets, protecting Defendants' books and records, enter an order requiring an accounting of Defendants' and Relief Defendant's Assets, grant the Commission's request to conduct expedited discovery for the purpose of discovering Defendants' assets, appoint a receiver, and to issue an order to show cause why a preliminary injunction should not be issued by this Court.

Respectfully submitted,

Date: August 17, 2009

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