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JUDGE TENA CAMPREII

## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH

SECURITIES AND EXCHANGE COMMISSION.

Case: 2:11cv00357

Assigned To : Campbell, Tena

Assign. Date: 4/18/2011

Description: SEC v. Art Intellect et al.

PLAINTIFF.

v.

PROPOSED| TEMPORARY RESTRAINING ORDER, **ACCELERATING** DISCOVERY AND ORDER TO SHOW CAUSE

Art Intellect, Inc., a Utah corporation, d/b/a Mason Hill and Virtual MG, Patrick Merrill Brody, Laura A. Roser, Gregory D. Wood

DEFENDANTS.

Plaintiff, Securities and Exchange Commission (the "Commission"), has made an Ex Parte Motion for a Temporary Restraining Order and Other Relief to restrain Defendants Art Intellect, Inc. d/b/a Mason Hill and Virtual MG, Patrick Merrill Brody, Laura A. Roser and Gregory D. Wood (collectively, the "Defendants") from engaging in ongoing violations of the federal securities laws. The Court has considered the Commission's Memorandum in Support of the Ex Parte Motion for

Temporary Restraining Order and Other Relief, the exhibits filed therewith, and the supporting declarations and documentation, together with the argument of counsel. Based upon the foregoing, the Court makes the following findings:

- 1. This Court has jurisdiction over the subject matter of this action and over Defendants.
- 2. The Commission has made a sufficient and proper showing in support of the relief granted herein, as required by Section 20(b) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77t(b)] and Section 21(d) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78u(d)] by evidence establishing a prima facie case of and a strong likelihood that the Commission will prevail at trial on the merits and that the Defendants, directly or indirectly, have engaged in and, unless restrained and enjoined by order of this Court, will continue to engage in acts, practices, and courses of business constituting violations of Sections 5(a), 5(c) and 17(a) [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)] and Sections 10(b) and 15(a) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78o(a)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

## IT IS HEREBY ORDERED:

I.

The Commission's <u>Ex Parte</u> Motion for a Temporary Restraining Order and Other Relief is granted.

Π.

Pending the determination of the Commission's Motion for a Preliminary Injunction or hearing on the merits, Defendants and their officers agents, servants, employees, attorneys, and accountants, and those persons in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, are temporarily restrained and enjoined from engaging in transactions, acts, practices, and courses of business

described herein, and from engaging in conduct of similar purport and object in violation of Sections 5(a), 5(c) and 17(a) of the Securities Act, and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder.

## III.

## IV.

Pending the above-ordered preliminary injunction hearing, the Court hereby orders expedited discovery as detailed below:

- a. Discovery may commence immediately. The parties need not await the exchange of initial disclosures prior to initiating discovery through any other means permitted by the Federal Rules of Civil Procedure.
- b. Depositions may be scheduled on three days written notice to the parties, which notice must be served by facsimile and electronic mail.
- c. The parties must respond to interrogatories within 3 days of service thereof.

  Service of interrogatories must be made by facsimile and electronic mail.
- d. The parties must respond to requests for the production of documents and requests for admission within 5 days service thereof.

This Court shall retain jurisdiction over this action for the purposes of implementing and carrying out the terms of all orders and decrees which may be entered herein and to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

District of Utah

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I hereby certify that the annexed is a true and correct copy of a document or an electronic docket entry on file at the United States District court for the District of Utah.

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