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*P. Jend*  
 FILED - SOUTHERN DIVISION  
 CLERK, U.S. DISTRICT COURT  
**FEB 16 2006**  
 CENTRAL DISTRICT OF CALIFORNIA  
 BY *[Signature]* DEPUTY

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12 UNITED STATES DISTRICT COURT  
 13 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
 14 SOUTHERN DIVISION

16 SECURITIES AND EXCHANGE  
 17 COMMISSION,  
 18 Plaintiff,  
 19 vs.  
 20 LAMBERT VANDER TUIG (a/k/a  
 LAMBERT VANDER TAG a/k/a DEAN L.  
 21 VANDERTAG), THE CAROLINA  
 DEVELOPMENT COMPANY, INC. (a/k/a  
 22 THE CAROLINA COMPANY AT  
 PINEHURST, INC.), AND JONATHAN  
 23 CARMAN  
 24 Defendants.

Case No.  
 SACV06-172 AHS (ANx)

~~PROPOSED ORDER~~  
 GRANTING ASSET FREEZE,  
 ORDERING AN  
 ACCOUNTING, AND  
 PROHIBITING THE  
 DESTRUCTION OF  
 DOCUMENTS

I hereby attest and certify on **FEB 16 2006**  
 that the foregoing document is a full, true  
 and correct copy of the original on file in  
 my office and in my legal custody.

CLERK, U.S. DISTRICT COURT  
 CENTRAL DISTRICT OF CALIFORNIA  
 By *[Signature]* Deputy



0114

1           Upon the Application of Plaintiff Securities and Exchange Commission  
2 ("Commission") for an order (1) freezing the assets of Lambert Vander Tuig,  
3 Jonathan Carman, and The Carolina Development Company, Inc. ("Carolina  
4 Company"); (2) ordering an accounting of investor proceeds, and (3) prohibiting  
5 the destruction or alteration of any documents relating to the solicitation of  
6 securities. The Court has considered the Commission's Complaint, the Declaration  
7 of Scott R. Frost and the exhibits thereto, and the Memorandum in Support of  
8 Plaintiff's Motion.

9           Based upon the foregoing, the Court finds that a proper showing has been  
10 made for the relief granted herein, for the following reasons:

11           1. It appears from the evidence presented that Defendants, directly or  
12 indirectly, have engaged, in transactions, acts, practices and courses of business, in  
13 the offer or sale and in connection with the purchase or sale of securities, that have  
14 constituted, are constituting, and would constitute violations of Sections 5(a), 5(c),  
15 and 17(a) of the Securities Act, 15 U.S.C. § 77q(a) and Section 10(b) of the  
16 Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5.

17           2. It appears that the Defendants have fraudulently obtained more than  
18 \$33 million as a result of such conduct.

19           3. It appears that an order freezing assets is necessary to preserve the  
20 *status quo* and to protect this Court's ability to award equitable relief in the form  
21 of disgorgement of illegal profits from fraud and civil penalties.

22           4. It appears that irreparable injury, loss or damage will result if  
23 defendants are notified of the Commission's application prior to it being heard.

24           5. This Court has jurisdiction over the subject matter of this action and  
25 over each of the Defendants, and venue properly lies in this district.  
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1 **NOW, THEREFORE,**

2 **I.**

3 **IT IS HEREBY ORDERED** that, pending final adjudication of this matter,  
4 Defendants, their agents, servants, employees, attorneys, and those persons in  
5 active concert or participation with them who receive actual notice of such Order  
6 by personal service, facsimile service, or otherwise, and each of them, hold and  
7 retain within their control, and otherwise prevent any withdrawal, transfer, pledge,  
8 encumbrance, assignment, dissipation, concealment, or other disposal of any  
9 assets, funds, or other properties (including money, real or personal property,  
10 securities, choses in action or property of any kind whatsoever) of Defendants  
11 currently held by them or under their control, whether held in the name of  
12 Defendants, or each of them, or for their direct or indirect beneficial interest  
13 wherever situated, and directing each of the financial or brokerage institutions,  
14 debtors, and bailees, or any other person or entity holding such assets, funds, or  
15 other properties of Defendants to hold or retain within its control and prohibit the  
16 withdrawal, removal, transfer, or other disposal of any such assets, funds, or other  
17 properties without further order from this Court.

18 **II.**

19 **IT IS HEREBY FURTHER ORDERED** that all Defendants, their  
20 officers, agents, servants, employees and attorneys, and those persons in active  
21 concert or participation with them who receive actual notice of this Order by  
22 personal service or otherwise, including by facsimile transmission or overnight  
23 delivery service, and each of them shall be preliminarily restrained and enjoined  
24 from destroying, mutilating, concealing, altering, or disposing of any and all items,  
25 including, but not limited to, any books, records, documents, correspondence,  
26 contracts, agreements, assignments, obligations, tape recordings, computer media  
27

1 or other property of the Defendants, relating to the Defendants or any of their  
2 securities, financial or business dealings.

3 **III.**

4 **IT IS HEREBY FURTHER ORDERED** that Defendants shall each  
5 submit to the Court and to the Plaintiff Commission within ten (10) business days  
6 of service of this Order, information identifying all aliases, business and residence  
7 addresses, postal box numbers, telephone numbers, and facsimile numbers used by  
8 that Defendant.

9 **IV.**

10 **IT IS HEREBY FURTHER ORDERED** that Defendants shall each  
11 submit to the Court and to the Plaintiff Commission within ten (10) business days  
12 of service of this Order a full accounting of all funds invested in Carolina  
13 Company and the uses thereof.

14 **V.**

15 **IT IS HEREBY FURTHER ORDERED** that this Order shall remain in  
16 effect until entry of Final Judgment in, or other final disposition of, this action.

17 **VI.**

18 **IT IS HEREBY FURTHER ORDERED** that the Court shall retain  
19 jurisdiction of this matter for all purposes.

20 Dated this 16<sup>th</sup> day of February 2006.

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23 \_\_\_\_\_  
24 UNITED STATES DISTRICT COURT JUDGE  
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