

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO. : 10-22078-CIV-MORENO**

**SECURITIES AND EXCHANGE COMMISSION,** )  
 )  
 **Plaintiff,** )  
 **v.** )  
 )  
 **ESTATE OF KENNETH WAYNE MCLEOD,** )  
 **F&S ASSET MANAGEMENT GROUP, INC. and** )  
 **FEDERAL EMPLOYEE BENEFITS GROUP, INC.,** )  
 )  
 **Defendants.** )  
 )

**PRELIMINARY INJUNCTION IMPOSING ASSET FREEZE AND OTHER RELIEF AS TO  
DEFENDANT ESTATE OF KENNETH WAYNE MCLEOD**

Defendant Estate of Kenneth Wayne McLeod ("Estate of McLeod"), by the Consent of its nominee annexed hereto, without admitting or denying any of the allegations in the Complaint filed by the Securities and Exchange Commission ("Commission"), except that it admits the allegations as to the jurisdiction of this Court over it and over the subject matter of this action, has agreed to the entry of this Preliminary Injunction Imposing Asset Freeze and Other Relief as to Defendant Estate of Kenneth Wayne McLeod ("Freeze Order"). This Court, having accepted such Consent and having jurisdiction over Defendant Estate of McLeod and the subject matter of this action, and being fully advised in the premises, orders as follows:

**I.**

**ASSET FREEZE**

**IT IS HEREBY ORDERED** that pending further Order of this Court, Defendant Estate of McLeod, its directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, who receive notice of this order by personal service, mail, facsimile transmission or otherwise be and hereby are,

restrained from, directly or indirectly, transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise disposing of, or withdrawing any assets or property owned by, controlled by, held for the benefit of, or in the possession of Defendant Estate of McLeod, including, but not limited to, cash, free credit balances, fully paid for securities, and/or property pledged or hypothecated as collateral for loans.

Notwithstanding the foregoing, Susan McLeod is authorized to apply for payment of proceeds of certain insurance policies on the life of Kenneth Wayne McLeod for which she is the named beneficiary, but solely on the condition that the insurer of such policies pay any such proceeds into an escrow account to be determined by the parties pending determination of the proper disposition of such proceeds.

## II.

### RECORDS PRESERVATION

**IT IS HEREBY FURTHER ORDERED** that until pending further Order of this Court, Defendant Estate of McLeod, its directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, be and they hereby are restrained and enjoined from, directly or indirectly, destroying, mutilating, concealing, altering, disposing of, or otherwise rendering illegible in any manner, any of the books, records, documents, correspondence, brochures, manuals, papers, ledgers, accounts, statements, obligations, files and other property of or pertaining to the Defendant Estate of McLeod wherever located.

**III.**

**RETENTION OF JURISDICTION**

**IT IS HEREBY FURTHER ORDERED** that this Court shall retain jurisdiction over this matter and Defendant Estate of McLeod in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances. The Consent by Estate of McLeod to the entry of a preliminary injunction is without prejudice to the right, if any, of Defendant Estate of McLeod or any other party bound by this Order, to apply to the Court for relief, in whole or in part, from this Order, nor shall this Order preclude the Commission or the Receiver from opposing any such application.

**DONE AND ORDERED** in Chambers in Miami, Florida, this 6<sup>th</sup> day of July, 2010.

  
\_\_\_\_\_  
**FEDERICO A. MORENO**  
**UNITED STATES DISTRICT JUDGE**

Copy to:

All counsel of Record  
Receiver Michael Goldberg

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

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	)
Plaintiff,	)
v.	)
	)
ESTATE OF KENNETH WAYNE MCLEOD,	)
F&S ASSET MANAGEMENT GROUP, INC. and	)
FEDERAL EMPLOYEE BENEFITS GROUP, INC.,	)
	)
Defendants.	)

**CONSENT OF DEFENDANT ESTATE OF KENNETH WAYNE MCLEOD  
TO PRELIMINARY INJUNCTION IMPOSING ASSET FREEZE AND OTHER RELIEF**

1. Defendant Estate of Kenneth Wayne McLeod ("Estate of McLeod"), by and through its nominee, Susan McLeod, hereby admits the jurisdiction of this Court over it and the subject matter of this action.

2. Defendant Estate of McLeod states that it has entered into this Consent voluntarily, and that no promise, threat, or inducement of any kind, except as stated herein or as stated in the attached proposed Preliminary Injunction Imposing Asset Freeze and Other Relief as to Defendant Estate of Kenneth Wayne McLeod ("Freeze Order"), has been made by the Plaintiff Securities and Exchange Commission ("Commission"), or any member, officer, agent, or representative thereof, to Defendant Estate of McLeod or its nominee Susan McLeod, or to anyone acting for them or on their behalf, to induce them to enter into this Consent.

3. Defendant Estate of McLeod, without admitting or denying the allegations of the Complaint, except that it is admitting the allegation as to jurisdiction, hereby voluntarily consents to the entry of this Freeze Order, in the form annexed hereto and incorporated by reference herein.

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4. Defendant Estate of McLeod agree that the attached proposed Freeze Order, in the form annexed hereto, may be presented by the Commission to the Court for signature and entry, without further notice.

5. Defendant Estate of McLeod agrees that this Consent shall be made a part of the proposed attached Freeze Order, and further agree that this Court shall retain jurisdiction over it.


6. Defendant Estate of McLeod state that it understands that the Commission cannot and does not confer on it or on any person or entity, immunity from any criminal proceedings against it or other persons or entities for any actions related to or arising from this or any other matter.

7. Defendant Estate of McLeod waives any right it may have to appeal from the entry of the Freeze Order.

8. Defendant Estate of McLeod waives service of the Freeze Order entered herein upon it and agrees that entry of it by the Court and filing with the Clerk in the Southern District of Florida will constitute notice to it of the terms and conditions of such Freeze Order.

9. Defendant Estate of McLeod agrees it will not oppose the enforcement of the Freeze Order on the ground that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waive any objection based thereon.

Approved as to form:

  
William J. Sheppard, Esq.  
D. Gray Thomas, Esq.  
Matthew R. Kachergus, Esq.  
Sheppard White, Thomas & Kachergus, P.A.  
215 N Washington St  
Jacksonville, FL 32202-2808  
Counsel for Nominee Susan McLeod

I, Susan McLeod, as Nominee for the Estate of Kenneth Wayne McLeod, and having had the benefit of the advice of competent legal counsel, hereby consent to the Court's entry of the foregoing Asset Freeze Order and Other Relief as to Defendant Estate of Kenneth Wayne McLeod.

Dated: July 2, 2010

*Susan McLeod*

Susan McLeod as Nominee for the Estate of  
Kenneth Wayne McLeod

STATE OF FLORIDA     )  
                                  )     ss:  
COUNTY OF DUVAL     )

On this 2nd day of July, 2010, before me personally appeared Susan McLeod, who is personally known to me \_\_\_\_\_ or who produced a \_\_\_\_\_ driver's license bearing his name and photograph as identification, and who executed this Consent, and she acknowledged to me that she executed the same.

*Linda D. Hughes*  
Notary Public  
Commission Expires November 28, 2010  
#0051885  
COMM. #0051885  
LINDA D. HUGHES  
NOTARY PUBLIC  
STATE OF FLORIDA