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12 **UNITED STATES DISTRICT COURT**
13 **DISTRICT OF NEVADA**

14 SECURITIES AND EXCHANGE
15 COMMISSION,

16 Plaintiff,

17 vs.

18 GOLD-QUEST INTERNATIONAL,
19 DAVID GREENE a/k/a LORD DAVID
GREENE a/k/a DAVID GREEN, JOHN
20 JENKINS and MICHAEL MCGEE,

21 Defendants.

Case No. 08-CV-00566-KJD-LRL

**[PROPOSED] ORDER FOR THE
ISSUANCE OF A BENCH
WARRANT AND FOR THE
SENTENCING OF DEFENDANT
DAVID M. GREENE FOR
CONTEMPT OF COURT ORDERS**

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1 On September 11, 2008, Plaintiff Securities and Exchange Commission
2 (“Commission”) moved for an order to show cause why defendant David M.
3 Greene, aka Lord Greene, (“Greene”) should not be held in civil contempt for
4 violating the following orders of the Court:

- 5 • The Temporary Restraining Order and Orders: (1) Freezing Assets; (2)
6 Appointing a Temporary Receiver; (3) Repatriating Assets; (4)
7 Requiring Accountings; (5) Prohibiting the Destruction of Documents;
8 (6) Granting Expedited Discovery; and Order to Show Cause re
9 Preliminary Injunction and Appointment of a Permanent Receiver
10 (Docket No. 23) issued on May 6, 2008;
- 11 • The Amended Preliminary Injunction and Orders: (1) Freezing Assets;
12 (2) Appointing a Permanent Receiver; (3) Repatriating Assets; (4)
13 Requiring Accountings; (5) Prohibiting the Destruction of Documents;
14 and (6) Granting Expedited Discovery (Docket No. 51) issued on May
15 16, 2008; and
- 16 • The Court’s Minute Order issued on August 12, 2008 (Docket No.
17 157).

18 The Temporary Restraining Order required that within five days of issuance of
19 the order Greene must “prepare and deliver to the Commission a detailed and
20 complete schedule of all assets of Gold-Quest [and] Greene . . . , including all real
21 and personal property exceeding \$5,000 in value, and all bank, securities, futures,
22 Internet payment processor, and other accounts identified by institution, branch
23 address and account number. The accountings shall include a description of the
24 source(s) of all such assets.” Temporary Restraining Order at ¶ XVI. The
25 Temporary Restraining Order further provided that Greene was required, within
26 ten days of the date of the order, to “transfer to the registry of this Court all assets,

1 funds, and other property held in foreign locations in the name of Gold-Quest [or]
2 Greene . . . or for the benefit or under the direct or indirect control of any of them,
3 or over which any of them exercise control or signatory authority.” *Id.* at ¶ XVIII.
4 The Preliminary Injunction similarly ordered Greene to prepare an accounting and
5 to repatriate any assets, funds or other property located abroad to the registry of the
6 Court. *See* Preliminary Injunction at ¶¶ XVII, XIX. On August 12, 2008, this
7 Court issued a Minute Order in the presence of Greene which required Greene to
8 “provide all information required by the preliminary injunction order, including
9 accountings and the Saxo Bank information, and sign the affidavit to release the
10 funds contained in the Saxo Bank account.”

11 The Commission presented evidence that Greene failed to provide the
12 Commission with a full and complete accounting, had not repatriated the funds
13 held in an account at Saxo Bank in Denmark, and refused to sign the affidavit
14 prepared by the receiver’s counsel to release the funds in his Saxo Bank account to
15 the court-appointed receiver in this case.

16 At the hearing on October 8, 2008, during which Greene was present, the
17 Court found Greene in civil contempt of court for failing to disclose where certain
18 vehicles were located and for failing to answer fully the questions posed by the
19 Commission and the Court regarding Greene’s accounting. The Court sentenced
20 Greene to sixty (60) days in the custody of the United States Marshal but the
21 sentence was suspended contingent upon Greene providing all of the requested
22 information to the Commission and to the receiver within two weeks of the Court’s
23 Order. The Court ordered Greene to disclose any and all information he knows
24 about Gold-Quest International and/or the Little Shell Nation and their asserted
25 ownership in certain property. The Court further ruled that it would extend the
26 sentence if Greene did not make the disclosures as ordered.

1 On October 9, 2008, the Court issued an Order Releasing David Greene
2 Accounts At Wells Fargo Bank From Asset Freeze For Purposes Of Obtaining
3 Account Statements And Information Only (Docket No. 204) so that Greene
4 would have access to certain bank account information, as he requested at the
5 October 8th hearing. In addition, the Commission has represented that on October
6 16, 2008, the Commission staff provided Greene via Federal Express with a letter
7 reiterating what information it was seeking from Greene and also provided Greene
8 with thousands of pages of documents the Commission staff had obtained from
9 Wells Fargo Bank regarding Greene's bank accounts.

10 Despite the Court's clear orders in this case, including the Court's Order of
11 October 8, 2008 finding Greene in civil contempt of court, neither the Commission
12 nor the receiver has received any response from Greene, including the accounting
13 that Greene was ordered by the Court to prepare and produce. The Court therefore
14 issues a bench warrant for the arrest of Greene pursuant to the Court's October 8,
15 2008 Order finding Greene in civil contempt of court. Pursuant to the Court's
16 Order of October 8, 2008, Greene is sentenced to sixty (60) days in the custody of
17 the United States Marshal. As the Court ordered previously, Greene's sentence
18 will be extended if he does not make the disclosures as ordered. In light of the fact
19 that the Court has already sentenced Greene, a detention hearing is unnecessary
20 and shall not be held following the arrest of Greene.

21 IT IS SO ORDERED.

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24 DATED: Nov. 4, 2008

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The Honorable Kent J. Dawson
UNITED STATES DISTRICT JUDGE

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Presented by:

DATED: November 3, 2008

Respectfully submitted,

/s/ Teri M. Melson
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