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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

 Plaintiff,

 vs.

PRESTO TELECOMMUNICATIONS, INC.;
ALFRED LOUIS VASSALLO, JR. aka
BOBBY VASSALLO,

 Defendants.

Case No. 04 CV 00163 IEG (WMC)

**ORDER TO SHOW CAUSE RE CIVIL
CONTEMPT AGAINST DEFENDANT
ALFRED LOUIS VASSALLO, JR. AND
ORDERS IMPOSING ADDITIONAL
RELIEF**

Plaintiff Securities and Exchange Commission (“Commission”) applied on an *ex parte* basis for an order to show cause why defendant Alfred Louis Vassallo, Jr. (“Vassallo”) should not be held in civil contempt of this Court’s Final Judgment of Permanent Injunction and Other Relief entered on August 24, 2005 (the “Permanent Injunction”) (Docket No. 801) and for Orders imposing additional relief. The Commission presented evidence that Vassallo has not complied with, has violated, and continues to violate the Permanent Injunction through his offer and sale of unregistered securities, by committing fraud in connection with the offer, purchase, or sale of securities, and by failing to pay disgorgement and civil penalties to the Court-appointed Receiver in this action. The Commission also presented evidence that Vassallo has

1
2 not complied with this Court's February 2, 2010 Order that required him to appear for a
3 judgment debtor examination (Docket No. 949).

4 For good cause shown, the application is hereby GRANTED.

5 IT IS FURTHER ORDERED that at *10:00 a.m. on Thursday, October 7, 2010*,
6 Defendant Vassallo shall appear before this Court to show cause why an order of civil contempt
7 should not be issued. Vassallo further shall show cause why he should not be incarcerated and
8 why he should not be fined \$1,000 per day until he complies with his obligations under the
9 Permanent Injunction and the February 2, 2010 Order.

10 IT IS FURTHER ORDERED that the following additional relief requested by the
11 Commission is appropriate based on the evidence presented by the Commission:

- 12 1. that, except as otherwise ordered by this Court, an immediate freeze shall be placed
13 on all monies and assets (with an allowance for necessary and reasonable living
14 expenses to be granted only upon good cause shown by application to the Court
15 with notice to and an opportunity for the Commission to be heard) in all accounts at
16 any bank, financial institution or brokerage firm (including any futures commission
17 merchant), all certificates of deposit, and other funds or assets, held in the name of,
18 for the benefit of, or over which account authority is held by Vassallo;
- 19 2. Vassallo and his officers, agents, servants, employees, attorneys, subsidiaries and
20 affiliates, including entities in receivership, and those persons in active concert or
21 participation with any of them, who receive actual notice of this Order, by personal
22 service or otherwise, and each of them, be and hereby are preliminarily restrained
23 and enjoined from, directly or indirectly: destroying, mutilating, concealing,
24 transferring, altering, or otherwise disposing of, in any manner, any documents,
25 which includes all books, records, computer programs, computer files, computer
26 printouts, contracts, correspondence, memoranda, brochures, or any other
27 documents of any kind in their possession, custody or control, however created,
28 produced, or stored (manually, mechanically, electronically, or otherwise),

1 pertaining in any manner to Vassallo, Valley Wireless Holdings, LLC, Vista
2 Interfon, LLC, and their subsidiaries and affiliates;

3 3. The Commission's application for expedited discovery is granted and that the
4 Commission and the permanent receiver may, until December 31, 2010, conduct
5 discovery subject to five calendar days notice pursuant to Rules 30(a), 34, and 45 of
6 the Federal Rules of Civil Procedure including notice given personally, by facsimile
7 or by electronic mail, and the Commission and the permanent receiver may take
8 more than ten depositions;

9 4. Vassallo shall prepare and deliver to the Commission a detailed and complete
10 schedule of all of his personal assets, including all real and personal property
11 exceeding \$5,000 in value, and all bank, securities, futures and other accounts
12 identified by institution, branch address and account number is continued in full
13 force and effect and shall so remain until Vassallo provides a full, complete
14 accounting, and also delivers to the Commission all books, records, or other
15 documents relating thereto. The accounting shall include a description of the
16 source(s) of all such assets. Such accounting shall be filed with the Court and a
17 copy shall be delivered to the Commission's Los Angeles Regional Office within
18 five (5) business days from the date of service this Order. After completion of the
19 accounting, Vassallo shall produce to the Commission's Los Angeles Regional
20 Office, at a time agreeable to the Commission, all books, records and other
21 documents supporting or underlying his accounting;

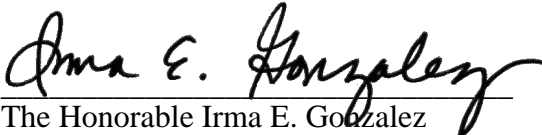
22 5. Vassallo shall transfer to the registry of this Court all assets, funds, and other
23 property held in foreign locations in the name of Vassallo, Valley Wireless
24 Holdings, LLC, or Vista Interfon LLC, or for the benefit or under the direct or
25 indirect control of any of them, or over which any of them exercise control or
26 signatory authority, shall continue in full force and effect unless and until this Court
27 orders otherwise; and

28 6. Vassallo shall surrender his passport to the Court-appointed Receiver in this action.

1 This Order may be served by transmitting it to Vassallo's most recent known addresses
2 by UPS or other overnight service. Any declaration, points and authorities, or other submissions
3 in opposition to the issuance of such an order of civil contempt shall be filed with the Court and
4 delivered to the Commission's Los Angeles office no later than 5:00 p.m. on October 1, 2010.
5 Any reply papers shall be filed with the Court and transmitted to Vassallo's most recent known
6 addresses by UPS or other overnight service or by email or by delivery to his counsel of record
7 no later than 12:00 p.m. on October 5, 2010.

8 IT IS SO ORDERED.

9 DATED: September 24, 2010


The Honorable Irma E. Gonzalez
UNITED STATES DISTRICT JUDGE

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