

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
(ATLANTA DIVISION)**

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

Civil Action No. 1:20-cv-04620-WMR

CHRISTOPHER W. BURNS,

INVESTUS ADVISERS LLC,

INVESTUS FINANCIAL LLC, and

PEER CONNECT LLC,

Defendants, and

MEREDITH BURNS,

Relief Defendant.

**ORDER TO SHOW CAUSE, TEMPORARY
RESTRAINING ORDER, ORDER FREEZING ASSETS AND FOR AN
ACCOUNTING, ORDER PROHIBITING DESTRUCTION OF
DOCUMENTS, ORDER EXPEDITING DISCOVERY,
AND ORDER REQUIRING REPATRIATION OF ASSETS**

On the application of Plaintiff Securities and Exchange Commission (“Commission” or “SEC”) for an Order (1) freezing assets; (2) requiring repatriation of assets; (3) preventing document alteration or destruction; (4) expediting discovery

in this action; (5) for an accounting; and (6) requiring defendants to show cause why the Court should not issue a Preliminary Injunction and impose other relief against them:

The Court, having considered the Complaint in this action, the SEC's motion for a temporary restraining order, and the supporting documents submitted therewith, makes the following findings:

1. The Court has jurisdiction over the subject matter of this action and over the defendants and the Relief Defendant.
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 ("Securities Act") [[15 U.S.C. § 77t\(b\)](#)], Section 21(d) of the Securities Exchange Act of 1934 ("Exchange Act") ([15 U.S.C. § 78u\(b\)](#)), and Section 209(d) of the Investment Advisers Act of 1940 ("Advisers Act") [[15 U.S.C. § 80b-9\(d\)](#)] by evidence establishing a prima facie case 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 Section 17(a) of the Securities Act [[15 U.S.C. § 17q\(a\)](#)], Section 10(b) of the Exchange Act [[15 U.S.C. § 78j\(b\)](#)] and Rule 10b-5 thereunder [[17 C.F.R. § 240.10b-5](#)], and Section 206 of the Advisers Act [[15 U.S.C. § 80b-6](#)]. In addition, the

Commission has made a proper showing that the Relief Defendant likely obtained money or property causally connected to the fraudulent activity alleged in the Complaint.

3. There is good cause to believe that, unless restrained and enjoined by order of this Court, defendants and/or the Relief Defendant will dissipate, conceal, or transfer assets which could be the subject of an order directing disgorgement or the payment of civil money penalties in this action. It is appropriate for the Court to issue this Temporary Restraining Order so that prompt service on appropriate financial institutions can be made, thus preventing the dissipation of assets.

4. There is also good cause to believe that, unless restrained and enjoined by order of this Court, defendants and/or the Relief Defendant may alter or destroy documents relevant to this action.

Now, therefore,

I.

IT IS HEREBY ORDERED that, pending the determination of the Commission's Motion for a Preliminary Injunction or hearing on the merits:

A. The assets of defendants Christopher W. Burns, Investus Advisers LLC, Investus Financial LLC, Peer Connect LLC, and Relief Defendant Meredith Burns are hereby frozen. The freeze shall include but not be limited to those funds

located in any bank or brokerage accounts of the defendants or the Relief Defendant. In addition, proceeds derived from the securities offerings alleged in the Commission's complaint remaining in the custody or control of any defendant or the Relief Defendant are hereby frozen regardless of where said proceeds are located. This freeze shall also include real property owned by any of the defendants or the Relief Defendant, including the property located at 472 Lakeshore Drive Berkeley Lake, GA 30096 ("Lakeshore Drive house"). However, the sale of the Lakeshore Drive house currently scheduled for November 13, 2020 shall be permitted to go forward, but all proceeds from that sale shall be deposited into an escrow account that is acceptable to the Commission or be deposited into the Court's Registry. The proceeds from the sale of the Lakeshore Drive house (minus reasonable closing costs to third parties) shall be frozen and shall not be released until further order of this Court. In addition, the Court releases a total of \$50,000 of the frozen funds in Mrs. Burns' Capital One accounts that end in 0417 and 0293 to cover her reasonable living expenses. Mrs. Burns shall establish a new bank account ("New Bank Account") and deposit the \$50,000 from her Capital One accounts that end in 0417 and 0293 into her New Bank Account within five business days. Mrs. Burns shall also be allowed to deposit newly received funds into her New Bank Account and access

those funds. Nothing in this order shall preclude Mrs. Burns from seeking further relief from the Court to release additional funds for her reasonable living expenses.

B. Defendants and the Relief Defendant and their agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise and each of them, shall hold and retain within their control, and otherwise prevent any disposition, transfer, pledge, encumbrance, assignment, dissipation, concealment, or other disposal whatsoever of any of their funds or other assets or things of value presently held by them, under their control or over which they exercise actual or apparent authority, in whatever form such assets presently exist.

C. That any financial or brokerage institution or other person or entity holding any funds or assets in the name of, for the benefit of, or under the control of defendants and Relief Defendant, their agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with them, and each of them, shall hold and retain within their control and prohibit the withdrawal, removal, transfer or other disposal of any such funds or other assets except as otherwise ordered by this Court;

II.

IT IS FURTHER ORDERED that each defendant and the Relief Defendant shall submit in writing to this Court and Plaintiff Commission within three (3) business days following service of this Order, the following identifying information;

(A) all names by which every person with authority to exercise control of the defendants and/or Relief Defendant is known, all business and residence addresses, postal box numbers, telephone numbers, and facsimile numbers, e-mail addresses and the nationality of such persons;

(B) each account with any financial institution or brokerage firm maintained in any defendant's or Relief Defendant's name or held for any defendant's or Relief Defendant's direct or indirect beneficial interest from January 1, 2017 through the present; and

(C) an accounting that reflects all assets of each defendant and the Relief Defendant, including all financial accounts and any real and personal property; the source of funds in all such accounts and the source of funds used to acquire any real property and vehicle or boat in the last three years; and the sale or transfer of ownership of all such financial accounts and property in the last year.

III.

IT IS FURTHER ORDERED that, within 3 business days of notice of the entry of this Order, each defendant shall repatriate all assets obtained from the activities described in the Commission's Complaint that are now located outside the territorial limits of the United States, and that each defendant direct the return of such assets to the Registry of the Court, pending conclusion of this matter.

IV.

IT IS FURTHER ORDERED that defendants and the Relief Defendant and their agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are hereby restrained from destroying, mutilating, concealing, altering, or disposing of any document referring or relating in any manner to any transactions described in the Commission's complaint in this action. As used in this order, "document" means the original and all non-identical copies (whether non-identical because of handwritten notation or otherwise) of all written or graphic matter, however produced, and any other tangible record, or electronic data compilation capable of reproduction in tangible form, including, without limitation, correspondence, memoranda, minutes, telephone

records, emails, reports, studies, telexes, diaries, calendar entries, contracts, letters of agreement, and including any and all existing drafts of all documents.

V.

IT IS FURTHER ORDERED that the Commission's application for expedited discovery concerning the defendants and the Relief Defendant, their assets and activities, is granted and that, commencing with the time and date of this Order, in lieu of the time periods, notice provisions, and other requirements of Rules 26, 30, 33, 34, 36, and 45 of the Federal Rules of Civil Procedure and the corresponding Local Rules of this Court, discovery shall proceed as follows:

(A) Pursuant to Rule 30(a) of the Federal Rules of Civil Procedure, the Commission may take depositions upon oral examination on two days' notice of any such deposition. Depositions may be taken Monday through Saturday. As to the defendants and their agents, servants, promoters, employees, brokers, associates, and any person who transferred money to or received money from the bank accounts identified above, the Commission may depose such witnesses after serving a deposition notice by facsimile, hand or overnight courier upon such individuals, and without serving a subpoena on such witness. Depositions which have not been signed by the witness may be used for purposes of the hearing on Plaintiff Commission's application for a preliminary injunction;

(B) Pursuant to Rule 33(a) of the Federal Rules of Civil Procedure, each defendant and the relief defendant shall answer the Commission's interrogatories within three days of service of such interrogatories upon defendant;

(C) Pursuant to Rule 34(b) of the Federal Rules of Civil Procedure, each defendant and relief defendant shall produce all documents requested by the Commission within three days of service of such request, with production of the documents made to Harry Roback, U.S. Securities & Exchange Commission, or such other person or place as counsel for the Commission may direct in writing;

(D) Pursuant to Rule 36(a) of the Federal Rules of Civil Procedure, each defendant and the relief defendant shall respond to the Commission's request for admissions within three days of such requests; and

(E) All written responses to the Commission's requests for discovery under the Federal Rules of Civil Procedure shall be delivered by hand or overnight courier to the Commission to the attention of Harry Roback, or such other place and person as counsel for the Commission may direct in writing.

VI.

IT IS FURTHER ORDERED that this Order shall be, and is, binding upon each defendant and the Relief Defendant, and each of their agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation

with them who receive actual notice of this Order by personal service, facsimile service, or service in accordance with Section V of this Order, or otherwise.

VII.

IT IS FURTHER ORDERED that each defendant and the Relief Defendant and their counsel shall appear before this Court by ZOOM VIDEO (Instructions for Zoom will be sent separately) at 3:00 o'clock, p.m., on the 19th day of November, 2020, or as soon thereafter as the matter can be heard, and show cause why a Preliminary Injunction pursuant to Rule 65 of the Federal Rules of Civil Procedure should not be granted extending the asset freeze and other relief granted in this Order until a final adjudication on the merits may be had. Defendants and the Relief Defendant shall serve any papers in opposition to such relief by hand delivery or overnight courier service to the Commission's counsel, Harry Roback, Senior Trial Counsel, 950 East Paces Ferry Road, N.E., Suite 900, Atlanta, Georgia, 30326 or via email to RobackH@sec.gov, no later than 48 hours before the hearing, and shall serve such reply brief, if any, on each defendant and the Relief Defendant or their attorney by facsimile transmission, email, courier service, or other means as the Commission may reasonably determine will give defendants and the Relief Defendant or their attorneys prompt delivery of these papers.

VIII.

IT IS FURTHER ORDERED that each defendant prepare and present to this Court and to the Commission a sworn accounting of all funds received by that defendant pursuant to the scheme described in the Commission's Complaint and of the disposition and use of said proceeds. This accounting shall include, but not be limited to, identifying the name and address of each investor (purchaser and/or recipient of the promissory notes); the amount each investor invested in the promissory notes; the total amount received from investors in the promissory notes; the date each such investment was made; and an explanation of what happened to each investor's funds. The accountings shall be submitted to this Court and served upon the Commission within 7 days from the date of entry of this Order.

IX.

IT IS FURTHER ORDERED that, pending determination of the Motion for Preliminary Injunction, the defendants and their agents, servants, employees, attorneys and those persons in active concert or participation with them, be, and they hereby are, restrained from, directly or indirectly, in connection with the purchase or sale or in the offer or sale of securities, by use of any means or instrumentalities of interstate commerce or any means or instruments of transportation or communication in interstate commerce, or by the mails or any facility of any

national securities exchange, be, and they hereby are, restrained from, directly or indirectly:

- (1) employing any device, scheme, or artifice to defraud;
- (2) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;
- (3) obtaining money or property by means of any untrue statement of a material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (4) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of Section 17(a) of the Securities Act [[15 U.S.C. § 77q\(a\)](#)], Section 10(b) of the Exchange Act [[15 U.S.C. § 78j\(b\)](#)] and Rule 10b-5 [[17 C.F.R. § 240.10b-5](#)] thereunder, and Section 206 of the Advisers Act [[15 U.S.C. § 80b-6](#)] by directly or indirectly, (i) creating a false appearance or otherwise deceiving any person or (ii) disseminating false or misleading documents, materials, or information or making either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about the “peer connect” program.


X.

IT IS FURTHER ORDERED that any brokerage institution, financial institution, bank, savings and loan, mutual fund, or any other person, partnership, or corporation maintaining or having custody or control of any brokerage or deposit account or other assets of any of the defendants or the Relief Defendant that receives actual notice of this order by personal service, facsimile transmission or otherwise shall, within five (5) business days of receipt of that notice, file with the Court and serve on counsel for the Commission a certified statement setting forth, with respect to each such account or other asset, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice.

XI.

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

Dated this 12th day of November, 2020.



WILLIAM M. RAY, II
UNITED STATES DISTRICT JUDGE