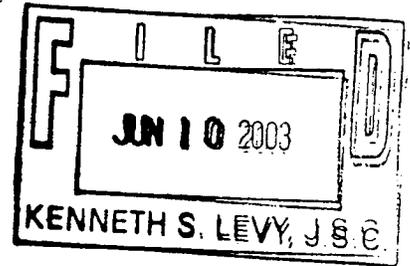


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PETER C. HARVEY,  
ATTORNEY GENERAL OF NEW JERSEY and  
FRANKLIN L. WIDMANN, Chief of the  
New Jersey Bureau of Securities,

Plaintiffs,

v.

WELLESLEY SERVICES, LLC,  
a New Jersey Limited Liability Company  
f/k/a WS SURVIVOR, L.L.C.;  
WELLESLEY ENERGY, LLC,  
a New Jersey Limited Liability Company;  
WELLESLEY GROUP, INC.,  
a New Jersey corporation;  
CONSOLIDATE TRANSPORT AMERICA, LLC,  
a New Jersey Limited Liability Company;  
WINDHAM ASSOCIATES, INC.,  
a New Jersey corporation;  
WINDHAM INVESTMENT ASSOCIATES, INC.,  
a New Jersey Corporation;  
SRM ASSOCIATES, INC.,  
a New Jersey corporation;  
AKB ASSOCIATES, INC.,  
a New Jersey corporation;  
MARCUS INDUSTRIES, INC.,  
a New Jersey corporation;  
VILLAS & ESTATE PROPERTIES, LLC,  
a New Jersey Limited Liability Company;  
ESTATE PROPERTIES, LLC,  
a New Jersey Limited Liability Company;  
EUROPEAN PROPERTIES, LLC,  
a New Jersey Limited Liability Company;  
TOWNHOUSE PROPERTIES, LLC,  
a New Jersey Limited Liability Company;

SUPERIOR COURT OF  
NEW JERSEY

CHANCERY DIVISION  
ESSEX COUNTY

DOCKET NO. C-188-03

Civil Action

ORDER TO SHOW CAUSE

KEITH MOODY, individually and as an )  
 officer, shareholder and/or managing )  
 member of the defendant entities; )  
 ANTHONY BIANCO, individually and as an )  
 officer, shareholder and/or managing )  
 member of the defendant entities; )  
 THOMAS GIACOMARO, individually; )  
 DORIAN HAYES, individually and as an )  
 officer and/or shareholder of the )  
 defendant entities; )  
 MARK BROWN, individually; )  
 STEPHEN FUNK, individually; )  
 ROSS CAPAWANA, individually; and )  
 KATHERINE CAPAWANA, individually. )  
 )  
 Defendants. )  
 )

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This matter having been presented to the Court on the application of Peter C. Harvey, Acting Attorney General of New Jersey, and Franklin L. Widmann, Chief of the New Jersey Bureau of Securities ("Bureau"), (Priya Doraswamy, Deputy Attorney General, appearing), pursuant to N.J.S.A. 49:3-69(a), R. 4:52-1 and R. 4:67, and the Acting Attorney General and Bureau alleging in the Verified Complaint and Certifications that the defendants have engaged in, are engaging in, and will continue to engage in acts or practices declared to be illegal or prohibited by the Uniform Securities Law, N.J.S.A. 49:3-47, et seq. (the "Securities Law") and that plaintiffs are entitled to the relief sought against all defendants, and the action being brought in a summary manner pursuant to R. 4:52-1, R. 4:67-1 and N.J.S.A. 49:3-69(a)(2), and it appearing from the facts shown by Verified Complaint and Certifications, that plaintiffs have made a prima

facie showing that unlawful conduct has been committed, is being committed and/or is about to be committed, and for good cause shown,

IT IS on this 10<sup>th</sup> day of June 2003, ORDERED:

1. That defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Mark Brown, Stephen Funk, Ross Capawana and Katherine Capawana show cause before the Honorable KENNETH S. LEVY, J.S.C., Superior Court of New Jersey, Wilentz Justice Complex, 212 Washington Street, 6<sup>th</sup> Floor, Newark, New Jersey, on the 6<sup>th</sup> day of August, 2003 1:30 o'clock in the forenoon/afternoon, or as soon thereafter as counsel can be heard, why this Court should not:

- (a) enter a preliminary injunction restraining defendants from engaging in the conduct set forth in the Verified Complaint;
- (b) temporarily freeze the assets, real and personal property, of defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc.,

Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Ross Capawana and Katherine Capawana pending further order of this Court;

- (c) preliminarily enjoin all persons who receive actual or constructive notice of this order from directly or indirectly disposing of, transferring, selling, dissipating, encumbering, liquidating, or withdrawing any assets or property, whether real or personal, owned or controlled by defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Katherine

Capawana and Ross Capawana pending further order of this Court;

- (d) preliminarily and permanently enjoin defendants Mark Brown and Stephen Funk from effecting or attempting to effect transactions in securities from, in or within New Jersey without being registered as agents with the Bureau, in violation of N.J.S.A. 49:3-56(a);
- (e) preliminarily and permanently enjoin defendants Wellesley Services, LLC, Wellesley Energy, LLC, and Consolidate Transport America, LLC, their officers, directors, employees, agents and attorneys, and such persons in active concert or participation with any of them, as receive actual notice of this order, by personal service or otherwise, from employing persons to act as unregistered agents in the State of New Jersey in violation of N.J.S.A. 49:3-56(h);
- (f) preliminarily and permanently enjoin defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Marcus Industries, Inc., Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties,

LLC their officers, directors, employees, agents, attorneys, successors, subsidiaries and affiliates, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Mark Brown and Stephen Funk from future violations of the Securities Law;

- (g) Preliminarily and permanently enjoining the issuance, sale, offer for sale, purchase, offer to purchase, promotion, negotiation, advertisement or distribution from or within New Jersey of any securities by Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., CTA, Windham Associates, Inc., Windham Investment Associates, Inc., SRM, AKB, Marcus Industries, Villas & Estate Properties, Estate Properties, European Properties, Townhouse Properties, their officers, directors, employees, agents, brokers, partners, stockholders, attorneys, successors, subsidiaries and affiliates, and Moody, Bianco, Giacomaro, and Hayes including their agents and anyone acting on their behalf;
- (h) order rescission of all purchases of the securities of Wellesley Services, LLC, Wellesley Energy, LLC and Consolidate Transport America, LLC and any other security issued by said defendants, as that term is defined in the Securities Law, sold in violation of the

Securities Law and providing for a full refund of moneys paid, plus interest and expenses incident to effecting the purchase and rescission to non-defendant purchasers;

- (i) require defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Katherine Capawana and Ross Capawana to disgorge any unlawful gains, income, personal and real property, and any other asset, tangible and intangible, obtained in any manner from the sale and/or improper use of proceeds from the sale of the securities of Wellesley Services, LLC, Wellesley Energy, LLC, Consolidate Transport America, LLC and any other security as that term is defined in the Securities Law sold in violation of the Securities Law;
- (j) assess defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc.,

Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Mark Brown and Stephen Funk a civil monetary penalty for each act that constituted a violation of the Securities Law alleged in the Verified Complaint;

(k) appoint a receiver, pursuant to N.J.S.A. 49:3-69, to serve without bond, who will:

i. immediately take into possession all of the assets of defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Katherine Capawana and Ross Capawana including, but not limited to, holdings and interests in all bank, brokerage, and trading accounts, and undertake all

actions necessary or appropriate to maintain optimal value of these assets, including the liquidation of any such assets;

- (ii) review all the books and records of and pertaining to defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Katherine Capawana and Ross Capawana and report to the Court within 90 days of this Order: (a) the identities of all investors and creditors of said defendants, past and present, and the status of their accounts; (b) the financial condition of said defendants, their successors, subsidiaries and affiliates; and (c) a preliminary plan to distribute the assets of said defendants to investors and creditors;
- (iii) determine the necessity of retaining professionals including, but not limited to, accountants and

attorneys, to assist the receiver in fulfilling the responsibilities as ordered by the Court, and upon making a determination of necessity and obtaining plaintiffs' consent, make application to the Court for an order permitting the retention of such professionals by the receiver;

(iv) be held harmless from and against any liabilities, including costs and expenses of defending claims, for which the receiver may become liable or incur by reason of any act or omission to act in the course of performing the receiver's duties, except upon a finding by this Court of gross negligence or willful failure of the receiver to comply with the terms of this or any other order of this Court, irrespective of the time when such claims are filed;

(v) be compensated out of the estate of defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC,

Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Katherine Capawana and Ross Capawana, their successors, subsidiaries and affiliates; and

- (vi) be permitted to resign upon giving written notice to the Court and plaintiffs of the receiver's intention to resign, which resignation shall not become effective until appointment by the Court of a successor which shall be subject to plaintiffs' approval;
- (vii) have the full statutory powers to perform the receiver's duties, including the powers delineated in N.J.S.A. 49:3-69 (c) and (d) and Title 14 of the New Jersey Statutes, Corporation, General, including, but not limited to, those set forth at N.J.S.A. 14a:14-1 et seq. or so far as the provisions thereof are applicable;
- (m) affording plaintiffs and affected third parties such other relief as the Court deems just and equitable; and
- (n) enter a case management order setting forth discovery periods and a date for a final hearing at which, after a summary proceeding pursuant to N.J.S.A. 49:3-69(a)(2) and R. 4:67, the Court shall be asked to enter a final

judgment for the relief demanded in the Verified Complaint.

**Service**

2. The Acting Attorney General or his designee shall serve one copy of this Order to Show Cause, Verified Complaint, Certifications and Brief upon all defendants or their attorneys in the manner prescribed by R. 4:4-4 or R. 4:4-6, as appropriate, or, in the alternative, upon the Bureau Chief in the manner prescribed by N.J.S.A. 49:3-73, no later than June 16, 2003, 2003.

3. No later than July 21, 2003, defendants Wellesley Services, LLC, Wellesley Energy, LLC, Wellesley Group, Inc., Consolidate Transport America, LLC, Windham Associates, Inc., Windham Investment Associates, Inc., SRM Associates, Inc., AKB Associates, Inc., Marcus Industries, Inc., Villas & Estate Properties, LLC, Estate Properties, LLC, European Properties, LLC, Townhouse Properties, LLC, Keith Moody, Anthony Bianco, Thomas Giacomaro, Dorian Hayes, Mark Brown, Stephen Funk, Katherine Capawana and Ross Capawana shall file with the Court and serve upon the Acting Attorney General an answer or other responsive pleading as required by R. 4:5-1, et seq., or motion, if any, supported by answering affidavit(s) or certification(s) and brief returnable on the return date of this Order to Show Cause.