STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
BUREAU OF SECURITIES
153 HALSEY STREET
NEWARK, NEW JERSEY 07102

IN THE MATTER OF	:	**CONSENT ORDER**
BRIAN CLARK, LAWRENCE LASALA, CHRISTOPHER LESTER, LOUIS FARKAS	:	

This matter was opened by Franklin L. Widmann, Chief of the New Jersey Bureau of Securities ("Bureau Chief"), by the filing of the Administrative Complaint issued on February 5, 2004, against respondent Lawrence J. La Sala. The Bureau Chief, represented by Peter C. Harvey, Attorney General of New Jersey (Deputy Attorney General Isabella Trifilio appearing) and Respondent LaSala, represented by Michael S. Vogel, Esq. and Christopher Allegaert, Esq. of Allegaert Berger & Vogel LLP, have reached an agreement thereby resolving any and all issues in controversy in this action on the terms set forth in this Consent Order, which terms have been reviewed and approved by the Bureau Chief as confirmed by his entering this Consent Order.

WHEREAS, Lawrence J. La Sala ("La Sala"), Central Registration Depository ("CRD") No. 2237835, residing at 12 Robin Drive, Oak Ridge, New Jersey 07438, at all relevant times was registered with the New Jersey Bureau of Securities ("Bureau") as an agent of Horner, Townsend & Kent, Inc. ("HTK");

WHEREAS, the Bureau is a state regulatory agency charged with administering and enforcing the New Jersey Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. ("Securities Law") and all regulations promulgated thereunder, N.J.A.C. 13:47A-1.1 et seq.;

WHEREAS, N.J.S.A. 49:3-67 authorizes the Bureau Chief from time to time to issue such Orders as are reasonably necessary to carry out the provisions of the Securities Law;

WHEREAS, the Bureau finds and concludes that:

1. From June 1998 to August 1999, Respondent La Sala acted as an agent of First Capital and/or US Capital by selling Senior Capital and/or US Capital Notes.

2. Respondent La Sala has never been registered with the Bureau as an agent of First Capital and/or US Capital.

3. The Senior Capital and/or US Capital Notes referred to in the Bureau's February 5, 2004 Administrative Complaint and the offers to sell and the sale of said securities do not qualify for any exemptions from registration and should have been registered with the Bureau in accordance with the Securities Law.

4. At all relevant times, La Sala was a registered agent of HTK, a New Jersey broker-dealer, and was required by industry rules and standards to annually disclose all outside business activity.

5. Respondent La Sala failed to disclose his outside business activity relating to the Senior Capital and/or US Capital Notes for the year 1998.

6. Respondent La Sala made materially false and misleading statements and omitted material facts, in statements to investors in connection with the offer and sale of the Senior Capital and/or US Capital Notes, including:

   (a) the failure to advise investors that the securities were sold by unregistered individuals in violation of the New Jersey Uniform Securities Law;

(b) First Capital Services, Inc. will only finance receivables that are underwritten and insured by Continental Insurance Company;

(c) all funds would be held in segregated accounts to be used only for the purchasing of receivables; and

(d) that there was no sales charge for the notes.

WHEREAS, full restitution of principal having been made to all investors by HTK and Penn Mutual;

WHEREAS, La Sala having retained legal counsel and having fully cooperated with the Bureau's investigation;

WHEREAS, La Sala and the Bureau are desirous of resolving the issues raised in the Administrative Complaint, without the expense and delay that administrative proceedings would involve;

WHEREAS, La Sala consents to the terms and conditions of this Consent Order;

WHEREAS, La Sala consents to the entry of this Consent Order and voluntarily waives, for the purposes of this proceeding only, an opportunity for hearing after reasonable notice within the meaning of N.J.S.A. 49:3-58(c)(2);

WHEREAS, La Sala agrees that for purposes of this matter, or any future proceeding before the Bureau to enforce this agreement, this Consent Order shall have the same effect as if proven and ordered after a full hearing;

WHEREAS, the Bureau finds that the sanctions imposed herein are in the public interest, for the protection of investors and consistent with the policy and purposes intended by the Securities Law;

WHEREAS, this Consent Order concludes this matter against La Sala relating to the conduct alleged in the Administrative Complaint;

IT IS, on this 3rd day of March 2005, ~~2004,~~ **ORDERED:**

1. Respondent La Sala shall pay the Bureau of Securities, a civil monetary penalty in the amount of $48,000. Payment shall be made as follows:

   (a) Upon the entering of this Consent Order by the Bureau Chief, Respondent La Sala shall immediately tender $36,000;

   (b) Respondent La Sala shall pay $6,000 on the first day of the sixth month following the date this Consent Order is signed;

   (c) Respondent La Sala shall pay a final payment of $6,000 on the first day of the twelfth month following the date this Consent Order is signed;

   (d) All payments shall be made by attorney trust fund account check, certified check or other guaranteed funds, made payable to the "New Jersey Bureau of Securities" and delivered to the attention of the Bureau Chief, at the following address: State of New Jersey, Department of Law and Public Safety, Division of Consumer Affairs, Bureau of Securities, 153 Halsey Street, 6th Floor, Newark, New Jersey 07101;

   (e) Default will be deemed to have occurred if the Bureau does not receive an installment payment within fifteen (15) days of the date that the installment is due.

2. La Sala's agent registration with the Bureau is hereby revoked.

3. La Sala shall cease and desist from issuing, selling, offering for sale, purchasing, offering to purchase, promoting, negotiating, advertising or distributing any securities from or within the State of New Jersey in violation of the Securities Law.

4. The parties to this agreement acknowledge that for the purpose of enforcement of this Consent Order, New Jersey law shall govern the terms and provisions herein.

5. The parties to this Consent Order represent that an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms, and that each person has done so with authority to legally bind the respective party.

6. This Consent Order constitutes the entire agreement among the parties with respect to its subject matter. Any addition, deletion or change to this Consent Order must be in writing and signed by all the parties in order to be binding.

7. The parties to this agreement acknowledge that if, after the signing of this Consent Order, La Sala engages in any act or practice which constitutes a violation of the Securities Law, or if any representation made by La Sala is subsequently discovered to be untrue, this Consent Order shall not be a waiver of any of the Bureau Chief's or the Bureau's rights, nor shall the entire controversy doctrine be deemed applicable to any action taken by the Bureau as a result of La Sala's actions.

8. If La Sala is requested by the Bureau to testify at a future hearing regarding this matter, he will appear as a witness for Petitioners in their case in chief, and as otherwise requested, and shall give truthful testimony.

9. Nothing contained herein shall bind or affect the rights of any person not a party hereto, nor the rights of the parties against any person not a party hereto.

10. This Consent Order may be signed in counterparts, each of which shall be deemed original.

11. This Consent Order shall become final when executed by the Bureau Chief.

Dated: March 3, 2005

Franklin L. Widmann
Chief, New Jersey Bureau of Securities

Consent to the Form
and Entry of this Order:

PETER C. HARVEY
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Franklin Widmann, Chief of
the New Jersey Bureau of Securities

By: _____
Isabella Trifilio
Deputy Attorney General

Dated: 2/15/05

ALLEGAERT BERGER & VOGEL LLP
Attorneys for Lawrence La Sala

By: _____
Michael S. Vogel, Esq.

By: _____
Christopher Allegaert, Esq.

Dated: 2/11/05