

RECORDED AS A LIEN JAN 14 2008

This Order has been prepared and filed by the Court.

FILED

JAN - 7 2008

Robert E. Conillo, J.S.C.

ANNE MILGRAM, Attorney
General of New Jersey, on behalf
of VINCENT J. OLIVA, Chief
of the New Jersey Bureau of
securities,

Plaintiff(s)

v.

FRED J. MILLER, ERIC
RIEDMAN, AFFILIATED
CAPITAL PARTNERS,
CAPSTONE ENERGY CORP., A
NEW JERSEY CORPORATION,
COMMERCIAL TECH, LLC, A
NEW JERSEY LIMITED
LIABILITY COMPANY, ERIC
RIEDMAN & ASSOCIATES, ETC.,

Defendant(s).

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
BERGEN COUNTY

J

8305-08

DOCKET NO. C-331-06

CIVIL ACTION

JUDGMENT

This matter was presented to the Court by Anne Milgram, Attorney General of New Jersey, on behalf of the plaintiff, Vincent J. Oliva, Chief of the New Jersey Bureau of Securities, ("Plaintiff" or the "Bureau Chief"), (Deputy Attorneys General Samuel Scott Cornish and Christopher Gerold, appearing) for final judgment by default against the defendants (collectively, "Defendants") (William Z. Shulman, Esq. appearing on behalf of all the defendants, except Eric Riedman, who is Pro Se) after Defendants' Answers and Affirmative Defenses were stricken by the Court for failure to respond to discovery in this case, which is based on Defendants' violations of the New Jersey Uniform Securities Law (1997), N.J.S.A. 49:3-47 et seq. (the "Securities Law"),

including violations of the following provisions: N.J.S.A. 49:3-52(a) (employing a device, scheme, or artifice to defraud); N.J.S.A. 49:3-52(b) (making false statements of or omitting material facts); N.J.S.A. 49:3-52(c) (engaging in an act, practice, or course of business that operates as a fraud or deceit); N.J.S.A. 49:3-60 (selling unregistered securities); N.J.S.A. 49:3-56(a) (acting as an agent without registration); and N.J.S.A. 49:3-56(h) (employing unregistered agents). In accordance with R. 4:43-2 and the Court's Pre-Proof Hearing Order of October 26, 2007, and based on the Court's consideration of the documentary evidence, testimony, and arguments at the proof hearing in this case from October 29, 2007 to October 31, 2007, the Court has found good and sufficient cause to grant the relief sought by Plaintiff, make the following findings, and enter final judgment by default, and for the reasons set forth in the Court's Decision of this date;

IT IS THIS th 7 day of January, 2008,

ORDERED AND ADJUDGED as follows:

1. Fred J. Miller, Eric Riedman, Affiliated Capital Partners, LLC, Traders Resources Capital, LLC, Traders Commercial Capital, LLC, SciMark II, Inc., M&R Financing, L.P., M&R Capital Partners, LLC, and Environmental Financing Partners, LLC, individually and by or through any person, corporation, partnership, company, limited liability company, association, business formation of any type, partner, officer, attorney, stockholder, employee, agent, successor, or any person or entity directly or indirectly under their control or working in concert with them or on their behalf, are hereby permanently enjoined and restrained from:

- a. applying for registration with the New Jersey Bureau of Securities to act as an agent, as defined by N.J.S.A. 49:3-49(b), broker-

dealer, as defined by N.J.S.A. 49:3-49(c), or any other securities professional within the purview of the regulatory authority of the New Jersey Bureau of Securities;

- b. acting as an unregistered agent, as defined by N.J.S.A. 49:3-49(b), or unregistered broker-dealer, as defined by N.J.S.A. 49:3-49(c), in violation of the Securities Law;
- c. offering for sale or selling, distributing, providing advice regarding, advertising, soliciting, negotiating the sale of, advancing the sale of, and/or promoting securities in any manner to, from, or within New Jersey;
- d. employing unregistered agents in violation of N.J.S.A. 49:3-56(h);
- e. issuing securities or engaging in any securities related activity;
- f. directly or indirectly violating the Securities Law; and
- g. engaging in the conduct described in the Complaint.

2. Defendants Fred Miller, Eric Riedman, General Capital Partners, LLC, Affiliated Capital Partners, LLC, Traders Resources Capital, LLC, Traders Commercial Capital, LLC, M&R Financing, L.P., and M&R Capital Partners, LLC are hereby ordered to pay \$2,535,955.38 as restitution for investors. Defendants Fred Miller, Eric Riedman, General Capital Partners, LLC, Affiliated Capital Partners, LLC, Traders Resources Capital, LLC, Traders Commercial Capital, LLC, M&R Financing, L.P., and M&R Capital Partners, LLC are jointly and severally liable for the \$2,535,955.38 restitution amount due under this paragraph.

3. Defendants Fred Miller, Eric Riedman, and Environmental Financing Partners, LLC are hereby ordered to pay \$696,585.00 as restitution for investors. Defendants Fred Miller, Eric Riedman, and Environmental Financing Partners, LLC are jointly and severally liable for the \$696,585.00 restitution amount under this paragraph.

4. Defendant Eric Riedman and SciMark II, Inc. are hereby ordered to pay \$377,025.00 as restitution for investors. Defendants Eric Riedman and SciMark II, Inc. are jointly and severally liable for the \$377,025.00 restitution amount under this paragraph.

5. Based on the findings above and facts established at the proof hearing, the Court hereby assesses the following civil monetary penalties:

- a. \$2,000,000.00 against Defendant Fred Miller based on his violations of N.J.S.A. 49:3-56(a) (acting as an agent without registration), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the one hundred forty six (146) securities transactions, which equals (438) violations as stated in paragraph four;
- b. \$1,000,000.00 against Defendant Eric Riedman based on his violations of N.J.S.A. 49:3-56(a) (acting as an agent without registration), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the one hundred sixty one (161) securities transactions, which equals (483) violations as stated in paragraph four;
- c. \$500,000.00 against Defendant Affiliated Capital Partners, LLC based on its violations of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the forty one (41) securities transactions, which equals (123) violations as stated in paragraph four;
- d. \$500,000.00 against Defendants Traders Resources Capital, LLC and Traders Commercial Capital, LLC based on their violations of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the forty three (43) securities transactions, which equals (129) violations as stated in paragraph four;
- e. \$125,000.00 against Defendant M&R Financing, L.P. based on its violations of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A.

49:3-52 in connection with each of the twenty nine (29) securities transactions, which equals (87) violations as stated in paragraph four;

- f. \$25,000.00 against Defendant M&R Capital Partners, LLC based on its violations of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the two (2) securities transactions, which equals (6) violations as stated in paragraph four;
- g. \$100,000.00 against Defendant Environmental Financing Partners, LLC based on its violations of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the (31) securities transactions, which equals (93) violations as stated in paragraph four; and
- h. \$100,000.00 against Defendant SciMark II, Inc based on its violation of N.J.S.A. 49:3-56(h) (employing unregistered agents), N.J.S.A. 49:3-60 (selling unregistered securities), and N.J.S.A. 49:3-52 in connection with each of the fifteen (15) securities transactions, which equals (45) violations as stated in paragraph four.

6. Final Judgment is hereby entered against Defendant Fred Miller in the amount of \$5,232,540.38, representing \$3,232,540.38 in restitution for investors and a \$2,000,000.00 civil monetary penalty.

7. Final judgment is hereby entered against Defendant Eric Riedman in the amount of \$4,609,565.38, representing \$3,609,565.38 in restitution for investors and a \$1,000,000.00 civil monetary penalty.

8. Final judgment is hereby entered in the amount of \$3,685,955.38 jointly and severally against each of the following entities: Affiliated Capital Partners, LLC, Traders Resources Capital, LLC, Traders Commercial Capital, LLC, M&R

Financing, L.P., General Capital Partners, LLC, and M&R Capital Partners, LLC, representing \$2,535,955.38 in restitution for investors and a \$1,150,000.00 civil monetary penalty.

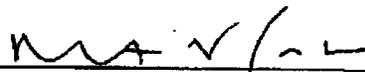
9. Final judgment is hereby entered against Environmental Financing Partners, LLC in the amount of \$796,585.00, representing \$696,585.00 in restitution and a \$100,000.00 civil monetary penalty.

10. Final judgment is hereby entered against SciMark II, Inc. in the amount of \$477,025.00, representing \$377,025.00 in restitution and a \$100,000.00 civil monetary penalty.

11. This final judgment is immediately enforceable.

12. This Court shall retain jurisdiction to enforce this Order.

13. The Final judgment shall be served on all parties within ten (10) days of Plaintiff's counsel's receipt of the signed Judgment.



ROBERT P. CONTILLO, J.S.C.