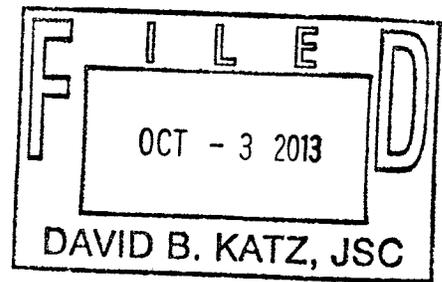


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JOHN J. HOFFMAN, Acting Attorney General  
of New Jersey on behalf of AMY  
KOPLETON, Acting Chief of the New Jersey  
Bureau of Securities,<sup>1</sup>

Plaintiff,

v.

EVERETT CHARLES FORD MILLER,  
Individually and as President  
of Carr Miller Capital LLC; RYAN JUDE  
CARR, Individually and as a Member of  
Capital Markets Advisory Limited Liability  
Company f/k/a Carr Miller Capital Investments  
LLC; JOHN PAUL FISH, Individually and as  
Vice President of Carr Miller Capital LLC;  
BRIAN PATRICK CARR, individually and as  
a Member of Capital Markets Advisory  
Limited Liability Company f/k/a Carr Miller  
Capital Investments LLC; CAPITAL  
MARKETS ADVISORY LIMITED  
LIABILITY COMPANY f/k/a CARR  
MILLER CAPITAL INVESTMENTS LLC, a

SUPERIOR COURT OF NEW JERSEY  
ESSEX COUNTY  
CHANCERY DIVISION  
GENERAL EQUITY

Civil Action

Docket No. ESX-C-288-10

**ORDER GRANTING PLAINTIFF'S  
MOTION FOR SUMMARY JUDGMENT  
AND FINAL JUDGMENT BY DEFAULT**

<sup>1</sup> This action was commenced by former Attorney General Paula T. Dow on behalf of the former Chief of the New Jersey Bureau of Securities, Marc B. Minor. In accordance with R. 4:34-4, the caption has been revised to reflect the current Acting Attorney General, John J Hoffman, and the current Acting Chief of the New Jersey Bureau of Securities, Amy Kopleton.

New Jersey Limited Liability Company;

Defendants,

and

CARR MILLER CARE LIMITED LIABILITY COMPANY, a New Jersey limited liability company; CARR MILLER CHARITY FOUNDATION, INC., a New Jersey non-profit corporation; CARR MILLER TRANSPORTATION, LLC, a New Jersey limited liability company; CARR MILLER COMMODITIES LIMITED LIABILITY COMPANY, a New Jersey limited liability company; CARR MILLER CONSTRUCTION LIMITED LIABILITY COMPANY, a New Jersey limited liability company; CARR MILLER ENTERTAINMENT LLC, a New Jersey limited liability company; CARR MILLER INSURANCE MANAGEMENT, LLC, a New Jersey limited liability company; CARR MILLER MAKIBA LIMITED LIABILITY COMPANY, a New Jersey limited liability company; CARR MILLER-OCTO, LLC, a New Jersey limited liability company; CARR MILLER PREMIUM FINANCE LLC, a New Jersey limited liability company; CARR MILLER REAL ESTATE INVESTMENT FUND, LP, a New Jersey limited partnership; CARR MILLER REAL ESTATE INVESTMENTS LIMITED LIABILITY COMPANY, a New Jersey limited liability company; ICA INVESTMENT ADVISORS, LLC, a New Jersey limited liability company; INDIGO-ENERGY, INC., a Nevada corporation; JPEM LIMITED LIABILITY COMPANY, a New Jersey limited liability company; OCTO WATERFRONT GRILLE CO., a Pennsylvania company; PACTOLOUS GROUP LLC, a New Jersey limited liability company; PM HOLDINGS, LLC, a New Jersey limited liability company; and SURVEILLANCE FILM GROUP LLC, a New Jersey limited liability company,

Nominal Defendants

THIS MATTER having been opened to the Court by the Attorney General of the State of New Jersey on behalf of Abbe R. Tiger, Chief of the New Jersey Bureau of Securities, for an order granting summary judgment against Defendants Ryan Carr and John Fish ("Fish"), and final judgment by default against Defendants Everett Miller ("Miller") and Carr Miller Capital LLC ("Carr Miller"), *in the presence of Ryan Carr, pro se, and John Fish, pro se,* and the Court having considered the papers submitted in support thereof, including the reports filed by the Receiver Michael P. Pompeo (the "Receiver") in this matter, and in opposition thereto, if any, and the Court having made the following findings under the Order dated February 11, 2013: (1) Carr Miller Capital LLC issued notes ("Carr Miller Notes") that are "securities" under the Securities Law; (2) The Carr Miller Notes were not registered with the Bureau; (3) The Carr Miller Notes were not federal covered securities under N.J.S.A. 49:3-60.1; (4) The Carr Miller Notes are not exempt from registration under any provision of N.J.S.A. 49:3-50; and (5) Everett Miller substantially participated in the sale of each Carr Miller Note on the "Carr Miller Capital Investor Matrix"; and for good cause shown, the Court makes the following additional findings: *as set forth in the record on 10/3/13*

1. Ryan Carr and Fish substantially participated in the operations of Carr Miller;
2. Carr Miller issued each Carr Miller Note on the "Carr Miller Capital Investor Matrix";
3. Ryan Carr and Fish substantially participated in the sale of each Carr Miller Note on the "Carr Miller Capital Investor Matrix";
4. Defendants Carr Miller, Miller, Ryan Carr, and Fish violated N.J.S.A. 49:3-60 by selling nonexempt, unregistered securities;
5. Carr Miller, through Miller, Ryan Carr, and Fish was operated as a Ponzi scheme;

6. Carr Miller's liabilities exceeded its assets and Carr Miller was unable to pay its obligations as they came due. Pursuant to N.J.S.A. 25:2-23(b), Carr Miller was insolvent during the time period relevant herein;
7. Ryan Carr and Fish were not registered with the Bureau as "agents," as defined by N.J.S.A. 49:3-49(b), to offer or sell Carr Miller Notes to, from, or within New Jersey, nor were they exempt from registration. Defendants Ryan Carr and Fish violated N.J.S.A. 49:3-56(a) (acting as an agent without registration) and N.J.S.A. 49:3-60 (selling unregistered securities) by offering and selling the Carr Miller Notes to, from, or within New Jersey without being registered as "agents" of Carr Miller;
8. Carr Miller violated N.J.S.A. 49:3-56(h) (employing unregistered agents) and N.J.S.A. 49:3-60 (selling unregistered securities) by selling Carr Miller Notes through individuals who were not registered as "agents" as required by N.J.S.A. 49:3-56(a);
9. Carr Miller, through Miller, Ryan Carr, and Fish, in connection with the offer and sale of securities, employed a device, scheme or artifice to defraud in violation of N.J.S.A. 49:3-52(a), by:
  - a. Operating Carr Miller as a Ponzi Scheme, using investor proceeds to pay other investors, and concealing the fact that Carr Miller was a Ponzi scheme from its investors;
  - b. Representing to investors that their investment funds were safe;
  - c. Concealing their knowledge of Carr Miller's poor financial condition;
  - d. Generating and permitting the distribution of false monthly account statements, which reflect millions in phony interest accruals that they knew, or should have known, that Carr Miller could not pay from its underlying business and operations;
  - e. Representing to investors that they could request the return of their funds at any time;

- f. Misappropriating investor funds to, among other things, Miller's personal expenses, Carr Miller's overhead expenses, and Carr Miller broker commissions;
- g. Misrepresentations and omission to investors in meetings as to the safety of investing in Carr Miller Notes and the purported financial success of the company; and
- h. Failing to register the Carr Miller Notes or advise investors that the securities were required to be registered.

10. Carr Miller, through Miller, Ryan Carr, and Fish, in connection with the offer and sale of securities, made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in violation of N.J.S.A. 49:3-52(b), and engaged in acts, practices, or courses of business that operated as a fraud or deceit upon investors, in violation of N.J.S.A. 49:3-52(c), by:

- a. Misrepresenting or failing to disclose to Carr Miller investors that the Carr Miller Notes were not registered with the Bureau in violation of the Securities Law;
- b. Misrepresenting or failing to disclose to Carr Miller investors that the Carr Miller Notes were sold by unregistered individuals in violation of the Securities Law;
- c. Misrepresenting or failing to disclose how investor funds and Carr Miller assets would be used, including:
  - i. failing to disclose that Carr Miller Capital paid investors with other investor funds; and
  - ii. failing to disclose that some investors funds would be diverted to other business or purposes unrelated to Carr Miller Capital's purported business model.
- d. Misrepresenting or failing to disclose the actual source of investors' principal and interest payments through, among other things, false account statements;
- e. Misrepresenting interest accruals on investor account statements;

- f. Misrepresenting or failing to disclose the true financial condition of Carr Miller Capital;
  - g. Misrepresenting or failing to disclose the true nature and risk of investing in Carr Miller Capital, including misrepresenting to investors that their investments were safe and secure;
  - h. Misrepresenting or failing to disclose the outcome of past investments made by Carr Miller Capital;
  - i. Misrepresenting or failing to disclose the ability of Carr Miller Capital to return investor funds;
  - j. Misrepresenting that certain investors' investments would be secured by real estate and/or a Carr Miller bond pool;
  - k. Failing to disclose that investor funds would be used to pay certain defendants' personal expenses; and
  - l. Failing to disclose that Carr Miller did not maintain books and records.
11. Carr Miller, Miller, Ryan Carr, and Fish engaged in acts and practices alleged in the Amended Complaint;
  12. The acts and practices of Carr Miller, Miller, Ryan Carr, and Fish constituted violations of the Securities Law;
  13. For each violation of the Securities law, Carr Miller, Miller, Ryan Carr ,and Fish could be assessed a penalty of \$10,000 for the first violation, and \$20,000 for each subsequent violation pursuant to N.J.S.A. 49:3-70.1. Carr Miller, Miller, Ryan Carr, and Fish committed 8,873 total Securities Law violations, as follows:
    - a. Carr Miller committed 2,335 violations of N.J.S.A. 49:3-52(a), N.J.S.A. 49:3-52(b), N.J.S.A. 49:3-52(c), N.J.S.A. 49:3-56(h), and N.J.S.A. 49:3-60;
    - b. Miller committed 1,868 violations of N.J.S.A. 49:3-52(a), N.J.S.A. 49:3-52(b), N.J.S.A. 49:3-52(c), and N.J.S.A. 49:3-60;
    - c. Ryan Carr committed 2,335 violations of N.J.S.A. 49:3-52(a), N.J.S.A.

49:3-52(b), N.J.S.A. 49:3-52(c), N.J.S.A. 49:3-56(a), and N.J.S.A. 49:3-60; and

- d. Fish committed 2,335 violations of N.J.S.A. 49:3-52(a), N.J.S.A. 49:3-52(b), N.J.S.A. 49:3-52(c), N.J.S.A. 49:3-56(a), and N.J.S.A. 49:3-60.

**THEREFORE, IT IS** on this 3<sup>rd</sup> day of October, 2013 **ORDERED** that:

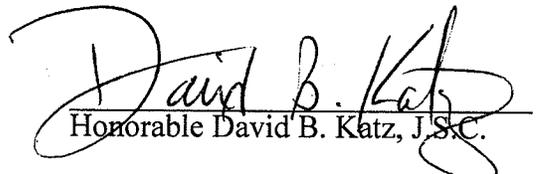
14. Summary judgment is granted to Plaintiff as to Count I of the Amended Complaint. Defendants Ryan Carr and Fish are found to have employed a device, scheme or artifice to defraud in violation of N.J.S.A. 49:3-52(a);
15. Final judgment by default is granted to Plaintiff as to Count I of the Amended Complaint. Defendants Miller and Carr Miller are found to have employed a device, scheme or artifice to defraud in violation of N.J.S.A. 49:3-52(a);
16. Summary judgment is granted to Plaintiff as to Count II of the Amended Complaint. Defendants Ryan Carr and Fish are found to have made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in violation of N.J.S.A. 49:3-52(b);
17. Final judgment by default is granted to Plaintiff as to Count II of the Amended Complaint. Defendants Miller and Carr Miller are found to have made untrue statements of material facts and/or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in violation of N.J.S.A. 49:3-52(b);
18. Summary judgment is granted to Plaintiff as to Count III of the Amended Complaint. Defendants Ryan Carr and Fish are found to have engaged in an act or practice which operated or would operate as a fraud or deceit upon a person in violation of N.J.S.A. 49:3-52(c);

19. Final Judgment by default is granted to Plaintiff as to Count III of the Amended Complaint. Defendants Miller and Carr Miller are found to have engaged in an act or practice which operated or would operate as a fraud or deceit upon a person in violation of N.J.S.A. 49:3-52(c);
20. Final judgment by default is granted to Plaintiff as to Count V of the Amended Complaint. Defendant Carr Miller is found to have employed unregistered agents in violation of N.J.S.A. 49:3-56(h);
21. Summary judgment is granted to Plaintiff as to Count VI of the Amended Complaint. Defendants Ryan Carr and Fish are found to have acted as agents without registration in violation of N.J.S.A. 49:3-56(a);
22. Summary judgment is granted to Plaintiff as to Count VII of the Amended Complaint. Defendants Ryan Carr and Fish are found to have sold unregistered securities in violation of N.J.S.A. 49:3-60;
23. Final Judgment by default is granted to Plaintiff as to Count VII of the Amended Complaint. Defendants Carr Miller is found to have sold unregistered securities in violation of N.J.S.A. 49:3-60;
24. Defendants Miller, Carr Miller, Ryan Carr, and Fish are jointly and severally liable to Plaintiff for restitution in the amount of \$29,863,078 for losses incurred by individuals who invested with defendant Carr Miller;
25. Defendant Carr Miller is assessed a civil monetary penalty for each separate act of violating the Securities Law in accordance with N.J.S.A. 49:3-70.1, in the amount of \$2,335,000;
26. Defendant Miller is assessed a civil monetary penalty for each separate act of violating the Securities Law in accordance with N.J.S.A. 49:3-70.1, in the amount of \$1,868,000;
27. Defendant Ryan Carr is assessed a civil monetary penalty for each separate act of violating the Securities Law in accordance with N.J.S.A. 49:3-70.1, in the amount of \$1,177,500;

28. Defendant Fish is assessed a civil monetary penalty for each separate act of violating the Securities Law in accordance with N.J.S.A. 49:3-70.1, in the amount of \$1,177,500;
29. Payment of restitution and the civil monetary penalty shall be made by attorney trust fund account check, certified check or other guaranteed funds, made payable to the "State of New Jersey, Bureau of Securities" and delivered to the attention of the Bureau Chief, at the following address: Bureau of Securities, 153 Halsey Street, 6th Floor, Newark, New Jersey 07102.
30. All proceeds received by the Bureau in the form of restitution under this Order shall be distributed in accordance with a plan of distribution submitted by the Receiver Michael P. Pompeo and approved by the Court.
31. Defendants Miller, Carr Miller, Ryan Carr, and Fish, individually and by or through any corporation, business entity, agent, employee, broker, partner, officer, director, attorney, stockholder and/or any other person who is directly or indirectly under their control or direction, are permanently restrained and enjoined from directly or indirectly violating the Securities Law and, specifically, from:
  - a. engaging in the securities business in New Jersey in any capacity, including, but not limited to, employing a broker-dealer, agent, investment advisor, investment adviser representative, or otherwise;
  - b. issuing, offering for sale or selling, offering to purchase or purchasing, distributing, promoting, advertising, soliciting, and/or negotiating, advancing the sale of and/or promoting securities, or advising regarding the sale of any securities, in any manner to, from, or within the State of New Jersey; and
  - c. engaging in the conduct described in Plaintiff's Amended Verified Complaint filed in this matter.
32. Nominal defendants Carr Miller Care Limited Liability Company, Carr Miller Charity Foundation, Inc., Carr Miller Commercial Transportation, LLC, Carr Miller Commodities Limited Liability Company, Carr Miller Construction Limited Liability Company, Carr

Miller Entertainment, LLC, Carr Miller Insurance Management, LLC, Carr Miller Makiba Limited Liability Company, Carr Miller Premium Finance, LLC, Carr Miller Real Estate Investment Fund, LP, Carr Miller Real Estate Investments Limited Liability Company, ICA Investment Advisors, LLC, JPEM Limited Liability Company, Carr Miller-Octo, LLC, Octo Waterfront Grill Co., Pactolus Group, LLC, PM Holdings, LLC and Surveillance Film Group, LLC are dismissed without prejudice.

33. Plaintiff shall serve a copy of this Order upon defendants Defendants Miller, Carr Miller, Ryan Carr, and Fish, and the nominal defendants named in ¶ 32 above within 7 days of Plaintiff's counsel's receipt of same.

  
Honorable David B. Katz, J.S.C.

In accordance with the required statement to R. 1:6-2(a), this motion was:

opposed  unopposed.