

FILED: ERIE COUNTY CLERK 04/27/2020 10:07 AM

At an Ex-Parte Term of the Supreme Court of the State of New York, in and for the County of Erie, at the Erie County Courthouse, Buffalo, New York, on the 27 day of April, 2020

PRESENT:
Honorable Catherine Nugent, JSC
Justice Presiding Paneppinto

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ERIE

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THE PEOPLE OF THE STATE OF NEW YORK :
By LETITIA JAMES, :
Attorney General of the State of New York, :
 :
Plaintiff, :
 :
-against- :
 :
KEAN WIND TURBINES, INC. and KEAN W. :
STIMM :
 :
Defendants :
 :
----- X

Index No.:

**ORDER TO SHOW CAUSE
WITH TEMPORARY
RESTRAINING ORDER**

Upon the reading of the Verified Complaint, the Affirmation of Tanya Trakht, Assistant Attorney General, affirmed on April 27, 2020, and the exhibits thereto; and upon the motion of Letitia James, Attorney General of the State of New York, attorney for the Plaintiff, it is hereby

ORDERED that defendants Kean Wind Turbines, Inc. ("Kean Wind") and Kean W. Stimm ("Stimm"), together "Defendants," show cause before Part two of this Court, at a Special Term thereof, to be held at the Erie County Courthouse, located at 92 Franklin St., Buffalo, NY 14202, or by virtual conference as this Court may direct the parties, on the 29 day of May, 2020, at 10:00 o'clock in the forenoon/afternoon of that day, or as soon thereafter

as counsel may be heard, why an order and judgment should not be made pursuant to Article 23-A of the General Business Law and Executive Law § 63(12) granting the following relief:

A. Preliminarily enjoining all Defendants and their principals, agents, officers, directors, and employees from violating the Martin Act, Article 23-A of the General Business Law and Executive Law § 63(12), and from engaging in the fraudulent, deceptive and illegal acts alleged herein;

B. Preliminarily enjoining Stimm and any principals, agents, officers, directors, or employees of Kean Wind, from directly or indirectly engaging or attempting to engage in any manner in the issuance, exchange, sale, offer to sell, purchase, offer to purchase, promotion, negotiation, advertisement, provision of investment advice, investment management or distribution of any stocks, bonds, notes, evidences of interest or indebtedness of Kean Wind or any of its affiliates or successors, including but not limited to Kean Wind's common and preferred stock, certificates of future royalties, promissory notes backed by Kean Wind's shares or certificates, or any other instruments aimed at obtaining financing for Kean Wind within or from this state;

C. Preliminarily enjoining all Defendants and their principals, agents, officers, directors, or employees from destroying, transferring or otherwise disposing of any business records or property of Kean Wind;

D. Preliminarily enjoining all Defendants and their principals, agents, officers, directors, or employees from transferring, selling or otherwise disposing of any assets owned, possessed or controlled by Kean Wind including any and all intangible assets, including without limitation patents on the Newtonian Wind Turbine, owned jointly or severally by the Defendants,

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as well as any monies of Kean Wind on deposit or account with an agent, a bank or any other financial institution;

E. Preliminarily enjoining all Defendants and their principals, agents, officers, directors, or employees from incurring any debts on behalf of Kean Wind; and

F. Preliminarily enjoining all Defendants and their principals, agents, officers, directors, or employees from distributing, transferring or otherwise disposing of any funds derived or collected from Kean Wind,

AND IT APPEARING that cause of temporary injunctive relief exists under General Business Law Article 23-A, Executive Law § 63(12) and CPLR Article 63, and that Defendants have engaged in fraudulent and illegal conduct in connection with the offer and sale of securities of Kean Wind, which acts and practices have caused and will continue to cause immediate and irreparable injury to members of the public unless Defendants are restrained before a hearing can be held,

AND IT APPEARING that this matter qualifies as essential pursuant to subdivisions C(6) and E(1) of Administrative Order 78/20 issued on March 22, 2020, by Chief Administrative Judge Lawrence K. Marks, it is hereby,

ORDERED that pending the hearing and determination of this action, Defendants, their agents, employees, successors, and assigns, and any other person under their direction and control, whether acting individually or in concert with others, or through any corporate or other entity or device, are hereby temporarily restrained and enjoined from, directly or indirectly:

1. engaging or attempting to engage in any manner in the issuance, exchange, sale, offer to sell, purchase, offer to purchase, promotion, negotiation, advertisement,

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provision of investment advice, investment management or distribution of any stocks, bonds, notes, evidences of interest or indebtedness of Kean Wind or any of its affiliates or successors, including but not limited to Kean Wind's common and preferred stock, certificates of future royalties, promissory notes backed by Kean Wind's shares or certificates, or any other instruments aimed at obtaining financing for Kean Wind within or from this state;

2. destroying, transferring or otherwise disposing of any business records or property of Kean Wind;
3. transferring, selling or otherwise disposing of any assets owned, possessed or controlled by or on behalf of Kean Wind including any and all intangible assets, including without limitation patents on the Newtonian Wind Turbine owned jointly or severally by the Defendants, as well as any monies of Kean Wind on deposit or account with an agent, a bank or any other financial institution;
4. incurring any debts on behalf of Kean Wind; and
5. distributing, transferring or otherwise disposing of any funds derived or collected

from Kean Wind, and it is further

ORDERED that Plaintiff shall not be required to post an undertaking pursuant to CPLR 6313 (c); and it is further

ORDERED that upon service of a copy of this Order on any bank or other institution which holds funds in the name of or to the credit of Kean Wind and its agents, such bank or financial institution is hereby temporarily restrained from paying out, transferring, honoring

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drafts, checks or charges against or setting off or assigning to themselves or any other person or firm any such funds.

SUFFICIENT CAUSE to me appearing therefore,

LET service of a copy of this order and supporting papers on Defendants on or before the 1 day of May, 2020 by email to keanwindturbinesinc@gmail.com, keanstimm@gmail.com and first-class mail to 415 Lawrence Bell Dr., Ste. 8, Williamsville, New York, 14221, and email and first-class mail to Michael A. Benson, counsel for the Defendants, at bensonlaw1@verizon.net, 77 North Buffalo Street, P.O. Box 411, Springville, New York 14141, be deemed due and sufficient service hereof.

Answering papers, if any, must be served upon Plaintiff at least two days prior to the return date of this Order to Show Cause.

ENTER: April 27, 2020

HON. Catherine Nugent-Panepinto
Hon. Catherine Nugent-Panepinto, J.S.C.