

Eric T. Schneiderman
At the ~~U.S. District~~
of the Supreme Court of the
State of New York, 60 Centre
Street, City and State of New
York on the 26th day of
September, 2016.

Present:

JOAN B. LOBIS

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of an Inquiry by ERIC T.
SCHNEIDERMAN, Attorney General of the
State of New York,

Petitioner,

Pursuant to Article 23-A of the New York General
Business Law in regard to the acts and practices of

DEAN MUSTAPHALLI,
MUSTAPHALLI CAPITAL PARTNERS FUND, L.P.,
MUSTAPHALLI ADVISORY GROUP, LLC,
MUSTAPHALLI CAPITAL MANAGEMENT, LLC, AND
MUSTAPHALLI GROUP, LLC,

Respondents,
in promoting the issuance, distribution, exchange,
advertisement, negotiation, purchase, investment advice
or sale of securities in or from New York State.

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: **ORDER PURSUANT TO**
: **GENERAL BUSINESS LAW**
: **§ 354**
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Index No. *451805/16*

Date Filed:

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Upon reading and filing the annexed affirmation of Kenneth J. Haim, Assistant Attorney
General, dated September 26, 2016, with exhibits, and the accompanying memorandum of law,
dated September 26, 2016; and upon the application of Eric T. Schneiderman, Attorney General
of the State of New York, for an order pursuant to General Business Law ("GBL") § 354;

WHEREAS the New York Attorney General has determined to commence an action
under Article 23-A of the GBL against the above-captioned Respondents, and certain
Respondents' testimony and production of certain documents, books and records is material and

necessary to the Attorney General's investigation; and

WHEREAS, pursuant to GBL § 354, it is this Court's duty to grant the Attorney General's application for an order directing the persons mentioned in the application to appear before the Justice of the Supreme Court or referee designated in such order and answer such questions as may be put to them or to any of them, or to produce such papers, documents and books and records; and

WHEREAS, pursuant to GBL § 354, it appears that it is expedient and proper to grant certain preliminary injunctive relief against Respondents because alleged fraudulent practices of Respondents threaten continued and immediate injury to the investing public, and that the potential dissipation of Respondents' assets would render a judgment directing restitution or disgorgement ineffectual; it is hereby

ORDERED that Respondents DEAN MUSTAPHALLI, MUSTAPHALLI CAPITAL PARTNERS FUND, L.P., MUSTAPHALLI ADVISORY GROUP, LLC, MUSTAPHALLI CAPITAL MANAGEMENT, LLC, AND MUSTAPHALLI GROUP, LLC, appear before the Referee Lieberman (En Passant 86)
~~Honorable~~ _____, Justice of the Supreme Court, or any other Justice or Referee of this Court as may be directed, in Room 1041, at the courthouse located at 60 Centre Street, New York, New York, or at any other place as this Court may direct, as follows: on the 14th 6th of October, 2016, at 9³⁰ a.m./p.m., and on any adjourned date and time thereafter, to testify under oath, and answer such questions as may be put to them by the New York Attorney General or a designated Assistant Attorney General, concerning the authenticity or location of certain documents, books and records; and to turn over originals, wherever located, whether in their possession or control, or if the originals are unavailable, copies of:

- (i) Documents sufficient to identify all limited partners that have invested in the Mustaphalli Capital Partners Fund, L.P. (the "Fund") since its inception, other

than documents previously produced. Such documents must include each limited partner's last known address and telephone number, their date of birth, the dates that the limited partner has been a client of Dean Mustaphalli or any other Respondent and the name of the person or entity that acted as financial advisor or investment adviser for the limited partner during that time.

- (ii) All documents relating to all limited partners of the Fund, including but not limited to agreements, documents providing trading discretion, past brokerage account statements in the possession, custody or control of any Respondent, investor profiles and evidence of net worth, other than documents previously produced.
- (iii) All documents used in the course of marketing and/or selling interests in the Fund, including but not limited to documents describing past or projected Fund performance, circulars, flipbooks, charts and/or PowerPoint presentations, other than documents previously produced.
- (iv) All minutes of all meetings by, between or among each Respondent, its members and principals, for the past six years.
- (v) Documents sufficient to show the Respondents' monetary or other payments related to the Fund, tangible or intangible, including salaries, commissions, bonuses and options, to officers, directors, owners, principals, salespersons, employees, independent contractors and/or agents, for the past six years, other than documents previously produced.
- (vi) Documents sufficient to show Respondents' trading models used for the investment of the Fund's assets over the past six years.
- (vii) Documents sufficient to identify all personal financial and investment accounts held by Respondent Dean Mustaphalli and/or any entity that Respondent Mustaphalli controls, and copies of account statements for each account since February 2011, other than documents previously produced.
- (viii) All documents and information requested, but not yet produced, in the Attorney General's January 4, 2016 Subpoena, attached to the Haim Affirmation as Exhibit AB.
- (ix) All other documents that may be requested by the Attorney General or a designated Assistant Attorney General during the course of this investigation; and it is further

Respectfully
ORDERED that Respondent DEAN MUSTAPHALLI appear before ~~the Honorable~~

Leibman, Justice of the Supreme Court, or any other Justice or Referee of

this Court as may be directed, in Room 641 (IA Part 86) at the courthouse located at 60 Centre Street, New York, New York, or at any other place as this Court may direct, as follows: on the 14th of October, 2016, at 9³⁰ a.m./p.m., and on any adjourned date and time thereafter, to testify under oath, and answer such questions as may be put to him by the Attorney General or a designated Assistant Attorney General; and it is further

ORDERED that all Respondents, their agents and employees are hereby preliminarily restrained from violating Article 23-A of the GBL, and from engaging in fraudulent, deceptive and illegal acts; including but not limited to:

- a. providing unsuitable investment advice in or from New York State;
- b. placing trades in the Mustaphalli Capital Partners Fund, L.P., other than closing trades which may be placed to protect the Fund's assets; and
- c. allowing new investors to subscribe to the Mustaphalli Capital Partners Fund, L.P.; and it is further

ORDERED that Respondents, their principals and agents, are hereby directed to provide consent to Financial Solutions Accounting & Administrative Services, Inc. ("FSAA") to cooperate fully with the Attorney General's investigation; and it is further

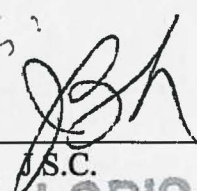
ORDERED that Respondents, their principals and agents, are hereby preliminary restrained from withdrawing, converting, transferring, selling or otherwise disposing of funds and assets held by Mustaphalli Capital Partners Fund, L.P., Mustaphalli Advisory Group, LLC, Mustaphalli Capital Management, LLC, and/or Mustaphalli Group, LLC, wherever they may be situated, for purposes other than to satisfy withdrawal requests from any limited partner of the Mustaphalli Capital Partners Fund, L.P., other than Respondents; and it is further

ORDERED that Respondents, their principals and agents, are hereby directed to satisfy

withdrawal requests, limited to the balance of the limited partner's capital account(s), by any limited partner of the Mustaphalli Capital Partners Fund, L.P., other than Respondents, which will be honored within three days of receipt or as soon as practicable thereafter; and it is further

ORDERED that all Respondents, their principals and agents are preliminarily restrained from making withdrawals from any account in the name of Mustaphalli Capital Partners Fund, L.P., Mustaphalli Advisory Group, LLC, Mustaphalli Capital Management, LLC, and/or Mustaphalli Group, LLC, at any bank, savings and loan association, broker dealer, or other financial depository located inside or outside New York, for purposes other than to satisfy withdrawal requests from any limited partner of the Mustaphalli Capital Partners Fund, L.P., other than Respondents; and it further

ORDERED that service by personal delivery and leaving with each Respondent a certified copy of this Order together with the papers upon which it was granted, on or before the 3rd of October, 2016, be deemed sufficient service thereof.

Enter:


J.S.C.
JOAN B. LOBIS