

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS

4 TO: Wall Street Capital Fund, LLC
5 Wall Street Capital, LLC
6 David B. Lister, Manager
7 Wall Street Capital
8 Wall Street Development
9 202 N Curry Street, #100
10 Carson City, Nevada 89703
11 and
12 23679 Calabasas Road
13 Calabasas, California 91302

14 Wall Street Capital Group, Inc.
15 David B. Lister, President and Director
16 Janet Ross, Vice President
17 202 N Curry Street, #100
18 Carson City, Nevada 89703
19 and
20 15821 Venture Blvd. Suite 420
21 Encino, Ca 91436

22 **DESIST AND REFRAIN ORDER**

23 **(For violations of sections 25110 and 25401 of the California Corporations Code)**

24 The California Corporations Commissioner finds that:

25 1. David B. Lister (“Lister”) served as a principal, manager, officer, or employee of several
26 entities including Wall Street Capital Fund, LLC, Wall Street Capital, LLC, Wall Street Capital
27 Group, Inc., Wall Street Capital and Wall Street Development (“Wall Street Entities”). Janet Ross
28 served as the Vice President of Wall Street Capital Group, Inc.

1 2. Lister, a salesperson licensed with the California Department of Real Estate, appears as the
2 President of Wall Street Capital Mortgage, Inc., with offices at 18600 Ventura Blvd, Tarzana,
3 California and 23679 Calabasas Road, Calabasas, California. Lister’s used the latter address for the
4 Wall Street Entities. Lister also did business as Wall Street Commercial, Wall Street Realty, DBL
5 Enterprises and DBL Consulting, Image International and DBL International Inc. Lister and entities
6 he formed have been named as a defendants or had judgments entered against them in ten civil cases.

1 3. Assisting Lister with investments involving the Wall Street Entities was the “Wall Street
2 Capital Group Management and Advisory Board.” In documents given to investors the “management
3 team” consists of Michael S. Manahan, who is described as the President of Magnum Financial, LLC.
4 However, there is no mention of the fact that Manahan and Magnum Financial, LLC doing business
5 as Stratos Research LLC, along with other others, were charged by the Securities and Exchange
6 Commission (“SEC”) with fraud in a “pump and dump” scheme to manipulate stock prices.

7 4. Subjects sought investors’ funds by general solicitation, including cold call telemarketing
8 to unsophisticated individuals of limited means with minimal or no investment experience. Subjects
9 offered Class A units or membership interests in Wall Street Capital Fund, LLC, which at times was
10 also referred to as Wall Street Capital, LLC, Wall Street Capital Group and Wall Street Capital. The
11 managing partner of Wall Street Capital Fund, LLC is Wall Street Capital Group, Inc.

12 5. The investments offered by subjects of units or membership interests in limited liability
13 companies constitute securities. These securities were required to be qualified under the Corporate
14 Securities Law and are not exempt in violation of Corporations Code section 25110.

15 6. Subjects represented to investors that their funds would be used for the “Wall Street
16 Capital Fund Bakersfield Project,” and the “Wall Street Development” of Pioneer Pines. Subjects
17 provided investors with documents that showed the “Wall Street Homes” were to be built by
18 Cavco and sold by “Wall Street Associates.” Subjects also gave investors “profit proforma”
19 calculations that indicated hundreds of manufactured homes were to be built in Bakersfield
20 California and sold at a profit (16-23%) for investors. Subjects’ profit proforma indicated a \$2.3
21 million dollar profit on the Pioneer Pines Development.

22 7. Investors’ funds were not used in the Bakersfield project as represented. Subjects
23 failed to inform investors that their funds could not be withdrawn and that they were not qualified
24 by the California Department of Corporations to sell securities. Subjects did not disclose that
25 Manahan and Lister or his entities were defendants in numerous civil cases.

26 Based upon the foregoing findings, the California Corporations Commissioner is of the
27 opinion that the activities of Wall Street Capital Fund, LLC, Wall Street Capital, LLC, Wall Street
28 Capital Group, Inc., Wall Street Capital, Wall Street Development, David B. Lister and Janet Ross

1 involve offers or sales of securities in California that are subject to qualification under the Corporate
2 Securities Law, without such offers or sales first being qualified or exempt, in violation of
3 Corporations Code section 25110.

4 The California Corporations Commissioner is also of the opinion that such offer and sale of
5 securities in this State were made by means of written or oral communications which included an
6 untrue statement of a material fact or omitted to state a material fact necessary in order to make the
7 statements made, in the light of the circumstances under which they were made, not misleading, in
8 violation of Corporations Code section 25401.

9 Pursuant to section 25532 of the Corporations Code, Wall Street Capital Fund, LLC, Wall
10 Street Capital, LLC, Wall Street Capital Group, Inc., Wall Street Capital, Wall Street Development,
11 David B. Lister and Janet Ross are hereby ordered to:

- 12 1. Desist and refrain from the further offer or sale of securities including, but not
13 limited to, units or membership interests in limited liability companies unless and
14 until the offers and sales have been duly qualified under the Corporate Securities
15 Law or unless exempt; and,
- 16 2. Desist and refrain from offering or selling or buying or offering to buy any
17 security in the State of California by means of any written or oral communication
18 which includes an untrue statement of a material fact or omits to state a material
19 fact necessary in order to make the statements made, in the light of the
20 circumstances under which they were made, not misleading.

21 This Order is necessary, in the public interest, for the protection of investors and consistent
22 with the purposes, policies and provisions of the Corporate Securities Law of 1968.

23 Dated: February 22, 2007
24 Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

25
26
27 By _____
ALAN S. WEINGER
28 Lead Corporations Counsel
Enforcement Division