

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6967
P&S# 6537
Date: March 12, 2010
To: All Participants
Attention: Managing Partner/Officer, P&S Manager, Cashier Manager, Data Processing Manager, Fund/SERV Participants
From: Cashiering

Subject: CUSIP To Be Exited From CNS and Future Trades Designated Trade For Trade

Please be advised that effective close of business March 15, 2010, NSCC has exited positions from the Continuous Net Settlement System (CNS) in the following CUSIP and future trades will be designated trade for trade.

<u>CUSIP</u>	<u>SECURITY NAME</u>
607587409	Modern Energy Corp.

A copy of The United States District Court ruling has been attached.

Questions regarding this notice should be addressed to the Operations Regulatory Compliance Hotline @ (212) 855-1780 or your Relationship Manager.

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

Scottrade, Inc.,)

Plaintiff,)

v.)

Case No. 4:07-cv-01982 HEA

Modern Energy Corporation;)
First Public Securities Transfer)
Corporation;)

Defendants;)

Merrill Lynch, Pierce Fenner &)
Smith, Inc.; Ridge Clearing & Outsourcing)
Solutions, Inc.; Penson Financial Services, Inc.,)
E*Trade Financial Corporation; TD Ameritrade,)
Clearing Services, Inc.;)

Relief Defendants.)

A TRUE COPY OF THE ORIGINAL
JAMES G. WOODWARD, CLERK
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI

BY: 

DEPUTY CLERK

**JUDGMENT BY DEFAULT AGAINST DEFENDANTS MODERN ENERGY
CORPORATION, INCLUDING A PERMANENT INJUNCTION**

Default having been properly entered by the Clerk against Defendant Modern Energy Corporation, and First Public Securities Transfer Corporation having been served with process in

~~in violation of~~ and having failed to answer herein, and more than seven days notice having been

Modern Energy common shares delivered by to Modern Energy's transfer agent, First Public, pursuant to what Modern Energy described as a "mandatory exchange" which this

is null and void as to all shares effected in violation of

Wyoming law and the anti-fraud provisions of the Securities Exchange Act of 1934, 15 U.S.C. §78j(b), and thus null and void;

(b) Based on this Court's prior judgments rendered in this matter, Scottrade's DTC account should now reflect that it continues to own 29,797,165 of the 30,797,165 issued and outstanding Modern Energy common shares Scottrade held through its DTC account for the accounts of Scottrade customers on October 19, 2007, and the actions and inactions of Modern Energy and First Public and those persons acting in active concert or participation with them (including, but not limited to, David Korman a/k/a David Korem a/k/a/ Mark Pedley and Michael S. Ioane) have prevented DTC from causing Scottrade's

it impossible for Scottrade to deliver

individual named Michael S. Ioane) acting in Modern Energy's name but without any authority to so act;

(e) Modern Energy has no substantial assets or legitimate business purpose, its shares are valueless, and its purported existence as a corporate entity is being continued solely to further the fraud launched with the announcement of the purported, but void, reverse stock split.

Further, the Court finds that:

The actions (and inactions) and the threatened actions and inactions of Defendants Modern Energy Corporation and First Public Securities Transfer Corporation, their actual (or supposed) officers, agents, servants, employees and attorneys, and those persons who are in active concert or participation with them or with their purported officers, agents, servants, employees and attorneys, including David Korman a/k/a David Korem a/k/a Mark Pedley and Michael S. Ioane, individually and as a representative of Western Investment Properties, Inc., pose a continuing threat and risk of irreparable harm to Plaintiff Scottrade, Inc., for which Scottrade, Inc. has no adequate remedy at law. The harm threatened by the Defendants' actions and those of their actual or supposed officers, agents, servants, employees and attorneys, and those persons (including Messrs. Korman and Ioane) who are in active concert or participation with them, includes, but is not limited to, the damage to Scottrade which would result if Scottrade were directly or indirectly compelled by the fraudulent schemes being pursued by Defendants Modern Energy Corporation and First Public Securities Transfer Corporation, their actual (or supposed) officers, agents, servants, employees and attorneys, and those persons who are in active concert or participation with them (including Messrs. Korman and Ioane and the corporation known as Western Investment Properties, Inc. controlled by Ioane) to purchase

and/or deliver intrinsically valueless shares of Modern Energy common stock (and/or other

stocks purportedly distributed by Modern Energy and First Public to Modern Energy shareholders as in-kind dividends) at artificially inflated prices, whether pursuant to demand by any Scottrade customer for delivery of the Modern Energy shares shown in Scottrade's records, or pursuant to any order by arbitrators or other authorities, entered at the behest of any such

Accordingly, Defendants Modern Energy Corporation, First Public Securities Transfer Corporation, their respective actual or purported officers, agents, servants, employees and attorneys, and pursuant to Rule 65(d), Fed.R.Civ.P. all other persons who are in active concert or participation with any of them (including, but not limited to, David Korman, a/k/a David Korem, a/k/a Mark Pedley, and Michael S. Ioane and Western Investment Properties, Inc.), are hereby permanently enjoined from:

(a) issuing any additional securities purporting to be issued by Modern Energy without the express, prior approval of this Court;

(b) transferring or purporting to transfer, of record, ownership of any securities heretofore issued or purportedly issued by Modern Energy without the express, prior approval of this Court;

(c) issuing any further announcements, press releases, or other form of communication with actual or purported shareholders of Modern Energy or the investing public and purporting to

(e) making any further filings with the Wyoming Secretary of State's office in the name of Modern Energy Corporation without the prior express approval of this Court; or

(f) taking any actions directly or indirectly intended to perpetuate the manipulative

