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STATE OF MAINE
OFFICE OF THE ATTORNEY GENERAL
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AUGUSTA, MAINE 04333-0006

August 10, 2006

Dianne Hill, Clerk
MAINE SUPERIOR COURT
York County Courthouse
P.O. Box 160
Alfred, ME 04002-0160

RE: State of Maine v. The Gentle Wind Project, f/k/a The Gentle Wind Retreat, and Mary Miller, Carol Miller, John Miller, Joan Carreiro, Pamela Ranheim and Shelbourne Miller.

Dear Ms. Hill:

Enclosed for the Court's review and approval are a Consent Decree and Order, and a proposed Order Appointing Receiver in resolution of the above-referenced matter.

Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads 'Carolyn A. Silsby'.

CAROLYN A. SILSBY
Assistant Attorney General

CAS/ceh

Enclosures

c: Jerome J. Gamache, Esq.
Mary Miller
Carol Miller
John Miller
Joan Carreiro
Pamela Ranheim
Shelbourne Miller

JURISDICTION

The Court has jurisdiction over the persons of Plaintiff and Defendants and over the subject matter of this action. The Complaint states a claim for relief under 5 M.R.S.A. §§ 194(2), 194-J(2), 194-K(1), 207 and 209; and 13-B M.R.S.A. §§ 1105, 1106 and 1109.

FINDINGS

1. Mary E. Miller and John D. Miller violated 5 M.R.S.A. § 207 by making express and implicit representations on GWP's websites, and in other materials, of the health benefits of using so-called healing instruments manufactured by Defendants, which were not substantiated by objective and reliable scientific evidence at the time the representations were made.

2. Mary E. Miller and John D. Miller violated 5 M.R.S.A. § 207 by making express and implicit representations on GWP's websites, and in other material, that the healing instruments have been objectively scientifically tested and have been scientifically proven to be effective.

3. Carol R. Miller and Pamela Ranheim breached their fiduciary duties as directors of GWP by authorizing the transfer of charitable funds in the form of personal loans to the brother of an officer and board member of GWP, in violation of 13-B M.R.S.A. §§ 717(1) and 721(1)(B).

4. Mary E. Miller breached her fiduciary duty as the president of GWP by failing to establish and follow written criteria and protocol for GWP's

“medical grant program,” and to keep accurate and complete records of the program, in violation of 13-B M.R.S.A. §§ 720(1) and 715(1).

5. Shelbourne Miller breached her fiduciary duty as the treasurer of GWP by failing to correctly book the disbursements for the medical grants in GWP’s accounting software in violation of 13-B M.R.S.A. §§ 715(1) and 720(1).

6. The individual Defendants breached their fiduciary duties as directors or officers of GWP by failing to keep correct and complete books and records, or minutes of the proceedings of GWP’s board meetings, in violation of 13-B M.R.S.A. §§ 717(1) or 720(1), and 715(1).

7. The individual Defendants breached their fiduciary duties as officers or directors of GWP by approving the expenditures of charitable funds for the acquisition and upkeep of real and personal property that was titled in the names of certain individual Defendants, notwithstanding subsequent remedial measures after the commencement of the Attorney General’s investigation.

INJUNCTIONS

1. Pursuant to 5 M.R.S.A. § 209 and M.R.Civ.P. 65, the individual Defendants and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this injunction are hereby permanently enjoined from representing in the State of Maine in any manner, directly or indirectly, in connection with the manufacturing, promotion, packaging, labeling, sale, or

distribution of the healing instruments that there are health benefits to using the healing instruments, and that the healing instruments have been scientifically tested and have proven to be effective including, but not limited to, making statements that:

- a. The healing instruments repair damage to one's energetic or "etheric" structure, which is the cause of emotional and mental stress and pain, resulting in mental and emotional healing that significantly reduces or obviates the need for psychotherapy.
- b. The healing instruments, among other things, solve most of the problems found in humanity, lower blood pressure, reduce the need for anti-anxiety medications, reduce combativeness in Alzheimer's patients, increase one's perceptions of emotional and physical health, cure 50% of alcoholics and drug users of their alcohol- or drug-using habits, enable surgical patients to recover more quickly, cure or significantly reduce chronic or severe pain, reduce seizure activity, cure self-injurious behavior, and enable the wheelchair-bound to walk.
- c. The healing instruments have proven to be effective in hospital settings.
- d. Defendants have tested the healing instruments using blind and double-blind studies on thousands of people in

different types of populations.

- e. Defendants have adhered to the highest research standards in testing the healing instruments.
- f. Defendants' research findings have been duplicated by independent health care professionals.
- g. There is no placebo effect in the performance of the healing instruments.

2. Pursuant to 5 M.R.S.A. § 194-J(2), 13-B M.R.S.A. § 1106, and M.R.Civ.P. 65, the Defendants and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this injunction are hereby permanently enjoined from using, renting, assigning, transferring, converting, or selling any real estate or personal property owned by GWP, or in which GWP has an equitable interest.

3. Pursuant to 5 M.R.S.A. § 194-J and M.R.Civ.P. 65, the individual Defendants and their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this injunction are hereby permanently enjoined from:

- a) Serving as officers or board members of, or serving in any advisory function for, any Maine nonprofit corporation.