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California Corporations Commissioner
2 WAYNE STRUMPFER
Deputy Commissioner
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8 Attorneys for Complainant

9 BEFORE THE DEPARTMENT OF CORPORATIONS
10 OF THE STATE OF CALIFORNIA
11

12	In the Matter of)	FILE NO. CAS-37790
13	THE CALIFORNIA CORPORATIONS)	STIPULATION TO ENTRY OF DESIST AND
14	COMMISSIONER,)	REFRAIN ORDER
15	Complainant,)	CORPORATIONS CODE SECTION 31402
16	v.)	
17	SOCCERTOTS, INC. and EDWARD KENT)	
18	GOLD, as an individual,)	
19	Respondents.)	
20)	
21)	

22 In resolution of an inquiry into the offer and sale of unregistered franchises within the State
23 of California, and without admitting or denying such activities, IT IS HEREBY STIPULATED
24 AND AGREED between SoccerTots, Inc. and Edward Kent Gold (hereafter collectively
25 "Respondents") and the California Corporations Commissioner ("Commissioner"), as follows:

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27 ///
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1 1. Respondents stipulate to the issuance of the Desist and Refrain Order, in the form
2 attached hereto as Exhibit A, directing Respondents to desist and refrain from the further offer and
3 sale of unregistered franchises in violation of the Franchise Investment Law.

4 2. Respondents hereby waive all rights to any hearing or appeal of the Desist and
5 Refrain Order.

6 3. Respondents stipulate that the delivery by certified mail of the executed Desist and
7 Refrain Order issued by the Commissioner to their counsel, Edward R. Culhane, Esq., shall
8 constitute valid service of the Order.

9 4. Respondents and the Commissioner agree that this Stipulation and the accompanying
10 Desist and Refrain Order are a full and final resolution of the investigation of unregistered
11 franchised sold and operated by Respondents to date. Subject to these Stipulations, no fines or
12 penalties will be imposed for the sale or operation of unregistered franchises to date.

13 5. Respondents and the Commissioner agree that nothing in the Stipulations or the
14 accompanying Desist and Refrain Order is to be interpreted as interfering with the existing business
15 relationships with the existing four "licerees" in the State of California. However, Respondents
16 may not extend the terms of the existing "licenses" without either registering it as a franchise or
17 relying upon and complying with the terms of any applicable exemption or exception pursuant to the
18 Franchise Investment Law.

19 6. Respondents are aware that the Department of Corporations has not reviewed any
20 new or revised licensing agreements for the purpose of determining whether such agreement is in
21 compliance with the Franchise Investment Law.

22 7. Respondents acknowledge that remedies for violations of the Franchise Investment
23 Law are not exclusive and may be sought and employed in any combination to enforce the purpose
24 and provisions of this law.

25 7. Respondents agree that nothing in this Stipulation shall preclude the Commissioner,
26 or his agents or employees, to the extent authorized by law, from assisting or cooperating in any
27 investigation and/or action brought by any other federal, state or county agency. Respondents
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1 further agree that this Stipulation shall not bind or otherwise prevent any other federal, state or
2 county agency from the performance of its duties.

3 9. Respondents enter into this Stipulation voluntarily and without coercion and
4 acknowledge that no promises, threats or assurances have been made by the Commissioner or any
5 officer, or agent thereof, about this Stipulation.

6 10. Respondents and the Commissioner agree that this Stipulation may be executed in
7 one or more separate counterparts, each of which when so executed, shall be deemed an original.
8 Such counterparts shall together constitute and be one and the same instrument.

9
10 Dated: 4/8/08

PRESTON DuFAUCHARD,
California Corporations Commissioner

11
12 By _____
13 Alan S. Weinger
14 Lead Corporations Counsel

15 SOCCERTOTS, INC.

16
17 Dated: 4/3/08

18 By _____
19 E. Kent Gold, Individually and on behalf of
20 SoccerTots, Inc.

21 Approved as to Form and Content

22 Dated: 4/4/08

23
24 By _____
25 Edward R. Culhane, Esq.
26 Attorney on behalf of SoccerTots and Edward Kent Gold
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