STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO:

Edward Kent Gold SoccerTots, Inc. 7311 East Nora, #103 Spokane, WA 99212

DESIST AND REFRAIN ORDER

(For violations of section 31110 of the Corporations Code)

The California Corporations Commissioner finds that:

- 1. At all relevant times, Edward Kent Gold ("Gold") was the President and control person of SoccerTots, Inc., which identifies itself as "a Washington corporation." The principal place of business is listed as 7311 East Nora, #103, Spokane, WA 99212.
- 2. Beginning in or about August 2002, SoccerTots, Inc. began licensing the SoccerTots program to independent contractors. SoccerTots, Inc. offered the "new licensees" information and training in business and operations plans, operations policies, building and maintaining enrollment and sales and marketing.
- 3. These licenses were offered or sold in California. The Department of Corporations has not issued a permit or other form of registration authorizing SoccerTots, Inc. to offer or sell franchises in this state.

Based on the foregoing findings, the California Corporations Commissioner is of the opinion that the "licenses" offered and/or sold by Gold and SoccerTots, Inc. are franchises subject to registration under the California Corporations Code and have been offered or sold without being registered in violation of Section 31110 of the California Corporations Code.

Pursuant to Section 31402 of the California Corporations Code, Edward Kent Gold and SoccerTots, Inc. are hereby ordered to desist and refrain from the further offer or sale in the State of California of franchises, unless and until registration has been made under said law or unless exempt.

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the California Corporations Code.

> PRESTON DUFAUCHARD California Corporations Commissioner

Lead Corporations Counsel