

**FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE  
CENTRAL JUSTICE CENTER  
JUL 11 2006  
Clerk of the Court  
BY M. WHITE

1 PRESTON DuFAUCHARD  
California Corporations Commissioner  
2 WAYNE STRUMPFER  
Deputy Commissioner  
3 ALAN S. WEINGER  
Supervising Attorney  
4 ALEXANDER M. CALERO (SBN 2382389)  
Corporations Counsel  
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7 Attorneys for the People of the State of California

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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 FOR THE COUNTY OF ORANGE

11 THE PEOPLE OF THE STATE OF  
CALIFORNIA, by and through the  
12 CALIFORNIA CORPORATIONS  
COMMISSIONER,

13 Plaintiff,

14 vs.

15 STEVEN ARTHUR SCOTT, an individual, and  
doing business as BENCHMARK FINANCIAL  
16 SERVICES,

17 Defendants.

Case No.: 06CC07158

STIPULATION TO ENTRY OF AN ORDER  
ISSUING A PRELIMINARY INJUNCTION  
BETWEEN PLAINTIFF AND  
DEFENDANTS, STEVEN ARTHUR SCOTT,  
AN INDIVIDUAL, AND DOING BUSINESS  
AS BENCHMARK FINANCIAL SERVICES

Judge: Gail A. Andler  
Dept: C4

Hearing Date:  
Hearing Time:  
Date Action Filed:  
Trial Date:

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21 A. The Defendants, STEVEN ARTHUR SCOTT, an individual, and doing business as  
22 BENCHMARK FINANCIAL SERVICES ("Defendants"), hereby stipulate as follows:

23 1. Defendants stipulate to entry of an Order issuing a Preliminary Injunction enjoining  
24 STEVEN ARTHUR SCOTT, an individual, and doing business as BENCHMARK FINANCIAL  
25 SERVICES and their officers, directors, successors in interest, agents, employees, attorneys in fact,  
26 and all persons acting in concert or participating with them, or any of them, from directly or  
27 indirectly:

STIPULATION TO ENTRY OF AN ORDER ISSUING A PRELIMINARY INJUNCTION BETWEEN PLAINTIFF  
AND DEFENDANTS, STEVEN ARTHUR SCOTT, AN INDIVIDUAL, AND DOING BUSINESS AS  
BENCHMARK FINANCIAL SERVICES

1 a. Violating California Corporations Code section 25230 by conducting business  
2 as an investment adviser without first securing a certificate from the California Corporations  
3 Commissioner, or substantially assisting violations thereof, in the State of California.

4 b. Violating California Corporations Code section 25235 subdivision (d) by  
5 engaging in fraudulent, deceptive, or manipulative practices, including but not limited to distributing  
6 advertisements containing client testimonials, within the meaning of the California Code of  
7 Regulations, title 10, section 260.235 subdivision (a)(1).

8 c. Violating California Corporations Code section 25235 subdivision (d) by  
9 engaging in fraudulent, deceptive, or manipulative practices, including but not limited to distributing  
10 advertisements containing misrepresentations of material fact, within the meaning of the California  
11 Code of Regulations, title 10, section 260.235 subdivision (a)(5).

12 d. Violating California Corporations Code section 25235 subdivision (d) by  
13 engaging in fraudulent, deceptive, or manipulative practices, including but not limited to failing to  
14 disclose a self-regulatory organization's disciplinary proceeding, within the meaning of the California  
15 Code of Regulations, title 10, section 260.235.4 subdivision (a)(3).

16 e. Removing, destroying, mutilating, concealing, altering, transferring, or  
17 otherwise disposing of, in any manner, any books, records, documents, correspondence, brochures,  
18 manuals, or other documents of any kind in the possession, custody or control of the Defendants,  
19 including but not limited to those pertaining to the above referenced acts.

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2. In light of this Stipulation, Defendants waive their right to an Order to Show Cause hearing as provided for in Code of Civil Procedure section 527(d)(1).

Dated: 6-29-06 Defendants STEVEN ARTHUR SCOTT, an individual, and doing business as BENCHMARK FINANCIAL SERVICES

By STEVEN ARTHUR SCOTT

Dated: 6-29-06 Attorney for Defendants STEVEN ARTHUR SCOTT, an individual, and doing business as BENCHMARK FINANCIAL SERVICES

By EUGENE V. ZECH

Dated: 7-5/06 Plaintiff THE PEOPLE OF THE STATE OF CALIFORNIA, by and through PRESTON DuFRAUCHARD, California Corporations Commissioner

By ALEXANDER M. CALERO

**IT IS SO ORDERED:**  
GAV A. ANDLER  
Judge of the Superior Court