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 SACRAMENTO COURTS
 DEPT. #53


1 PRESTON DuFAUCHARD
 California Corporations Commissioner
 2 WAYNE STRUMPFER
 Deputy Commissioner
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 8 Attorneys for the People of the State of California

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF SACRAMENTO

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

14 Plaintiff,

15 vs.

16 FILMMATES ENTERTAINMENT, INC., a
 California corporation; FILMMATES
 17 CORPORATION, a California corporation;
 FILMMATES PARTNERS, LLC, a California
 18 limited liability company, SWIM COOL
 SYSTEMS, a California corporation, SWIM
 19 COOL SYSTEMS, LLC, a California limited
 liability company, JAY MALLA
 20 MALDONADO, as an individual; BILL
 21 NANCE, as an individual; ALAN F. GODA, as
 an individual, and Does 1 through 10, inclusive,

22 Defendants.

Case No.: 07AS04961

STIPULATION TO ENTRY OF AN ORDER
ISSUING A PRELIMINARY INJUNCTION;
AND ORDER

DATE: November 16, 2007
 TIME: 10 a.m.
 DEPT: 53
 TRIAL DATE: None set

24 JAY MALLA MALDONADO, as an individual; and BILL NANCE, as an individual

25 ("Defendants"), hereby stipulate, without any admission or inference of guilt with respect to any
26 matter, as follows:

- 28 1. Defendants stipulate to entry of an Order issuing a Preliminary Injunction

State of California - Department of Corporations

1 enjoining, JAY MALLA MALDONADO, as an individual; and BILL NANCE, as an individual
2 from directly or indirectly:

3 a. Violating California Corporations Code section 25110, by offering to sell,
4 selling, arranging for the sale of, issuing, engaging in the business of selling, negotiating for the
5 sale of any security of any kind, unless such security or transaction is qualified;

6 b. Violating California Corporations Code section 25401, by offering to sell or
7 selling any security of any kind, including but not limited to, the securities described in the
8 Complaint, by means of any written or oral communication which includes any untrue statement
9 of material fact or omits or fails to state any material fact necessary in order to make the
10 statements made, in the light of the circumstances under which they are made, not misleading;

11 c. Taking any action that would Violate the Desist and Refrain and Consent
12 Order issued by the California Corporations Commissioner on October 25, 2005, if such order
13 were found to be applicable to Defendants Maldonado and Nance, by offering and selling
14 unqualified, non-exempt securities in violation of California Corporations Code section 25110;

15 d. Outside the ordinary course of business and knowingly removing,
16 destroying, mutilating, concealing, altering, transferring, or otherwise disposing of, in any manner,
17 any books, records, computer programs, computer files, computer printouts, correspondence,
18 brochures, manuals, or any other "writing" or "document" of any kind as defined under California
19 Evidence Code section 250, relating to the transactions and course of conduct as alleged in the
20 complaint of this action, unless authorized by this Court; and
21

22 2. Department of Corporations and Defendants further stipulate that Defendants shall
23 have the right on noticed motion to move for an order vacating the Preliminary Injunction to
24 which Defendants have stipulated herein.
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ZUBER & TAILLIEU LLP
Josh Lawler

Dated: November 16, 2007

By: _____
~~Attorney for Defendants, JAY MALLA~~
~~MALDONADO and BILL NANCE~~

Dated: 11-16-07

MARY ANN CLARK
Attorney for Plaintiff

IT IS SO ORDERED:

Dated NOV 16 2007

JUDGE OF THE SUPERIOR COURT
LOREN E. McMASTER

State of California - Department of Corporations