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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF ORANGE

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

15 Plaintiff,

16 v.

17 SCANTECH IMAGING, INC., a Nevada
18 corporation; DEVIN GRANT ROCKEFELLER,
an individual; JASON WILLIAMSON, an
19 individual; MARKETLINE, LLC, a limited
20 liability company; ROBERT I. GORRIE, an
individual; STARK ENTERTAINMENT
21 PRODUCTIONS, INC., a California
corporation; ANTHONY R. STARK, an
22 individual; STEVEN P. ARENA, an individual;
23 RED & ASSOCIATES, INC., a California
corporation; DUVAL LOVE, an individual;
24 VICTOR ESCHBACH, an individual;
RAMESES FINANCIAL, INC., a Nevada
25 corporation; WILLIAM P. CULLEN, an
26 individual; and DOES 1-100, inclusive,

27 Defendants.
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) CASE NO. 02CC00144
)
) ASSIGNED FOR ALL PURPOSES TO:
)
) JUDGE C. ROBERT JAMESON
)
) DEPARTMENT CX101
)
)
) FIRST AMENDED COMPLAINT FOR
) PRELIMINARY INJUNCTION; PERMANENT
) INJUNCTION; CIVIL PENALTIES AND
) ANCILLARY RELIEF
)
) VIOLATIONS OF CORP. CODE § 25110
) **(UNQUALIFIED SALES OF SECURITIES)**
)
) VIOLATIONS OF CORP. CODE § 25401
) **(FRAUD IN CONNECTION WITH THE**
) **OFFER AND SALE OF SECURITIES)**
)
) VIOLATIONS OF CORP. CODE § 25210
) **(UNLICENSED BROKER-DEALER)**

1 Demetrios A. Boutris, California Corporations Commissioner (“Commissioner”), acting to
2 protect the public from the unlawful and fraudulent sale of unqualified securities and unlicensed
3 broker dealer activity brings this action in the public interest in the name of the People of the State of
4 California. The People of the State of California, allege as follows:

5 **JURISDICTION AND VENUE**

6 1. The Commissioner brings this action on behalf of the Plaintiff, the People of the State
7 of California, to enjoin the defendants from violating the provisions of the California Corporate
8 Securities Law of 1968 ("CSL")(Corp. Code §§ 25000 et seq.) and to request necessary equitable
9 and ancillary relief. The Commissioner is authorized to administer and enforce the provisions of the
10 CSL and the regulations thereunder at Title 10, California Code of Regulations.

11 2. The Commissioner brings this action pursuant to Corporations Code Sections 25530
12 and 25535 and Government Code Sections 11180 et seq. in his capacity as head of the California
13 Department of Corporations.

14 3. Defendants, and each of them, have transacted and continue to transact business within
15 Orange County and other counties in California. The violations of law herein have occurred and will
16 continue to occur, unless enjoined, within Orange County and elsewhere within the state of
17 California.

18 **DEFENDANTS**

19 4. ScanTech Imaging, Inc. ("ScanTech"), at all relevant times hereto, was a Nevada
20 corporation with its principal place of business at 18600 Main Street, Suite 260, Huntington Beach,
21 California 92648. ScanTech also used a mail drop address of 18685 Main Street, Suite A-626,
22 Huntington Beach, California 92648.

23 5. Devin Grant Rockefeller ("Rockefeller") is an individual residing in Orange County,
24 and at all relevant times hereto, was the president and chief executive officer, secretary, treasurer and
25 director of ScanTech, and in control of ScanTech within the meaning of Corporations Code Sections
26 160 and 25403.

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1 6. Jason Williamson ("Williamson") is an individual residing in Orange County, and at all
2 relevant times hereto, was executive vice-president/director of marketing and a director of ScanTech,
3 and in control of ScanTech within the meaning of Corporations Code Sections 160 and 25403.

4 7. Marketline, LLC, at all relevant times hereto, was a California limited liability
5 company engaged in business under the fictitious name Marketline Information Services, also
6 known as Marketline LLC Information Services (collectively referenced hereinafter as
7 "Marketline"), with its principal place of business located at 34 Executive Park, Suite 110, Irvine,
8 California 92714.

9 8. Robert I. Gorrie ("Gorrie"), also known as Bob Gorrie, is an individual residing in
10 Orange County, and at all relevant times hereto, was the president of Marketline. Plaintiff is
11 informed and believes, and thereon alleges that Gorrie also conducted business as Back Bay Capitol,
12 an unknown type of business entity. Plaintiff is informed and believes, and thereon alleges that
13 Gorrie, at relevant times hereto, was an owner or control person of Marketline and Back Bay Capitol
14 within the meaning of Corporations Code Section 25403.

15 9. Stark Entertainment Productions, Inc. ("Stark Entertainment"), at all relevant times
16 hereto, was a California corporation with its principal place of business located at 19800 MacArthur
17 Blvd., Suite 300, Irvine, California 92612. Stark Entertainment also conducted business at 23113
18 Plaza Pointe Drive, Suite 110, Laguna Hills, California 92653.

19 10. Anthony R. Stark, also known as Tony Stark ("Stark"), is an individual residing in
20 Orange County, and at all relevant times hereto, was the chief executive officer and director of Stark
21 Entertainment, and in control of Stark Entertainment within the meaning of Corporations Code
22 Sections 160 and 25403.

23 11. Steven P. Arena ("Arena") is an individual residing in Orange County, and at all
24 relevant times hereto, was engaged in business under the fictitious name Champion Partners and
25 Associates ("Champion") located at 1407 North Batavia, Suite 204, Orange, California 92867.
26 Arena also conducted business at 438 E. Katella, Suite 215, Orange, California 92667. Arena was,
27 at relevant times hereto, owner and president of Champion and in control of Champion within the
28 meaning of Corporations Code Section 25403.

1 12. RED & Associates, Inc. ("RED"), at all relevant times hereto, was a California
2 corporation with its principal place of business located at 7700 Irvine Center Dr., Suite 960, Irvine,
3 California 92618.

4 13. Duval Love ("Love") is an individual residing in Orange County, and at all relevant
5 times hereto, was the chief executive officer and director of RED and in control of RED within the
6 meaning of Corporations Code Sections 160 and 25403.

7 14. Victor Eschbach ("Eschbach") is an individual residing in Los Angeles County, and at
8 all relevant times hereto, was engaged in business under the fictitious name Freud Communications
9 Co. ("Freud") located at 512 S. Hobart Blvd., Suite 404, Los Angeles, California 90020.

10 15. Rameses Financial, Inc. ("Rameses"), at all relevant times hereto, was a Nevada
11 corporation with its principal place of business located at 2949 E. Desert Inn Rd. #1, Las Vegas,
12 Nevada 89121. Rameses also conducted business at 22817 Ventura Blvd., Suite 322, Woodland
13 Hills, California 91364.

14 16. William P. Cullen ("Cullen") is an individual residing in Los Angeles County, and at all
15 relevant times hereto, was the president, secretary and treasurer of Rameses and in control of
16 Rameses within the meaning of Corporations Code Sections 160 and 25403.

17 17. Plaintiff is informed and believes and on such information and belief alleges that, at all
18 relevant times, those defendants named as officers, directors, agents or employees, acted in such
19 capacities in connection with the acts, practices and schemes of business set forth below.

20 18. Each defendant alleged to have committed any act, did and committed the same
21 pursuant to a common plan and scheme among all named defendants, and did so as the agent for
22 each and all of his or her co-defendants and pursuant to and in furtherance of such common plan and
23 scheme.

24 19. Plaintiff is informed and believes that at all times herein mentioned, the business entity
25 defendants, continue in existence as alter egos of the individual defendants pursuant to a scheme to
26 obtain money from the public through the offer and sale of securities to the public, and are shells,

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1 frameworks and conduits used to transmit investors' money for their own benefit and for the benefit
2 of their affiliates named herein.

3 20. At all times mentioned herein, the business entity defendants were so influenced and
4 controlled by the individual defendants in the conduct of their business and affairs, that there exists a
5 unity of interest and ownership among said parties, so that adherence to the fiction of separate
6 corporate and individual existences would serve to work an injustice upon the public.

7 21. Defendants Does 1 through 100 are persons, corporations, partnerships or other entities
8 who have done or will do acts otherwise alleged in this Complaint. Plaintiff is informed and
9 believes, and on such information and belief alleges, that Defendants Does 1 through 100 inclusive,
10 at all times mentioned herein have acted and are continuing to act in concert with the Defendants
11 named herein, and that each of them has participated in the acts and transactions which are the
12 subjects of this Complaint. The true names and capacities of Does 1 through 100, whether
13 individual, corporate or otherwise, are unknown to plaintiff, who therefore sues such Defendants
14 under such fictitious names, pursuant to the provisions of Section 474 of the Code of Civil
15 Procedure. Plaintiff asks leave of the court to amend the complaint to allege the true names and
16 capacities of such Defendants at such time as the same have been ascertained.

17 22. Whenever any allegation is made in this Complaint to "Defendants" doing any act, the
18 allegation shall mean the act of each Defendant acting individually, jointly and severally and the
19 conspiring of these defendants to so act.

20 23. Whenever any allegation is made in this Complaint to any of the business entity
21 defendants doing any act, the allegation shall mean acts done or authorized by the officers, directors,
22 agents, and employees of the business entity defendant while actively engaged in the management,
23 direction or control of the affairs of the business entity defendant, and while acting within the course
24 and scope of their employment.

25 **STATEMENT OF FACTS**

26 24. In April 2001, Defendants Rockefeller and Williamson organized ScanTech as a
27 Nevada corporation. ScanTech, Rockefeller, Williamson and Does 1-20 will be referenced
28 hereinafter collectively as the "Issuer Defendants."

1 25. Beginning in May 2001 and continuing through at least December 2001, ScanTech
2 received more than \$1.3 million dollars in the state of California from approximately 76 investors
3 located in California and other states.

4 26. The investors purchased securities in the form of units in a unit investment trust. The
5 unit investment trust was managed and controlled by ScanTech, and was referenced in ScanTech's
6 offering materials under the names: the ScanTech Imaging Unit Investment Trust, the California
7 ScanTech Imaging Center of California M.I.T., and the ScanTech Imaging Center of California
8 Medical Imaging Trust (referenced hereinafter collectively as the "Trust").

9 27. The purpose of the Trust was to finance, develop, own and operate a medical imaging
10 center in the southern California area, utilizing the Imatron Ultrafast Electronic Beam Tomography
11 ("EBT") machine. The center was expected to be a "state of the art" outpatient clinic that offered the
12 EBT technology to provide coronary artery scans and full-body scans to "health conscious
13 americans."

14 28. The Issuer Defendants contracted with independent selling organizations ("ISO") and
15 sales agents to market and solicit members of the public to invest in units of the Trust. These
16 independent selling organizations and sales agents included the following: Gorrie and his companies
17 Marketline and Back Bay Capitol; Stark and his company Stark Entertainment; Arena and his
18 company Champion; Love and his company RED; Eschbach and his company Freud; Cullen and his
19 company Rameses; and Does 21-80 (hereinafter referenced collectively as the "ISO Defendants").
20 Plaintiff is informed and believes and hereon alleges that the ISO Defendants also employed,
21 controlled, and managed unlicensed sales agents to offer and sell units in the Trust to investors.

22 29. Plaintiff is informed and believes and hereon alleges that Rockefeller and/or
23 Williamson, on behalf of ScanTech, executed an "ISO Non-Circumvent/Non-Compete Agreement"
24 with each of the ISO Defendants, or otherwise engaged the ISO Defendants, to market and sell units
25 in the Trust.

26 30. The ISO Defendants solicited prospective investors by means of cold calls and used
27 boiler-room sales tactics to pressure members of the public to invest. Plaintiff is informed and
28 believes and hereon alleges that the Issuer Defendants provided the ISO Defendants with offering

1 documents and other promotional material to solicit potential investors. The investors received
2 offering documents including some or all of the following items: a videotape; a brochure; a private
3 placement memorandum; subscription documents; a letter from the Hunter Law firm; and various
4 news articles (referenced hereinafter as "Offering Documents").

5 31. The Issuer Defendants and ISO Defendants, by means of the Offering Documents and
6 by oral statements, made numerous representations to some, or all, of the investors. Defendants
7 promised investors annual returns ranging between 40% to 70%, with a 10 year projected return of
8 916%. Defendants hyped the success of other similar centers by representing that these centers had
9 long waiting lists for scans. Defendants represented that patient referrals to the ScanTech clinic
10 would come from local attorneys, doctors and other centers. Defendants linked the investor returns
11 to the projected number of scans per day, based on the hours of operation of the center and the cost
12 per scan ranging from \$495 to \$695. Defendants touted the wonders of full body scanning as a
13 screening device for early detection of cancer and heart disease. Defendants made numerous
14 statements about the capabilities of the Imatron machine and that the state of the art scanning
15 technology had been approved by the Food and Drug Administration. Defendants promised to
16 provide the investors a certain number of free scans per year, depending on the amount of their
17 investment. Defendants represented that the center would be open for business sometime during the
18 last quarter of 2001 or by early in the second quarter of 2002. Defendants represented that
19 Rockefeller and Williamson were successful executives with prestigious backgrounds and business
20 experience.

21 32. The Offering Documents represented that approximately 60% to 70% of the amount of
22 funds raised by ScanTech would be applied towards the intended operations of the center and the
23 remaining 30% to 40% would be applied to syndication, marketing, organizational, professional,
24 commissions, consultation and other front costs.

25 33. Between May 2001 and December 2001, the Issuer Defendants disbursed at least
26 \$1,122,661.36 of the \$1,322,500.00. At least 82.12% of these disbursements were to pay for
27 syndication, marketing, organizational, professional, commissions, consultation and other front
28 costs.

1 34. Between May 2001 and December 2001, ScanTech paid at least \$545,702.00, or
 2 48.61% of the disbursements to the ISO Defendants as follows:
 3 A. Marketline, Gorrie and Does 21-30 received compensation of at least
 4 \$255,035.00;
 5 B. Stark Entertainment, Stark and Does 31-40 received compensation of at least
 6 \$152,853.00;
 7 C. Eschbach, Freud and Does 41-50 received compensation of at least \$43,105.00;
 8 D. Rameses, Cullen and Does 51-60 received compensation of at least \$42,395.00;
 9 E. Arena, Champion and Does 61-70 received compensation of at least \$37,439.00;

10 and

11 F. Love, RED and Does 71-80 received compensation of at least \$14,875.00.

12 35. Between May 2001 and December 2001, ScanTech paid Rockefeller at least
 13 \$129,338.75 and paid Williamson at least \$103,580.00. These payments for professional fees totaled
 14 at least \$ 232,918.75 or 20.75% of disbursements.

15 36. Between May 2001 and December 2001, ScanTech paid at least \$111,437.50 or 9.93%
 16 of the disbursements to Business Development Consultants for front costs that included, but were
 17 not limited to, licensing and permit fees.

18 37. Between May 2001 and December 2001, ScanTech paid at least \$31,723.98 or 2.83%
 19 of the disbursements for printing costs, accountants and other professional fees.

20 38. Plaintiff is informed and believes and hereon alleges that as of December 2001,
 21 ScanTech had not made any disbursements of the \$1,322,500 in investor funds for expenditures
 22 relating to either the acquisition of the EBT machine or towards a lease or other real property costs
 23 for the physical location of the center.

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FIRST CAUSE OF ACTION

**OFFER AND SALE OF UNQUALIFIED, NON-EXEMPT SECURITIES IN VIOLATION OF
CORPORATIONS CODE SECTION 25110**

(ALL DEFENDANTS and DOES 1-100)

39. Plaintiff incorporates by reference paragraphs 1 through 38 of this complaint as though fully set forth herein.

40. Corporations Code Section 25110 provides in relevant part as follows:

It is unlawful for any person to offer or sell in this state any security in an issuer transaction . . . unless such sale has been qualified under Section 25111, 25112 or 25113 . . . or unless such security or transaction is exempted or is not subject to qualification under Chapter 1 (commencing with Section 25100) of this part.

41. Commencing at least as early as May 2001 and continuing thereafter, Defendants, and each of them, have offered and sold securities in issuer transactions in the state of California.

42. The investments offered and sold by Defendants, and each them, were "securities" within the meaning of Corporations Code Section 25019 and case law thereunder. The securities were investment contracts in the form of units in the Trust or limited partnership interests in the Trust.

43. The sales referred to herein were "issuer transactions" within the meaning of Corporations Code Sections 25010 and 25011.

44. The Defendants "offered and sold" said securities "within the state" of California within the meaning of Corporations Code Sections 25008 and 25017.

45. The Commissioner has not issued a permit or other form of qualification authorizing the Defendants to offer and sell the securities referred to herein in the state of California.

46. The offer and sale of securities referred to herein were not exempt from the requirement of qualification under Corporations Code Section 25110.

47. Defendants, and each of them, offered and sold, or directly or indirectly controlled other co-defendants, by knowingly inducing or by knowingly providing substantial assistance to

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1 other co-defendants, to engage in the offer and sale of unqualified, non-exempt, securities in
2 violation of Corporations Code Section 25110.

3 48. Unless enjoined by this Court, Defendants will continue to violate Corporations Code
4 Section 25110.

5 **SECOND CAUSE OF ACTION**

6 **MISREPRESENTATION OR OMISSION OF MATERIAL FACTS IN VIOLATION OF**
7 **CORPORATIONS CODE SECTION 25401**

8 (ALL DEFENDANTS and DOES 1-100)

9 49. Plaintiff realleges and incorporates by reference paragraphs 1 through 48 of this
10 Complaint as though fully set forth herein.

11 50. Corporations Code Section 25401 states as follows:

12 It is unlawful for any person to offer or sell a security in this state or buy or offer to
13 buy a security in this state by means of any written or oral communication which
14 includes an untrue statement of a material fact or omits to state a material fact
15 necessary in order to make the statements made, in the light of the circumstances
16 under which they were made, not misleading.

17 51. In offering and selling the securities referred to herein, Defendants directed, made or
18 directly or indirectly controlled other co-defendants, by knowingly inducing or by knowingly
19 providing substantial assistance to other co-defendants, to make untrue statements and/or
20 misrepresentations, or to omit to state, material facts to some or all of the investors. The
21 misrepresentations or omissions included, without necessarily being limited to, the following:

22 A. Defendants misrepresented returns on the investment ranging from estimates of
23 40% to 70% in the first year to estimates of a 916% return over 10 years, yet the Defendants had no
24 reasonable basis for these projections;

25 B. Defendants misrepresented that approximately 30-40% of the money raised from
26 investors would be used to pay for syndication, marketing, organizational, professional,
27 commissions, consultation and other front costs when in truth, at least 70% of the monies raised was
28 used in this manner;

1 C. Defendants misrepresented that approximately 60% to 70% of the amount of
2 funds raised by ScanTech would be applied towards the intended purpose of the Trust, (i.e., to
3 finance, develop, own and operate a medical imaging center in the southern California area), when in
4 truth, none of monies raised from investors were used for this purpose;

5 D. Defendants misrepresented that the center would be open for business sometime
6 during the last quarter of 2001 or by early in the second quarter of 2002, however, to date, no center
7 has been opened;

8 E. Defendants failed to disclose the amount of compensation and other remuneration
9 that would be paid to the ISO Defendants in connection with the offer and sale of the units in the
10 Trust;

11 F. Defendants failed to disclose that the Food and Drug Administration has never
12 approved or cleared or certified any computed tomography ("CT") system specifically for use in
13 screening, i.e., testing individuals without symptoms;

14 G. Defendants failed to disclose that Rockefeller filed a Chapter 7 bankruptcy on or
15 about December 17, 1999 in the United States Bankruptcy Court for the Central District of
16 California;

17 H. Defendants failed to disclose that Williamson filed a Chapter 7 bankruptcy on or
18 about February 20, 2001 in the United States Bankruptcy Court for the Central District of California;

19 I. Defendants failed to disclose to investors that the sales agents and independent
20 sales organizations offering and selling units in the Trust were unlicensed broker-dealers and/or
21 agents;

22 J. Defendants failed to disclose to investors that the interests offered and sold in
23 ScanTech were unqualified and non-exempt securities subject to qualification by the state of
24 California;

25 K. Defendants failed to disclose that Arena was the subject of an order issued by the
26 Missouri Secretary of State Securities Division on May 30, 2001 prohibiting him from offering and
27 selling securities in the state of Missouri;

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1 L. Defendants failed to disclose that the Commodity Futures Trading Commission
2 suspended Gorrie's commodity trading firm as an introducing broker for Gorrie's failure to pay a
3 reparations award;

4 M. Defendants failed to disclose that Marketline was the subject of an order issued
5 by the Wisconsin Department of Financial Institutions, Division of Securities on December 22, 1999
6 for offering and selling unregistered securities, transacting business as an unlicensed broker-dealer
7 and for employing unlicensed agents;

8 N. Defendants failed to disclose that Cullen was the subject of orders issued by the
9 California Corporations Commissioner on November 6, 2000 for offering and selling unqualified
10 nonexempt securities by means of fraud and for unlicensed broker-dealer activity; and

11 O. Defendants failed to disclose that in or about 1986, Eschbach was convicted of
12 mail fraud, and that in or about 1984, Eschbach pled guilty for selling unregistered securities and
13 was barred from the offer and sale of securities or commodities within and from the state of New
14 York.

15 52. The misstatements and omissions referred to herein were "material facts" within the
16 meaning of Corporations Code Section 25401 since they concerned matters which a "reasonable
17 investor" would consider in deciding whether to invest.

18 53. Defendants' misrepresentations and omissions were "in connection with" the offer and
19 sale of securities within the meaning of Corporations Code Section 25401.

20 54. Some or all of Defendants' misrepresentations and omissions of material fact took place
21 "within the state" of California within the meaning of Corporations Code Section 25008.

22 55. Defendants, and each of them, made or directly or indirectly controlled other co-
23 defendants by knowingly inducing, or by knowingly providing substantial assistance to other co-
24 defendants to make untrue statements and/or omit to disclose statements, to some or all of the
25 investors, of material facts in connection with the offer and sale of securities in violation of
26 Corporations Code section 25401.

27 56. Unless enjoined, Defendants will continue to violate Corporations Code Section 25401.

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THIRD CAUSE OF ACTION

**UNLICENSED BROKER-DEALER ACTIVITY IN VIOLATION OF CORPORATIONS CODE
SECTION 25210
(ISO DEFENDANTS AND DOES 21-80)**

57. Plaintiff incorporates by reference paragraphs 1 through 56 of this Complaint as though fully set forth herein.

58. Corporations Code Section 25210 provides in pertinent part:

(a) Unless exempted . . . no broker-dealer shall effect any transaction in, or induce or attempt to induce the purchase or sale of, any security in this state unless the broker-dealer has first applied for and secured from the commissioner a certificate, then in effect, authorizing that person to act in that capacity.

(b) No person shall, on behalf of a broker-dealer licensed pursuant to Section 25211, or on behalf of an issuer, effect any transaction in, or induce or attempt to induce the purchase or sale of, any security in this state unless that broker-dealer and agent have complied with any rules as the commissioner may adopt for the qualification and employment of those agents.

59. Corporations Code Section 25004 defines broker-dealer in relevant part as :

. . . any person engaged in the business of effecting transactions in securities in this state for the account of others

60. Beginning at least as early as May 2001, the ISO Defendants, and each of them, have engaged in the business of effecting transaction in securities in the state of California, within the meaning of Corporations Code Sections 25008 and 25017, for the account of others by offering and/or selling units in the Trust.

61. The Issuer Defendants hired the ISO Defendants to market and solicit members of the public to invest in units of the Trust. Between May 2001 and December 2001, the ISO Defendants raised at least \$1,322,500 from investors.

62. The Issuer Defendants, and each of them, paid the ISO Defendants, and each of them, compensation and other remuneration for effecting transactions in the securities in the form of units in the Trust.

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1 63. Plaintiff is informed and believes and hereon alleges that the ISO Defendants, and each
2 of them, paid part of the compensation received from the Issuer Defendants to the unlicensed sales
3 agents employed by the ISO Defendants for their offers and sales of units in the Trust.

4 64. The ISO Defendants, and each of them, have not applied for and secured from the
5 Commissioner a broker-dealer certificate.

6 65. The ISO Defendants, and each of them, are not exempt from the provisions of
7 Corporations Code 25210 requiring broker-dealers to obtain a certificate from the Commissioner.

8 66. Defendants, and each of them, directly or indirectly controlled other co-defendants, by
9 knowingly inducing or by knowingly providing substantial assistance to other co-defendants, to act
10 as unlicensed broker dealers and/or unlicensed agents by engaging in the business of effecting
11 transactions in, or inducing or attempting to induce the purchase or sale of securities, in the form of
12 units in the Trust, in violation of Corporations Code Section 25210.

13 67. Unless enjoined by this Court, defendants will continue to violate Corporations Code
14 Section 25210.

15 **PRAYER**

16 WHEREFORE, plaintiff prays for judgment as follows:

17 **RELIEF AGAINST THE ISO DEFENDANTS AND DOES 20-80**

18 1. For an order of preliminary injunction and a judgment of permanent injunction
19 enjoining Defendants Marketline, Gorrie, Stark Entertainment, Stark, Arena, Champion, RED, Love,
20 Eschbach, Freud, Rameses, Cullen and such Does as may be subsequently named, and their officers,
21 directors, successors in interest, agents, employees, attorneys in fact, and all persons acting in
22 concert or participating with them, or any of them, from directly or indirectly, violating Corporations
23 Code Section 25210, by effecting any transaction in, or inducing or attempting to induce the
24 purchase or sale of, any security in California, including but not limited to the securities described in
25 this Complaint, without having first applied for and secured from the commissioner a certificate,
26 then in effect, authorizing the Defendants to conduct business as broker-dealers, unless exempt.

27 2. For a Final Judgment requiring Defendants Marketline, Gorrie, Stark Entertainment,
28 Stark, Arena, Champion, RED, Love, Eschbach, Freud, Rameses, Cullen and such Does as may be

1 subsequently named, and each of them, to pay to the Department of Corporations \$25,000 as a civil
2 penalty for each act in violation of the Corporate Securities Law, as authorized by Corporations
3 Code Section 25535:

4 a. As to the Third Cause of Action, to be individually, jointly and severally liable for
5 at least \$1,900,000 for at least seventy-six (76) violations of Corporations Code Section 25210, or
6 any other amount according to proof.

7 **RELIEF AGAINST ALL DEFENDANTS AND DOES 1-100**

8 3. For an order of preliminary injunction and a judgment of permanent injunction
9 enjoining Defendants ScanTech, Rockefeller, Williamson, Marketline, Gorrie, Stark Entertainment,
10 Stark, Arena, Champion, RED, Love, Eschbach, Freud, Rameses, Cullen and such Does as may be
11 subsequently named, and their officers, directors, successors in interest, agents, employees, attorneys
12 in fact, and all persons acting in concert or participating with them, or any of them, from directly or
13 indirectly:

14 a. Violating Corporations Code Section 25110, by offering to sell, selling, arranging
15 for the sale of, issuing, engaging in the business of selling, negotiating for the sale of, or otherwise in
16 any way dealing or participating in the offer or sale of, any security of any kind, including but not
17 limited to the securities described in this Complaint, unless such security or transaction is qualified
18 or exempted or not subject to qualification;

19 b. Violating Corporations Code Section 25401, by offering to sell or selling any
20 security of any kind, including but not limited to, the securities described in this Complaint, by
21 means of any written or oral communication which includes any untrue statement of material fact or
22 omits or fails to state any material fact necessary in order to make the statements made, in the light
23 of the circumstances under which they are made, not misleading, including but not limited to the
24 misrepresentations and omissions alleged in this Complaint;

25 c. Removing, destroying, mutilating, concealing, altering, transferring, or otherwise
26 disposing of, in any manner, any books, records, computer programs, computer files, computer
27 printouts, correspondence, brochures, manuals, or other writings or documents of any kind as

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1 defined in California Evidence Code Section 250 relating to the transactions course of conduct as
2 alleged in this Complaint;

3 d. Transferring, changing, disbursing, selling, dissipating, converting, pledging,
4 assigning, foreclosing or otherwise disposing of any real property or personal property in their
5 possession or under their control, or in the possession of, or under the control of any of the
6 Defendants, which property or other assets were derived or emanated from directly, or indirectly, the
7 sale and issuance of securities as alleged in this Complaint, without leave of the Court; and

8 e. Withdrawing, transferring, changing, disbursing, dissipating, converting, pledging,
9 or assigning any funds or other assets which were derived or emanated, directly or indirectly, from
10 the offer sale of securities as alleged in this Complaint, from any accounts at any bank, savings and
11 loan association, broker-dealer or any other financial institution in the name of any of the
12 Defendants, or controlled by any of the Defendants, without leave of the Court.

13 4. For a Final Judgment requiring Defendants ScanTech, Rockefeller, Williamson,
14 Marketline, Gorrie, Stark Entertainment, Stark, Arena, Champion, RED, Love, Eschbach, Freud,
15 Rameses, Cullen and such Does as may be subsequently named, individually, jointly and severally,
16 to rescind each and all of the unlawful transactions alleged in this Complaint, as shall be determined
17 by this Court to have occurred, and further requiring Defendants and such Does as may be
18 subsequently named, individually, jointly and severally, to pay full restitution to each person
19 determined to have been subject to Defendants acts or practices which constitute violations of the
20 California Corporate Securities Law with the total of amount of funds being at least \$1,322,500, or
21 any other amount according to proof. In addition, to pay either the contracted rate of interest or the
22 legal rate of interest on the amounts invested by the investors from the dates of their investments to
23 the date of judgment herein.

24 5. For a Final Judgment requiring Defendants ScanTech, Rockefeller, Williamson,
25 Marketline, Gorrie, Stark Entertainment, Stark, Arena, Champion, RED, Love, Eschbach, Freud,
26 Rameses, Cullen and such Does as may be subsequently named, individually, jointly and severally,
27 to disgorge to all known investors all benefits received, including but not limited to, salaries,

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commissions, fees, profits and any other remuneration, derived directly or indirectly, from the actions or practices which constitute violations of the California Corporate Securities Law.

6. For a Final Judgment requiring Defendants ScanTech, Rockefeller, Williamson, Marketline, Gorrie, Stark Entertainment, Stark, Arena, RED, Love, Eschbach, Freud, Rameses, Cullen and such Does as may be subsequently named, and each of them, to pay to the Department of Corporations \$25,000 as a civil penalty for each act in violation of the Corporate Securities Law, as authorized by Corporations Code Section 25535 as follows:

a. As to the First Cause of Action, to be individually, jointly and severally liable for at least \$1,900,000 for at least seventy-six (76) violations of Corporations Code Section 25110, or any other amount according to proof; and

b. As to the Second Cause of Action, to be individually, jointly and severally liable for at least \$1,900,000 for at least seventy-six (76) violations of Corporations Code Section 25401, or any other amount according to proof.

7. For an order that this court will retain jurisdiction of this action in order to implement and carry out the terms of all orders and decrees that may be entered herein or to entertain any suitable application or motion by plaintiff for additional relief within the jurisdiction of this Court;

8. For such other and further relief as this Court may deem necessary and proper.

Dated: June 12, 2002

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By: _____
LINDA A. STELLA
Senior Trial Counsel
Attorneys for Plaintiff