

1 DEMETRIOS A. BOUTRIS (CA BAR NO. 124161)  
California Corporations Commissioner  
2 ALAN S. WEINGER (CA BAR NO. 86717)  
Supervising Counsel  
3 VIRGINIA JO DUNLAP (CA BAR NO. 142221)  
Acting Supervising Counsel  
4 MICHELLE LIPTON (CA BAR NO. 178078)  
Corporations Counsel  
5 DEPARTMENT OF CORPORATIONS  
320 West 4<sup>th</sup> Street, Suite 750  
6 Los Angeles, California 90013-1105  
Telephone: (213) 576-7591  
7

8 Attorneys for the People of the State of California  
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF LOS ANGELES  
12

13 THE PEOPLE OF THE STATE OF )  
CALIFORNIA, by and through the California )  
14 Corporations Commissioner, )

15 Plaintiff, )

16 v. )

17 GREEN SCREEN PARTNERS, LLC., a )  
California Limited Liability Company; )  
18 TREASURE HUNT ENTERTAINMENT II, )  
LLC., a California Limited Liability Company; )  
19 SEAN ANDREW O'NEAL (AKA ANDREW )  
O'NEAL), an individual; JEFFREY SHUKEN, )  
20 an individual; RICHARD HOUGHTON, an )  
individual; KIRK FRIEDMAN, an individual; )  
21 and DOES 1 through 50, inclusive, )  
22 )

23 Defendants. )  
24 )  
25 )  
26 )  
27 )  
28 )

CASE NO. BC276614

STIPULATION TO ENTRY OF FINAL  
JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER ANCILLARY RELIEF  
BETWEEN PLAINTIFF AND DEFENDANTS

1 It is hereby stipulated between Plaintiff, The People of the State of California, by and through  
2 Demetrios A. Boutris, California Corporations Commissioner ("Plaintiff" or "Commissioner") and  
3 Defendants GREEN SCREEN PARTNERS, LLC., TREASURE HUNT ENTERTAINMENT II,  
4 LLC., SEAN ANDREW O'NEAL (AKA ANDREW O'NEAL), JEFFREY SHUKEN, RICHARD  
5 HOUGHTON, and KIRK FRIEDMAN ("Defendants"), as follows:

6 A. Defendants admit jurisdiction of this Court over them and over the subject matter of  
7 this action. Defendants enter a general appearance in this action. Defendants acknowledge that entry  
8 of said general appearance is equivalent to personal service of the summons on them pursuant to  
9 Section 410.50 of the California Code of Civil Procedure.

10 B. Defendants admit service of the Summons and the Complaint filed in this matter.

11 C. Defendants have read the Complaint, this Stipulation and the proposed Final Judgment  
12 of Permanent Injunction and Other Ancillary Relief Pursuant to Stipulation as to Defendants  
13 (referenced hereinafter as "Final Judgment") in the form attached hereto as Exhibit 1.

14 D. Defendants, without admitting or denying the allegations in the Complaint and without  
15 notice of further proceedings, voluntarily consent to the entry by the Court of the Final Judgment.

16 E. Defendants hereby waive entry of Findings of Fact and Conclusions of Law under  
17 California Code of Civil Procedure Section 632 and all rights to appeal the entry of the Final  
18 Judgment.

19 F. Plaintiff and Defendants stipulate and agree that if any paragraph, clause, or provision  
20 of this Stipulation or of the Final Judgment entered thereto, or the application thereof, is held invalid  
21 or unenforceable, such decision shall affect only the paragraph, clause or provision so construed or  
22 interpreted, and the invalidity shall not affect the provisions or the application of this Stipulation, or  
23 of the Final Judgment entered thereto, which can be given effect without the invalid provisions or  
24 application, and to this end, the provisions of the Stipulation, and of the Final Judgment entered  
25 thereto, are declared by Plaintiff and by Defendant to be severable.

26 ///

27 ///

28

1 G. Plaintiff and Defendants stipulate and agree that this Stipulation may be executed in  
2 one or more separate counterparts, each of which when so executed, shall be deemed an original.  
3 Such counterparts shall together constitute and be one and the same instrument.

4 H. Defendants stipulate and agree that they enter into this Stipulation voluntarily and  
5 without coercion, and acknowledge that no promises, threats or assurances have been made by  
6 Plaintiff or any officer, or agent thereof to induce them to enter into this Stipulation.

7 SPECIFIC RELIEF IN THE FINAL JUDGMENT STIPULATED TO BY THE PARTIES

8 1. Defendants stipulate to the entry of a Final Judgment providing that Defendants, and  
9 their agents, employees, attorneys in fact in their capacities as such, and all persons acting in concert  
10 or participating with them, shall be and are hereby permanently enjoined from engaging in,  
11 committing, aiding and abetting, or performing directly or indirectly, by any means whatsoever, any  
12 of the following acts:

13 a. Violating California Corporations Code Section 25110 by offering to sell, selling,  
14 arranging for the sale of, issuing, engaging in the business of selling, negotiating for the sale of, or  
15 otherwise in any way dealing or participating in the offer or sale, in this state, of any security of any  
16 kind, including but not limited to the securities described in the Complaint filed in this action, unless  
17 and until Defendants shall have first applied for, and secured from the Commissioner, a qualification  
18 pursuant to California Corporations Code Section 25111, 25112, or 25113 authorizing the offer and  
19 sale of such securities;

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

26 c. Removing, destroying, mutilating, concealing, altering, transferring or otherwise  
27 disposing of, in any manner, any books, records, computer files, correspondence, brochures, manuals  
28 or any other writings or documents of any kind as defined under California Evidence Code Section

1 250 relating to the transactions and course of conduct as alleged in the Complaint filed in this action,  
2 that are in the possession, custody or control of Defendants for a period of four years from the date of  
3 the entry of the Final Judgment.

4 2. Defendants stipulate to the entry of a Final Judgment providing that Defendants are  
5 joint and/or severally liable to Plaintiff for a judgment of restitution, in the amount of \$8,092,429.55,  
6 together with interest thereon at the legal rate per annum until said amounts are paid in full.

7 3. Defendants stipulate to the entry of a Final Judgment providing that Defendants are  
8 joint and/or severally liable to Plaintiff for a judgment of civil penalties, in the amount of  
9 \$10,500,000.00, together with interest thereon at the legal rate per annum until said amounts are paid  
10 in full.

11 4. The Commissioner agrees not to take any administrative or civil action against the  
12 Defendants based on information known to the Commissioner or his agents or employees at the time  
13 of the filing of the Complaint or based on any act or omission alleged in the Complaint. Defendants  
14 acknowledge that the entry of the Final Judgment pursuant to this Stipulation shall not preclude any  
15 other federal, state or county agency from initiating any other prosecution based upon the allegations  
16 contained in the Complaint in the above-entitled case or based on any other acts by the Defendant  
17 which may violate California or federal law.

18 5. Defendants agree and acknowledge that nothing in this Stipulation or in the Final  
19 Judgment in this matter, shall preclude the Commissioner, or his agents or employees, to the extent  
20 authorized by law, from referring any evidence or information regarding this matter to any district  
21 attorney or any other state or federal law enforcement official, or from assisting, cooperating, or co-  
22 prosecuting with regards to any investigation and/or action brought by any other federal, state or  
23 county agency. Defendants further agree and acknowledge that nothing in this Stipulation or in the  
24 Final Judgment in this matter shall bind or otherwise prevent any other federal, state or county  
25 agency from the performance of its duties.

26 ///  
27 ///  
28 ///

1           6.       The parties stipulate and agree that this Court shall retain jurisdiction of this action in  
2 order to implement and enforce the terms of this Stipulation and the entry of the Final Judgment  
3 pursuant thereto, and to entertain any suitable application or motion for additional relief or  
4 modification of any order made herein within the jurisdiction of the Court.

5 DATED:       September 4, 2002     Plaintiff THE PEOPLE OF THE STATE OF  
6 CALIFORNIA, by and through DEMETRIOS A.  
7 BOUTRIS, California Corporations Commissioner

8 By \_\_\_\_\_  
9 ALAN S. WEINGER  
10 Supervising Counsel

11 DATED:       August 19, 2002     Defendant GREEN SCREEN PARTNERS, LLC

12 By \_\_\_\_\_  
13 SEAN ANDREW O'NEAL  
14 As Managing Member on behalf of company

15 DATED:       August 19, 2002     Defendant TREASURE HUNT ENTERTAINMENT II, LLC

16 By \_\_\_\_\_  
17 SEAN ANDREW O'NEAL  
18 As Managing Member on behalf of company

19 DATED:       August 19, 2002     Defendant SEAN ANDREW O'NEAL

20 By \_\_\_\_\_  
21 SEAN ANDREW O'NEAL  
22 As an individual

23 DATED:       August 20, 2002     Defendant JEFFREY SHUKEN

24 By \_\_\_\_\_  
25 JEFFREY SHUKEN  
26 As an individual

27 DATED:       August 20, 2002     Defendant RICHARD HOUGHTON

28 By \_\_\_\_\_  
RICHARD HOUGHTON  
As an individual

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

DATED: September 3, 2002 Defendant KIRK FRIEDMAN

By \_\_\_\_\_  
KIRK FRIEDMAN  
As an individual

APPROVED AS TO FORM AND CONTENT:

on September 4, 2002

By \_\_\_\_\_  
IRVING M. EINHORN, Esq.  
Attorney for Defendants