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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Chris Paulick
Cops and Robbers, Inc.
10057 Riverside Drive
Toluca Lake, CA 91401

DESIST AND REFRAIN ORDER

(For violations of sections 25110, 25210 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Cops and Robbers, Inc. and Robbers, Inc. is or was a California Corporation,
which was incorporated in December 1997, with its principal office located at 10057 Riverside Drive, Toluca Lake, CA 91401.
2. At all relevant times, Chris Paulick (“Paulick”) is or was the President of Cops and Robbers, Inc..
3. Beginning in or about at least May 2001 and continuing through at least November 2001, Cops and Robbers, Inc. and Paulick offered and sold securities within the state of California in the form of convertible promissory notes and common stock in Cops and Robbers, Inc..
4. Cops and Robbers, Inc. issued a private placement, offering up to \$1,200,000 of convertible promissory notes, paying 10% per annum for twenty four months, which were convertible into shares of common stock to be used for a cops and robber theme restaurant, located at 10057 Riverside Drive, Toluca Lake, California 91401.
5. Paulick and Cops and Robbers, Inc. initially contacted investors through unsolicited phone calls and then invited them to attend an investment discussion on Cops and Robbers, Inc. at the restaurant. Paulick and Cops and Robbers, Inc. would even pick up investors in a limousine and take them to the restaurant to discuss the investment.

1 6. In connection with the offer and sale of these securities, Paulick and Cops and Robbers, Inc.
2 failed to disclose that in November 1998, the Department of Corporations issued Desist and Refrain
3 Orders to Paulick for violations of Corporations Code sections 25110 and 25210.

4 7. These securities were offered or sold in the state of California. The Department of
5 Corporations has not issued a permit or other form of qualification authorizing any person to offer
6 and sell these securities in this state.

7 Based upon the foregoing, the California Corporations Commissioner is of the opinion that
8 the convertible promissory notes and common stock in Cops and Robbers, Inc. are securities subject
9 to qualification under the California Corporate Securities Law of 1968 and are being or have been
10 offered or sold without being qualified.

11 Pursuant to section 25532 of the Corporate Securities Law of 1968, Chris Paulick and Cops
12 and Robbers, Inc. and Robbers, Inc. are hereby ordered to desist and refrain from the further offer or
13 sale in the State of California of securities in the form of convertible promissory notes and common
14 stock, unless and until qualification has been made under said law or unless exempt. The sale of such
15 securities is subject to qualification under said law and such securities are being or have been offered
16 for sale without first being so qualified.

17 Furthermore, the California Corporations Commissioner is of the opinion that the securities
18 that Paulick and Cops and Robbers, Inc. offered or sold in this State were by means of written or oral
19 communications which included an untrue statement of a material fact or omitted to state a material
20 fact necessary in order to make the statements made, in the light of the circumstances under which
21 they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of
22 1968.

23 Pursuant to section 25532 of the Corporate Securities Law of 1968, Chris Paulick and Cops
24 and Robbers, Inc. and Robbers, Inc. made, or caused to be made, misrepresentations or omissions of
25 material facts in connection with the offers or sales of securities and are hereby ordered to desist and
26 refrain from offering or selling or buying or offering to buy any security in the State of California by
27 means of any written or oral communication which includes an untrue statement of a material fact or
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