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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

FEB 22 2012

ALAN CARLSON, Clerk of the Court

Delia Sanchez
BY D SANCHEZ

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

12
13 **THE PEOPLE OF THE STATE OF
CALIFORNIA,**

14 **PLAINTIFF,**

15 v.

16 **COALITION OF POLICE AND
17 SHERIFFS, a nonprofit public benefit
corporation; and DISABLED
18 FIREFIGHTERS FUND, a nonprofit public
benefit corporation.**

19 **DEFENDANTS.**

CASE NUMBER 30-2009-00123817

CONSENT DEFAULT JUDGMENT AND
PERMANENT INJUNCTION AS TO
DEFENDANTS COALITION OF POLICE
AND SHERIFFS AND DISABLED
FIREFIGHTERS FUND

Dept:
Judge

¹⁷
~~C-17~~

GLENDIA SANDERS

The Honorable ~~Steven L. Park~~

Action Filed: May 29, 2009

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22 The parties, Plaintiff the People of the State of California ("Plaintiff") and defendants
23 Coalition of Police and Sheriffs (COPS) and Disabled Firefighters Fund ("DFF") (collectively
24 "defendants"), stipulate that this Consent Default Judgment and Permanent Injunction ("Consent
25 Judgment") as to Defendants COPS and DFF may be issued by a judge of the Orange County
26 Superior Court without the taking of additional evidence and without trial.

27 The Court having considered the Stipulation executed by the parties and good cause
28 appearing;

1 IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

2 1. This Court has jurisdiction of the subject matter of this action and of the parties.

3 2. Defendants were properly served with the complaint. Defendants failed to answer or
4 otherwise contest the complaint. The court entered default against defendants on February 5,
5 2010. Defendants have waived their rights to contest the allegations in the complaint.

6 3. Venue as to all matters between the parties as alleged in the complaint lies in this
7 Court. Defendants waive their right to appeal, to attempt to set aside or vacate, or otherwise
8 modify or attack this Consent Judgment.

9 4. Defendants Coalition of Police and Sheriffs and Disabled Firefighters Fund and
10 their employees, agents, servants, representatives, successors, and assigns are permanently
11 enjoined from all of the following activities:

- 12 a. Receiving or expending any funds from, or distributing any assets of Coalition
13 of Police & Sheriffs, Disabled Firefighters Fund, Association of Disabled
14 Firefighters and American Veterans Relief Foundation except as specifically
15 authorized by the Court;
- 16 b. Soliciting funds, by any means, regardless of purpose;
- 17 c. Receiving and/or controlling and/or disbursing any funds, assets, or property as
18 a result of a solicitation for charitable purposes.
- 19 d. Acting as an officer, director, employee, agent, volunteer or independent
20 contractor of any charitable organization or any organization which solicits
21 funds for charitable purposes;
- 22 e. Serving in a fiduciary capacity with any charitable organization or charitable
23 trust;
- 24 f. Acting as a commercial fundraiser for charitable purposes, fundraising counsel
25 for charitable purposes, trustee or commercial coventurer, as those terms are
26 defined in Government Code sections 12599, 12599.1, 12582 and 12599.2;
- 27 g. Holding, managing, directing or controlling assets for a charitable purpose;
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- h. Engaging in any act of unfair competition as defined in Business and Professions Code section 17200; and
- i. Making or disseminating any untrue or misleading statements in violation of Business and Professions Code section 17500 and Government Code section 12599.6.

5. Judgment is entered in Plaintiff's favor against Defendant Coalition of Police and Sheriffs in the total amount of \$12,710,620, consisting of:

- a. Damages and restitution in the amount of \$10,000,000. Such funds shall be paid to California Community Foundation for the purpose of assisting police officers who have been injured or killed in the line of duty and their families.
- b. Civil penalties in the amount of \$200,000, pursuant to Business and Professions Code sections 17206 and 17536, one-half payable to the State of California General Fund and one-half payable to the Treasurer for the County of Orange, pursuant to subdivision (c) of each section.
- c. Civil penalties in the amount of \$10,000, pursuant to Government Code section 12591.1, payable to the California Attorney General. These funds shall be used exclusively by the Charitable Trusts Section for the administration of the Attorney General's charitable trust enforcement responsibilities.
- d. Attorney's fees and costs in the amount of \$500,000. Such funds shall be payable to the California Attorney General for attorneys fees and costs incurred by the Charitable Trusts Section, pursuant to Government code sections 12598 and 12586.2. These funds shall be used exclusively by the Charitable Trusts Section for the administration of the Attorney General's charitable trust enforcement responsibilities.
- e. Punitive damages in the amount of \$2,000,000.
- f. Filing fees and costs in the amount of \$620. Payment shall be made to the Orange County Superior Court pursuant to Government Code section 6103.5.

1 6. Judgment is entered in Plaintiff's favor against Defendant Disabled Firefighters
2 Fund in the total amount of \$11,710,620, consisting of:

- 3 a. Damages and restitution in the amount of \$9,000,000. Such funds shall be
4 paid to California Community Foundation for the purpose of assisting
5 firefighters who have been injured or killed in the line of duty and their
6 families.
- 7 b. Civil penalties in the amount of \$200,000 pursuant to Business and Professions
8 Code sections 17206 and 17536, one-half payable to the State of California
9 General Fund and one-half payable to the Treasurer for the County of Orange,
10 pursuant to subdivision (c) of each section.
- 11 c. Civil penalties in the amount of \$10,000 pursuant to Government Code section
12 12591.1, payable to the California Attorney General. These funds shall be
13 used exclusively by the Charitable Trusts Section for the administration of the
14 Attorney General's charitable trust enforcement responsibilities.
- 15 d. Attorney's fees and costs in the amount of \$500,000. Such funds shall be
16 payable to the California Attorney General for attorneys fees and costs
17 incurred by the Charitable Trusts Section, pursuant to Government code
18 sections 12598 and 12586.2. These funds shall be used exclusively by the
19 Charitable Trusts Section for the administration of the Attorney General's
20 charitable trust enforcement responsibilities.
- 21 e. Punitive damages in the amount of \$2,000,000.
- 22 f. Filing fees and costs in the amount of \$620. Payment shall be made to the
23 Orange County Superior Court pursuant to Government Code section 6103.5.

24 7. Defendant shall:

- 25 a. Immediately produce to Plaintiff all documents related to Coalition of Police &
26 Sheriffs, Disabled Firefighters Fund, Association of Disabled Firefighters and
27 American Veterans Relief Foundation, within the defendant's possession
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1 custody of control, including documents which are electronically maintained,
2 within ten days of the entry of judgment.

3 b. Immediately produce to Plaintiff all charitable assets belonging to Coalition of
4 Police & Sheriffs, Disabled Firefighters Fund, Association of Disabled
5 Firefighters and American Veterans Relief Foundation, within the defendant's
6 possession custody of control.

7 8. Defendants are constructive trustees of all charitable funds and assets received by or
8 on behalf of COPS and DFF. All such assets in the possession, custody or control of the
9 defendants shall be immediately deposited with the Court. Defendants shall immediately render
10 to the Court and to the Attorney General a full and complete accounting of the financial activities
11 and condition of COPS and DFF from January 1, 2001 to the present, to include the expenditure
12 and disposition of all revenues and assets received by or on behalf of COPS and DFF.

13 9. All assets of COPS and DFF shall immediately be transferred to the California
14 Community Foundation, a California nonprofit public benefit corporation, for the purpose of
15 assisting law enforcement officers and/or firefighters who have been injured in the line of duty, or
16 the families of law enforcement officers and/or firefighters who have been killed in the line of
17 duty. All assets currently due and owing to defendants and all assets which defendants may
18 obtain or be owed in the future, shall be distributed to California Community Foundation, for the
19 purposes specified above.

20 10. The liability of defendants to creditors, if any, is not discharged;

21 11. The liability of the directors and officers and former directors and officers of
22 defendants is not discharged except as to claims arising from the allegations set forth in the
23 complaint in this action and only as provided in the settlement of those claims to which Plaintiff
24 is a party;

25 12. Defendants are found to be properly subject to involuntary dissolution pursuant to
26 Corporations Code section 6510, subdivision (b)(5) and Corporations Code section 6511,
27 subdivision (a)(1), because of gross mismanagement and because the corporation's property was
28 misapplied and wasted by its directors and officers. This Court also exercises its power to

1 dissolve defendants pursuant to Corporations Code section 6514. Accordingly, defendants
2 Coalition of Police and Sheriffs and Disabled Firefighters Fund are hereby dissolved.

3 13. Pursuant to Code of Civil Procedure section 664.6, the Court shall retain jurisdiction
4 to enforce the Consent Judgment.

5 14. This Consent Judgment shall take effect immediately upon its entry.

6 15. The clerk is ordered to enter this judgment forthwith.

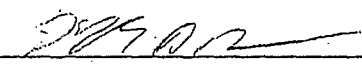
7 16. The Office of the California Attorney General shall have the authority to enforce, or
8 seek sanctions for, violations of the provisions of this consent judgment in this Court.

9 17. Except as otherwise stated, each party shall bear its own attorney's fees and costs.

10 CONSENT


11 I have read and understand the terms of this Consent Judgment. I agree to the terms of the
12 Consent Judgment. I agree that the Court may enter this Consent Judgment without the taking of
13 additional evidence and without trial.

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15 Dated: DEC 27th, 2011



JEFFREY D. DUNCAN, President
Defendants Coalition of Police and Sheriffs

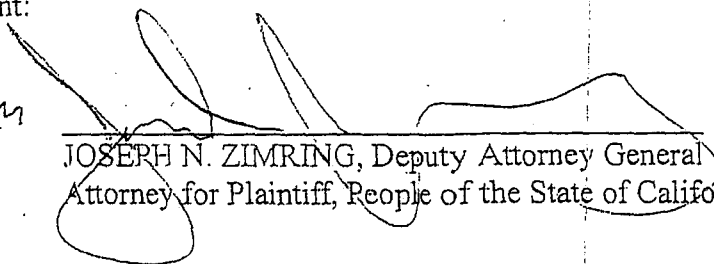
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18 Dated: DEC 27th, 2011



JEFFREY D. DUNCAN, President
Defendant Disabled Firefighters Fund

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20 Approved as to form and content:

21
22 Dated: 1/17/2012



JOSEPH N. ZIMRING, Deputy Attorney General
Attorney for Plaintiff, People of the State of California

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25 IT IS SO ORDERED:

26 Dated: 2-22-12

GLEND A SANDERS

HON. ~~STEVEN L. PEARL~~
JUDGE OF THE SUPERIOR COURT

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DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **People v. Coalition of Police & Sheriffs, et al.**
Case No.: **30-2009-00123817**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On March 1, 2012, I served the attached **NOTICE OF ENTRY OF CONSENT DEFAULT JUDGMENT AND PERMANENT INJUNCTION AGAINST DEFENDANTS COALITION OF POLICE AND SHERIFFS AND DISABLED FIREFIGHTERS FUND** by placing a true copy thereof enclosed in a sealed envelope in the internal mail collection system at the Office of the Attorney General at 300 South Spring Street, Suite 1702, Los Angeles, CA 90013, addressed as follows:

Jeffrey Duncan
P.O. Box 9234
Anaheim, CA 92812

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on March 1, 2012, at Los Angeles, California.

Alexis J. Beard

Declarant



Signature