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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF ORANGE  
12

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

15 Plaintiff,

16 v.

17 **MAHMOUD KARKEHABADI a/k/a MIKE**  
**KARKEH a/k/a MIKE K, TIMOTHY CHO**  
18 **a/k/a TIM CHO a/k/a HIN-KONG CHO,**  
**and DEANNA Ray SALAZAR,**

19 Defendants  
20

Case No.

**FELONY COMPLAINT**

Action Filed: August 24, 2010

1 THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA accuses Defendant  
2 MAHMOUD KARKEHABADI a/k/a MIKE KARKEH a/k/a MIKE K (hereinafter  
3 “KARKEHABADI”), TIMOTHY CHO a/k/a TIM CHO a/k/a HIN-KONG CHO (hereinafter  
4 “CHO”), and DEANNA Ray SALAZAR (hereinafter “SALAZAR”), of the following crimes,  
5 which are connected to one another in their commission:

6 **COUNT ONE**

7 **KARKEHABADI, CHO and SALAZAR**

8 **[SALE OF UNQUALIFIED SECURITY]**

9 For a separate cause of complaint, the Attorney General complains and states, on or about  
10 December 14, 2006, in the County of Orange, State of California, Defendants KARKEHABADI,  
11 CHO and SALAZAR did willfully and unlawfully offer or sell a security in an issuer transaction  
12 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
13 Code, to wit: sale of an investment in the form of a “loan” to Alliance Group Entertainment, to  
14 CHRISTOPHER DUDEK, in violation of California Corporations Code §25110, a felony.

15 **COUNT TWO**

16 **KARKEHABADI, CHO and SALAZAR**

17 **[FRAUD IN THE OFFER OF A SECURITY]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Count 1, the Attorney General further complains  
20 and states, on or about December 14, 2006, in the County of Orange, State of California,  
21 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a  
22 security, to wit: sale of an investment in the form of a “loan” to Alliance Group Entertainment, to  
23 CHRISTOPHER DUDEK, by means of a written or oral communication which included an  
24 untrue statement of a material fact or an omission of a material fact, in violation of §§25401 and  
25 25540, subdivision (b), of the California Corporations Code, a felony.

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**COUNT THREE**

**KARKEHABADI, CHO and SALAZAR**

**[GRAND THEFT]**

For a further and separate cause of complaint, being a different offense from but connected in its commission with the charges set forth in Counts 1 and 2, the Attorney General further complains and states, on or about December 14, 2006, in the County of Orange, State of California, Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an investment in the form of a "loan" to Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from CHRISTOPHER DUDEK, a violation of California Penal Code §487, subdivision (a), a felony.

**COUNT FOUR**

**KARKEHABADI, CHO and SALAZAR**

**[SALE OF UNQUALIFIED SECURITY]**

For a separate cause of complaint, being a different offense from but connected in its commission with the charges set forth in Counts 1 through 3, the Attorney General complains and states, on or about January 24, 2007, in the County of Orange, State of California, Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a security in an issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California Corporations Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to CHRISTOPHER DUDEK, in violation of California Corporations Code §25110, a felony.

**COUNT FIVE**

**KARKEHABADI, CHO and SALAZAR**

**[FRAUD IN THE OFFER OF A SECURITY]**

For a further and separate cause of complaint, being a different offense from but connected in its commission with the charges set forth in Counts 1 through 4, the Attorney General further complains and states, on or about January 24, 2007, in the County of Orange, State of California, Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a security, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to

1 CHRISTOPHER DUDEK, by means of a written or oral communication which included an  
2 untrue statement of a material fact or an omission of a material fact, in violation of §§25401 and  
3 25540, subdivision (b), of the California Corporations Code, a felony.

4 **COUNT SIX**

5 **KARKEHABADI, CHO and SALAZAR**

6 **[GRAND THEFT]**

7 For a further and separate cause of complaint, being a different offense from but connected  
8 in its commission with the charges set forth in Counts 1 through 5, the Attorney General further  
9 complains and states, on or about January 24, 2007, in the County of Orange, State of California,  
10 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
11 investment or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred  
12 Dollars (\$400) from CHRISTOPHER DUDEK, a violation of California Penal Code §487,  
13 subdivision (a), a felony.

14 **COUNT SEVEN**

15 **KARKEHABADI, CHO and SALAZAR**

16 **[SALE OF UNQUALIFIED SECURITY]**

17 For a separate cause of complaint, being a different offense from but connected in its  
18 commission with the charges set forth in Counts 1 through 6, the Attorney General complains and  
19 states, on or about May 6, 2008, in the County of Orange, State of California, Defendants  
20 KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a security in an  
21 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
22 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
23 RONALD DUDEK, in violation of California Corporations Code §25110, a felony.

24 **COUNT EIGHT**

25 **KARKEHABADI, CHO and SALAZAR**

26 **[FRAUD IN THE OFFER OF A SECURITY]**

27 For a further and separate cause of complaint, being a different offense from but connected  
28 in its commission with the charges set forth in Counts 1 through 7, the Attorney General further

1 complains and states, on or about May 6, 2008, in the County of Orange, State of California,  
2 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a  
3 security, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to RONALD  
4 DUDEK, by means of a written or oral communication which included an untrue statement of a  
5 material fact or an omission of a material fact, in violation of §§25401 and 25540, subdivision  
6 (b), of the California Corporations Code, a felony.

7 **COUNT NINE**

8 **KARKEHABADI, CHO and SALAZAR**

9 **[GRAND THEFT]**

10 For a further and separate cause of complaint, being a different offense from but connected  
11 in its commission with the charges set forth in Counts 1 through 8, the Attorney General further  
12 complains and states, on or about May 6, 2008, in the County of Orange, State of California,  
13 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
14 investment or "loan" to Alliance Group Entertainment, of a value in excess of four Hundred  
15 Dollars (\$400) from RONALD DUDEK, a violation of California Penal Code §487, subdivision  
16 (a), a felony.

17 **COUNT TEN**

18 **KARKEHABADI, CHO and SALAZAR**

19 **[SALE OF UNQUALIFIED SECURITY]**

20 For a separate cause of complaint, being a different offense from but connected in its  
21 commission with the charges set forth in Counts 1 through 9, the Attorney General complains and  
22 states, on or about December 6, 2006, in the County of Orange, State of California, Defendants  
23 KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a security in an  
24 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
25 Corporations Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to  
26 DAVID MUELLER, in violation of California Corporations Code §25110, a felony.

1 **COUNT ELEVEN**

2 **KARKEHABADI, CHO and SALAZAR**

3 **[FRAUD IN THE OFFER OF A SECURITY]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 10, the Attorney General further  
6 complains and states, on or about December 6, 2006, in the County of Orange, State of California,  
7 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a  
8 security, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to DAVID  
9 MUELLER, by means of a written or oral communication which included an untrue statement of  
10 a material fact or an omission of a material fact, in violation of §§25401 and 25540, subdivision  
11 (b), of the California Corporations Code, a felony.

12 **COUNT TWELVE**

13 **KARKEHABADI, CHO and SALAZAR**

14 **[GRAND THEFT]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 11, the Attorney General further  
17 complains and states, on or about December 6, 2006, in the County of Orange, State of California,  
18 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
19 investment or "loan" to Alliance Group Entertainment, of a value in excess of four Hundred  
20 Dollars (\$400) from DAVID MUELLER, a violation of California Penal Code §487, subdivision  
21 (a), a felony.

22 **COUNT THIRTEEN**

23 **KARKEHABADI, CHO and SALAZAR**

24 **[SALE OF UNQUALIFIED SECURITY]**

25 For a separate cause of complaint, being a different offense from but connected in its  
26 commission with the charges set forth in Counts 1 through 12, the Attorney General complains  
27 and states, on or about April 6, 2007, in the County of Orange, State of California, Defendants  
28 KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a security in an

1 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
2 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
3 DAVID MUELLER, in violation of California Corporations Code §25110, a felony.

4 **COUNT FOURTEEN**

5 **KARKEHABADI, CHO and SALAZAR**

6 **[FRAUD IN THE OFFER OF A SECURITY]**

7 For a further and separate cause of complaint, being a different offense from but connected  
8 in its commission with the charges set forth in Counts 1 through 13, the Attorney General further  
9 complains and states, on or about April 6, 2007, in the County of Orange, State of California,  
10 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a  
11 security, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to DAVID  
12 MUELLER, by means of a written or oral communication which included an untrue statement of  
13 a material fact or an omission of a material fact, in violation of §§25401 and 25540, subdivision  
14 (b), of the California Corporations Code, a felony.

15 **COUNT FIFTEEN**

16 **KARKEHABADI, CHO and SALAZAR**

17 **[GRAND THEFT]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 14, the Attorney General further  
20 complains and states, on or about April 6, 2007, in the County of Orange, State of California,  
21 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
22 investment or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred  
23 Dollars (\$400) from DAVID MUELLER, a violation of California Penal Code §487, subdivision  
24 (a), a felony.



1 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
2 investment or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred  
3 Dollars (\$400) from JIANLING WU, a violation of California Penal Code §487, subdivision (a),  
4 a felony.

5 **COUNT NINETEEN**

6 **KARKEHABADI, CHO and SALAZAR**

7 **[SALE OF UNQUALIFIED SECURITY]**

8 For a separate cause of complaint, being a different offense from but connected in its  
9 commission with the charges set forth in Counts 1 through 18, the Attorney General complains  
10 and states, on or about March 9, 2007, in the County of Orange, State of California, Defendants  
11 KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a security in an  
12 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
13 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
14 LY YANG FENG, in violation of California Corporations Code §25110, a felony.

15 **COUNT TWENTY**

16 **KARKEHABADI, CHO and SALAZAR**

17 **[FRAUD IN THE OFFER OF A SECURITY]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 19, the Attorney General further  
20 complains and states, on or about March 9, 2007, in the County of Orange, State of California,  
21 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a  
22 security, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to LY YANG  
23 FENG, by means of a written or oral communication which included an untrue statement of a  
24 material fact or an omission of a material fact, in violation of §§25401 and 25402, subdivision  
25 (b), of the California Corporations Code, a felony.

1 **COUNT TWENTY-ONE**

2 **KARKEHABADI, CHO and SALAZAR**

3 **[GRAND THEFT]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 20, the Attorney General further  
6 complains and states, on or about March 9, 2007, in the County of Orange, State of California,  
7 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
8 investment or "loan" to Alliance Group Entertainment, of a value in excess of four Hundred  
9 Dollars (\$400) from LY YANG FENG, a violation of California Penal Code §487, subdivision  
10 (a), a felony.

11 **COUNT TWENTY-TWO**

12 **KARKEHABADI, CHO and SALAZAR**

13 **[SALE OF UNQUALIFIED SECURITY]**

14 For a separate cause of complaint, being a different offense from but connected in its  
15 commission with the charges set forth in Counts 1 through 21, the Attorney General complains  
16 and states, on or about October 22, 2007, in the County of Orange, State of California,  
17 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer or sell a  
18 security in an issuer transaction which had not been qualified under §§25111, 25112 or 25113 of  
19 the California Corporations Code, to wit: sale of an investment or "loan" to Alliance Group  
20 Entertainment, to LY YANG FENG, in violation of California Corporations Code §25110, a  
21 felony.

22 **COUNT TWENTY THREE**

23 **KARKEHABADI, CHO and SALAZAR**

24 **[FRAUD IN THE OFFER OF A SECURITY]**

25 For a further and separate cause of complaint, being a different offense from but connected  
26 in its commission with the charges set forth in Counts 1 through 22, the Attorney General further  
27 complains and states, on or about October 22, 2007, in the County of Orange, State of California,  
28 Defendants KARKEHABADI, CHO and SALAZAR did willfully and unlawfully offer a

1 security, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to LY YANG  
2 FENG, by means of a written or oral communication which included an untrue statement of a  
3 material fact or an omission of a material fact, in violation of §§25401 and 25540, subdivision  
4 (b), of the California Corporations Code, a felony.

5 **COUNT TWENTY-FOUR**

6 **KARKEHABADI, CHO and SALAZAR**

7 **[GRAND THEFT]**

8 For a further and separate cause of complaint, being a different offense from but connected  
9 in its commission with the charges set forth in Counts 1 through 23, the Attorney General further  
10 complains and states, on or about October 22, 2007, in the County of Orange, State of California,  
11 Defendants KARKEHABADI, CHO and SALAZAR unlawfully took property, to wit: sale of an  
12 investment or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred  
13 Dollars (\$400) from LY YANG FENG, a violation of California Penal Code §487, subdivision  
14 (a), a felony.

15 **COUNT TWENTY-FIVE**

16 **KARKEHABADI and CHO**

17 **[SALE OF UNQUALIFIED SECURITY]**

18 For a separate cause of complaint, being a different offense from but connected in its  
19 commission with the charges set forth in Counts 1 through 24, the Attorney General complains  
20 and states, on or about October 18, 2006, in the County of Orange, State of California,  
21 Defendants KARKEHABADI and CHO did willfully and unlawfully offer or sell a security in an  
22 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
23 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
24 VISHVAS and ULKA JOSHI , in violation of California Corporations Code §25110, a felony.

1 **COUNT TWENTY-SIX**

2 **KARKEHABADI and CHO**

3 **[FRAUD IN THE OFFER OF A SECURITY]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 25, the Attorney General further  
6 complains and states, on or about October 18, 2006, in the County of Orange, State of California,  
7 Defendants KARKEHABADI and CHO did willfully and unlawfully offer a security, to wit: sale  
8 of an investment or "loan" to Alliance Group Entertainment, to VISHVAS and ULKA JOSHI, by  
9 means of a written or oral communication which included an untrue statement of a material fact  
10 or an omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the  
11 California Corporations Code, a felony.

12 **COUNT TWENTY-SEVEN**

13 **KARKEHABADI and CHO**

14 **[GRAND THEFT]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 26, the Attorney General further  
17 complains and states, on or about October 18, 2006, in the County of Orange, State of California,  
18 Defendants KARKEHABADI and CHO unlawfully took property, to wit: sale of an investment  
19 or "loan" to Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400)  
20 from VISHVAS and ULKA JOSHI, a violation of California Penal Code §487, subdivision (a), a  
21 felony.

22 **COUNT TWENTY-EIGHT**

23 **KARKEHABADI and CHO**

24 **[SALE OF UNQUALIFIED SECURITY]**

25 For a separate cause of complaint, being a different offense from but connected in its  
26 commission with the charges set forth in Counts 1 through 27, the Attorney General complains  
27 and states, on or about December 1, 2006, in the County of Orange, State of California,  
28 Defendants KARKEHABADI and CHO did willfully and unlawfully offer or sell a security in an

1 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
2 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
3 BRAD BAACK , in violation of California Corporations Code §25110, a felony.

4 **COUNT TWENTY-NINE**

5 **KARKEHABADI and CHO**

6 **[FRAUD IN THE OFFER OF A SECURITY]**

7 For a further and separate cause of complaint, being a different offense from but connected  
8 in its commission with the charges set forth in Counts 1 through 28, the Attorney General further  
9 complains and states, on or about December 1, 2006, in the County of Orange, State of California,  
10 Defendants KARKEHABADI and CHO did willfully and unlawfully offer a security, to wit: sale  
11 of an investment or “loan” to Alliance Group Entertainment, to BRAD BAACK, by means of a  
12 written or oral communication which included an untrue statement of a material fact or an  
13 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
14 Corporations Code, a felony.

15 **COUNT THIRTY**

16 **KARKEHABADI and CHO**

17 **[GRAND THEFT]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 29, the Attorney General further  
20 complains and states, on or about December 1, 2006, in the County of Orange, State of California,  
21 Defendants KARKEHABADI and CHO unlawfully took property, to wit: sale of an investment  
22 or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400)  
23 from BRAD BAACK, a violation of California Penal Code §487, subdivision (a), a felony.

24 **COUNT THIRTY-ONE**

25 **KARKEHABADI and CHO**

26 **[SALE OF UNQUALIFIED SECURITY]**

27 For a separate cause of complaint, being a different offense from but connected in its  
28 commission with the charges set forth in Counts 1 through 30, the Attorney General complains

1 and states, on or about December 5, 2006, in the County of Orange, State of California,  
2 Defendants KARKEHABADI and CHO did willfully and unlawfully offer or sell a security in an  
3 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
4 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
5 MARGARET OLSON , in violation of California Corporations Code §25110, a felony.

6 **COUNT THIRTY-TWO**

7 **KARKEHABADI and CHO**

8 **[FRAUD IN THE OFFER OF A SECURITY]**

9 For a further and separate cause of complaint, being a different offense from but connected  
10 in its commission with the charges set forth in Counts 1 through 31, the Attorney General further  
11 complains and states, on or about December 5, 2006, in the County of Orange, State of California,  
12 Defendants KARKEHABADI and CHO did willfully and unlawfully offer a security, to wit: sale  
13 of an investment or “loan” to Alliance Group Entertainment, to MARGARET OLSON, by means  
14 of a written or oral communication which included an untrue statement of a material fact or an  
15 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
16 Corporations Code, a felony.

17 **COUNT THIRTY-THREE**

18 **KARKEHABADI and CHO**

19 **[GRAND THEFT]**

20 For a further and separate cause of complaint, being a different offense from but connected  
21 in its commission with the charges set forth in Counts 1 through 32, the Attorney General further  
22 complains and states, on or about December 5, 2006, in the County of Orange, State of California,  
23 Defendants KARKEHABADI and CHO unlawfully took property, to wit: sale of an investment  
24 or “loan” to Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400)  
25 from MARGARET OLSON, a violation of California Penal Code §487, subdivision (a), a felony.

1 **COUNT THIRTY-FOUR**

2 **KARKEHABADI and CHO**

3 **[SALE OF UNQUALIFIED SECURITY]**

4 For a separate cause of complaint, being a different offense from but connected in its  
5 commission with the charges set forth in Counts 1 through 33, the Attorney General complains  
6 and states, on or about December 6, 2006, in the County of Orange, State of California,  
7 Defendants KARKEHABADI and CHO did willfully and unlawfully offer or sell a security in an  
8 issuer transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
9 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
10 EDWARD WILSON , in violation of California Corporations Code §25110, a felony.

11 **COUNT THIRTY-FIVE**

12 **KARKEHABADI and CHO**

13 **[FRAUD IN THE OFFER OF A SECURITY]**

14 For a further and separate cause of complaint, being a different offense from but connected  
15 in its commission with the charges set forth in Counts 1 through 34, the Attorney General further  
16 complains and states, on or about December 6, 2006, in the County of Orange, State of California,  
17 Defendants KARKEHABADI and CHO did willfully and unlawfully offer a security, to wit: sale  
18 of an investment or “loan” to Alliance Group Entertainment, to EDWARD WILSON, by means  
19 of a written or oral communication which included an untrue statement of a material fact or an  
20 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
21 Corporations Code, a felony.

22 **COUNT THIRTY-SIX**

23 **KARKEHABADI and CHO**

24 **[GRAND THEFT]**

25 For a further and separate cause of complaint, being a different offense from but connected  
26 in its commission with the charges set forth in Counts 1 through 35, the Attorney General further  
27 complains and states, on or about December 6, 2006, in the County of Orange, State of California,  
28 Defendants KARKEHABADI and CHO unlawfully took property, to wit: sale of an investment

1 or "loan" to Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400)  
2 from EDWARD WILSON, a violation of California Penal Code §487, subdivision (a), a felony.

3 **COUNT THIRTY-SEVEN**

4 **KARKEHABADI and CHO**

5 **[SALE OF UNQUALIFIED SECURITY]**

6 For a separate cause of complaint, being a different offense from but connected in its  
7 commission with the charges set forth in Counts 1 through 36, the Attorney General complains  
8 and states, on or about January 24, 2007, in the County of Orange, State of California, Defendant  
9 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
10 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
11 Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to GERALD  
12 TABACK, in violation of California Corporations Code §25110, a felony.

13 **COUNT THIRTY-EIGHT**

14 **KARKEHABADI and CHO**

15 **[FRAUD IN THE OFFER OF A SECURITY]**

16 For a further and separate cause of complaint, being a different offense from but connected  
17 in its commission with the charges set forth in Counts 1 through 37, the Attorney General further  
18 complains and states, on or about January 24, 2007, in the County of Orange, State of California,  
19 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
20 investment or "loan" to Alliance Group Entertainment, to GERALD TABACK, by means of a  
21 written or oral communication which included an untrue statement of a material fact or an  
22 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
23 Corporations Code, a felony.

24 **COUNT THIRTY-NINE**

25 **KARKEHABADI and CHO**

26 **[GRAND THEFT]**

27 For a further and separate cause of complaint, being a different offense from but connected  
28 in its commission with the charges set forth in Counts 1 through 38, the Attorney General further

1 complains and states, on or about January 24, 2007, in the County of Orange, State of California,  
2 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
3 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
4 GERALD TABACK, a violation of California Penal Code §487, subdivision (a), a felony.

5 **COUNT FORTY**

6 **KARKEHABADI and CHO**

7 **[SALE OF UNQUALIFIED SECURITY]**

8 For a separate cause of complaint, being a different offense from but connected in its  
9 commission with the charges set forth in Counts 1 through 39, the Attorney General complains  
10 and states, on or about February 8, 2007, in the County of Orange, State of California, Defendant  
11 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
12 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
13 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to RAYMOND  
14 PERRY in violation of California Corporations Code §25110, a felony.

15 **COUNT FORTY-ONE**

16 **KARKEHABADI and CHO**

17 **[FRAUD IN THE OFFER OF A SECURITY]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 40, the Attorney General further  
20 complains and states, on or about February 8, 2007, in the County of Orange, State of California,  
21 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
22 investment or “loan” to Alliance Group Entertainment, to RAYMOND PERRY, by means of a  
23 written or oral communication which included an untrue statement of a material fact or an  
24 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
25 Corporations Code, a felony.

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1 **COUNT FORTY-TWO**

2 **KARKEHABADI and CHO**

3 **[GRAND THEFT]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 41, the Attorney General further  
6 complains and states, on or about February 8, 2007, in the County of Orange, State of California,  
7 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
8 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
9 RAYMOND PERRY, a violation of California Penal Code §487, subdivision (a), a felony.

10 **COUNT FORTY-THREE**

11 **KARKEHABADI**

12 **[SALE OF UNQUALIFIED SECURITY]**

13 For a separate cause of complaint, being a different offense from but connected in its  
14 commission with the charges set forth in Counts 1 through 42, the Attorney General complains  
15 and states, on or about January 24, 2007, in the County of Orange, State of California, Defendant  
16 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
17 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
18 Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to ARVEL  
19 ISRAELSEN, in violation of California Corporations Code §25110, a felony.

20 **COUNT FORTY-FOUR**

21 **KARKEHABADI**

22 **[FRAUD IN THE OFFER OF A SECURITY]**

23 For a further and separate cause of complaint, being a different offense from but connected  
24 in its commission with the charges set forth in Counts 1 through 43, the Attorney General further  
25 complains and states, on or about January 24, 2007, in the County of Orange, State of California,  
26 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
27 investment or "loan" to Alliance Group Entertainment, to ARVEL ISRAELSEN, by means of a  
28 written or oral communication which included an untrue statement of a material fact or an

1 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
2 Corporations Code, a felony.

3 **COUNT FORTY-FIVE**

4 **KARKEHABADI**

5 **[GRAND THEFT]**

6 For a further and separate cause of complaint, being a different offense from but connected  
7 in its commission with the charges set forth in Counts 1 through 44, the Attorney General further  
8 complains and states, on or about January 24, 2007, in the County of Orange, State of California,  
9 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
10 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from ARVEL  
11 ISRAELEN, a violation of California Penal Code §487, subdivision (a), a felony.

12 **COUNT FORTY-SIX**

13 **KARKEHABADI**

14 **[SALE OF UNQUALIFIED SECURITY]**

15 For a separate cause of complaint, being a different offense from but connected in its  
16 commission with the charges set forth in Counts 1 through 45, the Attorney General complains  
17 and states, on or about February 14, 2007, in the County of Orange, State of California,  
18 Defendant KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer  
19 transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
20 Corporations Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to  
21 ARVEL ISRAELEN, in violation of California Corporations Code §25110, a felony.

22 **COUNT FORTY-SEVEN**

23 **KARKEHABADI**

24 **[FRAUD IN THE OFFER OF A SECURITY]**

25 For a further and separate cause of complaint, being a different offense from but connected  
26 in its commission with the charges set forth in Counts 1 through 46, the Attorney General further  
27 complains and states, on or about February 14, 2007, in the County of Orange, State of California,  
28 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an

1 investment or “loan” to Alliance Group Entertainment, to ARVEL ISRAELSEN, by means of a  
2 written or oral communication which included an untrue statement of a material fact or an  
3 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
4 Corporations Code, a felony.

5 **COUNT FORTY-EIGHT**

6 **KARKEHABADI**

7 **[GRAND THEFT]**

8 For a further and separate cause of complaint, being a different offense from but connected  
9 in its commission with the charges set forth in Counts 1 through 48, the Attorney General further  
10 complains and states, on or about February 14, 2007, in the County of Orange, State of California,  
11 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
12 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from ARVEL  
13 ISRAELSEN, a violation of California Penal Code §487, subdivision (a), a felony.

14 **COUNT FORTY-NINE**

15 **KARKEHABADI**

16 **[SALE OF UNQUALIFIED SECURITY]**

17 For a separate cause of complaint, being a different offense from but connected in its  
18 commission with the charges set forth in Counts 1 through 48, the Attorney General complains  
19 and states, on or about February 21, 2007, in the County of Orange, State of California,  
20 Defendant KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer  
21 transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
22 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
23 ARVEL ISRAELSEN, in violation of California Corporations Code §25110, a felony.

24 **COUNT FIFTY**

25 **KARKEHABADI**

26 **[FRAUD IN THE OFFER OF A SECURITY]**

27 For a further and separate cause of complaint, being a different offense from but connected  
28 in its commission with the charges set forth in Counts 1 through 49, the Attorney General further

1 complains and states, on or about February 21, 2007, in the County of Orange, State of California,  
2 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
3 investment or “loan” to Alliance Group Entertainment, to ARVEL ISRAELSEN, by means of a  
4 written or oral communication which included an untrue statement of a material fact or an  
5 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
6 Corporations Code, a felony.

7 **COUNT FIFTY-ONE**

8 **KARKEHABADI**

9 **[GRAND THEFT]**

10 For a further and separate cause of complaint, being a different offense from but connected  
11 in its commission with the charges set forth in Counts 1 through 50, the Attorney General further  
12 complains and states, on or about February 21, 2007, in the County of Orange, State of California,  
13 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
14 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from ARVEL  
15 ISRAELSEN, a violation of California Penal Code §487, subdivision (a), a felony.

16 **COUNT FIFTY-TWO**

17 **KARKEHABADI**

18 **[SALE OF UNQUALIFIED SECURITY]**

19 For a separate cause of complaint, being a different offense from but connected in its  
20 commission with the charges set forth in Counts 1 through 51, the Attorney General complains  
21 and states, on or about March 9, 2007, in the County of Orange, State of California, Defendant  
22 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
23 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
24 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to ARVEL  
25 ISRAELSEN, in violation of California Corporations Code §25110, a felony.

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27 ///

1 **COUNT FIFTY-THREE**

2 **KARKEHABADI**

3 **[FRAUD IN THE OFFER OF A SECURITY]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 52, the Attorney General further  
6 complains and states, on or about March 9, 2007, in the County of Orange, State of California,  
7 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
8 investment or "loan" to Alliance Group Entertainment, to ARVEL ISRAELSEN, by means of a  
9 written or oral communication which included an untrue statement of a material fact or an  
10 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
11 Corporations Code, a felony.

12 **COUNT FIFTY-FOUR**

13 **KARKEHABADI**

14 **[GRAND THEFT]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 53, the Attorney General further  
17 complains and states, on or about March 9, 2007, in the County of Orange, State of California,  
18 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
19 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from ARVEL  
20 ISRAELSEN, a violation of California Penal Code §487, subdivision (a), a felony.

21 **COUNT FIFTY-FIVE**

22 **KARKEHABADI**

23 **[SALE OF UNQUALIFIED SECURITY]**

24 For a separate cause of complaint, being a different offense from but connected in its  
25 commission with the charges set forth in Counts 1 through 54, the Attorney General complains  
26 and states, on or about February 7, 2007, in the County of Orange, State of California, Defendant  
27 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
28 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations

1 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to DIXIE  
2 GIBBENS, in violation of California Corporations Code §25110, a felony.

3 **COUNT FIFTY-SIX**

4 **KARKEHABADI**

5 **[FRAUD IN THE OFFER OF A SECURITY]**

6 For a further and separate cause of complaint, being a different offense from but connected  
7 in its commission with the charges set forth in Counts 1 through 55, the Attorney General further  
8 complains and states, on or about February 7, 2007, in the County of Orange, State of California,  
9 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
10 investment or “loan” to Alliance Group Entertainment, to DIXIE GIBBENS, by means of a  
11 written or oral communication which included an untrue statement of a material fact or an  
12 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
13 Corporations Code, a felony.

14 **COUNT FIFTY-SEVEN**

15 **KARKEHABADI**

16 **[GRAND THEFT]**

17 For a further and separate cause of complaint, being a different offense from but connected  
18 in its commission with the charges set forth in Counts 1 through 56, the Attorney General further  
19 complains and states, on or about February 7, 2007, in the County of Orange, State of California,  
20 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
21 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from DIXIE  
22 GIBBENS, a violation of California Penal Code §487, subdivision (a), a felony.

23  
24 **COUNT FIFTY-EIGHT**

25 **KARKEHABADI**

26 **[SALE OF UNQUALIFIED SECURITY]**

27 For a separate cause of complaint, being a different offense from but connected in its  
28 commission with the charges set forth in Counts 1 through 57, the Attorney General complains

1 and states, on or about February 21, 2007, in the County of Orange, State of California,  
2 Defendant KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer  
3 transaction which had not been qualified under §§25111, 25112 or 25113 of the California  
4 Corporations Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to  
5 ANTON and JULIANA MARTIN, in violation of California Corporations Code §25110, a  
6 felony.

7 **COUNT FIFTY-NINE**

8 **KARKEHABADI**

9 **[FRAUD IN THE OFFER OF A SECURITY]**

10 For a further and separate cause of complaint, being a different offense from but connected  
11 in its commission with the charges set forth in Counts 1 through 58, the Attorney General further  
12 complains and states, on or about February 21, 2007, in the County of Orange, State of California,  
13 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
14 investment or “loan” to Alliance Group Entertainment, to ANTON and JULIANA MARTIN, by  
15 means of a written or oral communication which included an untrue statement of a material fact  
16 or an omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the  
17 California Corporations Code, a felony.

18 **COUNT SIXTY**

19 **KARKEHABADI**

20 **[GRAND THEFT]**

21 For a further and separate cause of complaint, being a different offense from but connected  
22 in its commission with the charges set forth in Counts 1 through 59, the Attorney General further  
23 complains and states, on or about February 21, 2007, in the County of Orange, State of California,  
24 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
25 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from ANTON  
26 and JULIANA MARTIN, a violation of California Penal Code §487, subdivision (a), a felony.

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1 **COUNT SIXTY-ONE**

2 **KARKEHABADI**

3 **[SALE OF UNQUALIFIED SECURITY]**

4 For a separate cause of complaint, being a different offense from but connected in its  
5 commission with the charges set forth in Counts 1 through 60, the Attorney General complains  
6 and states, on or about March 1, 2007, in the County of Orange, State of California, Defendant  
7 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
8 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
9 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to JOHN  
10 ANDERSON and/or JOHN O. ANDERSON RANCHES, INC., in violation of California  
11 Corporations Code §25110, a felony.

12 **COUNT SIXTY-TWO**

13 **KARKEHABADI**

14 **[FRAUD IN THE OFFER OF A SECURITY]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 61, the Attorney General further  
17 complains and states, on or about March 1, 2007, in the County of Orange, State of California,  
18 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
19 investment or “loan” to Alliance Group Entertainment, to JOHN ANDERSON and/or JOHN O.  
20 ANDERSON RANCHES, INC., by means of a written or oral communication which included an  
21 untrue statement of a material fact or an omission of a material fact, in violation of §§25401 and  
22 25540, subdivision (b), of the California Corporations Code, a felony.

23 **COUNT SIXTY-THREE**

24 **KARKEHABADI**

25 **[GRAND THEFT]**

26 For a further and separate cause of complaint, being a different offense from but connected  
27 in its commission with the charges set forth in Counts 1 through 62, the Attorney General further  
28 complains and states, on or about March 1, 2007, in the County of Orange, State of California,

1 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
2 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from JOHN  
3 ANDERSON and/or JOHN O. ANDERSON RANCHES, INC., a violation of California Penal  
4 Code §487, subdivision (a), a felony.

5 **COUNT SIXTY-FOUR**

6 **KARKEHABADI**

7 **[SALE OF UNQUALIFIED SECURITY]**

8 For a separate cause of complaint, being a different offense from but connected in its  
9 commission with the charges set forth in Counts 1 through 63, the Attorney General complains  
10 and states, on or about March 5, 2007, in the County of Orange, State of California, Defendant  
11 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
12 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
13 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to VICKI and/or  
14 MONTE DAILEY, in violation of California Corporations Code §25110, a felony.

15 **COUNT SIXTY-FIVE**

16 **KARKEHABADI**

17 **[FRAUD IN THE OFFER OF A SECURITY]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 64, the Attorney General further  
20 complains and states, on or about March 5, 2007, in the County of Orange, State of California,  
21 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
22 investment or “loan” to Alliance Group Entertainment, to VICKI and/or MONTE DAILEY, by  
23 means of a written or oral communication which included an untrue statement of a material fact  
24 or an omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the  
25 California Corporations Code, a felony.

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1 **COUNT SIXTY-SIX**

2 **KARKEHABADI**

3 **[GRAND THEFT]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 65, the Attorney General further  
6 complains and states, on or about March 5, 2007, in the County of Orange, State of California,  
7 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
8 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from VICKI  
9 and/or MONTE DAILEY, a violation of California Penal Code §487, subdivision (a), a felony.

10 **COUNT SIXTY-SEVEN**

11 **KARKEHABADI**

12 **[SALE OF UNQUALIFIED SECURITY]**

13 For a separate cause of complaint, being a different offense from but connected in its  
14 commission with the charges set forth in Counts 1 through 66, the Attorney General complains  
15 and states, on or about March 26, 2007, in the County of Orange, State of California, Defendant  
16 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
17 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
18 Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to WILLIAM  
19 SUGG, in violation of California Corporations Code §25110, a felony.

20 **COUNT SIXTY-EIGHT**

21 **KARKEHABADI**

22 **[FRAUD IN THE OFFER OF A SECURITY]**

23 For a further and separate cause of complaint, being a different offense from but connected  
24 in its commission with the charges set forth in Counts 1 through 67, the Attorney General further  
25 complains and states, on or about March 26, 2007, in the County of Orange, State of California,  
26 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
27 investment or "loan" to Alliance Group Entertainment, to WILLIAM SUGG, by means of a  
28 written or oral communication which included an untrue statement of a material fact or an

1 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
2 Corporations Code, a felony.

3 **COUNT SIXTY-NINE**

4 **KARKEHABADI**

5 **[GRAND THEFT]**

6 For a further and separate cause of complaint, being a different offense from but connected  
7 in its commission with the charges set forth in Counts 1 through 68, the Attorney General further  
8 complains and states, on or about March 26, 2007, in the County of Orange, State of California,  
9 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
10 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
11 WILLIAM SUGG, a violation of California Penal Code §487, subdivision (a), a felony.

12 **COUNT SEVENTY**

13 **KARKEHABADI**

14 **[SALE OF UNQUALIFIED SECURITY]**

15 For a separate cause of complaint, being a different offense from but connected in its  
16 commission with the charges set forth in Counts 1 through 69, the Attorney General complains  
17 and states, on or about May 22, 2007, in the County of Orange, State of California, Defendant  
18 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
19 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
20 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to BARBARA  
21 BRYAN in violation of California Corporations Code §25110, a felony.

22 **COUNT SEVENTY-ONE**

23 **KARKEHABADI**

24 **[FRAUD IN THE OFFER OF A SECURITY]**

25 For a further and separate cause of complaint, being a different offense from but connected  
26 in its commission with the charges set forth in Counts 1 through 70, the Attorney General further  
27 complains and states, on or about May 22, 2007, in the County of Orange, State of California,  
28 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an

1 investment or “loan” to Alliance Group Entertainment, to BARBARA BRYAN by means of a  
2 written or oral communication which included an untrue statement of a material fact or an  
3 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
4 Corporations Code, a felony.

5 **COUNT SEVENTY-TWO**

6 **KARKEHABADI**

7 **[GRAND THEFT]**

8 For a further and separate cause of complaint, being a different offense from but connected  
9 in its commission with the charges set forth in Counts 1 through 71, the Attorney General further  
10 complains and states, on or about May 22, 2007, in the County of Orange, State of California,  
11 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
12 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
13 BARBARA BRYAN, a violation of California Penal Code §487, subdivision (a), a felony.

14 **COUNT SEVENTY-THREE**

15 **KARKEHABADI**

16 **[SALE OF UNQUALIFIED SECURITY]**

17 For a separate cause of complaint, being a different offense from but connected in its  
18 commission with the charges set forth in Counts 1 through 72, the Attorney General complains  
19 and states, on or about April 23, 2008, in the County of Orange, State of California, Defendant  
20 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
21 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
22 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to BARBARA  
23 BRYAN in violation of California Corporations Code §25110, a felony.

24 **COUNT SEVENTY-FOUR**

25 **KARKEHABADI**

26 **[FRAUD IN THE OFFER OF A SECURITY]**

27 For a further and separate cause of complaint, being a different offense from but connected  
28 in its commission with the charges set forth in Counts 1 through 73, the Attorney General further

1 complains and states, on or about April 23, 2008, in the County of Orange, State of California,  
2 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
3 investment or "loan" to Alliance Group Entertainment, to BARBARA BRYAN by means of a  
4 written or oral communication which included an untrue statement of a material fact or an  
5 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
6 Corporations Code, a felony.

7 **COUNT SEVENTY-FIVE**

8 **KARKEHABADI**

9 **[GRAND THEFT]**

10 For a further and separate cause of complaint, being a different offense from but connected  
11 in its commission with the charges set forth in Counts 1 through 74, the Attorney General further  
12 complains and states, on or about April 23, 2008, in the County of Orange, State of California,  
13 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
14 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
15 BARBARA BRYAN, a violation of California Penal Code §487, subdivision (a), a felony.

16 **COUNT SEVENTY-SIX**

17 **KARKEHABADI**

18 **[SALE OF UNQUALIFIED SECURITY]**

19 For a separate cause of complaint, being a different offense from but connected in its  
20 commission with the charges set forth in Counts 1 through 75, the Attorney General complains  
21 and states, on or about April 4, 2008, in the County of Orange, State of California, Defendant  
22 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
23 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
24 Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to JOHN SHEA in  
25 violation of California Corporations Code §25110, a felony.

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27 ///

1 **COUNT SEVENTY-SEVEN**

2 **KARKEHABADI**

3 **[FRAUD IN THE OFFER OF A SECURITY]**

4 For a further and separate cause of complaint, being a different offense from but connected  
5 in its commission with the charges set forth in Counts 1 through 76, the Attorney General further  
6 complains and states, on or about April 4, 2008, in the County of Orange, State of California,  
7 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
8 investment or "loan" to Alliance Group Entertainment, to JOHN SHEA by means of a written or  
9 oral communication which included an untrue statement of a material fact or an omission of a  
10 material fact, in violation of §§25401 and 25540, subdivision (b), of the California Corporations  
11 Code, a felony.

12 **COUNT SEVENTY-EIGHT**

13 **KARKEHABADI**

14 **[GRAND THEFT]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 77, the Attorney General further  
17 complains and states, on or about April 4, 2008, in the County of Orange, State of California,  
18 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
19 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from JOHN  
20 SHEA, a violation of California Penal Code §487, subdivision (a), a felony.

21 **COUNT SEVENTY-NINE**

22 **KARKEHABADI**

23 **[SALE OF UNQUALIFIED SECURITY]**

24 For a separate cause of complaint, being a different offense from but connected in its  
25 commission with the charges set forth in Counts 1 through 78, the Attorney General complains  
26 and states, on or about May 22, 2007, in the County of Orange, State of California, Defendant  
27 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
28 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations

1 Code, to wit: sale of an investment or "loan" to Alliance Group Entertainment, to HAROLD  
2 MULDER in violation of California Corporations Code §25110, a felony.

3 **COUNT EIGHTY**

4 **KARKEHABADI**

5 **[FRAUD IN THE OFFER OF A SECURITY]**

6 For a further and separate cause of complaint, being a different offense from but connected  
7 in its commission with the charges set forth in Counts 1 through 79, the Attorney General further  
8 complains and states, on or about May 22, 2007, in the County of Orange, State of California,  
9 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
10 investment or "loan" to Alliance Group Entertainment, to HAROLD MULDER by means of a  
11 written or oral communication which included an untrue statement of a material fact or an  
12 omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the California  
13 Corporations Code, a felony.

14 **COUNT EIGHTY-ONE**

15 **KARKEHABADI**

16 **[GRAND THEFT]**

17 For a further and separate cause of complaint, being a different offense from but connected  
18 in its commission with the charges set forth in Counts 1 through 80, the Attorney General further  
19 complains and states, on or about May 22, 2007, in the County of Orange, State of California,  
20 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or "loan" to  
21 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
22 HAROLD MULDER, a violation of California Penal Code §487, subdivision (a), a felony.

23 **COUNT EIGHTY-TWO**

24 **KARKEHABADI**

25 **[SALE OF UNQUALIFIED SECURITY]**

26 For a separate cause of complaint, being a different offense from but connected in its  
27 commission with the charges set forth in Counts 1 through 81, the Attorney General complains  
28 and states, on or about January 5, 2007, in the County of Orange, State of California, Defendant

1 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
2 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
3 Code, to wit: sale of an investment or “loan” to Alliance Group Entertainment, to LUNDA  
4 ELANIE and/or ED GREENE, in violation of California Corporations Code §25110, a felony.

5 **COUNT EIGHTY-THREE**

6 **KARKEHABADI**

7 **[FRAUD IN THE OFFER OF A SECURITY]**

8 For a further and separate cause of complaint, being a different offense from but connected  
9 in its commission with the charges set forth in Counts 1 through 82, the Attorney General further  
10 complains and states, on or about January 5, 2007, in the County of Orange, State of California,  
11 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
12 investment or “loan” to Alliance Group Entertainment, to LUNA ELANIE and/or ED GREENE,  
13 by means of a written or oral communication which included an untrue statement of a material  
14 fact or an omission of a material fact, in violation of §§25401 and 25540, subdivision (b), of the  
15 California Corporations Code, a felony.

16 **COUNT EIGHTY-FOUR**

17 **KARKEHABADI**

18 **[GRAND THEFT]**

19 For a further and separate cause of complaint, being a different offense from but connected  
20 in its commission with the charges set forth in Counts 1 through 83, the Attorney General further  
21 complains and states, on or about January 5, 2007, in the County of Orange, State of California,  
22 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
23 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from LUNA  
24 ELANIE and/or ED GREENE, a violation of California Penal Code §487, subdivision (a), a  
25 felony.

26 ///

1 **COUNT EIGHTY-FIVE**

2 **KARKEHABADI**

3 **[SALE OF UNQUALIFIED SECURITY]**

4 For a separate cause of complaint, being a different offense from but connected in its  
5 commission with the charges set forth in Counts 1 through 84, the Attorney General complains  
6 and states, on or about March 9, 2007, in the County of Orange, State of California, Defendant  
7 KARKEHABADI did willfully and unlawfully offer or sell a security in an issuer transaction  
8 which had not been qualified under §§25111, 25112 or 25113 of the California Corporations  
9 Code. to wit: sale of an investment or “loan” to Alliance Group Entertainment, to ROBERT  
10 and/or ESTHER ARMENDARIZ, in violation of California Corporations Code §25110, a  
11 felony.

12 **COUNT EIGHTY-SIX**

13 **KARKEHABADI**

14 **[FRAUD IN THE OFFER OF A SECURITY]**

15 For a further and separate cause of complaint, being a different offense from but connected  
16 in its commission with the charges set forth in Counts 1 through 85, the Attorney General further  
17 complains and states, on or about March 9, 2007, in the County of Orange, State of California,  
18 Defendant KARKEHABADI did willfully and unlawfully offer a security, to wit: sale of an  
19 investment or “loan” to Alliance Group Entertainment, to ROBERT and/or ESTHER  
20 ARMENDARIZ, by means of a written or oral communication which included an untrue  
21 statement of a material fact or an omission of a material fact, in violation of §§25401 and 25540,  
22 subdivision (b), of the California Corporations Code, a felony.

23 **COUNT EIGHTY-SEVEN**

24 **KARKEHABADI**

25 **[GRAND THEFT]**

26 For a further and separate cause of complaint, being a different offense from but connected  
27 in its commission with the charges set forth in Counts 1 through 86, the Attorney General further  
28 complains and states, on or about March 9, 2007, in the County of Orange, State of California,

1 Defendant KARKEHABADI unlawfully took property, to wit: sale of an investment or “loan” to  
2 Alliance Group Entertainment, of a value in excess of four Hundred Dollars (\$400) from  
3 ROBERT and/or ESTHER ARMENDARIZ, a violation of California Penal Code §487,  
4 subdivision (a), a felony.

5 **COUNT EIGHTY-EIGHT**

6 **KARKEHABADI**

7 **[FRAUDULENT SECURITIES SCHEME]**

8 For a further and separate cause of complaint, being a different offense from but connected  
9 in its commission with the charges set forth in Counts 1 through 87, the Attorney General further  
10 complains and states, Commencing on or about August 24, 2006 and continuing to the present, in  
11 the County of Orange, State of California, Defendant KARKEHABADI did willfully and  
12 unlawfully engage in acts, practices and a course of business which operated as a fraud and deceit  
13 upon a person or persons in connection with the offer of a security to a person or persons, to wit:  
14 persons who purchased investments in the form of “loans” to Alliance Group Entertainment in  
15 violation of California Corporations Code §§25541 and 25540, subdivision (a), a felony.

16 **COUNT EIGHTY-NINE**

17 **[GRAND THEFT]**

18 For a further and separate cause of complaint, being a different offense from but connected  
19 in its commission with the charges set forth in Counts 1 through 88, the Attorney General further  
20 complains and states, on and between August 24, 2006 and continuing to the present, in the  
21 County of Orange, State of California, Defendant KARKEHABADI unlawfully took property, to  
22 wit: sale of investments in the form of “loans” to Alliance Group Entertainment, of a value in  
23 excess of four Hundred Dollars (\$400) from another, in violation of California Penal Code §487,  
24 subdivision (a), a felony.

25 **FIRST SPECIAL ALLEGATION**

26 **[\$3,200,000 EXCESSIVE TAKING]**

27 It is further alleged that the property taken by Defendant KARKEHABADI, in the  
28 commission of the felonies charged in Counts 1 through 89, which property

1 Defendant intended to take, was of a value in excess of Three Million, Two Hundred  
2 Thousand Dollars (\$3,200,000) within the meaning of Penal Code section 12022.6 subdivision  
3 (a)(3).

4 **SECOND SPECIAL ALLEGATION**

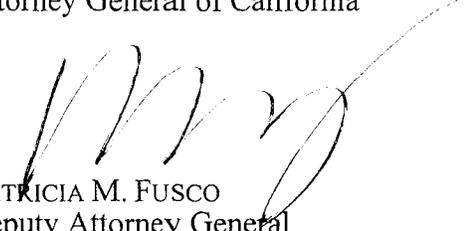
5 **[AGGRAVATED WHITE-COLLAR CRIME IN EXCESS OF \$500,000]**

6 It is further alleged that Defendants KARKEHABADI and CHO committed two or more  
7 related felonies to wit: Counts 1 through 42, a material element of each of which is fraud,  
8 involving a pattern of related felony conduct and the taking of more than Five Hundred Thousand  
9 Dollars (\$500,000) within the meaning of California Penal Code §186.11, subdivision (a)(2).

10 Dated: August 23, 2010

11 Respectfully Submitted,

12 EDMUND G. BROWN JR.  
13 Attorney General of California

14   
15 PATRICIA M. FUSCO  
16 Deputy Attorney General  
17 *Attorneys for People of the State of  
California*

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