

**IN THE CIRCUIT COURT OF THE SEVENTH JUDICIAL CIRCUIT,
IN AND FOR VOLUSIA COUNTY, FLORIDA**

**STATE OF FLORIDA,
OFFICE OF THE ATTORNEY GENERAL,
DEPARTMENT OF LEGAL AFFAIRS,**

Plaintiff,

vs.

CASE NO.: 03-31634-CI

STONE COLD CONCERTS, INC.,
a Florida Corporation, a/k/a STONE COLD
CHEMICALS, INC., **MARILYN FREDERICK
MEEK,** a/k/a/ Marilyn Barnard, individually and as
Chief Executive Officer of Stone Cold Concerts, Inc.,
LLOYD GLYNN BARNARD, a/k/a BARNEY BARNARD,
individually and as Treasurer of Stone Cold Concerts, Inc.,
THOMAS D. STONE, a/k/a Tom Stone, individually and as
manager of Stone Cold Concerts, Inc., and **PAM A. MCDANIEL,**
individually and as Director of Stone Cold Concerts, Inc.,

Defendants.

_____ /

SETTLEMENT AGREEMENT

THIS AGREEMENT is by and between the STATE OF FLORIDA, OFFICE OF THE ATTORNEY GENERAL, DEPARTMENT OF LEGAL AFFAIRS (hereinafter "Plaintiff"), and **EVELYN M. FREDERICK,** individually, and the Defendants, **STONE COLD CONCERTS, INC.,** a Florida Corporation, a/k/a STONE COLD CHEMICALS, INC. (hereinafter "Stone Cold"), **MARILYN FREDERICK MEEK,** a/k/a Marilyn Barnard, individually and as Chief Executive Officer of Stone Cold Concerts, Inc., **LLOYD GLYNN BARNARD,** a/k/a BARNEY BARNARD, individually and as Treasurer of Stone Cold Concerts, Inc.,

WHEREAS, the Plaintiff alleges in its Second Amended Complaint that the Defendants

associated with an enterprise to conduct or participate in a pattern of racketeering activity and/or that the Defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise or real property through a pattern of racketeering activity, in violation of Chapter 895, Florida Statutes;

WHEREAS, the Plaintiff alleges in its Second Amended Complaint that the aforementioned racketeering activity was predicated upon acts by the Defendants constituting a crime chargeable by indictment or information under Chapter 838, Florida Statutes;

WHEREAS, the Plaintiff further alleges in its Second Amended Complaint that the aforementioned racketeering activity was predicated upon acts by the Defendants constituting a crime chargeable by indictment or information under Chapter 501, Part IV, Florida Statutes (Florida Telemarketing Act);

WHEREAS, Section 895.05(2), Florida Statutes, subjects all property, real or personal, including money, used in the course of, intended for use in the course of, derived from, or realized through conduct in a pattern of racketeering activity to civil forfeiture to the state as civil remedy for such acts;

WHEREAS, the addition of EVELYN M. FREDERICK, by virtue of her interest in the real property known commonly as 55 INLET HARBOR ROAD, PONCE INLET, VOLUSIA COUNTY, FLORIDA, as a party to this Agreement is essential to the consummation of the parties' intent expressed and the execution of the obligations undertaken herein;

WHEREAS, a bona fide dispute exists between the parties concerning the existence and amount of liability, if any, and because of such dispute the parties desire to settle all claims and causes of action that the Plaintiff has or may have in the future arising out of the acts alleged in

the Second Amended Complaint;

WHEREAS, the parties intend that the full terms and conditions of the settlement be set forth in this settlement agreement.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, including the recitals set forth above, the parties agree as follows:

DEFINITIONS

1. Any reference(s) to property includes each and all of the following real property:

a. 55 Inlet Harbor Road, Ponce Inlet, Florida, the legal description of which is

Parcel ID #30-16-34-00-02-0061. That part of Government Lots 2 and 4, Section 30, Township 16 South, Range 35 East, Volusia County, Florida, being more particularly described as follows: Beginning at a point in the centerline of South Atlantic Avenue, as now occupied, said point being a distance of 1361.61 feet S34° 12' 41" E (S34° 10'00" E-DEED) along said centerline of South Atlantic Avenue from an intersection with the North line of said Government Lot 2; thence N89° 08' 21" W (N89° 14' 00" W-DEED) and parallel to the North line of said Lot 2, a distance of 448.90 feet (448.88 FEET - DEED); thence N 81° 05' 55" W (N81° 30' 00" W - DEED) a distance of 283.36 feet (284.79 FEET-DEED); thence S34° 26' 05" E (S34° 27' 50" E-DEED) a distance of 336.03 feet (339.74 FEET-DEED); thence S89° 06' 52" E (S89° 14' 00" E-DEED) a distance of 700.26 feet (700 FEET-DEED) to the centerline of South Atlantic Avenue aforesaid; thence N 34° 12' 41" W (N34° 19' 00" W-DEED) along said centerline a distance of 287.05 feet (286.9 FEET-DEED) to the Point of Beginning.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL. That part of Government Lots 2 and 4, Section 30, Township 16 South, Range 34 East, Volusia County, Florida, being more particularly described as follows: Beginning at a point in the centerline of South Atlantic Avenue, as now occupied, said point being a distance of 1361.61 feet, S 34° 12' 41" E along said centerline of South Atlantic Avenue from an intersection with the North line of said government Lot 2; thence N 89° 08' 21" W and parallel to the North line of said Lot 2, a distance of 268.90 feet; thence S 00° 53' 08' W a distance of 234.74 feet; thence S 89° 06' 52' E a distance of 433.93 feet to the centerline of South Atlantic Avenue, aforesaid; thence N 34° 12' 41" W, along said centerline, 287.05 feet to the Point of Beginning.

b. 3880 South Atlantic Avenue, Daytona Beach, Florida, the legal description of which is

Parcel ID #02-16-33-05-07-0420. The legal description is as follows: That portion of the Southerly 100 feet of Lots 44 and 45, as lies Westerly of Atlantic Avenue, an 80 foot street as now laid out; also the Southerly 100 feet of Lot 43; also the Southerly 100 feet of the Easterly 34.6 feet of Lot 42, all being in Block 7, Ocean View Section of Halifax Estates, according to plat thereof recorded in Map Book 11, page 100, of the Public Records of Volusia County, Florida. It is also described as follows: The South 100 feet of Lots 43, 44, 45 and the East 34.6 feet of Lot 42, Block 7, Coean View Section of Halifax Estates, according to plat thereof recorded in Map Book 11, page 100, of the Public Records of Volusia County, Florida.

c. 3866 South Atlantic Avenue, Daytona Beach, Florida, the legal description of which is

Lot 34 and the Northerly ½ of Lot 35, except the Westerly 102.50 feet thereof, and also excepting that part used for the widening of South Atlantic Avenue, parcel described as 117.90 feet along Northerly line and 128.55 feet along the Southerly line, all in Block 7, Ocean View, Section of Halifax Estates, as recorded in Map Book 11, Page 100, of the Public Records of Volusia County, Florida.

2. Any reference to “bank account(s)” includes the following accounts: 1) Account number 1203217 with an estimated balance of \$323.32 held at Sunshine State Community Bank; 2) Account number 12032026 with an estimated balance of \$3,047.08 held at Sunshine State Community Bank; 3) Account number 12032035 with an estimated balance of \$1,849.85 held at Sunshine State Community Bank; 4) Account number 12032044 with an estimated balance of \$181,246.28 held at Sunshine State Community Bank; 5) Account number 5809-6236 with an estimated balance of \$10,230.11 held at E*Trade Financial; 6) Account number 1304-1327 with an estimated balance of \$5.88 in cash and \$439.49 in mutual funds held at E*Trade Financial; 7) Account number 08800034600-3 with an estimated balance of \$2,416.00 held at T. Rowe Price Prime Reserve Fund; and 8) Account number 08800034604-5 with an estimated balance of \$8,990.62 held at T. Rowe Price Prime Reserve Fund.

3. Any reference to a “retirement account” refers to account number 656045 held at T. Rowe Price with an estimated total balance of \$203,000.00 less and except that amount in which Marilyn Frederick Meek is vested, estimated at the date of the execution of this Agreement to be \$102,000, which per this Agreement shall be released to Defendant Marilyn Frederick Meek.

GENERAL TERMS

4. The Defendants and Evelyn M. Frederick represent and warrant that they have fully read and understood this Agreement and the accompanying order(s) and instrument(s) and that

they understand the legal consequences involved in signing them.

5. Upon execution of this Agreement, any priority of mortgage or superiority of secured interest in any of the properties named and described in Paragraph 1 wherein any person or entity, or his or her agent or representative, maintains an interest shall be waived and/or subjugated to any secured interest held or maintained by the Plaintiff. Specifically, Evelyn M. Frederick represents and warrants that she understands that her interest in the property named and described under Paragraph 1(a) shall be, upon execution of this Agreement, subjugated and/or rendered inferior to any interest in said property held or maintained by the Plaintiff.

6. Subsequent to the execution of this Settlement Agreement, the Defendants shall forfeit to the Plaintiff all U.S. currency maintained in the bank accounts, defined under Paragraph 2, as set forth in Paragraph 20 below, within 10 days of the rendition of the corresponding Order, attached as proposed herein. Upon confirmation that all U.S. currency maintained in the bank accounts have been forfeited by the Defendants to Plaintiff, the Plaintiff shall release all liens upon the real property located at 4901 South Atlantic Avenue, Ponce Inlet, Florida, the legal description of which is

Parcel ID #6437-02-00-0071. The legal description is as follows: The North ½ of Lot 7, Pons Park as per map recorded in Map Book 9, Page 191, Volusia County, Records, of that part of Lot 1 of the Assessor's Plat of A. Pons Grant that lies Easterly of South Peninsula Drive as laid out according to the map recorded in Map Book 3, Page 139, Public Records of Volusia County, Florida.

In the discretion of Defendants Marilyn Frederick Meek and Lloyd Glynn Barnard, this property may be sold or mortgaged in the event that Defendants have not yet satisfied this agreement. The Plaintiff will be notified of a pending sale or mortgage and proceeds will be paid to the Plaintiff to the extent that any amounts remain unpaid under this Agreement.

7. Subsequent to the execution of this Settlement Agreement, the Defendants shall forfeit

to the Plaintiff all U.S. currency maintained in the retirement account, less and except that portion vested in Marilyn Frederick Meek as defined under Paragraph 3 and any banks fees and penalties associated with so disbursing the balance, as set forth in Paragraph 20 below, within 10 days of the rendition of the corresponding Order, attached as proposed herein.

8. The Defendants and Evelyn M. Frederick agree to execute all documents that the Plaintiff or any other person acting on Plaintiff's behalf or in furtherance of this agreement requests Respondents execute.

9. Defendant Marilyn Meek, a/k/a Marilyn Barnard, represents that she has full authority to bind Stone Cold to this agreement.

10. The parties acknowledge and agree that because all parties to this Agreement participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement which construe any language, whether ambiguous, unclear, or otherwise, in favor of or against any party by reason of that party's role in drafting this Agreement.

11. The parties hereby agree that any injunctive order prohibiting the disposal of Defendants' personal property shall be modified to permit the Defendants to sell, transfer, dispose, or otherwise convey personal property for the purpose and with the intent of using any proceeds gained from such sale to meet any monetary obligations undertaken by the Defendants arising from this Agreement, including mortgage payments.

12. The Defendants and Evelyn M. Frederick acknowledge and agree that they have fully read and understood all statutes, regulations, and laws applicable to this Agreement, including but not limited to Rule 62Q-15.013, Florida Administrative Code.

13. The parties hereby waive any right to appeal the rendition of the final judgment and

order pursuant to this Settlement Agreement.

14. Any payment(s) submitted to the Plaintiff by the Defendants in relation to this Settlement Agreement shall be in the form of a cashier's check made payable to the Legal Affairs Revolving Escrow Fund and tendered to Senior Assistant Attorney General Elizabeth J. Starr at 135 W. Central Boulevard, Suite 1000, Orlando, Florida 32801.

15. The Defendants and Evelyn M. Frederick agree to execute a quit claim deed to all properties (named and described under Paragraph 1) for the benefit of the Plaintiff as well as a consent judgment, attached herein, which shall be made effective upon recording with the Clerk of Volusia County and the Clerk of the Court for Volusia County, respectively. Said instruments will be recorded only upon default as set forth in Paragraph 29, below. Said instruments will be under the charge and protection of M. Robert Buonauro, Esq., who will act as escrow agent as set forth in the Escrow Agreement, attached and incorporated by reference herein. If the Defendants and Evelyn M. Frederick perform their obligations under this agreement, these deeds and the consent judgment will be delivered to Mark L. Horwitz, Esq. for return to the Defendants. The Defendants agree to pay any and all fees and costs associated with the maintenance of said escrow agent as depository.

16. The Defendants and Evelyn M. Frederick agree to waive and release all claims that they may now have or may have in the future against the Plaintiff in this or in any other cause arising in any way out of this controversy.

17. The parties agree that each will bear its own attorneys' fees and costs, except in the case of default as set forth in Paragraphs 29 and 33 below.

18. The Plaintiff may assist the Defendants with obtaining funding for payment

obligations undertaken by the Defendants pursuant to this Settlement Agreement should such assistance be necessary to the Defendants' fulfillment of the monetary terms set forth below. Such assistance includes, but is not limited to, release of RICO liens currently encumbering Defendants' properties in order to facilitate a sale or assure financing secured by said properties.

MONETARY TERMS

19. The Defendants shall pay to the Plaintiff the sum of One Million, Two Hundred Thousand Dollars and xx/100 (\$1,200,00.00) (hereinafter "settlement funds") in resolution of those allegations made by the Plaintiff in its Second Amended Complaint.

20. The Defendants shall forfeit to the Plaintiff all U.S. currency maintained in the bank accounts and retirement account, less an except that portion as defined under Paragraph 3 and any banks fees and penalties associated with so disbursing the balance, regardless of the accuracy of any estimate of account balances set forth under Paragraphs 2 and 3.

21. Forfeiture of the balance of U.S. currency maintained in the bank accounts cited in Paragraph 20 to the Plaintiff constitutes partial payment of the settlement funds and shall be applied to the Defendants' \$1,200,000 obligation under this Agreement.

22. Full payment of the settlement funds shall be due no later than December 31, 2006. Partial payments prior to said due date will be accepted by the Plaintiff without penalty to the Defendant(s), so long as full payment is accomplished by the date set forth herein.

23 If the Defendant(s) fail to pay the full settlement funds by December 31, 2006, the Defendants shall be deemed to be in default of this Settlement Agreement as defined in Paragraph 29 below.

24. Upon full payment of the settlement funds, the Plaintiff shall release all RICO liens

currently encumbering Defendants' property. Further, the Plaintiff shall move the presiding court for voluntary dismissal of this action with prejudice. The Defendants shall waive any objection, defenses, or claim for attorney's fees, costs, or other sanctions against the Plaintiff for moving for voluntary dismissal of this action with prejudice or for the presiding court's acceptance of voluntary dismissal with prejudice.

25. Upon dismissal of this action as set forth above, the parties shall bear their own attorneys' fees and costs related to this action.

26. In its sole discretion, the Plaintiff may accept partial payment of the settlement funds as full satisfaction of said monetary obligation undertaken by Defendants pursuant to this Agreement. Should payment of the settlement funds be so satisfied, all RICO liens will be released and this action dismissed pursuant to Paragraphs 24 and 25 above.

INJUNCTIVE TERMS

27. The Defendants shall refrain from any acts in violation of Chapters 838 and 895, Florida Statutes. The Defendants shall also refrain from any acts in violation of Chapter 501, Part IV, Florida Statutes.

28. The Defendants furthermore shall refrain from any activity which involves sales or marketing directly to government agencies or employees.

DEFAULT

29. The Defendants will be deemed to be in default of this Settlement Agreement upon their failure to remit full payment of the settlement funds as set forth in Paragraphs 19 and 22.

30. The Defendants shall, upon default pursuant to Paragraph 29, forfeit to the Plaintiff all interests, past or present, in each and all properties described in Paragraph 1 above as of the

date of the execution of this Settlement Agreement. Upon receipt of a certified copy of a final judgment by the presiding court finding Defendant in default, the escrow agent shall effect full and final transfer to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida of fee simple title to said properties, free and clear of all claims, liens and encumbrances not appearing on the Official Records of Volusia County, Florida, on or before the date of execution of this Settlement Agreement.

31. The Plaintiff, upon default pursuant to Paragraph 29, will petition the Court to enter final judgment forfeiting all interests in that property referred to in Paragraph 30 to the State of Florida.

32. Upon default pursuant to Paragraph 29, the Defendant thereby waives any objection or defenses to any petition made by the Plaintiff pursuant to Paragraph 31 and further waives any objection or defense to the Court's entry of final judgment of forfeiture thereupon.

33. Upon default pursuant to Paragraph 29, the Defendants shall compensate the Plaintiff for any and all attorneys' fees and costs associated with the default. By virtue of default, the Defendants waive any objection or defense to any petition or motion by the Plaintiff made to the Court seeking judgment for fees and costs associated with the default. The Defendants further waive any objection, defense, or appeal to any judgment entered pursuant hereto.

34. Upon their default of this Settlement Agreement, the Defendants thereby waive any objection or defense to the Plaintiff's introduction of the Defendants' plea in the companion criminal action to this case as evidence at trial.

35. Upon default pursuant to Paragraph 29, all sales proceeds, negotiable instruments, deeds, warranties, or other such documents, as well as the consent judgment and any currency,

shall be released from third party escrow to the Plaintiff. The Plaintiff will then record any outstanding quitclaim deed(s) and file the consent judgment, as described under Paragraph 15, with the intent of effecting full and final transfer of fee simple title to said properties immediately upon final judgment by the presiding court to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida, free and clear of all claims, liens, and encumbrances not appearing on the Official Records of Volusia County, Florida, on or before the date of execution of this Settlement Agreement.

EXECUTION

36. The Deputy Attorney General has the final authority to approve or disapprove the proposal of this Settlement Agreement. This Agreement shall become effective upon its execution by the parties. The receipt or deposit by the Office of the Attorney General of any monies does not constitute acceptance by the Office of the Attorney General, and any monies received will be returned if this Agreement is not executed by the Office. Should the Deputy Attorney General or his authorized designee decline to authorize and execute this Settlement Agreement, then the proposed Agreement and all terms contained therein will be void.

IN WITNESS THEREOF, the Plaintiffs and Defendants have caused this Settlement Agreement to be executed as a true act and deed, this _____ day of _____ 2005,

Marilyn Frederick Meek, individually and as Chief Executive Officer of Stone Cold Concerts, Inc. a/k/a Stone Cold Chemicals, Inc.

STATE OF _____

COUNTY OF _____

BEFORE ME, this _____ day of _____, 2005, an officer duly authorized to take acknowledgments in the State of Florida, personally appeared _____, who acknowledged before me that he executed the foregoing instrument for the purposes therein stated.

NOTARY PUBLIC

(print, type or stamp commissioned name of Notary Public)

Personally known _____ or
Produced Identification _____
(check one)

Type of Identification Produced: _____

Lloyd Glynn Barnard, individually and as Treasurer of Stone Cold Concerts, Inc. a/k/a Stone Cold
Chemicals, Inc.

STATE OF _____

COUNTY OF _____

BEFORE ME, this _____ day of _____, 2005, an officer duly
authorized to take acknowledgments in the State of Florida, personally appeared
_____, who acknowledged before me that he executed the foregoing
instrument for the purposes therein stated.

NOTARY PUBLIC

(print, type or stamp commissioned name of Notary Public)

Personally known _____ or
Produced Identification _____
(check one)

Type of Identification Produced: _____

Evelyn M. Frederick, individually

STATE OF _____

COUNTY OF _____

BEFORE ME, this _____ day of _____, 2005, an officer duly authorized to take acknowledgments in the State of _____, personally appeared _____, who acknowledged before me that he executed the foregoing instrument for the purposes therein stated.

NOTARY PUBLIC

(print, type or stamp commissioned name of Notary Public)

Personally known _____ or
Produced Identification _____
(check one)

Type of Identification Produced: _____

Mark L. Horwitz, Esq.
Fla. Bar No. _____
Counsel for Defendants

Elizabeth J. Starr, Esq.
Fla. Bar No. _____
Senior Assistant Attorney General

Accepted this _____ day of _____, 2005.

George LeMieux
Deputy Attorney General
OFFICE OF THE ATTORNEY GENERAL
The Capitol
Tallahassee, Florida 32399-1050
(850) 487-1963