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COMMISSIONERS
JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

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BRIAN C. McNEIL 2006 JUL 21 P 4: 14
EXECUTIVE DIRECTOR

ARIZONA CORPORATION COMMISSION
AZ CORP COMMISSION
DOCUMENT CONTROL

MEMORANDUM

TO: Jeff Hatch-Miller, Chairman
William A. Mundell
Marc Spitzer
Mike Gleason
Kristin K. Mayes

Arizona Corporation Commission
DOCKETED

JUL 21 2006

FROM: Matthew J. Neubert
Director of Securities

DOCKETED BY

DATE: July 18, 2006

RE: Proposed Order to Cease and Desist and for Administrative Penalties and Consent to Same by Michael Giannantonio (a/k/a Michael David Turley), individually and doing business as Nitefire Entertainment, Karen Lynn Turley, spouse of Michael Giannantonio (a/k/a Michael David Turley), Nitefire Entertainment, a sole proprietorship, and SummitSTAR Entertainment, L.P., an Arizona limited partnership, d/b/a SummitSTAR Films and/or SummitSTAR Films & Entertainment (S-20433A-05-0887)

CC: Brian C. McNeil, Executive Director

Attached is a proposed Order to Cease and Desist and for Administrative Penalties and Consent to Same by Michael Giannantonio (a/k/a Michael David Turley), individually and doing business as Nitefire Entertainment, Karen Lynn Turley, spouse of Michael Giannantonio (a/k/a Michael David Turley) ("Giannantonio"), Nitefire Entertainment, a sole proprietorship, and SummitSTAR Entertainment, L.P., an Arizona limited partnership, d/b/a SummitSTAR Films and/or SummitSTAR Films & Entertainment (collectively, "Respondents"). The Order requires the Respondents to cease and desist their activity and pay an administrative penalty in the amount of \$2,000.

Beginning on or about June 11, 2005, Giannantonio, individually and through his businesses Nitefire Entertainment and SummitSTAR Entertainment L.P., solicited investments to be used for the production of an independent film entitled *The Stromboni's* through the use of an internet web-site located at www.strombonis.com. Based on the web-site, the Respondents sought to raise approximately \$2 million through the sale of investment interests in the net profits received from the release of the film in addition to other investment opportunities in their

businesses. Respondents have represented to the Commission that no investor funds have been raised, and the Division has no evidence to suggest to the contrary.

The Order finds that the Respondents violated A.R.S. §44-1841 and §44-1842 by selling unregistered securities while being unlicensed.

The Division believes that this Consent Order is appropriate to protect the public welfare and in the best interest of the investors.

Originator: Julie Coleman

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

In the matter of:

Docket No. S-20433A-05-0887

MICHAEL GIANNANTONIO (a/k/a MICHAEL DAVID TURLEY), individually and doing business as NITFIRE ENTERTAINMENT, and KAREN LYNN TURLEY, husband and wife
14393 W. Poinsettia Dr
Surprise, Arizona 85379

DECISION NO. _____

ORDER TO CEASE AND DESIST AND FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME BY:

JOHN VOIGHT and JANE DOE VOIGHT, husband and wife
P.O. Box 2273
Peoria, Arizona 85380

MICHAEL GIANNANTONIO (a/k/a MICHAEL DAVID TURLEY), individually and doing business as NITFIRE ENTERTAINMENT

NITFIRE ENTERTAINMENT, a sole proprietorship
P.O. Box 2273
Peoria, Arizona 85380

KAREN LYNN TURLEY, SPOUSE OF MICHAEL GIANNANTONIO (a/k/a MICHAEL DAVID TURLEY)

NITFIRE ENTERTAINMENT, a sole proprietorship

SUMMITSTAR ENTERTAINMENT L.P., an Arizona limited partnership, doing business as SUMMITSTAR FILMS and/or SUMMITSTAR FILMS & ENTERTAINMENT
P.O. Box 2273
Peoria, Arizona 85380

SUMMITSTAR ENTERTAINMENT L.P., an Arizona limited partnership, doing business as SUMMITSTAR FILMS and/or SUMMITSTAR FILMS & ENTERTAINMENT

Respondents.

Respondents Michael Giannantonio (a/k/a Michael David Turley), individually and doing business as NiteFire Entertainment, Karen Lynn Turley, spouse of Michael Giannantonio, NiteFire Entertainment, a sole proprietorship, and SummitSTAR Entertainment L.P., an Arizona limited partnership, doing business as SummitSTAR Films and/or SummitSTAR Films & Entertainment (collectively, "Respondents") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 et seq. ("Securities Act")

1 with respect to this Order To Cease And Desist and for Administrative Penalties and Consent to
2 Same ("Order"). Respondents admit the jurisdiction of the Arizona Corporation Commission
3 ("Commission"); admit the Findings of Fact and Conclusions of Law contained in this Order; and
4 consent to the entry of this Order by the Commission.

5 **I.**

6 **FINDINGS OF FACT**

7 1. Michael Giannantonio (a/k/a Michael David Turley) ("Giannantonio") is a married
8 person whose address is 14393 W. Poinsettia Dr Surprise, Arizona 85379.

9 2. At all relevant times, Giannantonio has transacted business under the name
10 Nitefire Entertainment, whose business address is PO Box 2273 Peoria, Arizona 85380-2273.
11 Based on databases searches, Nitefire Entertainment is not registered with the Arizona Secretary
12 of State or Arizona Corporation Commission.

13 3. SummitSTAR Entertainment L.P. is a limited partnership which was registered
14 with the Arizona Secretary of State on May 4, 2001 and whose business address is PO Box 2273
15 Peoria, Arizona 85380-2273. At all relevant times, SummitSTAR Entertainment L.P. has
16 transacted business under the name SummitSTAR Films and/or SummitSTAR Films &
17 Entertainment. SummitSTAR Entertainment L.P., SummitSTAR Films, and SummitSTAR
18 Films & Entertainment may be referred to individually, or, collectively, as "SummitSTAR" as
19 the context so requires.

20 4. Pursuant to the records of the Arizona Secretary of State, Giannantonio is the
21 general partner of SummitSTAR Entertainment L.P.

22 5. Karen Lynn Turley was at all pertinent times the spouse of Giannantonio. Karen
23 Lynn Turley ("Turley") is joined in this action under A.R.S. § 44-2031(C), solely for purposes of
24 determining the liability of the marital community.

25 6. At all relevant times, Giannantonio and Turley were acting for their own benefit and
26 for the benefit or in furtherance of the marital community.

1 7. From on or about June 11, 2005, Respondents have sought to raise capital for the
2 production of a film through the offer and sale of investment contracts in the net profits received
3 from the release of a film entitled *The Stromboni's*.

4 8. Respondents offered for sale securities through the use of the internet web-site
5 located at www.strombonis.com.

6 9. Respondents informed potential investors that 40 units were available for an initial
7 investment of \$50,000.00 per unit for a total of \$2 million. Each unit that is purchased through
8 the Respondents was to provide an investor a "guaranteed 1% return (per unit) from the net
9 profits" received from the release of the film.

10 10. Respondents informed prospective investors that an initial investment was "tax
11 deductible."

12 11. Respondents further advised prospective investors that while they cannot
13 guarantee that an investor will receive a return on their investment, to ensure that an investor's
14 interests are protected, an insurance bond, under which the investor would be named a
15 beneficiary, would be acquired and maintained.

16 12. In addition to the acquisition of investment units, Respondents solicited
17 opportunities for private investments ranging from \$1000.00 to \$500,000.00 to be used for the
18 production of the film. Dependent on the investment amount, a private investor would receive a
19 return on their investment in the form of a DVD copy of the movie to receiving a "producer"
20 nomination during the opening or ending credits of the movie.

21 13. In addition to the acquisition of investment units, Respondents solicited
22 opportunities for corporate investments and product placement. The minimum corporate
23 investment listed as of December 9, 2005 was \$50,000.00.

24 14. According to the web-site, the Respondents were engaging in the production of an
25 independent film which is apparently being filmed in the vicinity of Maricopa County. Based on
26 the web-site, as of July 11, 2005, the film was listed as being in "preproduction" and the process

1 of filming has started. Respondents informed prospective investors that they would have access
2 to the set and special passes to gain access during the filming.

3 15. As of December 9, 2005, Respondents informed potential investors that filming
4 has started and that the company is currently in a "development phase." Respondents advised
5 that this phase is used to facilitate obtaining working capital, registering trade names and taking
6 care of legal matters. According to the web-site, the "development" stage leads to
7 "preproduction" followed by production. Respondents advised potential investors that
8 production is sought for a time frame around March or April of 2006.

9 16. On December 13, 2005, the Securities Division ("Division") of the Arizona
10 Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist and
11 Notice of opportunity for Hearing ("Notice") with respect to Respondents.

12 17. Upon receipt of the Notice, the Respondents caused the solicitation for
13 investments to be removed from their web-site.

14 18. Respondents have represented to the Commission that only two telephone
15 inquiries were made by potential investors; however, said inquires did not result from any
16 general solicitation by Respondents.

17 19. Respondents have represented to the Commission that no investor funds have
18 been raised.

19 II.

20 CONCLUSIONS OF LAW

21 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
22 *Arizona Constitution and the Securities Act.*

23 2. Respondents offered or sold securities within or from Arizona, within the meaning
24 of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

25 3. Respondents violated A.R.S. § 44-1841 by offering or selling securities that were
26 neither registered nor exempt from registration.

1 deemed in default and shall be immediately due and payable.

2 IT IS FURTHER ORDERED, that if any Respondent fails to comply with this order, the
3 Commission may bring further legal proceedings against that Respondent, including application to
4 the superior court for an order of contempt.

5 IT IS FURTHER ORDERED that this Order shall become effective immediately.

6 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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9 CHAIRMAN COMMISSIONER

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11 COMMISSIONER COMMISSIONER COMMISSIONER

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13 IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
14 Executive Director of the Arizona Corporation
15 Commission, have hereunto set my hand and caused the
16 official seal of the Commission to be affixed at the
17 Capitol, in the City of Phoenix, this _____ day of
18 _____, 2006.

17

18 _____
19 BRIAN C. McNEIL
20 Executive Director

20

21 _____
22 DISSENT

22

23 _____
24 DISSENT

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25 This document is available in alternative formats by contacting Linda Hogan, Executive Assistant
26 to the Executive Director, voice phone number 602-542-3931, E-mail lhogan@azcc.gov.

(jc)

CONSENT TO ENTRY OF ORDER

1
2 1. Respondents Michael Giannantonio (a/k/a Michael David Turley)
3 (“Giannantonio”), individually and doing business as NiteFire Entertainment, Karen Lynn Turley
4 (“Turley”), spouse of Michael Giannantonio, NiteFire Entertainment (“Nitefire”), a sole
5 proprietorship, and SummitSTAR Entertainment L.P. (“SummitSTAR”), an Arizona limited
6 partnership, doing business as SummitSTAR Films and/or SummitSTAR Films & Entertainment,
7 (collectively, “Respondents”) admit the jurisdiction of the Commission over the subject matter of
8 this proceeding. Respondents acknowledge that they have been fully advised of their right to a
9 hearing to present evidence and call witnesses and Respondents knowingly and voluntarily waive
10 any and all rights to a hearing before the Commission and all other rights otherwise available
11 under Article 11 of the Securities Act and Title 14 of the Arizona Administrative Code.
12 Respondents acknowledge that this Order to Cease and Desist and for Administrative Penalties and
13 Consent to Same (“Order”) constitutes a valid final order of the Commission.

14 2. Respondents knowingly and voluntarily waive any right under Article 12 of the
15 Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief
16 resulting from the entry of this Order.

17 3. Respondents acknowledge and agree that this Order is entered into freely and
18 voluntarily and that no promise was made or coercion used to induce such entry.

19 4. Respondents acknowledge that they have been represented by an attorney in this
20 matter, they have reviewed this Order with their attorney, Stephen Wade Nebgen of The Law
21 Offices of Stephen Wade Nebgen, PLLC, and understand all terms it contains.

22 5. Respondents admit the Findings of Fact and Conclusions of Law contained in this
23 Order. Respondents agree that they shall not contest the validity of the Findings of Fact and
24 Conclusions of Law contained in this Order in any present or future administrative proceeding
25 before the Commission or any other state agency concerning the denial or issuance of any license
26 or registration required by the State to engage in the practice of any business or profession.

1 6. By consenting to the entry of this Order, Respondents agree not to take any action
2 or to make, or permit to be made, any public statement denying, directly or indirectly, any Finding
3 of Fact or Conclusion of Law in this Order or creating the impression that this Order is without
4 factual basis. Respondents will undertake steps necessary to assure that all of their agents and
5 employees understand and comply with this agreement.

6 7. While this Order settles this administrative matter between Respondents and the
7 Commission, Respondents understand that this Order does not preclude the Commission from
8 instituting other administrative or civil proceedings based on violations that are not addressed by
9 this Order.

10 8. Respondents understand that this Order does not preclude the Commission from
11 referring this matter to any governmental agency for administrative, civil, or criminal proceedings
12 that may be related to the matters addressed by this Order.

13 9. Respondents understand that this Order does not preclude any other agency or
14 officer of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal
15 proceedings that may be related to matters addressed by this Order.

16 10. Respondents agrees that they will not apply to the state of Arizona for registration
17 as a securities dealer or salesman or for licensure as an investment adviser or investment adviser
18 representative until such time as all penalties under this Order are paid in full.

19 11. Respondents agrees that they will not exercise any control over any entity that
20 offers or sells securities or provides investment advisory services within or from until such time as
21 all penalties under this Order are paid in full.

22 12. Respondents agrees that they will not sell any securities in or from Arizona without
23 being properly registered in Arizona as a dealer or salesman, or exempt from such registration;
24 they will not sell any securities in or from Arizona unless the securities are registered in Arizona or
25 exempt from registration; and they will not transact business in Arizona as an investment adviser
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1 or an investment adviser representative unless properly licensed in Arizona or exempt from
2 licensure.

3 13. Respondents Giannantonio and Turley acknowledge that any restitution or penalties
4 imposed by this Order are obligations of each of them as well as the marital community.

5 14. Respondents consent to the entry of this Order and agrees to be fully bound by its
6 terms and conditions.

7 15. Respondents acknowledge and understands that if they fail to comply with the
8 provisions of the order and this consent, the Commission may bring further legal proceedings
9 against them, including application to the superior court for an order of contempt.

10 16. Respondents understand that default shall render them liable to the Commission for
11 its costs of collection and interest at the maximum legal rate.

12 17. Respondents agree and understands that if they fail to make any payment as
13 required in the Order, any outstanding balance shall be in default and shall be immediately due and
14 payable without notice or demand. Respondents agree and understand that acceptance of any
15 partial or late payment by the Commission is not a waiver of default by Commission.

16 18. Giannantonio and Turley represent that they are the sole owners of Nitefire and are
17 authorized to enter into this Order for and on behalf of the sole proprietorship.

18 19. Giannantonio represents that he is the General Partner of SummitSTAR and has
19 been authorized by SummitSTAR to enter into this Order for and on behalf of the limited
20 partnership.



MICHAEL GIANNANTONIO (a/k/a MICHAEL DAVID TURLEY), individually and doing business as NITEFIRE ENTERTAINMENT, a sole proprietorship

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Karen Lynn Turley

KAREN LYNN TURLEY, individually and doing business as NITEFIRE ENTERTAINMENT, a sole proprietorship

SUMMITSTAR ENTERTAINMENT, L.P., an Arizona limited partnership, doing business as SUMMITSTAR FILMS and/or SUMMITSTAR FILMS & ENTERTAINMENT

By: *Michael Giannantonio*
Michael Giannantonio

Its: General Partner

STATE OF ARIZONA)
County of *Maricopa*) ss

SUBSCRIBED AND SWORN TO BEFORE me this *21* day of *June*, 2006.

Leesa Kaye
NOTARY PUBLIC

My Commission Expires:
July 29, 2006

