

1 STATE OF CALIFORNIA
2 BUSINESS, TRANSPORTATION AND HOUSING AGENCY
3 DEPARTMENT OF CORPORATIONS

4 TO: Kristen Zaik, a.k.a. Kristen Wytas-Zaik
5 Sixunder7 Films
6 6633 Yucca Street, Apt. 305
7 Los Angeles, CA 90028

8 **DESIST AND REFRAIN ORDER**

9 (For violations of section 25110 of the Corporations Code)

10 The California Corporations Commissioner finds that:

- 11 1. At all relevant times, Sixunder7 Films (“Sixunder”) is or was a division of Sixunder7, a
12 California corporation, formed in June 2008.
- 13 2. At all relevant times Kristen Zaik, a.k.a. Kristen Wytas-Zaik (“Zaik”) is or was a founding
14 member and producer of SixUnder.
- 15 3. In or about July 2008, Sixunder posted an advertisement (“ad”) seeking potential investors for
16 a feature film called “Cruelty” on businesstree.com’s internet message board. In the ad, Sixunder is
17 seeking \$100,000 to \$250,000 in working capital. The ad stated: “This film is a perfect choice for
18 investors as it is a very complete package that is ready to go, and is already on its way to becoming a
19 success. It is affordable to investors, being at such an attainable budget level. None the less, the
20 detailed preparation being put into the film insures that it will be of superb quality.”
- 21 4. SixUnder also tells investors that they will receive 100% of the gross income received from
22 the sale and distribution of the motion picture, after deducting customary sales and distribution fees
23 and expenses, until such time as one hundred and ten percent (110%) of the total investment is
24 recouped. Thereafter, all remaining income from possible box office returns, DVD sales, pay-per-
25 view, cable, network and syndicated television, and all other ancillary revenue streams will be split in
26 perpetuity between the investors and the producers at a 50/50 split.
- 27 5. In or about October 2008, at least one California resident observed the Sixunder ad.
- 28 6. These securities were offered or sold in this state in an issuer transaction. The Department of

