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7 IN THE CIRCUIT COURT OF THE STATE OF OREGON
8 FOR THE COUNTY OF MARION

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10 STATE OF OREGON, ex rel. ELLEN F.
ROSENBLUM, by and through the OREGON
DEPARTMENT OF EDUCATION,

11 Plaintiff,

12 v.

13
14 TIM KING, NORM DONOHOE, both
individually, and EDCHOICES, a domestic
non-profit corporation;

15
16 Defendants.

Case No. 13C10122

**STIPULATED GENERAL JUDGMENT
AND INJUNCTION**

17 The Plaintiff to this action is the State of Oregon, by and through Ellen F. Rosenblum,
18 Attorney General for the State of Oregon on behalf of the Oregon Department of Education (the
19 “State”). The Defendants to this action are Tim King (“King”), Norm Donohoe (“Donohoe”),
20 and EdChoices.
21

22 The State filed this action against the defendants in the Circuit Court of the State of
23 Oregon for the County of Marion alleging various claims, including claims under the Oregon
24 False Claims Act under ORS 180.750 *et seq.* The defendants deny the State’s allegations and
25 contend they are and have been in full legal compliance. The State disagrees. However, the
26 parties wish to resolve this action without further litigation and agree that it is in the public

1 interest to enter this Stipulated Judgment and Injunction without any actual adjudication of any
2 issues, claims or defenses that were or may have been raised in this case.

3 Now therefore, without trial and without admission of any issues of fact or law by any
4 party, and upon the consent of the parties IT IS HEREBY ORDERED, ADJUDGED AND
5 DECREED AS FOLLOWS:

6 1. This Court has jurisdiction over the parties hereto and the subject matter of this
7 Stipulated Judgment and Injunction. The parties agree to the continuing jurisdiction of this Court to
8 adjudicate any alleged violations of the injunction set forth in Paragraphs 3 and 4 below;
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10 2. The undersigned certify that they are authorized to enter into this Stipulated
11 Judgment and Injunction and to execute and legally bind the parties listed to the terms and
12 conditions of this Stipulated Judgment and Injunction;

13 3. Defendant King is enjoined from engaging in the following conduct:

14 A. For a period of four years, commencing the day after the entry of this
15 stipulated final judgment, King will not solicit, manage or administer State of
16 Oregon public funds for educational purposes. This injunction excludes any
17 personal right or claim to any state or federal benefits, such as Social
18 Security, Medicare, Medicaid, other vested or unvested personal benefits
19 and/or any and all potential personal benefits;
20

21 B. For the same period of four years, Defendant King will not apply or reapply
22 for teaching and/or educational licenses in the State of Oregon, and;
23

24 C. Defendant King will never operate, administer, or consult with, directly or
25 indirectly, any public charter school in Oregon for compensation. This
26 injunction does not preclude King from speaking with public charter school

1 representatives should his own children, or children for whom he has legal
2 responsibility, consider or choose to attend an Oregon public charter school.

3 4. Defendants have no objection to allowing EdChoices to be administratively
4 dissolved, by allowing EdChoices' registration with the Oregon Secretary of State to lapse;
5 EdChoices will never seek to reinstate that registration following the lapse.

6 5. Violation of any terms of this Stipulated Judgment shall constitute violation of an
7 injunction for which civil penalties will be sought by the State in addition to any other lawful
8 penalties for such violation, including but not limited to contempt of court. In the event of a non-
9 payment within 10 days as referenced in paragraph 7A, the parties agree to confer in good faith
10 before commencing litigation to enforce this term.

11 6. The State promises to withdraw (with prejudice) any and all State of Oregon
12 suspensions, debarments or other civil or administrative proceedings and/or filings by the State
13 and relating in any way to the allegations in the State's First Amended Complaint, and pending
14 at the time this judgment is entered. To date, the State is unaware of any other proceedings
15 controlled by the State that would be subject to this paragraph;
16 controlled by the State that would be subject to this paragraph;

17 7. Upon execution of this Stipulated Judgment, it is understood that:

18 A. Within 10 days, \$475,000 will be paid on behalf of Defendants
19 EdChoices, King, and Donohoe, to the Department of Justice. This money
20 shall be deposited into the State of Oregon, Protection and Education
21 Account pursuant to ORS 180.095. Said sum shall be used by the
22 Department of Justice as provided by law;
23 Department of Justice as provided by law;

24 B. That Defendants King and Donohoe have provided a sworn declaration of
25 their assets;
26 their assets;

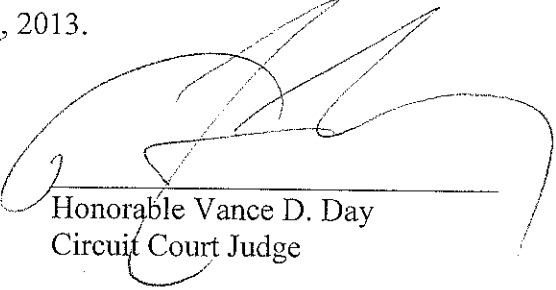
1 C. That the State and EdChoices will agree, on the terms of the State's
2 acquisition and disposition of EdChoices assets;

3 8. All parties will agree to a mutual release of any and all actual or potential claims,
4 against each other only, arising from the same nexus of facts and circumstances as the complaint
5 arose from;

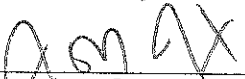
6 9. This proceeding in all other respects is hereby dismissed with prejudice and
7 without costs or attorney fees with respect to the Defendants and this Stipulated Judgment and
8 Injunction is entered pursuant to ORCP 67F.
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10 IT IS SO STIPULATED

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12 Dated this 21 day of NOV, 2013.

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15 
16 Honorable Vance D. Day
17 Circuit Court Judge
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19

20 Submitted by:

21 
22 Jonathan Groux OSB #981555
23 Assistant Attorney General
24 Of Attorneys for Plaintiff
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