

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)
)
v.)
)
Raglin Industries, LLC, an Oklahoma)
limited liability company; Phillip Levaughn)
Raglin, an individual; and Joseph Daniel)
Layne, an individual,)
)
Defendants.)

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

DEC 12 2006

PATRICIA PRESLEY, COURT CLERK

by ~~Deputy~~

Case No.

CJ-2006-10111

**TEMPORARY RESTRAINING ORDER, ORDER FREEZING ASSETS
AND ORDER FOR ACCOUNTING**

This matter came on for hearing this 12th day of December, 2006, before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, upon the verified *Petition for Permanent Injunction and Other Equitable Relief* of the Plaintiff ("Petition") and the application therein for a temporary restraining order, an order freezing assets, and an order for an accounting, pursuant to the Oklahoma Uniform Securities Act of 2004 (the "Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003).

It appears to this Court from the facts alleged in Plaintiff's verified Petition that Plaintiff is entitled to the relief requested; it further appears that the public will suffer irreparable damage and injury unless the Defendants, their officers, directors, agents, and other individuals acting on their behalf and under their direction and control, are restrained forthwith and without notice.

It further appears to the Court that if the issuance of this temporary restraining order, order freezing assets, and order for accounting is delayed until notice is given to the opposing party, there is a strong likelihood that investor funds may be lost to the detriment of those

investors. The irreparable injury to be suffered by Plaintiff is the continued violations of the Act by Defendants if not temporarily restrained.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants, their agents, servants, employees, assigns, and those persons acting on their behalf, under their direction and control and/or in active concert or participation with them who receive actual notice of this Order, by personal service, facsimile or otherwise, be and hereby are, and until further notice of this Court, restrained from offering or selling any security in and/or from this state including, but not limited to, limited liability company membership interests.

IT IS FURTHER ORDERED that Defendants, their agents, servants, employees, assigns and all those persons, directly or indirectly, acting on their behalf, under their direction and control, and/or in active concert or participation with them who receive actual notice of this order, by personal service, facsimile or otherwise, be and hereby are, and until further notice of this Court, restrained from tampering with, mutilating, altering, erasing, concealing, removing, destroying or otherwise disposing of any and all books, records, documents, files, correspondence, computer disks, tapes or other data recordings of any type, pertaining to or referring to Defendants or any transactions by Defendants or to which Defendants were parties.

IT IS FURTHER ORDERED that pending determination of the motion for temporary injunction, the assets of Defendants be, and hereby are, frozen ("Assets"). The freeze shall include, but not be limited to, any funds located in any bank, depository institution, internet, securities, or other financial institution account. It shall also apply to accounts in the name of any individuals or entities controlled by Defendants or accounts over which Defendants have signatory or other designated authority, if the funds are derived to any extent from the activities alleged in Plaintiff's Petition. All banks, depository institutions, internet service providers,

securities firms, or other institutions or persons served with a copy of this Order shall cooperate with the Oklahoma Department of Securities ("Department") relating to implementation of this Order, including imposing a freeze on all Assets, including accounts and funds, and producing records relating thereto. Facsimile transmission shall constitute service on the banks, depository institutions, internet service providers, securities firms, or other institutions or persons.

IT IS FURTHER ORDERED that all persons and entities, including Defendants, their subsidiaries, affiliates, officers, directors, agents, servants, employees, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, including any banks, depository or financial institutions, wherever chartered or located, securities firms or companies, loan providers, life insurance companies, internet service providers or companies, federal and state agencies, or other institutions or persons who receive actual notice of this order, by personal service, facsimile transmission or otherwise, shall promptly deliver and surrender to the Department:

1. all records of the Defendants including, but not limited to, books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone records, ledgers, payroll records, to include such information stored in computer maintained form; and
2. all keys and codes necessary to gain or to secure access to any Assets or documents of the Defendants including, but not limited to, access to the premises where all records of the Defendants are maintained, means of

communication, accounts, computer systems, or other assets or property,
wherever located.

IT IS FURTHER ORDERED that Defendants allow representatives of the Department access to any and all documents relating to the sales of securities including, but not limited to, limited liability company membership interests, and to the business of Defendants, their subsidiaries, officers, directors, agents, servants, employees, assigns, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, including, but not limited to, books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone records, ledgers, payroll records, to include such information stored in computer maintained form.

IT IS FURTHER ORDERED that Defendants file with this Court and serve on the Plaintiff an accounting, under oath, detailing all of their assets and detailing all funds received from Investors and the disposition and/or use of those funds received pursuant to the scheme described in the Plaintiff's Petition. This accounting shall include, but not be limited to, the total amount received from Investors, the name and address of each Investor, the amount invested, the date each such investment was made and a listing of all expenditures made showing the amount and to whom paid and the date of payment. This accounting shall be submitted to this Court and served upon Plaintiff within fifteen (15) days from the date of entry of this Order.

IT IS FURTHER ORDERED that except by leave of Court during the pendency of this action, all creditors and other persons seeking money, damages or other relief from Defendants, and all others acting on behalf of any such creditor or other persons, including sheriffs, marshals, and other officers and their deputies, and their respective attorneys, servants, agents, and

employees, are hereby stayed and restrained from doing any act or thing whatsoever to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over Defendants. This order shall not stay or restrain any pending or future action whatsoever by any government agency or any representative on behalf of any government.

IT IS FURTHER ORDERED that the Defendants shall provide notice of this Order to each of their affiliates, successors, directors, officers, and each of their employees, salespersons, representatives and independent contractors.

IT IS FURTHER ORDERED that a hearing is hereby set at 2:00 p. m. on the 4th day of January, 2007, before the Honorable Carolyn Ricks of the Oklahoma County District Court, Oklahoma County Courthouse, Oklahoma City, Oklahoma, at which time the Defendants may seek the dissolution of this Temporary Restraining Order and the Plaintiff may seek a temporary injunction and other equitable relief.

THIS ORDER IS ENTERED this 12th day of December, 2006, at 3:47 p.m.

DANIEL L. OWENS

DISTRICT COURT JUDGE

Patricia A. Labatto, #10391
Oklahoma Dept of Securities
120 N. Robinson, Ste 860
Oklahoma City, OK 73102
(405) 280-7735
Atty for Plaintiff

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., Herby certify that the foregoing is a true, correct and complete copy of the instrument herewith, set out as appears of record in the District Court Clerks Office of Oklahoma County, Okla.
This 12 day of Dec, 2006
By Patricia Presley
PATRICIA PRESLEY, Court Clerk
Deputy