

temporary restraining order against and appointed a receiver for Davis. The Court also issued an asset freeze against Davis.

Davis executed the Stipulation of Jerry Thayne Davis ("Stipulation"), attached hereto as Exhibit "A" and made a part hereof. The Department has no objection to the terms of the Stipulation and agrees to the entry of this Order of Permanent Injunction ("Order").

Therefore, based on the evidence reviewed and the execution of the Stipulation, the Court finds that the following order should be entered.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that a permanent injunction be and is hereby entered, forever enjoining and restraining Davis from offering or selling any security in and/or from the state of Oklahoma unless and until such security is registered under the Act or qualifies for an exemption from the registration provisions of Section 401 of the Act.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that a permanent injunction be and is hereby entered, forever enjoining and restraining Davis from transacting business in and/or from the state of Oklahoma as a broker-dealer, agent, investment adviser and/or investment adviser representative unless and until Davis is registered under Section 201 of the Act.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that a permanent injunction be and is hereby entered, forever enjoining and restraining Davis from misrepresenting material facts or omitting to state material facts necessary in order to make statements made, in light of the circumstances under which they are made, not

misleading, in connection with the offer or sale of securities in and/or from the state of Oklahoma.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that for a period of one year after the date of issuance of this Order, Davis will notify the Director of the Department's Division of Enforcement of any intent to rely on an exemption from the registration provisions of the Act, in connection with the offer and/or sale of any security in and/or from the state of Oklahoma, at least thirty (30) days prior to the date of the first offer of any security. The notification shall include:

- a. the Oklahoma Securities Act citation of the securities registration exemption to be relied upon;
- b. a detailed description of the basis for reliance upon the exemption, including the manner of solicitation;
- c. the name(s) of all person(s) to be offering or selling the securities and a detailed description of the basis for the person's compliance with Section 201 of the Act;
- d. a detailed description of the type of securities to be offered and/or sold pursuant to the exemption; and
- e. the amount of securities to be offered in reliance on the exemption.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that for a period of one year after the date of issuance of this Order, Davis will provide to the Department, upon its request, a copy of any and/or all offering documents or other materials intended to be used by, or on behalf of, Davis in connection with the offer or sale of securities within five business days following receipt of the request. The Department will advise

Davis, in writing, within twenty (20) days of receipt of such materials, of any objection to such materials and the basis for such objection. The absence of an objection from the Department will not be interpreted as an approval by the Department of the materials.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Davis pay restitution on or before December 31, 2001, to Johnnie D. and Peggie Chenault in the sum of One Hundred Thousand Dollars (\$100,000.00), unless extended by the agreement of Johnnie D. and Peggie Chenault.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the temporary restraining order and receivership order entered against Davis in this case is hereby dissolved and the receiver is discharged from any further duties with regard to Davis.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court will retain jurisdiction of this matter for the purpose of enforcement of this Order and the Stipulation.

THIS ORDER IS ENTERED this 3 (day of July, 2001.

NILES JACKSON

DISTRICT COURT JUDGE

7/31/01

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby 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 Clerk's Office of Oklahoma County, Okla., this 31 day of July, 2001.
By Patricia Presley PATRICIA PRESLEY, Court Clerk Deputy

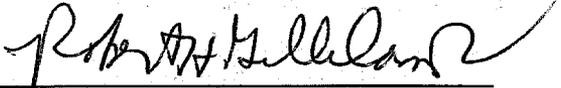
Approved as to form:



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