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IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT

OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

STATE OF IDAHO, Department of Finance, Plaintiff,	Case No. CV OC 9602781D
vs.	JUDGMENT AND PERMANENT INJUNCTION
CULLEY WAYNE DAVIS, Defendant.	

It appearing to the Court that the Defendant Culley Wayne Davis (Defendant) in his Stipulation for Judgment and Permanent Injunction filed with the Court, has admitted the jurisdiction of this Court over the subject matter of this proceeding and over the parties hereto, and that the Complaint states a cause of action for injunctive relief under the Idaho Securities Act, and has admitted that he violated the Idaho Securities Act, specifically Idaho Code §§30-1403(2) and (3), 30-1406, and 30-1416, as alleged in the

complaint, and has agreed and consented to the entry of judgment granting a permanent injunction against him, and has waived the necessity of findings of fact and conclusions of law with respect thereto, and the Court being fully advised in the premises:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Defendant has violated the Idaho Securities Act, specifically Idaho Code §§30-1403(2) and (3), 30-1406, and 30-1416, as alleged in the complaint.

2. The Defendant is permanently enjoined from engaging in any acts, practices or omissions which would constitute violations of the Idaho Securities Act, and in particular, is permanently enjoined from:

A. Selling or offering for sale securities in any form in the State of Idaho until such time as such securities have been registered with the State of Idaho, Department of Finance, in accordance with Chapter 14, Title 30, Idaho Code;

B. Transacting securities business in the State of Idaho until such time as Defendant has become registered as a broker-dealer, or salesman for a broker-dealer or issuer, with the State of Idaho, Department of Finance, in accordance with Chapter 14, Title 30, Idaho Code;

C. In connection with the offer, sale, or purchase of any security:

(1) employing any device, scheme or artifice to defraud,

(2) making any untrue statement of material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under

which they are made, not misleading, and

(3) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

D. Aiding, abetting, counseling, inducing or causing any other person to engage in any of the types of conduct described in paragraphs A, B, and C above.

3. The Defendant is prohibited from claiming the availability of, using, or offering to sell securities under, any exemptions under the Idaho Securities Act without receiving the prior written consent of the Director.

4. The Defendant shall, within thirty (30) days of the signing of this Judgment, offer rescission to all investors in Pinnacle Enterprises, Inc., Pinnacle, Ltd., and Dancor, Inc., who were residents of Idaho at the time of the offer and/or sale of the above named securities. The offer of rescission shall be made by way of letter, the contents of which shall be submitted for approval to the Department of Finance prior to its dissemination, and within twenty-one (21) days of the signing of this Judgment. The rescission offer shall not be made until the Department of Finance approves the contents of the letter. All persons who accept the offer of rescission shall be paid within ten days of acceptance.

5. The Defendant shall pay a fine to the Idaho Department of Finance in the amount of fifty thousand dollars ($50,000) within thirty (30) days of the signing of this Judgment.

6. This Judgment and Permanent Injunction shall serve as a

final resolution of all issues presented in Plaintiff's complaint.

DATED this 14th day of June, 1996.

D. DUFF McKEE

D. Duff McKee
District Judge