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IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT

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

STATE OF IDAHO, Department of Finance, Plaintiff, vs. Z3 CAPITAL CORPORATION, STELLA BELLA CORPORATION, and VENABLE DANCE, an individual, Defendants.	Civil No. CVOC 96-00788B **DEFAULT JUDGMENT AND PERMANENT INJUNCTION**

In this action, the Defendant VENABLE DANCE having been regularly served with process, and having failed to appear under I.R.C.P. 12(a), plead or otherwise defend in this action, the legal time for answering having expired, the Default of the Defendant was duly entered according to law on September 3, 1996 based upon the Affidavit of Mary E. Hughes, the other pleadings, papers, and records on file herein, and pursuant to the prayer of said Verified Complaint,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Defendant has violated the Idaho Securities Act as alleged in the Verified 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 nonexempt 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 Title 30, Chapter 14, Idaho Code;

B. Selling or offering for sale nonexempt securities in any form in the State of Idaho until such time as Defendant has registered as a broker-dealer or salesman for a broker-dealer or issuer with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code.

C. While engaged in or in connection with the offer, sale or purchase of any security:

(1) Employing any device, scheme or artifice to defraud any investors in the securities,

(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;

(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, or 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 restore to each person in interest any consideration which may have been acquired or transferred in violation of the Idaho Securities Act.

5. The Defendant shall pay a fine to the Idaho Department of Finance in the amount of ten thousand dollars ($10,000) within thirty (30) days of the signing of this Judgment.

6. ~~The Defendant shall pay attorney's fees and costs incurred in the preparation and the prosecution of this action in the amount of one thousand dollars ($1,000) within thirty (30) days of the signing of this Judgment.~~

7. This Judgment and Permanent Injunction shall serve as a final resolution of all issues presented in Plaintiff's Amended Verified Complaint as to Defendant Venable Dance.

DATED this 3rd day of September, 1996.

N. Randy Smith

N. RANDY SMITH
District Judge