

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)

v.)

Broadband Wireless International)
Corporation, formerly Black Giant Oil)
Company, a Nevada corporation, Broadband)
Wireless Communications Corporation,)
an Oklahoma corporation, Black Giant)
Resources Corporation, an Oklahoma)
Corporation, Broadcom Wireless)
Communications Corporation, an Oklahoma)
corporation, Donald L. Knight, an)
individual, Ivan Webb, an individual, and)
Tommy K. Hill, an individual,)
)
Defendants,)

v.)

DLK Family Trust, Englands Tea & Coffee)
Exchange Ltd., Kimberly Knight,)
)
Relief Defendants.)

Case No. **CJ-2000-5851**

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY
AUG 11 2000
PATRICIA FRESLEY, COURT CLERK
Deputy

PETITION FOR PERMANENT INJUNCTION
AND OTHER EQUITABLE RELIEF

COMES NOW the Plaintiff, Oklahoma Department of Securities *ex rel.* Irving L. Faught
("Department"), and for its claims against the above-named Defendants and Relief Defendants
alleges and states:

OVERVIEW

1. This case involves fraud in connection with the offer and sale of securities as well as violations of the registration provisions of the Oklahoma Securities Act (the "Act"), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 and Supp. 1999), *as amended*, 2000 Okla. Sess. Law Serv. 205, 310 (West).

2. Defendant Donald L. Knight, personally and through corporations controlled by him, acquired effective control over a previously dormant "public shell," by acquiring large numbers of shares of stock in the public shell. The term "public shell" generally refers to a corporation whose securities are publicly traded but that has only nominal or nonexistent operations or revenue.

3. Through a series of press releases, and in certain filings with the United States Securities and Exchange Commission, Defendants Knight, Hill and Webb drafted, edited, approved for dissemination, disseminated and/or caused to be disseminated false and misleading information to fraudulently increase the price of the stock of the public shell corporation. Over a four (4) month period of time, the price increased from \$.14 per share to over \$12 per share.

4. The previously dormant public shell and the corporations controlled by Defendant Knight bore deceptively similar business names. These corporations were loosely structured and loosely managed to the point that a distinction among them is blurred.

5. Defendant Knight, personally and/or through his agents, sold stock in the public shell corporation to numerous investors.

6. Defendant Knight, or entities controlled by him, received in excess of \$3,500,000 from these investors, some of whom do not appear on the records of the public shell corporation as shareholders.

JURISDICTION

7. The Administrator of the Department brings this action pursuant to Section 406.1 of the Act and is the proper party to bring this action against the Defendants.

8. Pursuant to Sections 2 and 413 of the Act, Defendants, in connection with their activities and the offer, sale, and purchase of securities, are subject to the provisions of the Act. By virtue of their transaction of business by contract and otherwise and commission of other acts in this state, Defendants are subject to the jurisdiction of this Court and to service of summons within or outside of this state.

9. Defendants have engaged in acts and practices in violation of the Act. Unless enjoined, there is a substantial likelihood that they will continue to engage in the acts and practices set forth herein and acts and practices of similar purport and object.

DEFENDANTS

10. Black Giant Oil Company, Inc. (the "Public Company") was incorporated under the laws of the State of Nevada on July 23, 1973. On or about February 16, 2000, the Public Company changed its name to Broadband Wireless International Corporation. At times material hereto, the primary business operations of the Public Company were conducted from 4151 N.W. 23rd Street, Oklahoma City, Oklahoma. At all times material hereto, the common stock of the Public Company was traded as an over the counter, bulletin board stock. Prior to February 16, 2000, the stock traded under the symbol BGOOC. On or about February 16, 2000, the stock began trading under the symbol BBAN.

11. Black Giant Resources Corporation ("Black Giant Resources") was incorporated under the laws of the State of Oklahoma on August 3, 1999. One of the three incorporators was Defendant Knight. At all times material hereto, the principal business offices of Black Giant

Resources were located at 4151 N.W. 23rd Street, Oklahoma City, Oklahoma. At all times material hereto, Black Giant Resources operated under the control of Defendant Knight.

12. Broadcom Wireless Communications Corporation (the "Private Company") was incorporated under the laws of the State of Oklahoma on October 22, 1999. At all times material hereto, the principal business offices of the Private Company were located at 4151 N.W. 23rd Street, Oklahoma City, Oklahoma. At times material hereto, the Private Company was represented to be a division, as well as a subsidiary, of Black Giant Resources. At all times material hereto, the Private Company operated under the control of Defendant Knight. At certain times material hereto, the Private Company began referring to itself as Broadband Wireless Communications Corporation.

13. Broadband Wireless Communications Corporation was incorporated under the laws of the State of Oklahoma on January 3, 2000. At all times material hereto, the principal business offices of Broadband Wireless Communications Corporation were located at 4151 N.W. 23rd Street, Oklahoma City, Oklahoma. At times material hereto, Broadband Wireless Communications Corporation was represented to be a division, as well as a subsidiary, of Black Giant Resources. At all times material hereto, Broadband Wireless Communications Corporation operated under the control of Defendant Knight.

14. Donald L. Knight ("Knight") is an individual who, at all times material hereto, was a resident of Oklahoma doing the acts complained of in his own name and/or in the name of the Public Company, the Private Company, Black Giant Resources, and Broadband Wireless Communications Corporation. At all times material hereto, Knight was President of Black Giant Resources.

15. Ivan Webb ("Webb") is an individual who, at all times material hereto, resided in the state of Texas doing the acts complained of in his own name and/or in the name of the Public Company. With the possible exception of a two-week time period, Webb was President of the Public Company at all times material hereto.

16. Tommy K. Hill ("Hill") is an individual who, at times material hereto, was reported to be the President and Chief Executive Officer of Global Access New Millenium Inc., the Chief Financial Officer for Tryco International, Inc., the Chief Financial Officer for iTell, Inc., the President of the International Division of the Public Company, and the Chief Financial Officer for the Public Company.

RELIEF DEFENDANTS

17. DLK Family Trust is a trust believed to be controlled by Knight as the trustee. The address for the trust is 4151 N.W. 23rd Street, Oklahoma City, Oklahoma. DLK Family Trust owns the personal residence of Defendant Knight.

18. Englands Tea & Coffee Exchange Ltd. is an off-shore entity believed to be controlled by Knight. The address of Englands Tea & Coffee Exchange Ltd. is 65 Main Street, Road Town, Tortola, British Virgin Islands.

19. Kimberly Knight is an individual who, at all times material hereto, was a resident of Oklahoma. Kimberly Knight is the wife of Defendant Knight.

FACTS

Black Giant Resources/Public Company Merger

20. After previous failed attempts to acquire a "public shell," Knight was referred to Webb.

21. On August 6, 1999, Black Giant Resources and the Public Company entered into a "Merger Agreement" whereby Black Giant Resources agreed to acquire 30,000,000 shares of the common stock of the Public Company in exchange for a 50% leasehold interest in certain Kentucky mineral leases represented to be valued in excess of \$1,000,000. Black Giant Resources also agreed to provide the Public Company \$20,000 in cash in exchange for 2,000,000 shares of the common stock of the Public Company. Black Giant Resources was to pay the \$20,000 in two installments of \$10,000 each, with the first payment due upon execution of the agreement and the second payment due upon presentation of an audit report on the value of the mineral leases. The "Merger Agreement" was signed by Knight as a Director of Black Giant Resources and Webb as President of the Public Company.

22. On or about September 11, 1999, Black Giant Resources acquired two million shares of common stock of the Public Company for \$.0125 per share.

23. On or about September 11, 1999, Webb signed a consulting agreement with Black Giant Resources to assist Black Giant Resources in locating, evaluating and effecting a merger and/or acquisition.

24. On or about September 11, 1999, Black Giant Resources and the Public Company entered into an "Agreement in Principle and Letter of Understanding." By the terms of this agreement and letter of understanding, Black Giant Resources agreed to acquire 58,000,000 additional shares of the Public Company in exchange for the common stock and assets of American Capital Corporation, a Nevada corporation, and Mercury Insurance & Surety Ltd., a St. Kitts, British West Indies corporation. Upon completion of this acquisition, control of the Public Company would be transferred to Black Giant Resources. The agreement and letter of

understanding was signed by Knight as President of Black Giant Resources and Webb as President of the Public Company.

25. The agreements of August 6, 1999, and September 11, 1999, did not come to fruition.

26. Subsequent to September 11, 2000, Knight proposed the transfer to the Public Company of certain assets he purportedly owned, to include a hotel property, in exchange for 38,000,000 shares of the common stock of the Public Company. These proposals were rejected by the Public Company.

The November 1st Agreement

27. On or about November 1, 1999, the Private Company and the Public Company entered into an "Agreement in Principle and Letter of Understanding (the "November 1st Agreement") whereby the Public Company agreed to issue 48,000,000 of its shares of common stock to the Private Company upon the occurrence of certain events including, but not limited to:

- a. the fully paid acquisition of a fifty percent (50%) ownership interest in Getmore Communications (the "Getmore Wireless Internet Operations") and satisfaction of the funding obligations of the Private Company;
- b. the fully paid acquisition of a forty percent (40%) ownership interest in Getmore Wireless (the "Getmore Retail Operations"); and
- c. the assignment of a fully executed and binding formal contract between the Private Company and Global Access for the Private Company providing two long distance switches to Global Access (BWI) Ltd. in connection with its long distance services between the United States and Mexico.

The November 1st Agreement was signed by Knight as President of the Private Company and Webb as President of the Public Company.

28. A press release issued by the Public Company on November 2, 1999, announced that the terms of the November 1st Agreement provide for the Private Company "to assign, transfer and convey the following projects for common stock" of the Public Company: 50% of an Oklahoma based wireless internet company; 40% of an operating Oklahoma cellular telephone and electronic pager company; and a 33.33% participation in a two-year contract with Global Access to provide debit card based international long distance service between the United States and Mexico.

29. At the time the press release was issued, the Private Company did not own the referenced interests in the Getmore Wireless Internet Operations or the Getmore Retail Operations or the participation in the Global Access contract. The press release did not disclose these facts or the fact that there were yet to be satisfied contingencies associated with the November 1st Agreement.

30. In the press release issued on November 2, 1999, the Public Company disclosed that the Private Company had "negotiated funding arrangements for the initial urban site" in connection with the Getmore Wireless Internet Operations. At the time the press release was issued, the Private Company did not have funding arrangements in place for the initial urban site or any other site. Funding to finance the wireless operations did not materialize.

31. By the terms of the November 1st Agreement, the Private Company agreed to purchase 4,400,000 shares of common stock of the Public Company for \$55,000 to be paid on or before November 11, 1999. On or about November 4, 1999, the Private Company was issued 4,400,000 shares of common stock of the Public Company.

32. On or about November 4, 1999, the Public Company caused to be issued 48,000,000 shares of common stock of the Public Company to the Private Company to be held in escrow by the transfer agent pursuant to the terms of the November 1st Agreement.

33. On November 17, 1999, the Private Company issued a promissory note in the amount of \$25,000 for the purchase of the 4,400,000 shares of Public Company common stock pursuant to the November 1st Agreement. The promissory note was signed by Knight as an officer/director of the Private Company.

34. The November 1st Agreement was included as an exhibit to the Form 10Q filed with the SEC on or about February 22, 2000. The exhibit reflects Tony Braxton as the signator on behalf of the Private Company rather than Knight who actually signed the agreement as President of the Private Company.

Global Access

35. On or about October 12, 1999, Global Access (BWI) Ltd. ("Global Access"), located in Reston, Virginia, and iTell, located in Gaithersburg, Maryland, entered into a carrier service agreement (the "iTell Agreement") whereby Global Access was to purchase telephone communication services provided by iTell.

36. On or about October 22, 1999, Knight and Defendant Tommy Hill ("Hill") exchanged correspondence relating to the purchase by Global Access of two international, long distance switches located in Florida. Knight, on behalf of the Private Company, made a commitment to fund the purchase of the switches, to include payment of an initial deposit of \$100,000 within ten (10) banking days. Knight represented to Hill that the Private Company had "received funding provisions from our own [Private Company's] investment bankers, in the

amount of \$25 Million U.S. Dollars, to be remitted to us [Private Company] in increments beginning over the next three weeks.”

37. In return for the funding for the long distance switches, Global Access agreed to share one-third (1/3) of its profits from a Mexican long distance service contract (the “Mexican Telecom Contract”) with the Private Company. Hill represented to Knight that the total profits from the long distance service contract would be \$420,000 per month.

38. As of January 4, 2000, the Private Company had not honored its financial commitment to Global Access as set forth in the October 22, 1999 letter signed by Knight.

39. By a letter dated January 5, 2000, addressed to Knight, Hill renewed the commitment of Global Access to convey one-third (1/3) of its profits from the Mexican Telecom Contract to the Private Company upon satisfaction of the Private Company’s financial obligations to fund the purchase of the long distance switches. Hill conditioned the activation of the profit sharing arrangement on the Private Company wiring \$25,000 of the \$100,000 deposit to Global Access and the escrow of 500,000 shares of the common stock of the Public Company pending payment of the entire \$100,000 deposit.

40. On or about January 5, 2000, Global Access executed an assignment of the one-third interest in the Mexican Telecom Contract to the Private Company. The assignment was conditioned upon satisfaction of the terms of the October 22, 1999 letter to Hill from Knight. The assignment was executed by Hill as Managing Director of Global Access.

41. On or about January 7, 2000, the Private Company executed an assignment of the interest in the Mexican Telecom Contract to the Public Company. At the time, the Private Company was still obligated to fund the purchase of the long distance switches, therefore, the

Private Company did not own the interest in the Mexican Telecom Contract it was attempting to assign.

42. On January 12, 2000, the Public Company issued a press release confirming the acquisition of the one-third interest in the Mexican Telecom Contract. The press release announced that the “newly acquired contractual interest” would generate gross revenues of \$140,000 per month for the Public Company’s one-third interest.

43. The January 12 press release did not disclose that the Public Company’s interest in the Mexican Telecom Contract was contingent upon Global Access receiving the necessary funding to purchase the long distance switches. In addition, the press release did not disclose that receipt of the referenced revenues of \$140,000 per month was dependent upon the purchase of the long distance switches.

44. On March 6, 2000, the Private Company and Global Access entered into a “Letter of Agreement” in which Global Access set forth its immediate funding needs of \$535,380.25 in order to originate long distance minutes between the United States and Mexico. The Private Company agreed to wire \$500,000 to Global Access within the next 15 days. The “Letter of Agreement” was signed by Don Dickson on behalf of the Private Company and by Hill on behalf of Global Access.

45. The Private Company never fulfilled its financial obligations to Global Access in connection with the funding of the long distance switches.

46. Neither the Private Company nor the Public Company ever realized gross revenues from profits from the Mexican Telecom Contract.

Getmore Wireless Internet Operations

47. On or about October 18, 1999, Don Dickson, on behalf of Broadcom Communications Group, represented to be a division of Black Giant Resources, entered into a letter of intent ("Letter of Intent") with Ronald L. Baker (Baker), on behalf of Baker & Associates, and Gary K. Duke (Duke), on behalf of Getmore Communications, Getmore Wireless and Internet, and AirLinkOK. The Letter of Intent addressed the establishment of a joint venture for the purpose of funding, developing and marketing wireless internet services in at least thirty (30) cities in the United States.

48. On or about November 24, 1999, the Private Company entered into an agreement with Baker and Duke and their entities associated with their wireless internet business (the "Wireless Internet Agreement"). By the terms of the Wireless Internet Agreement, Baker and Duke transferred to a new, but unidentified, Oklahoma corporation all their interests in and to all contracts, licenses, or other writings under which they had the right, opportunity and/or duty to install, develop, market or otherwise be involved with the wireless internet business. One half of all of the authorized shares of the unidentified Oklahoma corporation were to be issued to Baker and Duke and the remaining one half of the authorized shares were to be issued to the Private Company.

49. The Wireless Internet Agreement provided that the Private Company would be solely responsible for providing funding to establish internet service in Oklahoma City, Tulsa, Austin, San Antonio, Albuquerque, Des Moines and Wichita, at an estimated minimum cost of Five Hundred Thousand Dollars (\$500,000) per city. The Wireless Internet Agreement further provided that the Private Company escrow Two Million Dollars (\$2,000,000) for the project no later than January 17, 2000.

50. In a press release issued February 1, 2000, the Public Company announced that the Wireless Internet Agreement had been “successfully activated.” The Public Company also announced that the Private Company had finalized funding agreements with a private investor group formed for the specific purpose of capitalizing the first three (3) cities to implement the Getmore Wireless Internet Operations. At the time the press release was issued, the Private Company had not finalized a funding agreement to implement the wireless internet services in the first three (3) cities. The press release did not disclose the delinquency to escrow \$2,000,000 for the project by January 17, 2000, pursuant to the terms of the Wireless Internet Agreement.

51. The pertinent provisions of an agreement dated February 3, 2000, and an amendment thereto, (the “February 3rd Agreement”), provided that a corporation to be formed, Newco, Inc., would raise and contribute \$2,225,000 in escrow for the development of the wireless operations in the first five (5) cities in satisfaction of the Private Company’s funding obligations under the Wireless Internet Agreement. The parties to this agreement were Telenergy, LLC; the Private Company; Knight; and Baker, Duke and their related entities. The February 3rd Agreement was signed by Knight, as an individual and as President of the Private Company.

52. The funding to finance the wireless operations pursuant to the Wireless Internet Agreement never materialized.

53. In connection with the internet wireless service development plans, the Form 10Q filed with the United States Securities and Exchange Commission (SEC) by the Public Company on or about February 22, 2000, stated that the Private Company is required to provide the initial funding of \$2.3 million to finance the development of the first three (3) locations. The Form 10Q did not disclose that the Private Company was delinquent in its contractual obligation to

escrow \$2,000,000 for the project by January 17, 2000, pursuant to the Wireless Internet Agreement of November 24, 1999.

54. The Public Company issued a press release on February 25, 2000, announcing that the Public Company had purchased the equipment necessary to install and implement the Getmore Wireless Internet Operations from Cisco Systems, Inc. Payment for the equipment was not made.

Tryco, Inc.

55. On or about January 20, 2000, Broadband Wireless Communications Corporation and Global Access New Millennium, Inc. ("New Millennium") entered into an agreement for the sale of a one-third (1/3) interest in Tryco, Inc. ("Tryco") by New Millennium to Broadband Wireless Communications Corporation (the "Tryco Agreement"). The Tryco Agreement was signed by Knight on behalf of Broadband Wireless Communications Corporation and Hill on behalf of New Millennium. On the date the Tryco Agreement was executed, New Millennium did not own an interest in Tryco.

56. By the terms of the Tryco Agreement, Broadband Wireless Communications Corporation agreed to remit \$50,000 to New Millennium for expenses of a private placement on behalf of New Millennium (the "New Millennium Private Placement"). Broadband Wireless Communications Corporation also committed the Public Company to wire \$110,000 to First Diversified Financial Services ("FDFS"), an investment banking firm, to activate the engagement agreement for the New Millennium Private Placement.

57. On January 21, 2000, the Public Company announced in a press release that it had entered into an agreement with New Millennium, whereby New Millennium would convey a one-third interest in Tryco to the Public Company. Tryco was described in the press release as

an international telecommunications company that was building and managing earth stations for foreign governments and oil cartels. At the time the press release was issued, there was no such agreement between the Public Company and New Millennium.

58. The January 21, 2000 press release announced that New Millennium had successfully negotiated a best efforts commitment to raise \$25,000,000 in a private placement in order for New Millennium to acquire the majority shares of Tryco. The January 21, 2000 press release also disclosed that the Mexican Telecom Contract had been assigned to New Millennium.

59. The Public Company issued a press release on February 10, 2000, announcing the completion of its contractual obligations relating to the New Millennium Private Placement.

60. A different version of the Tryco Agreement was included as an exhibit to the Form 10Q filed by the Public Company with the SEC on or about February 22, 2000. The exhibit reflects the Public Company, rather than Broadband Wireless Communications Corporation, as a party to the agreement. The exhibit reflects that the Private Company, rather than the Public Company, was obligated to wire the activation fee for the New Millennium private placement. In addition, the exhibit reflects the signators on the agreement to be Webb and Hill, rather than Knight and Hill.

61. A press release was issued by the Public Company on February 24, 2000, announcing that the Public Company was in the process of finalizing the acquisition of the one-third interest in Tryco through the New Millennium Private Placement.

62. FDFS eventually suspended work on the New Millennium Private Placement due to New Millennium's inability and failure to comply with the due diligence requirements of FDFS.

63. On March 31, 2000, the Public Company issued a press release wherein Hill announced successful negotiations by the Public Company to acquire 100% of Tryco International, Inc. for common stock of the Public Company.

64. In the March 31, 2000 press release, Hill also announced that the Public Company could “move quickly into the final stages of preparation to delivery [sic] Broadband’s ‘Phone Company In A Box’ to Afghanistan.” The press release also disclosed that Tryco and the Afghan Ministry of Communication had formed a 51%/49% joint venture to create the Afghan Telephone Company.

65. The acquisition of Tryco by New Millennium or the Public Company was never achieved.

Support 24 Resources, Inc.

66. On February 24, 2000, Support 24 Resources, Inc. (“Support 24”), an Oklahoma corporation, the shareholders of Support 24 and the Public Company entered into an agreement whereby the shareholders of Support 24 transferred one hundred percent (100%) of the Support 24 stock to the Public Company in return for the transfer of Seven Hundred Thousand (700,000) shares of the common stock of the Public Company to the Support 24 shareholders on February 25, 2000, and the issuance of one year, twelve percent (12%) debentures of the Public Company totaling Five Hundred Thousand Dollars (\$500,000) to Support 24 for sale to outside capital investors in order to raise \$400,000 in working capital for Support 24 (the “Support 24 Agreement”).

67. Support 24 owned a proprietary scriptdriven telephony application development tool known as ScriptLauncher used for the creation and implementation of telephone applications and functions.

68. A press release was issued by the Public Company on February 28, 2000, announcing the 100% acquisition of Support 24, including ScriptLauncher. The press release did not disclose that the Public Company agreed to issue debt in the nature of 12% debentures as partial consideration for the acquisition.

69. A second press release was issued by the Public Company further describing Support 24's ScriptLauncher on March 3, 2000.

70. A Form 8-K filed with the SEC by the Public Company on April 5, 2000, reported that the Public Company had issued 700,000 shares of its stock to the owners of Support 24, Inc. and that the Public Company was required to provide \$400,000 in financing to Support 24, Inc. The Form 8-K reported that the Public Company was negotiating the required financing.

71. The Public Company's obligations were not fulfilled under the Support 24 Agreement and the agreement was declared null and void by the Chief Executive Officer of Support 24 in a letter to Webb dated April 28, 2000.

iTELL, Inc.

72. A press release issued on February 24, 2000, announced that Hill had negotiated an agreement in principle between the Public Company and iTELL, Inc. (iTELL) for the establishment of a joint venture to provide international telecommunications traffic between the United States and South America.

73. On February 29, 2000, iTELL and Asociados Espada C.A., doing business as Panamtel ("Panamtel"), entered into a management agreement in which Panamtel agreed to be managed by iTELL for a period of one year and iTELL was given an option to purchase Panamtel at or before the end of the one year management period by transferring 200,000 shares of the common stock of the Public Company to Panamtel ("Panamtel Agreement").

74. On March 1, 2000, Hill, on behalf of the International Division of the Public Company, and Sergio Ado, on behalf of iTELL, entered into a "Letter of Agreement" in which the parties agreed that iTELL would become a wholly-owned subsidiary of the International Division of the Public Company in exchange for \$200,000 cash and 1,000,000 restricted shares of the stock of the Public Company. The specific purpose of the acquisition was to build a "global virtual private network."

75. The Public Company issued a press release on March 7, 2000, in which Hill confirmed the 100% acquisition of iTELL. iTELL was described as specializing in international long-distance and prepaid debit cards with current assets in excess of \$5,000,000 and revenues in excess of \$2,500,000 per month. At the time the press release was issued, the acquisition of iTell was not completed. This fact was not disclosed in the press release.

76. On March 16, 2000, the Public Company, through Hill, announced in a press release that iTELL was acquiring Panamtel, a company represented as providing telecommunications services to Venezuela. In the press release, Hill described this development as providing "strategic support for our 'Global Private Virtual Network.'"

77. The March 16, 2000 press release did not disclose that iTELL had entered into an agreement only to manage Panamtel for a period of one year with an option to purchase Panamtel and that iTELL had not exercised its purchase option. Further, the press release did not disclose that the Public Company's acquisition of iTELL had not yet been completed.

78. The Form 8-K filed by the Public Company on April 5, 2000, stated that the Public Company's acquisition of iTELL was not completed until March 27, 2000.

79. As of April 30, 2000, the Public Company's acquisition of iTELL was not completed.

Marketing of Public Company

80. On March 6, 2000, the Public Company issued a press release announcing that the company had “employed the services of Media Associates, with two Media Associates staffpersons assigned full-time to develop ongoing information forums regarding the policies, strengths, growth and marketing strategies being utilized” by the Public Company. At the time of the press release, the total staff of Media Associates was two persons.

81. The March 6, 2000 press release also disclosed that Media Associates would be finalizing a corporate profile regarding the Public Company to be posted on various internet information sites. Media Associates’ engagement by the Public Company did not include the creation of a corporate profile.

Company Headquarters

82. On March 7, 2000, the domestic division of the Public Company issued a press release announcing the execution of a 10-year lease for over 9,000 square feet of space in the Oklahoma Tower in downtown Oklahoma City to serve as its headquarters.

83. On April 20, 2000, the Public Company issued a press release announcing that the company had finalized arrangements for occupancy of the national and international headquarters in Dallas, Texas. These arrangements were not completed.

The Accumulation of Stock

84. Between September 11, 1999, and May 2, 2000, Knight was issued a minimum of 605,000 shares of the common stock of the Public Company.

85. Between September 11, 1999, and May 2, 2000, the Private Company was issued a minimum of 55,200,000 shares of the common stock of the Public Company.

86. Between September 11, 1999, and May 2, 2000, Black Giant Resources was issued a minimum of 1,900,000 shares.

87. Between September 11, 1999, and May 2, 2000, Kimberly Knight was issued a minimum of 15,000 shares of the common stock of the Public Company.

88. Between September 11, 1999, and May 2, 2000, Englands Tea & Coffee Exchange Ltd. was issued a minimum of 2,503,386 shares of the common stock of the Public Company.

The Stock Price

89. On November 1, 1999, the closing price for the common stock of the Public Company was \$.14 per share.

90. On February 1, 2000, the day of the Getmore press release, the interday high price for the common stock of the Public Company was \$2.125 per share.

91. On February 2, 2000, following the Getmore press release, the interday high price for the common stock of the Public Company was \$2.31 per share. On February 4, 2000, the interday high price was 3.15 per share.

92. On February 16, 2000, the common stock of the Public Company reached its all-time high price of \$12.984.

93. On February 22, 2000, the day the Public Company filed a Form 10Q with the SEC, the interday high price for the common stock of the Public Company was \$11 per share.

94. On February 24, 2000, the day of an iTELL press release, the interday high price for the common stock of the Public Company was \$8.75. On February 25, 2000, the interday high price was \$7.87.

95. On February 28, 2000, the day of the Support 24 press release, the interday high price for the common stock of the Public Company was \$7.93 per share. On February 29, 2000, the interday high price was \$8.18 per share.

96. On March 3, 2000, the day of the second Support 24 press release, the interday high price for the common stock of the Public Company was \$8.5 per share.

97. On March 7, 2000, the day of another iTELL press release, the interday high price for the common stock of the Public Company was \$7.8 per share. On March 8, 2000, the interday high price was \$8.125.

98. On March 16, 2000, the day of another iTELL press release, the interday high price for the common stock of the Public Company was \$7.06 per share.

99. On March 31, 2000, the day of a Tryco press release, the interday high price for the common stock of the Public Company was \$4.625 per share, up from the interday low price of \$3.68 on March 30, 2000. On April 3, 2000, the interday high price was \$2.28.

100. Following the filing of the Form 8-K with SEC, the interday high price for the common stock of the Public Company was \$5.875 on April 7, 2000. On April 10, 2000, the interday high price for the common stock of the Public Company was \$7.03 per share.

101. On August 10, 2000, the closing price for the common stock of the Public Company was \$0.22 per share.

The Restricted Stock Transactions

102. Beginning in or about December of 1999, Knight began selling shares of restricted stock of the Public Company in individual transactions, all at varying prices per share.

103. In letters confirming the sales of the Public Company stock, Knight or his agents:

- (a) advised the purchaser that he was obligated to hold the securities until a specified future date (the "Future Date") and represented that the securities would be free trading on that date;
- (b) represented that the securities were freely tradable but had to be retained until 90 days after Webb's resignation as an officer of the Public Company;
- (c) guaranteed a profit to the investors by offering to repurchase the shares at a stated price per share 90 calendar days from the date of the transactions;
- (d) guaranteed the price of the stock to be a certain amount on the Future Date; and/or
- (e) represented that the stock purchase was secured by additional shares of the Public Company stock.

104. The confirmation letters were disseminated on the letterhead of the Public Company, the Private Company, Black Giant Resources, and Broadband Wireless Communications Corporation.

105. Certain of the investors in the restricted stock transactions never appear as stockholders of the Public Company on the records of the company's transfer agent.

106. Certain of the investors have been unable to obtain a stock certificate evidencing their ownership of the Public Company stock.

107. Certain of the investors who were led to believe they held freely tradable stock but had to retain the stock until 90 days after Webb's resignation have been unable to sell their stock because the stock is actually restricted for a longer period of time.

108. Certain of those investors who were to hold their stock until May 1, 2000, or June 1, 2000, have been unable to obtain a release of the restrictive legend to obtain freely tradable stock.

109. In order to obtain the release of their stock certificate or to obtain freely tradable Public Company stock, certain of the investors have been encouraged by Knight, and/or his agents, to execute a subscription agreement to purchase stock of the Private Company that is convertible to "restricted or free trading shares of Black Giant Oil Company or its successor on a one share for one share basis."

110. Certain of the investors believed they were purchasing stock directly from the Public Company.

FIRST CAUSE OF ACTION

(Violation of Section 301 of the Act: Failure to Register Securities)

111. Plaintiff realleges and incorporates by reference each and every allegation contained in paragraphs 1 through 110 above.

112. The shares of common stock of the Public Company are securities as defined by Section 2 of the Act.

113. The securities of the Public Company offered and sold by Defendants Broadband Wireless International Corporation, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, Black Giant Resources and/or Knight are not and have not been registered under the Act as required by Section 301 of the Act nor offered or sold pursuant to an exemption from registration pursuant to Section 401 of the Act. By reason of the foregoing, Defendants Broadband Wireless International Corporation, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, Black Giant

Resources and/or Knight have violated, and unless enjoined, there is a substantial likelihood that they will continue to violate, Section 301 of the Act.

SECOND CAUSE OF ACTION

(Violation of Section 201 of the Act: Failure to Register as Broker-Dealer and Agents and Employing Unregistered Agents)

114. Plaintiff realleges and incorporates by reference each and every allegation contained in the preceding cause of action.

115. Defendant Black Giant Resources, Broadcom Wireless Communications Corporation and/or Broadband Wireless Communications Corporation are engaged in the business of effecting transactions in the shares of common stock of the Public Company for the account of others and /or for their own accounts and as such are broker-dealers as defined in Section 2 of the Act. Defendant Knight, by virtue of his efforts and activities in effecting and attempting to effect sales of the shares of common stock of the Public Company, is an agent of a broker-dealer as defined in Section 2 of the Act. Defendant Black Giant Resources, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, and Knight are not registered under the Act as broker-dealers or as agents as required by Section 201 of the Act. By reason of the foregoing, Defendant Black Giant Resources, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, and Knight have violated, and unless enjoined, there is a substantial likelihood that they will continue to violate, Section 201 of the Act.

THIRD CAUSE OF ACTION

(Violation of Section 101(1) of the Act: Scheme to Defraud in Connection with Offer and Sale of Securities)

116. Plaintiff realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

117. The Defendants, in connection with the offer, sale or purchase of securities, directly and indirectly, employed a device, scheme or artifice to defraud investors.

118. As part of and in furtherance of their scheme to defraud investors, the Defendants created substantial investor interest in the Public Company through a series of public announcements regarding pending acquisitions that did not materialize and financial commitments that were not honored. As described in paragraphs 20 through 88 above, the Defendants used false and misleading statements and omissions of material fact to further their scheme.

119. Defendant Black Giant Resources, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, and Knight accumulated a substantial number of restricted shares of common stock of the Public Company beginning in September of 1999, at little or no cost to these Defendants. Through the use of false statements regarding guaranteed profits and the free trading nature of the stock as described in paragraphs 102 through 110 above, these Defendants sold restricted shares of common stock of the Public Company, shares these Defendants could not have otherwise sold in the public market, and realized significant financial gains.

120. By reason of the foregoing, the Defendants, directly and indirectly, violated, and unless enjoined, there is a substantial likelihood that they will continue to violate, Section 101(1) of the Act.

FOURTH CAUSE OF ACTION

(Violation of Section 101(2) of the Act: Untrue Statements of Material Fact and Omissions of Material Fact in Connection with Offer, Sale or Purchase of Securities)

121. Plaintiff realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

122. The Defendants, in connection with the offer, sale or purchase of securities, directly and indirectly, made untrue statements of material facts as previously described in paragraphs 20 through 88.

123. In addition to the untrue statements of materials facts previously described in paragraphs 20 through 88, Defendant Black Giant Resources, Broadcom Wireless Communications Corporation, Broadband Wireless Communications Corporation, and Knight made untrue statements of material facts as described in paragraphs 102 through 110 above including, but not limited to, the following:

- (a) that the stock sold in the restricted transactions was freely tradable; and
- (b) that the Defendants would repurchase the stock at a stated price, thereby, guaranteeing a profit to the investors.

124. The Defendants, in connection with the offer, sale or purchase of securities, directly and indirectly, omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. In addition to those previously described in paragraphs 20 through 88, the omissions include, but are not limited to, the following:

- a. that Knight was a control person of the Public Company;

- b. that Knight pled guilty in United States District Court for the District of Utah, Central Division, to two (2) counts of mail fraud in 1990 and was placed on probation for five (5) years, ordered to make restitution to all victims, ordered to furnish financial statements upon request of the Probation Department, and ordered to not engage in the business of raising money for any purpose or in any money brokering;
- c. that Knight violated the terms of his probation by submitting false financial statements to a bank and bribing a bank officer, failing to make restitution, and failing to furnish financial information to the Probation Department;
- d. that Knight's probation was revoked and Knight was sentenced to serve two (2) consecutive five (5) year terms in prison;
- e. that at all times material hereto, Knight was on probation and that his probation was conditioned on his not being engaged in the business of raising money for any purpose or money brokering;
- f. that the common stock of the Public Company was offered and sold in violation of Section 301 of the Act;
- g. that certain of the Defendants were acting as unregistered broker-dealers or agents in violation of Section 201 of the Act;
- h. that the investors in the "restricted transactions" were not purchasing directly from the Public Company; and/or
- i. that the proceeds from the "restricted transactions" were not going to capitalize the Public Company.

125. By reason of the foregoing, Defendants, directly and indirectly, violated, and unless enjoined, there is substantial likelihood that they will continue to violate, Section 101(2) of the Act.

FIFTH CAUSE OF ACTION

**(Violation of Section 101(3) of the Act:
Engaging in any Act, Practice, or Course of Business which Operates
or would Operate as a Fraud or Deceit upon any Person)**

126. The Department realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

127. Defendants, in connection with the offer, sale or purchase of securities, engaged in an act, practice, or course of business that operated as a fraud or deceit upon purchasers of the shares of common stock of the Public Company as described in paragraphs 20 through 110 above.

128. By reason of the foregoing, Defendants, directly and indirectly, violated, and unless enjoined, there is a substantial likelihood that they will continue to violate, Section 101(3) of the Act.

SIXTH CAUSE OF ACTION

(Relief Defendants)

129. Plaintiff realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

130. Relief Defendants, DLK Family Trust, Englands Tea & Coffee Exchange Ltd., and Kimberly Knight received funds from the Defendants that were fraudulently obtained by the Defendants.

PRAYER FOR RELIEF

Defendants have engaged in acts and practices in violation of the Act and have, as a result of these activities, received a substantial amount of money from numerous investors. Unless enjoined, there is a substantial likelihood that the Defendants will engage in the acts and practices set forth herein and acts and practices of similar purport and object. A danger exists that the money received by certain of the Defendants from the investors or money or securities held by certain of the Defendants on behalf of the investors will be lost, removed or transferred. A temporary restraining order to issue instant and temporary and permanent injunctions and other equitable relief to issue against Defendants are necessary to preserve these funds, securities and the records relating thereto and to prevent further violations of the Act.

WHEREFORE, based upon the foregoing, and pursuant to the authority specifically granted by Section 406.1 of the Act, the Department prays that this Court:

1. Enter a temporary restraining order instant, a temporary injunction during the pendency of this action, and permanently thereafter, an order restraining and enjoining the 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, directly or indirectly, and each of them from:

a. violating Section 301 of the Act by offering and/or selling securities in and/or from this state unless and until the securities are registered by the Defendants under the Act;

b. violating Section 201 of the Act by transacting business in this state as broker-dealers, agents, investment advisers and/or investment adviser representatives unless appropriately registered under the Act;

c. violating Section 101 of the Act by employing any device, scheme, or artifice to defraud,

c. violating Section 101 of the Act by making untrue statements of material fact in connection with the offer, sale, and/or purchase of securities from and/or in this state;

d. violating Section 101 of the Act by omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, in connection with the offer, sale, and/or purchase of securities from and/or in this state;

e. violating Section 101 of the Act by engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

f. dissipating, concealing or disposing of any assets, real property or other property of Defendants;

g. dissipating, concealing or disposing of any funds of Defendants that are in the custody, possession or control of any of the Defendants; and

h. tampering with, altering, concealing, removing, destroying or otherwise disposing of any and all books, records, documents, files, correspondence, computer disks or computer generated data of any type, however created or stored, pertaining to Defendants or any financial or securities transaction by Defendants.

2. Order 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, directly or indirectly, and each of them to rescind any and all transactions involving the sale of securities of Black Giant Oil

Company or Broadband Wireless International Corporation and to make restitution to any and all investors who purchased these securities from Defendants or who transferred money to Defendants for the purchase of these securities on their behalf.

3. Order 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, directly or indirectly, and each of them to disgorge any and all profits, including prejudgment interest, gained through their illegal activities in connection with offers and sales of securities in and/or from the State of Oklahoma.

4. Order Defendants to produce the identity of any and all bank accounts to which any deposit(s) were made of funds obtained in connection with offers and sales of the securities described in this Petition.

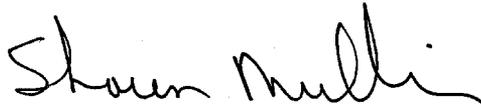
6. Order Defendants to produce all books and records, both corporate and individual, as are necessary to obtain an accounting of the amount, source and disposition of funds received in connection with the sales of the securities described in this Petition.

7. Such other and further relief as this Court may deem just, equitable and necessary in connection with the enforcement of the Act.

Respectfully Submitted,

OKLAHOMA DEPARTMENT OF SECURITIES
IRVING L. FAUGHT, ADMINISTRATOR

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