

IN THE DISTRICT COURT OF LOGAN COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA
LOGAN COUNTY SS:
FILED FOR RECORD ON

2004 NOV 15 PM 2:28

REJEANIA ZMEK
COURT CLERK

BY _____ DEPUTY

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

Plaintiff,)

v.)

Case No. CJ 2004-256

Marsha Schubert, an individual and)
dba Schubert and Associates;)
Richard L. Schubert, an individual and)
dba Schubert and Associates; and)
Schubert and Associates,)
an unincorporated association,)

Defendants.)

ORDER OF PERMANENT INJUNCTION

This matter came on for hearing this 15th day of November, 2004, before the undersigned Judge of the District Court in and for Logan County, State of Oklahoma, upon the verified Petition for Permanent Injunction and Other Equitable Relief of the Plaintiff (Petition), pursuant to Section 1-603 of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), for violations of the Act and the Oklahoma Securities Act (Predecessor Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 & Supp. 2003).

The Department appears through its attorneys, Gerri Stuckey and Amanda Cornmesser. Defendants appear through their attorney, Mack Martin. The Receiver, Douglas L. Jackson, appears *pro se*.

After a review of the pleadings and evidence, this Court finds:

1. At all times material hereto, Defendants Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates (collectively, "Defendants") engaged in the issuance, offer and/or sale of securities in and/or from Oklahoma to investors (Investors), in the nature of interests in an investment program (Investment Program Interests) in which Defendants represented they would invest Investor funds returning large profits to Investors.

2. The Investment Program Interests are securities as defined by Section 1-102 of the Act and Section 2 of the Predecessor Act.

3. The securities offered and sold by Defendants are not, and have not been, registered under the Act or the Predecessor Act. The securities have not been offered or sold pursuant to an exemption from registration pursuant to Section 1-201 of the Act or Section 401 of the Predecessor Act.

4. Defendant Marsha Schubert, by virtue of her efforts and activities in this state in effecting or attempting to effect transactions in securities, is an issuer agent of Schubert and Associates, as defined in Section 1-102 of the Act and Section 2 of the Predecessor Act. Defendant Marsha Schubert is not registered under the Act as an issuer agent. Defendant Schubert and Associates, an issuer as defined in Section 1-102 of the Act and Section 2 of the Predecessor Act, employed an agent who was not registered under the Act or the Predecessor Act to effect or attempt to effect purchases or sales of securities.

5. In its Petition, Plaintiff alleged that Defendants, in connection with the offer, sale, or purchase of securities, directly and indirectly, made untrue statements of material facts and 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 violation of subsection (2) of Section 1-501 of the Act and subsection (2) of Section 101 of the Predecessor Act.

6. In its Petition, Plaintiff alleged that Defendants, in connection with the offer, sale, or purchase of securities, and through the use of untrue statements of material facts and omissions of material facts, engaged in an act, practice, or course of business that has operated as a fraud or deceit upon Investors, in violation of subsection (3) of Section 1-501 of the Act and subsection (3) of Section 101 of the Predecessor Act.

7. Defendants have executed the Stipulation and Consent to Order of Permanent Injunction (Stipulation and Consent) attached hereto as Exhibit "A" and made a part hereof. The Plaintiff has no objection to the terms of the Stipulation and Consent and agrees to the entry of this Order.

8. There is a likelihood of future violations of the Act by Defendants if they are not enjoined.

Therefore, based on the pleadings, evidence, and the execution of the Stipulation and Consent, the Court finds that Plaintiff is entitled to the relief prayed for and that the Order of Permanent Injunction against Defendants be issued by agreement of the parties, and, therefore:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that a permanent injunction be and is hereby entered, forever enjoining and restraining Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates from:

1. offering or selling any security in and/or from this state other than purchasing or selling securities on her own behalf and for her own account; and
2. transacting business in this state as broker-dealers or agents.

IT IS FURTHER ORDERED that Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates pay restitution to Investors in a sum to be determined by this Court at the conclusion of the pending receivership in this matter.

IT IS FURTHER ORDERED that pending determination of the amount of restitution to be paid, the assets of Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates continue to be frozen, as specified in the Temporary Restraining Order, Order Appointing Receiver, Order Freezing Assets and Order for Accounting issued by this Court on October 14, 2004 (Temporary Restraining Order).

IT IS FURTHER ORDERED that pending determination of the amount of restitution to be paid by Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates, the Receiver shall continue to exercise that authority granted by the Temporary Restraining Order.

IT IS FURTHER ORDERED that this Court will retain jurisdiction of this matter for the purpose of the administration of the receivership and the enforcement of this Order of Permanent Injunction and the Stipulation and Consent.

IT IS SO ORDERED.

Dated this 15th day of November, 2004.

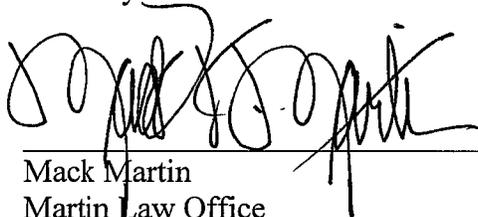
DONALD L. WORTHINGTON

DISTRICT COURT JUDGE

Approved as to form:



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Receiver
Counsel for Receiver

**IN THE DISTRICT COURT OF LOGAN COUNTY
STATE OF OKLAHOMA**

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
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Plaintiff,)
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Marsha Schubert, an individual and)
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Richard L. Schubert, an individual and)
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Schubert and Associates,)
an unincorporated association,)
)
Defendants.)

Case No. CJ 2004-256

STIPULATION AND CONSENT TO ORDER OF PERMANENT INJUNCTION

Defendants Marsha Schubert, individually and doing business as Schubert and Associates, and Schubert and Associates (collectively, "Defendants"), without admitting or denying any violation of the Oklahoma Uniform Securities Act of 2004 (Act), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003), or the Oklahoma Securities Act (Predecessor Act), Okla. Stat. tit. 71, §§ 1-413, 501, 701-703 (1991 & Supp. 2003), stipulate to the following facts and consent to the follow undertakings:

Stipulations:

Defendants hereby stipulate as follows:

1. The Oklahoma Department of Securities (Plaintiff) is the proper party to bring this action seeking the relief requested in the Petition for Permanent Injunction and Other Equitable Relief (Petition) filed in this matter.

EXHIBIT "A"

2. Defendants are subject to the jurisdiction of this Court by proper service of the Petition and their appearance in this matter.

3. Defendants engaged in the issuance, offer, and/or sale of securities in and/or from Oklahoma to investors (Investors), in the nature of interests in an investment program (Investment Program Interests) in which Defendants represented they would invest Investor funds returning large profits to Investors. The Investment Program Interests are securities as defined by Section 1-102 of the Act and Section 2 of the Predecessor Act.

4. Defendants admit to the application of the Act and the Predecessor Act to the offer and sale of securities in and/or from Oklahoma referenced in paragraph 3 above.

Undertakings:

Defendants hereby undertake as follows:

1. Defendants consent to the entry of an order of permanent injunction in the form attached as Exhibit "A" hereto and made a part of this Stipulation and Consent.

2. Defendant Marsha Schubert consents to the entry of an administrative order barring her from association with broker-dealers and investment advisers in any capacity in the form attached as Exhibit "B" hereto and made a part of this Stipulation and Consent.

3. Defendants state that this Stipulation and Consent is entered into voluntarily and that no threat or promise of immunity of any kind has been made by Plaintiff, the Oklahoma Securities Commission, the Administrator of the Oklahoma Department of Securities, or any employee of the Oklahoma Department of Securities, to coerce agreement with this Stipulation and Consent.

4. Defendants waive any right to appeal from the order of permanent injunction.

5. Defendants agree that this Stipulation and Consent and all provisions hereof shall be incorporated by reference into the order of permanent injunction.

6. Defendants agree to pay restitution to Investors in a sum to be determined by this Court at the conclusion of the pending receivership in this matter.

7. Defendants agree that pending determination of the amount of restitution to be paid by Defendants, the assets of Defendants will continue to be frozen, as specified in the Temporary Restraining Order, Order Appointing Receiver, Order Freezing Assets and Order for Accounting issued by this Court on October 14, 2004 (Temporary Restraining Order).

8. Defendants agree that pending determination of the amount of restitution to be paid by Defendants, the Receiver shall continue to exercise that authority granted by the Temporary Restraining Order.

9. Defendants understand that Plaintiff will take action as authorized by law for any Defendant's failure to comply with the terms of this Stipulation and Consent in any material respect or for any future violation of the Act.

10. Defendants agree to the presentation to the Court of this Stipulation and Consent, executed by each Defendant, and to the entry of the order of permanent injunction, in the form attached as Exhibit "A", without further notice.

11. Defendant Marsha Schubert agrees to the presentation to the Administrator of the Oklahoma Department of Securities of this Stipulation and Consent and to the entry of the administrative order barring her from association with broker-dealers and investment advisers in the form attached as Exhibit "B", without further notice.

12. Defendants consent to the Court's retention of jurisdiction of this matter for all purposes including, but not limited to, administration of the receivership and enforcement of this Stipulation and Consent.

IN WITNESS WHEREOF, the Defendants have executed this Stipulation and Consent as of the date and year set forth below their signatures hereto.

Marsha Schubert, Individually and
dba Schubert and Associates:

Date: Marsha Schubert 11-4-04

Address: PO Box 314
Crescent, Okla 73028

Schubert and Associates:

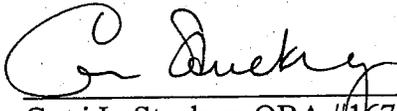
By: Marsha Schubert

Title: Sole operator

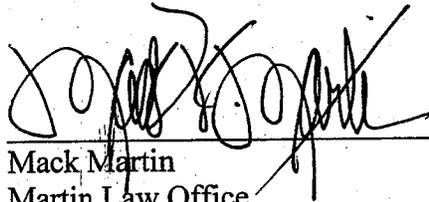
Date: 11-4-04

Address: PO Box 314
Crescent, Ok 73028

Approved as to form and substance:



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Receiver