

IN THE DISTRICT COURT OF POTTAWATOMIE COUNTY
STATE OF OKLAHOMA

FILED
IN DISTRICT COURT

DEC 22 2003

POTTAWATOMIE COUNTY, OK.
CECIL DUNLAP, COURT CLERK

BY *Patricia A. Labarthe* DEPUTY

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)
)
v.)
)
The Hickman Agency, Inc., an Oklahoma)
corporation; Merl William Hickman, Sr.,)
an individual; Sarah L. Hickman,)
an individual; and Merl William)
Hickman, Jr., an individual,)
)
Defendants.)

Case No. C-03-1239

TEMPORARY INJUNCTION

This matter came on for hearing this ____ day of December, 2003, before the undersigned Judge of the District Court in and for Pottawatomie County, State of Oklahoma, upon application of Plaintiff for temporary injunction and to allow any defendant to seek dissolution of the Temporary Restraining Order, Order Appointing Receiver, Order Freezing Assets and Order for Accounting ("Order") entered in this matter on December 17, 2003.

The Oklahoma Department of Securities appears through its attorney Patricia A. Labarthe. Defendants The Hickman Agency, Inc., Merl William Hickman, Sr., Sarah L. Hickman and Merl William Hickman, Jr. (collectively, "Defendants"), appear through their attorney Bradley C. West. The Receiver, Stephen J. Moriarty appears *pro se*. By agreeing to the entry of this order, Defendants waive no defenses to this case or the allegations made herein.

The Court, having reviewed all pleadings and submissions of the parties finds that the Temporary Injunction be issued by agreement of the parties, and, therefore:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants, their agents, servants, employees, assigns, and those persons acting on their behalf, under their direction and control and/or in active concert or participation with them who receive actual notice of this order, by personal service, facsimile or otherwise, be and hereby are, until further notice of this Court, temporarily enjoined from:

1. offering or selling any security in this state;
2. transacting business in this state as agents;
3. directly or indirectly, making untrue statements of material facts in connection with the offer, sale, and/or purchase of securities from or in this state;
4. 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, sale, and/or purchase of securities from or in this state; and
5. directly or indirectly, engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the offer, sale, and/or purchase of securities from or in this state.

IT IS FURTHER ORDERED that Defendants, their agents, servants, employees, assigns and all those persons, directly or indirectly, acting on their behalf, under their direction and control, and/or in active concert or participation with them who receive actual notice of the order, by personal service, facsimile or otherwise, and each of them from tampering with, mutilating, altering, erasing, concealing, removing, destroying or otherwise disposing of any and

all books, records, documents, files, correspondence, computer disks, tapes or other data recordings of any type, pertaining to or referring to Defendants or any financial transactions by Defendants or to which Defendants were parties.

IT IS FURTHER ORDERED that the assets of Defendants be, and hereby are, frozen ("Assets"). The freeze shall include, but not be limited to, those funds located in any bank, depository institution or securities brokerage account. It shall also apply to accounts in the name of any individuals or entities controlled by Defendants or over which Defendants have signatory or other designated authority, if the funds are derived to any extent from the activities alleged in Plaintiff's Petition. All banks or other financial institutions served with a copy of this Order shall cooperate with the Department relating to implementation of this Order, including imposing a freeze on all Assets, including accounts and funds, and producing records relating thereto. Facsimile transmission shall constitute service on the banks or other depository and financial institutions or securities brokerage firms.

IT IS FURTHER ORDERED that Stephen J. Moriarty ("Receiver") continue to serve as Receiver for Defendants. The Receiver is authorized to accomplish the following with regard to Defendants:

1. to assume full control of The Hickman Agency, Inc. by removing, as the Receiver deems necessary or advisable, any director, officer, independent contractor, employee, or agent of The Hickman Agency, Inc., including any Defendant, from control of, management of, or participation in the affairs of, or from the premises of The Hickman Agency, Inc.;
2. to take immediate and exclusive custody, control and possession of all assets and the documents of, or in the possession or custody, or under the control of Defendants, of

whatever kind and description, and wherever situated. The Receiver shall have full power to divert mail and to sue for, collect, receive, take possession of, hold, and manage all assets and documents of the Defendants;

3. to conserve, hold and manage all assets of Defendants and the business of The Hickman Agency, Inc. pending further action by this Court in order to prevent any irreparable loss, damage or injury to investors; to conserve and prevent the withdrawal or misapplication of funds entrusted to Defendants, their agents, employees, officers, directors, principals, distributors, sales representatives and/or attorneys; to take the necessary steps to protect the interests of Investors, including the liquidation or sale of assets of Defendants; and to prevent violations of the Act by Defendants;

4. to make such payments and disbursements as may be necessary and advisable for the preservation of the assets of Defendants and as may be necessary and advisable in discharging his duties as Receiver;

5. to retain and employ attorneys, accountants, computer consultants and other persons as the Receiver deems advisable or necessary in the management, conduct, control or custody of the affairs of Defendants and of the assets thereof and otherwise generally to assist in the affairs of Defendants. Receiver may immediately retain or employ such persons, and compensate such persons, all subject to filing as soon as practicable with this Court, an application seeking approval of the employment;

6. to institute, prosecute and defend, compromise, adjust, intervene in or become party to such actions or proceedings in any state court, federal court or United States bankruptcy court as may in Receiver's opinion be necessary or proper for the protection, maintenance and preservation of the assets of Defendants, or the carrying out of the terms

of this Order, and likewise to defend, compromise, adjust or otherwise dispose of any or all actions or proceedings now pending in any court by or against Defendants where such prosecution, defense or other disposition of such actions or proceedings that will, in the judgment of the Receiver, be advisable or proper for the protection of the assets of Defendants; and

7. to take all steps necessary to secure the business premises of The Hickman Agency, Inc. and to exercise those powers necessary to implement his conclusions with regard to disposition of this receivership pursuant to the orders and directives of this Court.

IT IS FURTHER ORDERED that all persons and entities, including Defendants, their subsidiaries, affiliates, officers, directors, agents, servants, employees, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, and further including any banks or financial institutions, wherever chartered or located, life insurance companies, federal and state agencies, viators, viatical settlement providers, and viatical settlement brokers who receive actual notice of this order, by personal service, facsimile transmission or otherwise, shall promptly deliver and surrender to the Receiver:

1. all assets of the Defendants;
2. all documents of the Defendants including, but not limited to books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone

records, ledgers, payroll records, to include such information stored in computer maintained form;

3. all assets belonging to members of the public now held by Defendants;
and
4. all keys and codes necessary to gain or to secure access to any assets or documents of the Defendants including, but not limited to, access to their business premises, means of communication, accounts, computer systems, or other assets or property, wherever located.

IT IS FURTHER ORDERED that 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 refrain from interfering with said Receiver taking such custody, control or possession and from interfering in any manner, directly or indirectly, with such custody, possession and control of said Receiver.

IT IS FURTHER ORDERED that Defendants and Receiver allow representatives of the Oklahoma Department of Securities access to any and all documents relating to the sales of interests in the Investment Program and the business of 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, including, but not limited to, books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone records, ledgers, payroll records, to include such information stored in computer maintained form.

IT IS FURTHER ORDERED that Defendants file with this Court and serve on the Plaintiff an accounting, under oath, detailing all of their assets and detailing all funds received from Investors and the disposition and/or use of those funds received pursuant to the scheme described in the Plaintiff's Petition. This accounting shall include, but not be limited to, the total amount received from Investors, the name and address of each Investor, the amount invested, the date each such investment was made and a listing of all expenditures showing the amount and to whom paid and the date of payment. This accounting shall be submitted to this Court and served upon Plaintiff by December 31, 2003.

IT IS FURTHER ORDERED that the Receiver may apply to the Court for compensation, from time to time, in a reasonable sum to be determined by the Court and from such sources as approved by the Court and for reimbursement for reasonable expenses incurred in connection with his duties as Receiver. The fees and expenses of the Receiver shall have priority over any other claims made against Defendants. The Receiver shall not be required to give any bond. The Oklahoma Department of Securities shall have the authority to seek removal of the Receiver for cause and upon approval of this Court.

IT IS FURTHER ORDERED that except by leave of Court during the pendency of this Receivership, all creditors and other persons seeking money, damages or other relief from Defendants, and all others acting on behalf of any such creditor or other persons, including sheriffs, marshals, and other officers and their deputies, and their respective attorneys, servants, agents, and employees, are hereby stayed and restrained from doing any act or thing whatsoever to interfere with the orderly transfer of the Receivership assets to the Receiver or with the possession of or management by the Receiver of the Receivership Assets, or to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over

records, ledgers, payroll records, to include such information stored in computer maintained form;

3. all assets belonging to members of the public now held by Defendants;
and
4. all keys and codes necessary to gain or to secure access to any assets or documents of the Defendants including, but not limited to, access to their business premises, means of communication, accounts, computer systems, or other assets or property, wherever located.

IT IS FURTHER ORDERED that 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 refrain from interfering with said Receiver taking such custody, control or possession and from interfering in any manner, directly or indirectly, with such custody, possession and control of said Receiver.

IT IS FURTHER ORDERED that Defendants and Receiver allow representatives of the Oklahoma Department of Securities access to any and all documents relating to the sales of interests in the Investment Program and the business of 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, including, but not limited to, books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone records, ledgers, payroll records, to include such information stored in computer maintained form.

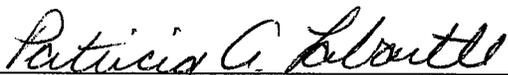
Defendants. This Receivership Order shall not stay or restrain any pending or future action whatsoever by any government agency or any representative on behalf of any government.

IT IS FURTHER ORDERED that the Defendants shall provide notice of this order to each of their affiliates, successors, directors, officers, and each of their employees, salespersons, representatives and independent contractors.

THIS ORDER IS ENTERED this ____ day of December, 2003, at ____:____, __.m.

DISTRICT COURT JUDGE

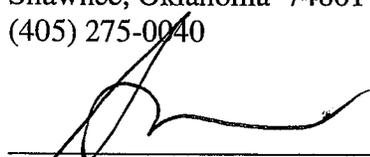
Approved as to form and substance:



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