

ALAN G. LANCE  
ATTORNEY GENERAL  
STATE OF IDAHO

MARY E. HUGHES  
Deputy Attorney General  
State of Idaho  
Department of Finance  
P.O. Box 83720  
Boise, Idaho 83720-0031  
Telephone: (208) 332-8092  
Facsimile: (208) 332-8098

COPY  
NO. \_\_\_\_\_  
FILED  
A.M. \_\_\_\_\_ P.M. \_\_\_\_\_

JUN 20 1997

J. DAVID NAVARRO, Clerk  
By PATTI WELSH  
DEPUTY

**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,  
  
vs.  
  
GENE R. BELL, HIGHLAND BELL CORPORATION, a Florida corporation,  
B.R. CABLE CORPORATION, CASTLE KEY COMMUNICATIONS, INC.,  
a Nevada corporation,  
  
Defendants.

Civil No. CV OC 9600473D

**DEFAULT JUDGMENT**

In this action, the Defendant B.R. Cable Corporation 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 August 6, 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, and based upon the affidavits submitted in support of the application for default judgment,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Defendant has violated the Idaho Securities Act and Rules thereunder 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 the securities have been registered with the 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 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, within thirty (30) days of the entry of this Judgment, restore to the following persons in interest the specified consideration which was acquired in violation of the Idaho Securities Act:

Douglas W. Gushwa	\$ 15,000
Kitchener E. and Sonja O. Head	59,200
Kent Merrill	7,500
Ernest Y. Quayle	7,500
Evelyn Louise Reno	7,500
Gary Skidmore	14,800
	<hr/>
	\$ 111,500

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 entry 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 Verified Complaint as to Defendant B.R. Cable Corporation.

DATED this 18<sup>th</sup> day of June, 1997.

C DUFF McKEE

---

D. DUFF McKEE  
District Judge