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BENEWAH COUNTY

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BY: \_\_\_\_\_, DEPUTY

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**IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR BENEWAH COUNTY**

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, SECURITIES BUREAU,

Plaintiff,

vs.

STEPHEN L. HOWELL, SECURITY  
FINANCIAL SERVICES, INC.,  
SECURITY FINANCIAL FUND, LLC,  
and SECURITY INVESTORS FUND,  
LLC.,

Defendants.

Case No. CV 2012-403

**STIPULATION AND CONSENT TO ENTRY  
OF JUDGMENT**

Plaintiff, the State of Idaho, Department of Finance (“Department”), and Defendant, Stephen L. Howell, individually and dba Security Financial Services, Inc., Security Financial Fund, LLC, and Security Investors Fund, LLC., (“Howell”), have agreed to entry of judgment against said Defendant, pursuant to the following stipulation. The Department and Howell request that this Court enter judgment in the form and substance set forth in the Stipulated Judgment and Permanent Injunction Regarding Defendant Stephen L. Howell (“Judgment”) filed

concurrently herewith. In the event the Judgment is not entered pursuant to this Stipulation, this Stipulation shall be of no effect whatever, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding. By signing and entering into this Stipulation, Howell waives his rights to a hearing and/or trial on the alleged violations in the Complaint.

### STIPULATION

The Department and Defendant Stephen L. Howell, individually and dba Security Financial Services, Security Financial Fund and Security Investors Fund, hereby stipulate and agree as follows:

1. Pursuant to Idaho Code § 30-14-603, the Department alleges that:
  - a. Howell made material misrepresentations to Idaho investors and omitted to state material facts to Idaho investors, in violation of the anti-fraud provisions of Idaho Code § 30-14-501(2);
  - b. Howell engaged in conduct in connection with the offer, sale and purchase of securities that operated as a fraud or deceit upon investors or prospective investors, in violation of Idaho Code § 30-14-501(3) as to each victim.
2. Howell neither admits nor denies the Department's allegations herein.
3. That Howell consents to the Court's entry of the Judgment filed concurrently herewith, permanently barring Howell from any future violations of Idaho's Uniform Securities Act and from issuing, selling or offering for sale securities in any form in the state of Idaho.
4. That the Department take judgment against Howell in the amount five thousand dollars (\$5,000) constituting penalties for the violations listed in Counts One and Two of the Complaint.

5. The Department shall not be required to provide Howell notice of, nor shall Howell object to, any request for a renewal of the Judgment, filed concurrently herewith, under Idaho Code § 10-1111.

6. Howell waives any applicable statutes of limitation in this action.

7. Howell agrees to bear his own attorney fees and costs in this action.

8. The Department agrees to the following:

a. That Counts One and Two of the Complaint and the actions giving rise to Counts One and Two are merged into this Stipulation and the associated Judgment, and the terms of this Stipulation and the associated Judgment shall be the Department's sole remedy for the violations giving rise to the Complaint.

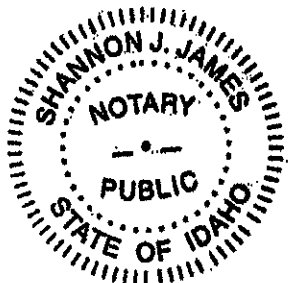
b. That upon receipt of five thousand dollars (\$5,000), the Department will file a satisfaction of judgment fully satisfying the money judgment amount.

c. The Department agrees to forgo any claim for costs, attorney fees, and reimbursement for investigative efforts in this action pursuant to Idaho Code § 30-14-603(b)(2)(C).

DATED this 17<sup>th</sup> day of October, 2014.

Stephen L. Howell  
Stephen L. Howell  
Defendant

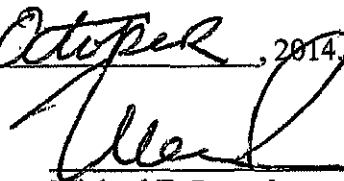
SUBSCRIBED AND SWORN to before me this 17<sup>th</sup> day of October, 2014.



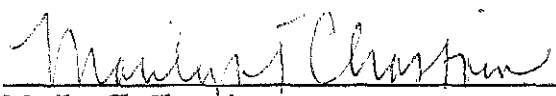
Shannon J. James  
Notary Public  
Residing at: Post Falls  
My Comm. Exp.: 7-7-19

APPROVED AS TO FORM AND CONTENT.

DATED this 17 day of October, 2014.

  
\_\_\_\_\_  
Michael E. Ramsden  
RAMSDEN & LYONS, LLP

DATED this 17 day of October, 2014.

  
\_\_\_\_\_  
Marilyn T. Chastain  
Securities Bureau Chief  
State of Idaho, Department of Finance

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 17<sup>th</sup> day of October, 2014, I served a true and correct copy of the foregoing STIPULATION AND CONSENT TO ENTRY OF JUDGMENT upon the following by the designated means:

Michael E. Ramsden  
RAMSDEN & LYONS  
PO Box 1336  
Coeur d'Alene, Idaho

- U.S. Mail, postage prepaid
- Certified mail
- Facsimile:
- Email: [mramsd@ramsdonlyons.com](mailto:mramsd@ramsdonlyons.com)

Paralegal 