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IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
 OF THE STATE OF IDAHO, IN AND FOR ADA COUNTY

STATE OF IDAHO, DEPARTMENT OF FINANCE, SECURITIES BUREAU, )

Plaintiff, )

vs. )

LEADER CAPITAL CORPORATION, and )  
 JOHN E. LEKAS, )

Defendants. )

Civil No. CV OC 0402797D

STIPULATION

The Plaintiff, the State of Idaho, Department of Finance, Securities Bureau, and the Defendants LEADER CAPITAL CORPORATION and JOHN E. LEKAS, hereby agree and stipulate as follows:

1. Defendants John E. Lekas and Leader Capital Corporation neither admit nor deny the

allegations in Plaintiff's Verified Complaint.

2. Defendant John E. Lckas shall be dismissed from this suit, *without prejudice*.
3. Defendant Leader Capital Corporation shall pay to the Plaintiff the sum of \$12,825.00, as restitution for the benefit of LaRene Berthelson and James and Betty Porter.
4. Defendant Leader Capital Corporation shall pay to the Plaintiff the additional sum of \$20,000.00, as civil penalties, pursuant to Idaho Code § 30-1442(3)(b).
5. Defendant Leader Capital Corporation shall pay Plaintiff's expert witness fees incurred.
6. The foregoing monetary sums shall be paid to the Plaintiff within thirty (30) days from the court's entry of a judgment incorporating the terms of this stipulation.
7. The court shall enter judgment against Defendant Leader Capital Corporation, enjoining it against future violations of Idaho's securities laws, pursuant to Idaho Code § 30-1442.
8. The court shall enter a judgment in this matter, with the form and content of the proposed Judgment, which is attached as Exhibit "A" to this Stipulation.

STIPULATION - Page 2

FILE No. 470-04/28 '05 15:57 ID:

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PAGE 6/10

DATED this 28th day of April, 2005

STATE OF IDAHO, DEPARTMENT OF FINANCE, SECURITIES BUREAU

By: Marilyn Chastain  
Marilyn Chastain, Bureau Chief

APPROVED AS TO FORM:

Joseph B. Jones  
Joseph B. Jones, Deputy Attorney General

Date: April 28<sup>th</sup>, 2005

DEFENDANTS LEADER CAPITAL CORPORATION AND JOHN E. LEKAS

By: John E. Lekas 4/28/05  
John E. Lekas

APPROVED AS TO FORM:

Michael O. Roe  
Michael O. Roe, Attorney for Defendants

STIPULATION - Page 3