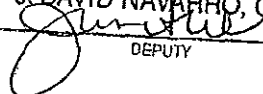


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JAN 17 2001

J. DAVID NAVARRO, Clerk  
By:  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. )  
)  
WILLIAM D. ATKINS II, an individual )  
and MORGAN STERLING CURRENCY )  
EXCHANGE, INC., a Nevada corporation, )  
)  
Defendants. )  
\_\_\_\_\_ )

Civil No. CV OC 0004200D  
**DEFAULT JUDGMENT AND  
PERMANENT INJUNCTION**

In this action, the Defendants William D. Atkins II and Morgan Sterling Currency Exchange, Inc. having been regularly served with process and having failed to appear under Rule 12(a), I.R.C. P. or to answer the Plaintiff's complaint filed herein, the legal time for answering having expired, and no answer or other pleadings having been filed by the above Defendants, the Default of the Defendants was duly entered according to law on January 17, 2001 based upon the Affidavit of Scott B. Muir, the other pleadings, papers, and records on file herein, and pursuant to the prayer of said complaint.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED, as follows:

1. The Defendants William D. Atkins II and Morgan Sterling Currency Exchange, Inc. have violated the Idaho Securities Act.

2. William D. Atkins II and Morgan Sterling Currency Exchange, Inc. are permanently enjoined from engaging in any acts, practices or omissions which would constitute violations of the Idaho Securities Act, Title 30, Chapter 14, Idaho Code, and in particular, that they are permanently enjoined from:

A. Selling or offering for sale non-exempt 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 non-exempt securities in any form in the State of Idaho until such time as Defendants have registered as broker-dealers or salesmen 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 connection with the offer, sale or purchase of any security:

(1) Employing any device, scheme or artifice to defraud any investor in the securities;

(2) Making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in 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

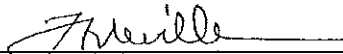
the types of conduct describe in Paragraphs A, B, or C above.

3. Defendants are prohibited from claiming the availability of using, or offering or selling securities under exemptions, under the Idaho Securities Act without receiving the prior written consent of the Director.

4. Defendants William D. Atkins II and Morgan Sterling Currency Exchange, Inc. shall restore to each person in interest any consideration which may have been acquired or transferred in violation of the Idaho Securities Act.

5. Defendants William D. Atkins II and Morgan Sterling Currency Exchange, Inc. shall pay attorney's fees and costs incurred in the preparation and the prosecution of this action in the amount of \$5,000.

DATED this 17<sup>th</sup> day of January, 2001.

  
\_\_\_\_\_  
THOMAS F. NEVILLE  
District Judge

**CERTIFICATE OF SERVICE**

I HEREBY certify that I have this day served the DEFAULT JUDGMENT AND PERMANENT INJUNCTION AND ORDER OF DEFAULT upon all parties of record in this proceeding, by mailing a copy thereof, properly addressed, with postage prepaid to:

William D. Atkins II  
Morgan Sterling Currency Exchange Inc.  
1801 Lincoln Blvd., Apt. 207  
Venice, California 90201

DATED At Boise, Idaho, this 19<sup>th</sup> day of January, 2001

  
\_\_\_\_\_  
MARTHA L. COOPER