

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

Oklahoma Department of Securities)
ex rel. Irving L. Faught,)
Administrator,)
)
Plaintiff,)

JUL 17 2008

PATRICIA PRESLEY, COURT CLERK
by _____
Deputy

v.)

Case No. CJ-2006-10111

Raglin Industries, LLC, an Oklahoma)
limited liability company; Phillip Levaughn)
Raglin, an individual; and Joseph Daniel)
Layne, an individual,)

Defendants,)

and)

Gerald Cooper, an individual;)
Diana Cooper, an individual;)
Melinda Cooper Raglin, an individual;)
BMI Construction Co., L.L.C.,)
an Oklahoma limited liability company,)

Defendants Solely For)
Purposes of Equitable Relief.)

**FINAL ORDER, JUDGMENT AND PERMANENT INJUNCTION
FOR RAGLIN INDUSTRIES, LLC AND PHILLIP LEVAUGHN RAGLIN**

This matter came on for hearing this 17 day of July, 2008, before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, upon the Plaintiff's *Petition for Permanent Injunction and Other Equitable Relief* pursuant to Section 1-603 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (Supp. 2003).

Plaintiff, Oklahoma Department of Securities *ex rel.* Irving L. Faught, Administrator, (“Department”) appears through its attorney, Patricia A. Labarthe. Defendants Raglin Industries, LLC and Phillip Levaughn Raglin (collectively, “Defendants”) appear not.

The Court, having reviewed all pleadings and evidence, finds as follows:

1. At all times material hereto, Defendant Raglin Industries, LLC (“Raglin Industries”) and Defendant Phillip Levaughn Raglin (“Phillip Raglin”) engaged in the offer and/or sale of securities in the nature of limited liability company membership interests (“LLC Interests”), in and/or from the state of Oklahoma; to investors (“Investors”).

2. The LLC Interests are securities as defined by Section 1-102 of the Act.

3. The securities offered and sold by Defendants are not, and have not been registered under the Act. The securities have not been offered or sold pursuant to an exemption from registration pursuant to Sections 1-201 or 1-202 of the Act.

4. Defendant Raglin Industries is an issuer as defined in Section 1-102 of the Act. Defendant Raglin Industries employed agents who were not registered under the Act to transact business in this state.

5. Defendant Phillip Raglin, by virtue of his efforts and activities in transacting business in this state, acted as an agent as defined in Section 1-102 of the Act and transacted business in and/or from the state of Oklahoma as an agent. Defendant Phillip Raglin was not registered under the Act in any capacity.

6. Defendants, in connection with the offer, sale or purchase of securities, directly and indirectly, made untrue statements of material fact and omitted to state material facts necessary, in order to make the statements made, in light of the circumstances under which they were made, not misleading, in violation of subsection (2) of Section 1-501 of the Act.

7. Defendants, in connection with the offer, sale or purchase of securities, and through the use of untrue statements of material facts and omissions of material facts, engaged in an act, practice, or course of business that has operated as a fraud or deceit upon Investors, in violation of subsection (3) of Section 1-501 of the Act.

8. There is a likelihood of future violations of the Act by Defendants if they are not enjoined.

9. The Department has requested this Court enter judgment by default in its favor and against Defendants. Effective service of the *Petition* and *Summons* has been made on Defendants. Defendants have failed to answer the *Petition*, and their time for doing so has expired. Defendants have failed to respond to the Motion for Default Judgment.

Therefore, based on the pleadings and the evidence, the Court finds that Plaintiff is entitled to the relief prayed for and, therefore:

IT IS HEREBY ORDERED that a permanent injunction be and is hereby entered, forever enjoining and restraining Defendants from offering and/or selling any security including, but not limited to, limited liability company membership interests, in and/or from this state.

IT IS FURTHER ORDERED that Defendants pay restitution to Investors on a pro rata basis and that the amount and allocation of restitution to Investors, shall be determined by this Court at the conclusion of this case, not to exceed Five Hundred Fourteen Thousand Dollars (\$514,000.00).

IT IS FURTHER ORDERED that pending determination of the amount of restitution to be paid by Defendants, the assets of Defendants continue to be frozen, as specified in the Temporary Injunction.

IT IS FURTHER ORDERED that Defendants each pay a civil penalty to the Department in the amount of Fifty Thousand Dollars (\$50,000.00).

IT IS FURTHER ORDERED that this Court will retain jurisdiction of this matter for the purpose of enforcement of this order.

IT IS SO ORDERED.

Dated this 17 day of July, 2008.

CAROLYN R. RICKS

DISTRICT COURT JUDGE

Approved:

Patricia A. Labarthe

Patricia A. Labarthe, OBA #10391
Oklahoma Department of Securities
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Attorney for Plaintiff

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerk's Office of Oklahoma County, Okla., this 17 day of July, 2008.
By *Patricia Presley* PATRICIA PRESLEY, Court Clerk Deputy