

**IN THE DISTRICT COURT OF TULSA COUNTY
STATE OF OKLAHOMA**

Oklahoma Department of Securities)	
<u>ex rel.</u> Irving L. Faught,)	
Administrator,)	
)	
Plaintiff,)	
)	
v.)	Case No. CJ-2002-00035
)	
Robert S. Miles, COEREC, Inc., an)	
Oklahoma corporation and)	
Daystar Investments International, Inc.,)	
f/k/a Daystar Investments, Inc., an)	
Oklahoma corporation,)	
)	
Defendants.)	

**DISTRICT COURT
FILED**

NOV 26 2002

**SALLY HOWE SMITH, COURT CLERK
STATE OF OKLA: TULSA COUNTY**

PERMANENT INJUNCTION

This matter came on for hearing before the Court on this 26th day of November, 2002, on the motion of plaintiff, Oklahoma Department of Securities ex rel. Irving L. Faught, Administrator ("Plaintiff"), for default judgment against Robert S. Miles ("Defendant"). The Court, finding that it has jurisdiction of the parties and the subject matter of this action and the issues having been heard, finds that Plaintiff's Motion for Default Judgment should be, and hereby is, granted.

Pursuant to Okla. Stat. tit. 12, § 3234, Plaintiff served Defendant with a Request for Production of Documents. He did not produce the requested documents. On August 7, 2002, Plaintiff filed a motion to compel the production of those documents (the "Motion"). The Motion was set for hearing on September 6, 2002. The Motion and notice of the hearing were served on Defendant in accordance with Okla. Stat. tit. 12 § 2005. Defendant did not appear at the hearing. This Court ordered Defendant to produce the requested documents no later than October 4, 2002. To date, Defendant has failed to produce the required documents.

Okla. Stat. tit. 12, § 3237 (E) provides that the Court may upon motion render a judgment by default should a party fail to cooperate in discovery. Such a judgment is appropriate in this case. Defendant initially failed to cooperate in discovery by not producing documents in response to Plaintiff's request. Defendant then refused to comply with this Court's order to produce the documents.

The Court, having reviewed the evidence presented, and being fully advised in the premises, and on consideration thereof, finds that default judgment should be and hereby is, entered against Defendant. The allegations in Plaintiff's petition (the "Petition") as to Defendant are deemed true as set forth therein and violations of the Oklahoma Securities Act (the "Act") Okla. Stat. tit. 71, §§ 1-17, 101-103, 201-204, 301-307, 401-413, 501, 701-703 (1991 and Supp. 2000) and the Rules of the Rules of Oklahoma Securities Commission and the Administrator of the Oklahoma Department of Securities ("Rules") have been established by Plaintiff.

The Court further finds that in connection with the offer, sale, and/or purchase of securities in and/or from the state of Oklahoma, Defendant employed a device, scheme, or artifice to defraud in violation of subsection (1) of Section 101 of the Act.

The Court further finds that in connection with the offer, sale, and/or purchase of securities in and/or from the state of Oklahoma, Defendant made untrue statements of a material fact and omitted to state material facts necessary in order to make statements made, in light of the circumstances under which they are made, not misleading in violation of subsection (2) of Section 101 of the Act.

The Court further finds that in connection with the offer, sale, and/or purchase of securities in and/or from the state of Oklahoma, Defendant engaged in acts, practices and a course of business which operated as a fraud or deceit in violation of subsection (3) of Section 101 of the Act.

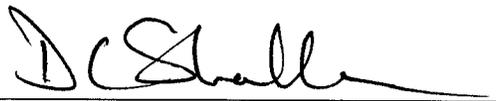
The Court further finds that in connection with the offer, sale, and/or purchase of securities in and/or from the state of Oklahoma, Defendant failed to observe high standards of commercial honor and just and equitable principles of trade in violation of 660:10-5-42 of the Rules.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that judgment be, and hereby is, entered against Defendant.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Court that Defendant be, and hereby is, permanently enjoined and restrained from directly or indirectly, offering and/or selling any security, as defined in Section 2 of the Act, in this state, other than for his own account.

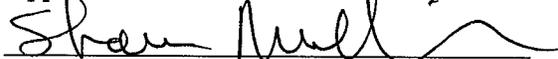
IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Court that Defendant be, and hereby is, permanently enjoined and restrained from directly or indirectly, transacting business in this state as a broker-dealer, agent, investment adviser and/or investment adviser representative as defined in Section 2 of the Act.

THIS ORDER IS ENTERED this 26 day of Nov, 2002.



DEBORAH C. SHALLCROSS,
JUDGE OF THE TULSA COUNTY
DISTRICT COURT

Approved as to form:



Shaun M. Mullins (OBA #16869)

Enforcement Attorney

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