

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

FILED  
U.S. DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

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SECURITIES AND EXCHANGE COMMISSION, )  
 )  
 Plaintiff, )  
 )  
 versus )  
 )  
 HARRAL DUNBAR, JR., Individually )  
 and d/b/a GHOST INTERNATIONAL, )  
 )  
 Defendant. )  
 )

CIVIL ACTION <sup>SIGN</sup> ~~BY~~ DEPUTY CLERK  
CASE NO. 02-233-B-M1

ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF AS TO  
DEFENDANT HARRAL DUNBAR, JR., INDIVIDUALLY AND D/B/A GHOST  
INTERNATIONAL

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint herein, and defendant Harral Dunbar, Jr. ("Dunbar") individually and d/b/a Ghost International, having entered a general appearance, having admitted the in personam jurisdiction of this Court over him and the jurisdiction of this Court over the subject matter of the action, having waived entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure, without admitting or denying the allegations of the Commission's Complaint, except as to jurisdiction and venue which he admits, and having consented to the entry of this Order of

DKT. & ENTERED

DATE 4/12/02  
NOTICE MAILED TO:

DATE \_\_\_\_\_ BY NML

FJP  
KC  
Gaupp  
Dunbar

INITIALS	DOCKET#
NML	29

Permanent Injunction and Other Relief and the Court being fully advised in the premises;

**ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF**

I.

FRAUD IN VIOLATION OF SECTION 17(a)(1)  
OF THE SECURITIES ACT

**IT IS HEREBY ORDERED**, that Dunbar, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him and each of them, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, be and they hereby are permanently restrained and enjoined from, directly or indirectly employing any devices, schemes or artifices to defraud purchasers of such securities in violation of Section 17(a)(1) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a)(1).

II.

FRAUD IN VIOLATION OF SECTIONS 17(a)(2) AND 17(a)(3)  
OF THE SECURITIES ACT

**IT IS FURTHER ORDERED**, that Dunbar, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him and each of them, in connection with the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or

by use of the mails, be and they hereby are, permanently restrained and enjoined from, directly or indirectly

(1) obtaining money or property by means of untrue statements of material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(2) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchasers

in violation of Sections 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(2) and 77q(a)(3).

III.

FRAUD IN VIOLATION OF SECTION 10(b) OF  
THE EXCHANGE ACT AND RULE 10b-5 THEREUNDER

**IT IS FURTHER ORDERED,** that Dunbar, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him and each of them, in connection with the purchase or sale of any security by use of any means or instrumentality of interstate commerce or of the mails, or by use of any facility of any national securities exchange, be and they hereby are, restrained and enjoined from, directly or indirectly:

1. employing any device, scheme, or artifice to defraud;
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 were made, not misleading; or
3. engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

IV.  
REGISTRATION VIOLATIONS

**IT IS FURTHER ORDERED**, that defendant Dunbar and his agents, servants, employees, attorneys and those persons in active concert or participation with him, who receive actual notice of the order of injunction, by personal service, facsimile or otherwise, and each of them, by use of the mails or any means or instrumentality of interstate commerce, are permanently restrained from directly or indirectly:

(a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, in the form of common stock or any other security, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;

(b) carrying securities, or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities;

(c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of any prospectus or otherwise, any interest in securities, in the form of common stock or any other security;

unless a registration statement is filed with the Commission as to such securities, or while a statement is filed with the Commission as to such security is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public

proceeding or examination under section 8 of the Securities Act. [15 U.S.C. 77h];  
in violation of section 5 of the Securities Act. [15 U.S.C. 77e]. This provision shall not apply to any transaction or security that is exempt from the provisions of Section 5 of the Securities Act.

V.

PROHIBITION AGAINST DESTRUCTION OF DOCUMENTS

IT IS FURTHER ORDERED that, pending final determination as to disgorgement, prejudgment interest and civil penalties, defendant Dunbar as well as his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with it who receive actual notice of this order by personal service, facsimile transmission or otherwise, and each of them, are hereby enjoined from destroying, mutilating, concealing, altering, or disposing of any document referring or relating in any manner to any defendants herein including but not limited to (a) any investor investments in Ghost and (b) records evidencing the receipt and disbursement of investor funds Dunbar and Ghost. As used in this order, "document" means the original and all non-identical copies (whether non-identical because of handwritten notation or otherwise) and all written or graphic matter, however produced, and any other tangible record, or

electronic data compilation of any sort, including, without limitation, computer disks, computer hard-drives, computer diskettes, computer tapes, correspondence, memoranda, notes, minutes, telephone records, reports, studies, telexes, diaries, calendar entries, contracts, and letters of agreement, and including any and all existing drafts of all documents.

VI.

DISGORGEMENT AND PREJUDGMENT INTEREST

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that defendant Dunbar shall pay disgorgement and pre-judgment interest in amounts to be resolved upon motion of the Commission at a later date. For purposes of disgorgement and pre-judgment interest, the allegations of the Commission's complaint shall be deemed to be true, and Dunbar may not, by way of defense, contend that disgorgement and pre-judgment interest should not be imposed. In the event that Dunbar, pursuant to sworn financial statements, is incapable of payment, disgorgement and pre-judgment interest may be waived or partially waived by the Commission, in its discretion.

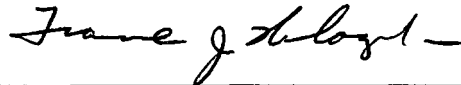
VII.  
CIVIL PENALTIES

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that defendant Dunbar shall pay a civil penalty in an amount to be resolved upon motion of the Commission at a later date. For purposes of the civil penalty, the allegations of the Commission's complaint shall be deemed to be true, and Dunbar may not by way of defense contend that a civil penalty should not be imposed. In the event that Dunbar, pursuant to sworn financial statements, is incapable of payment, the Commission, in its discretion, may seek not to impose a civil penalty.

VIII.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that this Court shall retain jurisdiction over this matter for all purposes, including implementing and enforcing the terms of this Order, and may order other and further relief that this Court deems appropriate under the circumstances.

**SO ORDERED** this 12 day of April, 2002 at Baton Rouge, Louisiana.



Frank J. Polozola, Chief Judge  
United States District Court