

ORIGINAL

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF OKLAHOMA

1) SECURITIES AND EXCHANGE COMMISSION, §

Plaintiff, §

v. §

(1) BROADBAND WIRELESS INTERNATIONAL §

CORPORATION, a Nevada Corporation, §

(2) BROADCOM WIRELESS COMMUNICATIONS §

CORPORATION, an Oklahoma Corporation, §

(3) IVAN W. WEBB, and §

(4) DONALD L. KNIGHT, §

Defendants, §

and §

(1) BLACK GIANT RESOURCES CORPORATION, §

an Oklahoma Corporation, §

(2) BROADBAND WIRELESS COMMUNICATIONS §

CORPORATION, an Oklahoma Corporation, §

(3) MEDSCAN TECHNOLOGIES, INC., an Oklahoma §

Corporation, and §

(4) KIMBERLY KNIGHT, §

Relief Defendants. §

DOCKETED

FILED

AUG 21 2001

ROBERT D. DENNIS, CLERK  
U.S. DIST. COURT, WESTERN DIST. OF OKLA.  
BY      DEPUTY

Case No.:

CIV-00-1375-R

**FINAL JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER EQUITABLE RELIEF AGAINST  
DEFENDANT DONALD L. KNIGHT**

This matter came before the Court on the Plaintiff Securities and Exchange Commission's Motion for Final Judgment against Defendant Donald L. Knight. The Court, having considered the pleadings, papers and declarations on file herein, makes the following findings of fact and conclusions of law:

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1. The Commission's Complaint against Donald L. Knight was filed with the court on August 11, 2000.
2. Service of the Summons and the Commission's Complaint was effected upon Knight on August 28, 2000 and filed with the Court on September 7, 2000.
3. Defendant Knight has not filed an answer nor has he otherwise appeared before this Court to defend in this cause. The allegations in the Commission's Complaint as to Knight's conduct and activities are, as to him, deemed admitted.
4. Defendant Knight is not an infant, nor incompetent. Defendant Knight is not eligible for relief under the Soldiers' and Sailors' Civil Relief Act of 1940 [50 U.S.C. Appendix, § 501 et seq.].
5. The Commission is entitled to entry of permanent injunction as to Donald L. Knight for violating and/or aiding and abetting violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§77e(a), 77e(c) and 77q(a), of Sections 10(b), 13(d) and 14(a) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §78j(b), §78m(d), §78n(a) and Commission Rules 10b-5, 12a-20, 13a-11, 13a-13, 13d-1, 13d-2, 14a-3, 14a-6 and 14a-9, 17 C.F.R. §240.10b-5, 240.13d-1; 240.13d-2, 240.14a-3, 240.14a-6 and 240.14a-9.
6. The Commission is entitled to an order of disgorgement against Donald L. Knight and seeks the imposition of a civil monetary penalty.

On the basis of the foregoing findings of fact and conclusions of law, **IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:**

1. Defendant Donald L. Knight and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this judgment by personal service or otherwise, and each of them, are permanently enjoined from violating sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§77e(a) and 77c(c)]:

A. by making use of any means or instruments of transportation or communication in interstate commerce of the mails to sell a security through the use or medium of a prospectus or otherwise; or

B. by carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation a security for the purpose of sale or for delivery after sale unless a registration statement is in effect as to the security; or to make use of any means or instruments of transportation or communication in interstate commerce of the mails to offer to sell or offer to buy through the use or medium of a prospectus or otherwise a security

- 1) unless a registration statement has been filed as to the security; or
- 2) while the registration statement is the subject of
  - i. a refusal order,
  - ii. stop order or
  - iii. (prior to the effective date of the registration statement) any public proceeding or examination under section 8 of the Securities Act.

2. Defendant Donald L. Knight, his agents, servants, employees, attorneys, and all other persons in active concert or participation with him, and all other persons in active concert

or participation with defendant who receive actual notice of this judgment, by personal service or otherwise, and each of them, be and hereby are permanently enjoined from violating section 17(a) of the Securities Act [15 U.S.C. 77q(a)], directly or indirectly, in the offer or sale of a security, by making use of any means or instruments of transportation or communication in interstate commerce or by use of the mails:

- a. to employ any device, scheme or artifice to defraud;
- b. to obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or
- c. to engage in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser.

3. Defendant Donald L. Knight, his agents, servants, employees, attorneys, and all other persons in active concert or participation with him, and all other persons in active concert or participation with defendant who receive actual judgment, by personal service or otherwise, and each of them, be and hereby are permanently enjoined from violating section 10(b) of the Exchange Act and Rule 10b-5 [15 U.S.C. §78j(b), 17 C.F.R. §240.10b-5], directly or indirectly, in connection with the purchase or sale of a security, by making use of any means or instrumentality of interstate commerce, of the mails or of any facility of any national securities exchange:

- a. to use or employ any manipulative or deceptive device or contrivance;
- b. to employ any device, scheme or artifice to defraud;

c. to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or

d. to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

4. Defendant Donald L. Knight, his agents, servants, employees, attorneys, and all other persons in active concert or participation with him, and all other persons in active concert or participation with defendant who receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby are permanently enjoined from violating or aiding and abetting the violation of section 13(d) of the Exchange Act [15 U.S.C. §78m(d)] and Rules 13d-1 promulgated thereunder [17 C.F.R. §240.13d-1] by failing or aiding and abetting a failure, within ten (10) days after acquiring, directly or indirectly, whether singly or as part of a partnership, limited partnership, syndicate, or other group for the purpose of acquiring, holding, voting or disposing of securities, the beneficial ownership of more than five (5) percent of any equity security of a class which is registered pursuant to Section 12 of the Exchange Act to file or cause to be filed with the Commission, and to send or cause to be sent to the issuer of such equity security and to any national securities exchange where such equity security is traded, the statements containing information required by Section 13(d) of the Exchange Act [15 U.S.C. §78m(d)] and Rule 13d-1 promulgated thereunder [17 C.F.R. §240.13d-1]; and are further permanently enjoined from violating Section 13(d) of the Exchange Act [15 U.S.C. §78m(d)] and Rule 13d-2 promulgated thereunder [17 C.F.R. §240.13d-2] by failing or aiding and abetting a failure, if any material change occurs in the facts set forth in such statements, promptly to file or

cause to be filed with the Commission and to send or cause to be sent to the issuer of such equity security and to any national securities exchange where such equity security is traded, the amendments to such statements required by Section 13(d) of the Exchange Act [15 U.S.C. §78m(d)] and Rule 13d-2 promulgated thereunder [17 C.F.R. §240.13d-2] and Schedule 13D (17 C.F.R. §240.13d-101).

5. Defendant Donald L. Knight, his agents, servants, employees, attorneys, and all other persons in active concert or participation with him, and all other persons in active concert or participation with defendant who receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby are permanently enjoined from, directly or indirectly, violating Section 14(a) of the Exchange Act [15 U.S.C. §78n(a)], and Rules 14a-3, 14a-6 and 14a-9 promulgated thereunder [17 C.F.R. §§240.14a-3, 240.14a-6, 240.14a-9], by failing or aiding and abetting a failure to make the disclosures and filings required therein and by using the mails or any means or instrumentality of interstate commerce or any facility of a national securities exchange or otherwise, to solicit or to permit the use of their names to solicit or cause a solicitation to be made by means of any proxy statement, form of proxy, notice of meeting, or other communication, written or oral, which contains any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of a proxy for the same meeting or subject matter which has become false or misleading.

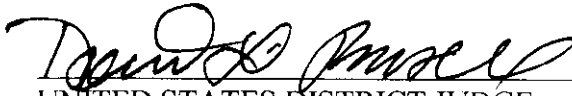
6. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Knight shall disgorge the amount of \$5,050,363.46, plus prejudgment interest of \$663,000, plus post judgment interest at the lawful rate on the total amount until paid. Knight shall make such disgorgement to the Receiver, or place such funds into the registry of the Court if necessary. In addition, to the extent Knight owns or controls any legal or equitable interest in any asset located outside the jurisdiction of the Court, Knight is hereby ORDERED to turn over such asset to the Receiver or place such asset into the registry of the Court, as necessary, to be used to satisfy this judgment.

7. **IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, Knight is ordered to pay a civil monetary penalty of \$110,000 pursuant to the provisions of Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. All payments made pursuant to this paragraph shall be made by (a) United States money order, certified check, bank cashier's check or bank money order, (b) made payable to the Securities and Exchange Commission, (c) mailed by certified mail (return receipt requested) to the Comptroller, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 0-3, Washington, D.C. 20549, and submitted under cover of letter identifying Donald Allen English as the defendant in this action, the case number of this action, the name of the Court, and the Commission's file number (FW-2202-A), with a copy of the cover letter sent to Harold F. Degenhardt, District Administrator of the Fort Worth District Office, Securities and Exchange Commission, 801 Cherry St., Suite 1900, Fort Worth, Texas 76102

8. This Court shall retain jurisdiction over this action for all purposes, including for purposes of entertaining any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court, including but not limited to enforcing this judgment.

9. This final judgment may be served upon Donald L. Knight in person, by electronic mail either by the United States Marshal, the Clerk of the Court, or any member of the staff of the Securities and Exchange Commission or by serving the Clerk for the Court on behalf of Donald L. Knight.

SIGNED this 21<sup>st</sup> day of August, 2001.

  
UNITED STATES DISTRICT JUDGE

**ENTERED ON JUDGMENT DOCKET ON 8-21-01**