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2 **STATE OF CALIFORNIA**  
3 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
4 **DEPARTMENT OF CORPORATIONS**

5 TO: Cascade Exploration, Inc. Cast Shield International, Inc.  
6 Gordon Walters, President/CEO 6979 Galewood Street  
7 182 Alec Roy Road San Diego, CA 92120  
8 Roundup, Montana 59072  
9 John C. Cohn, Vice President Aetna Venture Capital, Inc.  
10 4540 Kearny Villa Rd., #111 4540 Kearny Villa Rd, #111  
11 San Diego, CA 92123 San Diego, CA 92123  
12 Castle Pharmaceuticals, Inc.  
13 James A. Frankfurth, President  
14 4540 Kearny Villa Rd., #111  
15 San Diego, CA 92123

16 **DESIST AND REFRAIN ORDER**

17 **(For violations of sections 25110 and 25210 of the Corporations Code)**

18 The California Corporations Commissioner finds that:

19 1. Cascade Exploration, Inc. (“Cascade”) is a mining, oil and processing company  
20 with business headquarters located at 182 Alec Roy Road, Roundup, Montana. Cascade is  
21 incorporated in the state of Nevada. Gordon Walters was the President and CEO of Cascade  
22 during all relevant times. John C. Cohn (“Cohn”) was the Vice President of Corporate  
23 Development and Funding at all relevant times. The company was formed to exploit a number  
24 of untapped natural resources available to it in the Unites States and Canada. The markets  
25 Cascade is involved in include exploration in the petroleum industry with the focus on  
26 recovery of oil and natural gas from abandoned and capped oil wells.

27 2. Castle Pharmaceuticals, Inc. (“Castle, Inc.”) is a California corporation, with  
28 business addresses of 4540 Kearny Villa Road, Suite 111, San Diego, CA 92123. James A.  
Frankfurth (“Frankfurth”), was the President of Castle, Inc. at all relevant times. Cohn was  
the Senior Project Manager at all relevant times.

1           3. Aetna Venture Capital, Inc. (“Aetna”) is a California corporation doing business at  
2 4540 Kearny Villa Road, Suite 111, San Diego, CA 92123. Frankfurth was the Founding  
3 President/CEO and Cohn was the Senior Business Consultant at all relevant times.

4           4. Cast Shield International, Inc. (“Cast”) is a Delaware corporation doing business at  
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6 6979 Galewood Street, San Diego, CA 92120. Cast was organized in 1999 to develop and  
7 commercially market a product to prevent the premature degradation of cast material and  
8 infection. At all relevant times, Cohn was employed at Aetna as a Referring Consultant when he  
9 recommended to potential investors that Cast was a good investment opportunity.

10           5. Cast and Aetna entered into a Professional Consideration Agreement in January 2001  
11 in which Aetna agreed to seek out funding sources for Cast in an equity participation through a  
12 Private Placement Memorandum provided by Cast. Aetna agreed to raise a maximum of  
13 \$5,000,000 for Cast by introducing potential investors to Cast. In return, Cast was to pay Aetna,  
14 on any gross capital received by Cast, a 10% finder’s fee, and 30% for professional consideration  
15 for investor relations efforts.

16           6. During January 2001, Cohn offered investment advice via unsolicited (“cold”) calls,  
17 while working for Aetna, in the State of California. Cohn induced the purchase of Cast securities  
18 and effected the transaction as well. The prospectus received by the investors indicated that the  
19 purpose of the offering was to sell 500,000 shares of Cast common stock with minimum purchase  
20 10,000 shares, at \$2.00 per share. On or about January 25, 2001, Cast sold securities in the form  
21 of common stock, prior to qualification with the Department of Corporations, to at least one  
22 investor for a total of \$20,000 based upon the inducement made by Cohn. In May 2001, the  
23 same investor purchased another 10,000 shares. The investor invested a total of \$40,000 in Cast.

24           7. During February 2005, Cohn and Cascade offered securities in the State of  
25 California in the form of common stock, prior to qualification with the Department of  
26 Corporations, via unsolicited (“cold”) calls and e-mail. Investors received offering circulars  
27 via mail and the internet which indicated that the purpose of the offering was to raise  
28 \$300,000.00 per well, each well “rehabilitated” would be a separate LLC company which

1 qualifies as an independent oil producer. Cascade and Cohn offered to sell up to 3,300 shares  
2 at a minimum investment of \$10,000 per share.

3 8. During February or March 2005, an offer to purchase Cascade securities in the  
4 form of common stock was made to at least one California resident via an unsolicited “cold”  
5 call. Cohn indicated that he was working in the State of California in or around San Diego  
6 County and that he was a resident of Chula Vista, California.

7 9. Beginning in at least October 2001, Castle, Inc., James Frankfurth, Aetna and John C.  
8 Cohn, sold securities via unsolicited (“cold”) calls, in the form of evidences of indebtedness or  
9 notes prior to qualification with the Department of Corporations. The note in the amount of  
10 \$50,000 was to expedite the launch of the company’s \$5,000,000 offering. Castle, Inc. agreed to  
11 repay the investors 2% of every dollar raised to the maximum of \$100,000 as reimbursement for  
12 their loan. The stated objective of Castle, Inc. was to develop a bio-artificial pancreas (insulin  
13 producing cells).

14 10. The Department of Corporations has not issued a permit or other form of  
15 qualification authorizing any person to offer and sell these securities in this state.

16 11. Aetna, Frankfurth and Cohn did not have a valid broker-dealer certificate issued by  
17 the Department of Corporations at any time.

18 The securities were offered in this state in issuer transactions. The Department of  
19 Corporations has not issued a permit or other form of qualification authorizing any person to  
20 offer or sell these securities.

21 Based upon the foregoing findings, the California Corporations Commissioner is of the  
22 opinion that the offer to sell securities in the form of shares of common stock, evidences of  
23 indebtedness or notes is subject to qualification under the California Securities Law of 1968 and  
24 are being or have been offered or sold without being qualified in violation of California  
25 Corporations Code section 25110.

26 Pursuant to Corporations Code section 25532, the California Corporations Commissioner  
27 hereby orders John C. Cohn, Cascade Exploration, Inc., Gordon Walters, James Frankfurth, Aetna  
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1 Venture Capital, Inc., Castle Pharmaceuticals, Inc., and Cast Shield International, Inc. to desist  
2 and refrain from the further offer or sale of securities in the form of common stock, evidences of  
3 indebtedness or notes unless and until qualification has been made under the law or unless  
4 exempt.

5 In addition, based upon the foregoing, the California Corporations Commissioner is of the  
6 opinion that Aetna Venture Capital, Inc., James Frankfurth, and John C. Cohn have effected  
7 transactions in securities as a broker-dealer without having first applied for and secured from the  
8 Commissioner a certificate authorizing them to act in that capacity, in violation of section 25210  
9 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the Corporate Securities  
10 Law of 1968, Aetna Venture Capital, Inc., James Frankfurth and John C. Cohn are hereby ordered  
11 to desist and refrain from effecting any transaction in, or inducing or attempting to induce the  
12 purchase or sale of, any security in this state, unless and until they have applied for and secured  
13 from the Commissioner a certificate, then in effect, authorizing them to act in that capacity.

14 This Order is necessary, in the public interest, and for the protection of consumers.

15 Dated: July 20, 2005  
16 Los Angeles, California

17 WAYNE STRUMPFER  
18 Acting California Corporations Commissioner

19 By \_\_\_\_\_

20 ALAN S. WEINGER,  
21 Acting Deputy Commissioner  
22 Enforcement Division

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