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1 ELAINE M. CACHERIS, Cal. Bar # 101605  
2 SANDRA J. HARRIS, Cal. Bar # 134153  
3 JAMES A. HOWELL, Cal. Bar # 92721  
4 AIMEE DOMINGUEZ SILVERS, Cal. Bar # 145106

Attorneys for Plaintiff  
Securities and Exchange Commission  
5670 Wilshire Boulevard, 11th Floor  
Los Angeles, California 90036-3648  
(213) 965-3998

FILED  
APR 16 1998  
CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

8 UNITED STATES DISTRICT COURT  
9 SOUTHERN DISTRICT OF CALIFORNIA

11 SECURITIES AND EXCHANGE COMMISSION	Case No. 96-1661 S (CGA)
12 Plaintiff,	JUDGMENT OF PERMANENT INJUNCTION
13 vs.	AND OTHER RELIEF AGAINST
14 MICHAEL W. CROW AND	DEFENDANT MICHAEL W. CROW
15 PETER F. KUEBLER,	
16 Defendants.	

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18 Plaintiff Securities and Exchange Commission ("Commission"),  
19 having filed and served upon Defendant Michael W. Crow ("Crow"), a  
20 Summons and First Amended Complaint in this matter and Crow, having  
21 admitted service upon him of the Summons and First Amended Complaint  
22 in this action and the jurisdiction of this Court over him and over  
23 the subject matter of this action; having been fully advised and  
24 informed of his right to a judicial determination of this matter;  
25 having waived the entry of findings of fact and conclusions of law  
26 as provided by Rule 52 of the Federal Rules of Civil Procedure;  
27 having consented to the entry of this Judgment of Permanent  
28 Injunction and Other Relief Against Defendant Michael W. Crow

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ENTERED ON 4/20/97 96-CV-1661 S (CGA) CROW JUDGMENT

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1 ("Judgment") and without admitting or denying the allegations in the  
2 First Amended Complaint, except as specifically set forth in the  
3 Consent of Defendant Michael W. Crow to Entry of Judgment of  
4 Permanent Injunction and Other Relief ("Consent"); and it appearing  
5 that no notice of hearing upon the entry of this Judgment being  
6 necessary; and the Court being fully advised in the premises, and  
7 there being no just reason for delay:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Crow and his  
10 agents, servants, employees and attorneys, and all persons in active  
11 concert or participation with any of them, who receive actual notice  
12 of this Judgment, by personal service or otherwise, and each of  
13 them, are permanently restrained and enjoined from, directly or  
14 indirectly, by the use of any means or instrumentality of interstate  
15 commerce, or of the mails, or of any facility of any national  
16 securities exchange:

17 A. to employ any device, scheme of artifice to defraud, or

18 B. to obtain money or property by means of any untrue  
19 statement of a material fact or any omission to state a material  
20 fact necessary in order to make the statements made, in light of the  
21 circumstances in which they were made, not misleading, or

22 C. to engage in any transaction, practice, or course of  
23 business which operates or would operate as a fraud or deceit upon  
24 the purchaser;

25 in violation of Section 17(a) of the Securities Act of 1933 [15  
26 U.S.C. § 77q(a)]

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II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow and his agents, servants, employees and attorneys, and all persons in active concert or participation with any of them, who receive actual notice of this Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- A. employing any device, scheme, or artifice to defraud;
- B. making any untrue statement of a material fact or omitting 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; or
- C. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security;

in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow and his agents, servants, employees and attorneys, and all persons in active concert or participation with any of them, who receive actual notice of this Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly,

1 filing or causing the filing of required periodic reports  
2 with the Commission containing untrue statements of  
3 material fact and omitting to state material facts  
4 required to be stated or necessary in order to make the  
5 statements made, in light of the circumstances under which  
6 they were made, not misleading;  
7 in violation of Section 13(a) of the Exchange Act [15 U.S.C. §  
8 78m(a)] and Rules 12b-20 and 13a-13 thereunder [17 C.F.R. §§  
9 240.12b-20 & 240.13a-13].

10 IV.

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow and his  
12 agents, servants, employees and attorneys, and all persons  
13 in active concert or participation with any of them, who  
14 receive actual notice of this Judgment, by personal  
15 service or otherwise, and each of them, are permanently  
16 restrained and enjoined from, directly or indirectly:

- 17 A. causing the failure to make and keep accurate books,  
18 records and accounts which, in reasonable detail,  
19 accurately and fairly reflect financial transactions and  
20 disposition of assets;
- 21 B. directly, or indirectly, falsifying, or causing to be  
22 falsified books, records or accounts subject to Section  
23 13(b)(2)(A) of the Exchange Act;
- 24 C. directly or indirectly, making or causing to be made, or  
25 causing another person to omit to state, materially false  
26 or misleading statements, or omitting to state material  
27 facts in order to make statements made, in light of the  
28 circumstances under which such statements were made, not

1 misleading to accountants in connection with (1) an audit  
2 or examination of financial statements required to be made  
3 pursuant to the Exchange Act regulations, or (2) the  
4 preparation or filing of reports or documents required to  
5 be filed with the Commission pursuant to Exchange Act  
6 regulations or otherwise;

7 in violation of Section 13(b) (2) (A) of the Exchange Act [15 U.S.C. §  
8 78m(b) (2) (A)] and Rules 13b2-1 and 13b2-2 thereunder [17 C.F.R. §§  
9 240.13b2-1 & 240.13b2-2].

10 V.

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow and his  
12 agents, servants, employees and attorneys, and all persons  
13 in active concert or participation with any of them, who  
14 receive actual notice of this Judgment, by personal  
15 service or otherwise, and each of them, are permanently  
16 restrained and enjoined from, directly or indirectly,  
17 failing, or causing the failure, to maintain a system of  
18 internal accounting controls sufficient to provide  
19 reasonable assurances that financial statements are  
20 prepared in conformity with Generally Accepted Accounting  
21 Principles;

22 in violation of Section 13(b) (2) (B) of the Exchange Act [15 U.S.C. §  
23 78m(b) (2) (B)].

24 VI.

25 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow, pursuant  
26 to Section 20(e) of the Securities Act [15 U.S.C. § 78t(e)] and  
27 Section 21(d) (2) of the Exchange Act [15 U.S.C. § 78u(d) (2)], is  
28 permanently barred from acting as an officer or director of any

1 issuer that has a class of securities registered pursuant to Section  
2 12 of the Exchange Act [15 U.S.C. § 781] or that is required to file  
3 reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. §  
4 78o].

5 VII.

6 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow shall,  
7 during the pendency of this action, provide all documents in his  
8 possession, custody or control to the Commission and disclose under  
9 oath all information with respect to his activities and the  
10 activities of others about which the Commission or its staff may  
11 inquire or request. Such production of documents and disclosure of  
12 information by Crow shall be made upon reasonable notice in writing  
13 and without the service of a subpoena and subject only to the good  
14 faith assertion of any privileges recognizable pursuant to the  
15 provisions of Rule 501 of the Federal Rules of Evidence or the  
16 United States Constitution and amendments thereto.

17 VIII.

18 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow shall,  
19 during the pendency of this action against any defendant, he will  
20 remain subject to the discovery provisions of the Federal Rules of  
21 Civil Procedure which apply to parties, and, in addition, agrees and  
22 undertakes that he will appear without the service of a subpoena to  
23 testify as a witness at the trial of this action or at any related  
24 proceeding.

25 IX.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions  
27 of the Consent filed concurrently with this Judgment are  
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1 incorporated herein with the same force and effect as if fully set  
2 forth herein and that Crow shall comply with his Consent.

3 X.

4 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Crow shall pay  
5 disgorgement in an amount of \$1,248,444. Crow shall further pay  
6 prejudgment interest on the amount of the disgorgement in the sum of  
7 \$225,773. The prejudgment interest is calculated pursuant to U.S.C.  
8 Section 1961. The Court will not require Crow to pay such  
9 disgorgement based upon the accuracy and completeness of Crow's  
10 representations concerning a transfer of stock pursuant to his  
11 settlement of a class action lawsuit, In re: Wilshire Technologies  
12 Securities Litigation, U.S. Dist. Ct., So. Dist. of Cal., File No.  
13 94-0400-B (AJB). Crow has surrendered 800,000 free trading shares  
14 of common stock in Advanced Materials Group, Inc. ("AMG") in  
15 settlement of the above-mentioned class action. As of January 30,  
16 1998, the AMG stock was listed in National Quotation Service Pink  
17 Sheets at a bid price of \$3.50 per share. At this value, Crow has  
18 surrendered \$2,800,000 worth of AMG stock. This amount is in excess  
19 of the disgorgement and prejudgment interest that is imposed by the  
20 Court herein.

21 XI.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if at any time  
23 following the entry of this Judgment, the Commission obtains  
24 information indicating that Crow's representations to the Commission  
25 concerning his settlement of the class action lawsuit are  
26 fraudulent, misleading, inaccurate or incomplete, or if Crow has  
27 failed to cause the transfer of 800,000 free trading shares of AMG  
28 stock to settle the class action lawsuit, the Commission may, at its

1 sole discretion and without prior notice to Crow, petition the Court  
2 to vacate any portion of the Judgment and seek a Judgment of  
3 disgorgement. In connection with any such petition, the only issue  
4 shall be whether the information provided by Crow was fraudulent,  
5 misleading, inaccurate or incomplete in any material respect as of  
6 the time such representations were made. In its petition, the  
7 Commission may move this Court to consider all available remedies,  
8 including, but not limited to, ordering Crow to pay funds or assets,  
9 directing the forfeiture of any assets, or sanctions for contempt of  
10 this Judgment, and the Commission may also request additional  
11 discovery. Crow, may not by way of defense to such petition,  
12 challenge the allegations in the First Amended Complaint filed by  
13 the Commission or that the payment of \$1,248,444 in disgorgement,  
14 plus prejudgment interest should not be ordered.

15 XII.

16 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court  
17 shall retain jurisdiction over this action for all purposes  
18 including determining the liability of any remaining defendants in  
19 this action, implementing and carrying out the terms of the Judgment  
20 and all other orders and decrees which have been and may be entered  
21 herein, to entertain any suitable application or motion for  
22 additional relief within the jurisdiction of this Court, and to  
23 grant such other relief as the Court may deem necessary and just.

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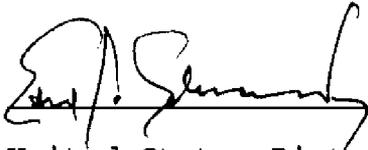
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There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Judgment forthwith.

Dated this \_\_\_\_\_ day of ~~APR 15 1998~~, 1998

  
United States District Judge