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CLERK U.S. DISTRICT COURT
FEB 25 1998
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

Part 70 JS6
ENTERED
CLERK, U.S. DISTRICT COURT
MAR 17 1998
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

FILED
CLERK, U.S. DISTRICT COURT
MAR 16 1998
CENTRAL DISTRICT OF CALIFORNIA
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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10 WESTERN DIVISION

11
12 _____ : Civil Action No.
13 SECURITIES AND EXCHANGE COMMISSION, : CV 97-5993 RAP (JGx)
14 :
15 Plaintiff, : [PROPOSED] FINAL JUDGMENT
16 : OF DISGORGEMENT AND CIVIL
17 v. : PENALTIES AGAINST
18 : DEFENDANT WILLIAM M.
19 AMERICAN GROWTH CAPITAL CORP., : MCNARY
20 AMERICAN GROWTH FUND I, LP, :
21 GROWTH CAPITAL RESOURCES CORP., :
22 CAPITAL GROWTH FUND I, LP, : Date: March 9, 1998
23 DONNA L. SNYDER, CHARLES E. : Time: 9:30 a.m.
24 DUQUETTE, ROBERT K. KELLY, HUGO V. : Place: Courtroom of
25 CIANCIULLI, WILLIAM M. MCNARY, : the Honorable
26 EMANUEL B. NEDWICK, JEROME L. : Richard A. Paez
27 GLAZOV, AND CHRISTOPHER A. PAULICK, :
28 Defendants. :

22 This matter is before the Court on the motion of Plaintiff
23 Securities and Exchange Commission ("Commission") for Summary
24 Judgment against Defendant William M. McNary ("McNary"). After
25 considering the pleadings, uncontroverted facts, memoranda, and
26 arguments by the parties to the summary judgment motion and the
27 Court being fully advised in the premises, and there being no

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just reason for delay:

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1 I.

2 IT IS HEREBY ORDERED that the Commission's Motion For
3 Summary Judgment is GRANTED.

4 II.

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

16 III.

17 IT IS ORDERED, ADJUDGED, AND DECREED that Defendant McNary
18 pay disgorgement in the amount of \$20,000 within thirty (30) days
19 of the entry of this Final Judgment. McNary shall also pay
20 prejudgment interest thereon in the amount of \$1,507.36, as per
21 28 U.S.C. § 1961 within thirty (30) days of the entry of this
22 Final Judgment. Said disgorgement and prejudgment interest shall
23 be paid in the form of a cashier's check, payable to Growth
24 Capital Resources Corp., and hand-delivered or mailed to Thomas
25 H. Coleman, Esq., Receiver Over Growth Capital Resources Corp.
26 and Capital Growth Fund I, LP, Troy & Gould, 1801 Century Park
27 East, Sixteenth Floor, Los Angeles, CA 90067.

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1 IV.

2 IT IS ORDERED, ADJUDGED, AND DECREED that Defendant McNary
3 pay a civil penalty in the amount of \$~~27,000~~^{20,000}, under the
4 Securities Enforcement Remedies and Penny Stock Reform Act of
5 1990, pursuant to Section 20(d) of the Securities Act [15 U.S.C.
6 § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. §
7 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. §
8 80b-9(e)]. Such payment shall be: (1) made by United States
9 postal money order, certified check, bank cashier's check, or
10 bank money order; (2) made payable to the United States
11 Securities and Exchange Commission; (3) hand-delivered or mailed
12 to the Comptroller, Securities and Exchange Commission,
13 Operations Center, 6432 General Green Way, Stop 0-3, Alexandria,
14 Virginia 22312; and (4) submitted under cover letter that
15 identifies McNary as a defendant in this proceeding and states
16 the file number of this proceeding, a copy of which cover letter
17 and money order or check shall be sent to William E. White,
18 Senior Trial Counsel, United States Securities and Exchange
19 Commission, 5670 Wilshire Boulevard, Eleventh Floor, Los Angeles,
20 California 90036.

21 V.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court
23 shall retain jurisdiction over this action to implement and
24 enforce the terms of the Final Judgment and other decrees that
25 may be entered herein and to grant such other relief as the Court
26 may deem necessary and just.

27 *

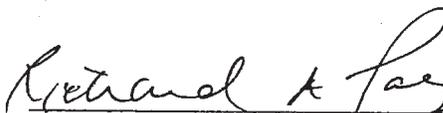
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There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

DATED: _____

3-9-98



HONORABLE RICHARD A. PAEZ
UNITED STATES DISTRICT JUDGE

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