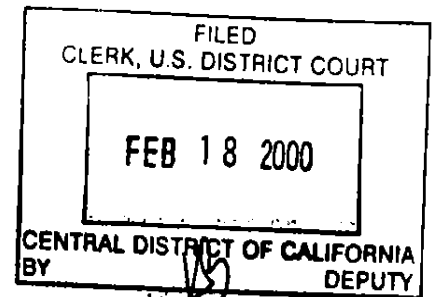


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Rev. of 11/26/99

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UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA
 WESTERN DIVISION

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SECURITIES AND EXCHANGE COMMISSION,

Case No. CV 97-9150 (CAS)
 (CTx)

Plaintiff

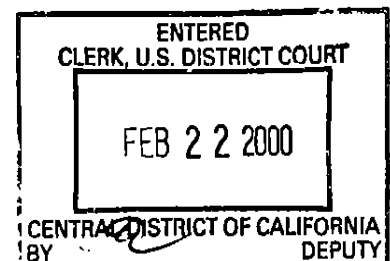
[PROPOSED]

v.

FINAL JUDGMENT OF
 PERMANENT INJUNCTION
 AND OTHER RELIEF
 AGAINST DEFENDANT
 ELLSWORTH L. BROUILLETTE

MICROWEST INDUSTRIES, INC.,
 MICROWEST INCOME FUND,
 MICROWEST MICROSYSTEMS, INC.,
 STEVEN P. HEVELL,
 JOSEPH G. OBEY,
 ALLAN T. MATZAT,
 ELLSWORTH L. BROUILLETTE,
 NEAL C. HARPER,
 DWIGHT H. STEPHENS,
 JIM D. JAMES,
 BLAKE T. WARD,
 THOMAS J. PERKINS, and
 ANTHONY F. MOSS,

Defendants.



☒ Docketed
☒ Copies / NTC Sent
☒ JS - 5 / JS - 6
☒ JS - 2 / JS - 3
☒ CLSD

Plaintiff Securities and Exchange Commission ("Commission"),
 having filed and served upon Defendant Ellsworth L. Brouillette
 ("Brouillette") a Summons and Complaint in this action and
 Brouillette having admitted service upon him of the Summons and
 Complaint in this action and the jurisdiction of this Court over
 him and over the subject matter of this action; having been fully

FEB 22 2000

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1 | advised and informed of his right to a judicial determination of
2 | this action; having waived the entry of findings of fact and
3 | conclusions of law as provided by Rule 52 of the Federal Rules of
4 | Civil Procedure; having consented to the entry of this Final
5 | Judgment of Permanent Injunction Against Defendant Ellsworth L.
6 | Brouillette ("Final Judgment") without admitting or denying any
7 | of the allegations in the Complaint, except as specifically set
8 | forth in the Consent of Defendant Ellsworth L. Brouillette To
9 | Entry of Final Judgment of Permanent Injunction ("Consent"); it
10 | appearing that no notice of hearing upon the entry of this Final
11 | Judgment being necessary; and the Court being fully advised in
12 | the premises; and there being no just reason for delay:

13 | I.

14 | IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Brouillette
15 | and his agents, servants, employees, and attorneys, and all
16 | persons in active concert or participation with any of them, who
17 | receive actual notice of this Final Judgment by personal service
18 | or otherwise, and each of them, are permanently restrained and
19 | enjoined from, directly or indirectly:

- 20 | A. making use of any means or instruments of
21 | transportation or communication in interstate commerce
22 | or of the mails to sell the securities of any issuer,
23 | through the use or medium of any prospectus or
24 | otherwise, unless and until a registration is in effect
25 | as to such securities;
- 26 | B. carrying or causing to be carried through the mails or
27 | in interstate commerce, by any means or instruments of
28 | transportation, for the purpose of sale or for delivery

1 after sale, the securities of any issuer, unless and
2 until a registration statement is in effect as to such
3 securities; and

4 C. making use of any means or instruments of
5 transportation or communication in interstate commerce
6 or of the mails to offer to sell or offer to buy,
7 through the use or medium of any prospectus or
8 otherwise, the securities of any issuer, unless and
9 until a registration statement has been filed with the
10 Commission as to such securities, or while a
11 registration statement as to such securities is the
12 subject of a refusal order or stop order of (prior to
13 the effective date of the registration statement) any
14 public proceeding of examination under Section 8 of the
15 Securities Act of 1933 [15 U.S.C. § 77h];

16 in violation of Sections 5(a) and 5(c) of the Securities Act of
17 1933 ("Securities Act") [15 U.S.C. §§ 77e(a) & 77e(c)]; provided,
18 however, that nothing in Part I of this Final Judgment shall
19 apply to any security or transaction that is exempt from the
20 provisions of Section 5 of the Securities Act [15 U.S.C. § 77e].

21 II.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Brouillette and his agents, servants, employees, and attorneys,
24 and all persons in active concert or participation with any of
25 them, who receive actual notice of this Final Judgment by
26 personal service or otherwise, and each of them, are permanently
27 restrained and enjoined from, directly or indirectly, in the
28 offer or sale of the securities of any issuer, by the use of any

1 means or instruments of transportation or communication in
2 interstate commerce or by the use of the mails:

3 A. employing any device, scheme, or artifice to defraud;

4 B. obtaining money or property by means of any untrue
5 statement of a material fact or any omission to state a
6 material fact necessary in order to make the statements
7 made, in the light of the circumstances under which
8 they were made, not misleading; or

9 C. engaging in any transaction, practice, or course of
10 business which operates or would operate as a fraud
11 or deceit upon the purchaser;

12 in violation of Section 17(a) of the Securities Act [15 U.S.C. §
13 77q(a)].

14 III.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
16 Brouillette and his agents, servants, employees and attorneys,
17 and all persons in active concert or participation with any of
18 them, who receive actual notice of this Final Judgment by
19 personal service or otherwise, and each of them, are permanently
20 restrained and enjoined from, directly or indirectly, in
21 connection with the purchase or sale of the securities of any
22 issuer, by the use of any means or instrumentality of interstate
23 commerce, or of the mails, or of any facility of any national
24 securities exchange:

25 A. employing any device, scheme, or artifice to defraud;

26 B. making any untrue statement of a material fact or
27 omitting to state a material fact necessary in order
28 to make the statements made, in the light of the

1 circumstances under which they were made, not
2 misleading; or

3 C. engaging in any act, practice, or course of business
4 which operates or would operate as a fraud or deceit
5 upon any person;

6 in violation of Section 10(b) of the Securities Exchange Act of
7 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
8 thereunder [17 C.F.R. § 240.10b-5].

9 IV.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
11 Brouillette and his agents, servants, employees, and attorneys,
12 and all persons in active concert or participation with any of
13 them, who receive actual notice of this Final Judgment by
14 personal service or otherwise, and each of them, are permanently
15 restrained and enjoined from, directly or indirectly, making use
16 of the mails or any means or instrumentality of interstate
17 commerce to effect any transaction in, or to induce or attempt to
18 induce the purchase or sale of, any security (other than an
19 exempted security or commercial paper, bankers' acceptances, or
20 commercial bills) unless and until becoming registered in
21 accordance with Section 15(b) of the Exchange Act [15 U.S.C.
22 § 78o(b)] in violation of Section 15(a)(1) of the Exchange Act
23 [15 U.S.C. § 78o(a)(1)].

24 V.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
26 Brouillette shall disgorge the gains resulting from his
27 violations as alleged in the Complaint in the amount of \$150,000
28 together with pre-judgment interest thereon and shall pay a civil

1 penalty as set forth below. Based upon Brouillette's sworn
2 representations in his Statements of Financial Condition dated
3 April 30, 1998 and August 4, 1999 together with his sworn Asset
4 Deposition testimony of April 30, 1998, all submitted to the
5 Commission, payment of all but \$10,000 of the disgorgement and
6 prejudgment interest thereon is waived, and a penalty shall not
7 be assessed, contingent upon the accuracy and completeness of his
8 Statements of Financial Condition and truthful Asset Deposition
9 testimony. Brouillette shall the \$10,000 in disgorgement within
10 thirty (30) days of entry of Judgment herein. Brouillette shall
11 pay, by cashier's check, certified check or postal money order,
12 the \$10,000 in disgorgement as set forth above. The sum shall be
13 disgorged and check made payable to the United States Securities
14 and Exchange Commission 450 Fifth Street, N.W., Stop 0-3,
15 Washington, D.C. under cover of a letter that identifies the
16 defendant, the name and case number of this litigation, and the
17 court. A copy of such cover letter shall be simultaneously
18 transmitted to Counsel for the Commission in this action at its
19 Los Angeles Office.

20 VI.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
22 determination to waive payment of all but \$10,0000 of the
23 disgorgement and prejudgment interest thereon, and to not assess
24 a penalty, is contingent upon the accuracy and completeness of
25 Brouillette's Statements of Financial Condition and Asset
26 Deposition Testimony. If, at any time following the entry of
27 this Final Judgment, the Commission obtains information
28 indicating that Brouillette's representations to the Commission

concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Brouillette, petition this Court for an order requiring Brouillette to pay an appropriate penalty, the remaining portion of full disgorgement of \$150,000 as set forth above and prejudgment and post-judgment interest thereon. In connection with any such petition, the only issue shall be whether the financial information provided by Brouillette was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Brouillette to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Brouillette may not, by way of defense to such petition, challenge the validity of his Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, contest the amount of disgorgement and interest, or assert that disgorgement should not be ordered.

VII.

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


VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction over this action to determine the liability of any remaining defendants in this action, to implement and to enforce the terms of this Final Judgment and all other orders and decrees that may be entered herein, and to grant such other relief as the Court may deem necessary and just.

* * * * *

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: Feb. 17, 2000


CHRISTINA A. SNYDER JUDGE
UNITED STATES DISTRICT COURT

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PROOF OF SERVICE

I, the undersigned, declare that I am over the age of 18 years and not a party to the action. I am employed in the County of Los Angeles, State of California, in which county the within-mentioned mailing occurred. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. I am familiar with the practice of the U.S. Securities and Exchange Commission of collecting and processing legal documents and correspondence for mailing. The Commission's practice is to deposit correspondence with the United States Postal Service on the same day that it is prepared for mailing in the ordinary course of business.

On February 15, 2000, I served the following document(s):

**[PROPOSED] FINAL JUDGMENT OF PERMANENT
INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT
ELLSWORTH L. BROUILLETTE**

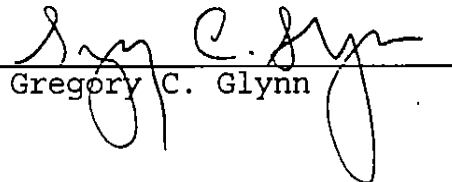
by placing a true and correct copy in a separate envelope for each addressee named hereafter, addressed to each such addressee respectively as follows:

See Attached
MASTER SERVICE LIST

I then sealed the envelope with postage thereon fully prepaid and deposited it for collection and mailing via the United States Postal Service today in accordance with the ordinary business practices of the Commission at the Commission's address previously set forth.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the Bar of this Court at whose direction this service was made.

Executed on February 15, 2000, at Los Angeles,
California.



Gregory C. Glynn

MASTER SERVICE LIST
Securities and Exchange Commission
v.
Microwest Industries, Inc. et al.
United States District Court
Case No. CV 97-9150 (CAS) (CTX)

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MASTER SERVICE LIST
Securities and Exchange Commission
v.
Microwest Industries, Inc. et al.
United States District Court
Case No. CV 97-9150 (CAS) (CTX)

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