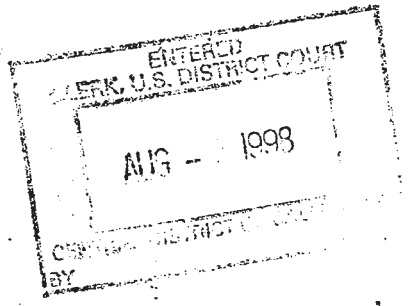


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1 Sandra J. Harris
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BY: _____

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

THIS COPY IS TO BE FILED WITH THE COURT AS REQUIRED BY RULE 77(b)

12	_____ :	Civil Action No.
13	SECURITIES AND EXCHANGE COMMISSION, :	CV 97-5993 RAP (JGx)
14	Plaintiff, :	FINAL JUDGMENT OF
15	v. :	PERMANENT INJUNCTION AND
16	AMERICAN GROWTH CAPITAL CORP., :	OTHER RELIEF AGAINST
17	AMERICAN GROWTH FUND I, LP, :	DEFENDANT CHARLES E.
18	GROWTH CAPITAL RESOURCES CORP., :	DUQUETTE
19	CAPITAL GROWTH FUND I, LP, :	
20	DONNA L. SNYDER, CHARLES E. :	
21	DUQUETTE, ROBERT K. KELLY, HUGO V. :	
	CIANCIULLI, WILLIAM M. MCNARY, :	
	EMANUEL B. NEDWICK, JEROME L. :	
	GLAZOV, AND CHRISTOPHER A. PAULICK, :	
	Defendants. :	

22 Plaintiff Securities and Exchange Commission ("Commission"),
23 having filed and served upon Defendant Charles E. Duquette
24 ("Duquette") a Summons and Complaint in this matter and Defendant
25 Duquette having admitted service upon him of the Summons and
26 Complaint in this action and the jurisdiction of this Court over
27 him and over the subject matter of this action; having been fully
28 advised and informed of his rights to a judicial determination of

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

13 I.

14 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant
15 Duquette and his agents, servants, employees and attorneys, and
16 all persons in active concert or participation with any of them,
17 who receive actual notice of this Final Judgment, by personal
18 service or otherwise, and each of them, are permanently
19 restrained and enjoined from, directly or indirectly, in the
20 offer or sale of the securities of any issuer, by the use of any
21 means or instruments of transportation or communication in
22 interstate commerce or by the use of the mails:

- 23 A. employing any device, scheme or artifice to defraud;
- 24 B. obtaining money or property by means of any untrue
25 statement of a material fact or any omission to state a
26 material fact necessary in order to make the statements
27 made, in the light of the circumstances under which,
28 they were made, not misleading; or

1 C. engaging in any transaction, practice, or course of
2 business which operates or would operate as a fraud
3 or deceit upon the purchaser;
4 in violation of Section 17(a) of the Securities Act of 1933, as
5 amended, ("Securities Act") [15 U.S.C. § 77q(a)].

6 II.

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

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

16 B. making any untrue statement of a material fact or
17 omitting to state a material fact necessary in order
18 to make the statements made, in the light of the
19 circumstances under which they were made, not
20 misleading; or

21 C. engaging in any act, practice, or course of business
22 which operates or would operate as a fraud or deceit
23 upon any person, in connection with the purchase or
24 sale of any security;

25 in violation of Section 10(b) of the Securities Exchange Act of
26 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
27 thereunder [17 C.F.R. § 240.10b-5].

28 *

1 III.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
3 Duquette, and his agents, servants, employees and attorneys, and
4 all persons in active concert or participation with any of them,
5 who receive actual notice of this Final Judgment by personal
6 service or otherwise, and each of them, are permanently
7 restrained and enjoined from, directly or indirectly, by use of
8 the mails or any means or instrumentality of interstate commerce,
9 while acting as an investment adviser:

10 A. employing any devices, schemes or artifices to defraud
11 advisory clients or prospective advisory clients, in
12 violation of Section 206(1) of the Investment Advisers
13 Act of 1940 ("Advisers Act") [15 U.S.C. § 80b-6(1)];
14 and

15 B. engaging in transactions, practices or courses of
16 business which operate as a fraud or deceit upon
17 advisory clients or prospective advisory clients, in
18 violation of Section 206(2) of the Advisers Act [15
19 U.S.C. § 80b-6(2)].

20 IV.

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

27 A. making use of any means or instruments of
28 transportation or communication in interstate commerce

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III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Duquette, 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 Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, by use of the mails or any means or instrumentality of interstate commerce, while acting as an investment adviser:

A. employing any devices, schemes or artifices to defraud advisory clients or prospective advisory clients, in violation of Section 206(1) of the Investment Advisers Act of 1940 ("Advisers Act") [15 U.S.C. § 80b-6(1)]; and

B. engaging in transactions, practices or courses of business which operate as a fraud or deceit upon advisory clients or prospective advisory clients, in violation of Section 206(2) of the Advisers Act [15 U.S.C. § 80b-6(2)].

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Duquette, 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 Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly:

A. making use of any means or instruments of transportation or communication in interstate commerce

1 or of the mails to sell the securities of any issuer,
2 through the use or medium of any prospectus or
3 otherwise, unless and until a registration is in effect
4 as to such securities;

5 B. carrying or causing to be carried through the mails or
6 in interstate commerce, by any means or instruments of
7 transportation, for the purpose of sale or for delivery
8 after sale, the securities of any issuer, unless and
9 until a registration statement is in effect as to such
10 securities; and

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

23 in violation of Sections 5(a) and 5(c) of the Securities Act
24 [15 U.S.C. §§ 77e(a) & 77e(c)]; provided, however, that nothing
25 in the foregoing portion of this paragraph shall apply to any
26 security or transaction that is exempt from the provisions of
27 Section 5 of the Securities Act [15 U.S.C. § 77e].

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V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Duquette, 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 Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly: making use of the mails or means or instrumentalities of interstate commerce to effect transactions in securities, without being registered as brokers or dealers in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)], in violation of Section 15(a) (1) of the Exchange Act [15 U.S.C. § 78o(a) (1)].

VI.

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

VII.

IT IS ORDERED, ADJUDGED, AND DECREED that Defendant Duquette pay disgorgement in the amount of \$300,500, plus prejudgment interest thereon.

VIII.

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2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, based
3 upon Defendant Duquette's sworn representations in his Statement
4 of Financial Condition submitted to the Commission, payment of
5 such disgorgement and prejudgment interest thereon is waived,
6 except as follows: As partial disgorgement, Duquette shall: (1)
7 transfer all his beneficial interest in any and all stock or
8 other securities issued by United Entertainment Systems, Inc. and
9 (2) relinquish all his beneficial interest in Growth Capital
10 Resources Corp.; transfer and relinquishment of such stock and
11 beneficial interest to be made to the Receiver over American
12 Growth Fund I, LP, within thirty (30) days after the entry of the
13 Final Judgment. This waiver is contingent upon the accuracy and
14 completeness of Defendant Duquette's Statement of Financial
15 Condition.

16 IX.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that if, at any
18 time following the entry of this Final Judgment, the Commission
19 obtains information indicating that Defendant Duquette's
20 representations to the Commission concerning his assets, income,
21 liabilities, or net worth were fraudulent, misleading,
22 inaccurate, or incomplete in any material respect as of the time
23 such representations were made, the Commission may, at its sole
24 discretion and without prior notice to Defendant, petition this
25 Court for an order requiring Duquette to pay full disgorgement
26 and prejudgment and postjudgment interest thereon, less any
27 amounts paid by Duquette as per his agreement described in ¶13 of
28 his Consent. In connection with any such petition, the only

1 issue shall be whether the financial information provided by
2 Defendant Duquette was fraudulent, misleading, inaccurate, or
3 incomplete in any material respect as of the time such
4 representations were made. In its petition, the Commission may
5 move this Court to consider all available remedies, including,
6 but not limited to, ordering Defendant to pay funds or assets,
7 directing the forfeiture of any assets, or sanctions for contempt
8 of this Final Judgment, and the Commission may also request
9 additional discovery. Defendant Duquette may not, by way of
10 defense to such petition, challenge the validity of his Consent
11 or the Final Judgment, contest the allegations in the Complaint
12 filed by the Commission, contest the amount of disgorgement and
13 interest, or assert that disgorgement should not be ordered.

14 X.

15 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, based upon
16 Defendant Duquette's sworn representations to the Commission that
17 he is financially unable to pay a penalty, the Court is not
18 ordering Duquette to pay a penalty. The Court does, however,
19 note the appropriateness of a civil penalty in this instance.
20 The determination that Defendant Duquette is unable to pay a
21 civil penalty is conditioned on the accuracy and completeness of
22 Duquette's sworn representations in his Statement of Financial
23 Condition submitted to the Commission. If, at any time following
24 the entry of this Final Judgment, the Commission obtains
25 information indicating that Defendant Duquette's representations
26 to the Commission concerning his assets, income, liabilities, or
27 net worth were fraudulent, misleading, inaccurate, or incomplete
28 in any material respect as of the time such representations were

1 made, the Commission may, at its sole discretion and without
2 prior notice to Defendant, petition this Court for a hearing to
3 determine whether Duquette should be ordered to pay a civil
4 penalty. In connection with any such petition, the only issue
5 shall be whether the financial information provided by Defendant
6 Duquette was fraudulent, misleading, inaccurate, or incomplete in
7 any material respect as of the time such representations were
8 made. In its petition, the Commission also may seek any
9 additional remedies, or request further discovery. Duquette may
10 not by way of defense to that petition, contest the allegations
11 in the Complaint, or assert that no penalty is appropriate for
12 the violations alleged in the Complaint.

13 XI.

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

19 XII.

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

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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.

RICHARD A. PAEZ

DATED: AUG 3 1998

UNITED STATES DISTRICT JUDGE

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