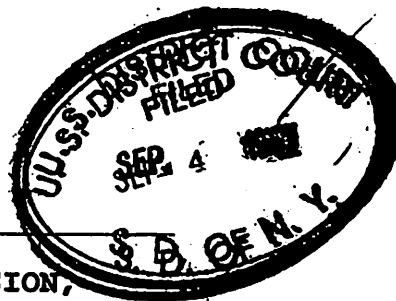


UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff, :

-against- :

INTERACTIVE MEDICAL TECHNOLOGIES LTD., :  
WILLIAM E. SHELL, and :  
CLARK M. HOLCOMB, :

Defendants. :

FINAL JUDGMENT OF  
PERMANENT INJUNCTION  
AGAINST DEFENDANT  
CLARK M. HOLCOMB  
BY CONSENT

97CV6027 JSM

Plaintiff U.S. Securities and Exchange Commission ("Commission"), having commenced this action by filing a Complaint charging defendant Clark M. Holcomb ("Holcomb") with violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a) and 77e(c) and Section 15(a) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78o(a), defendant Holcomb having admitted to the in personam and subject matter jurisdiction of this Court, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure and, without admitting or denying the allegations of the Commission's Complaint, having executed the annexed Consent To The Entry Of Final Judgment ("Consent") incorporated herein:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the defendant Holcomb is hereby permanently restrained and enjoined from, directly or indirectly, singly or in concert:

- (a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities through the use

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or medium of any prospectus or otherwise unless a registration statement is in effect as to such securities; or

(b) carrying such securities or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or for delivery after sale, unless a registration statement is in effect as to such securities; or

(c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any securities, unless a registration statement has been filed as to such securities, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act, 15 U.S.C. § 77h,

in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and (c).

## II.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Holcomb is hereby permanently restrained and enjoined from, directly or indirectly, singly or in concert, making use of

the mails or any means or instrumentalities of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, banker's acceptances, or commercial bills), while acting as a broker or dealer, without registering as a broker or dealer in accordance with Section 15(b) of the Exchange Act, 15 U.S.C. § 78o(b), in violation Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a).

### III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that based upon defendant Holcomb's Statement of Financial Condition, dated February 28, 1997, that was submitted to the Commission ("Statement of Financial Condition"), the Court is not ordering Holcomb to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The determination not to impose a civil penalty is contingent upon the accuracy and completeness of defendant Holcomb's Statement of Financial Condition. If, at any time following the entry of this Final Judgment, the Commission obtains information indicating that defendant Holcomb'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 defendant Holcomb, petition this Court for an order imposing a civil

penalty. In connection with any such petition, the only issues shall be whether the financial information provided by defendant Holcomb was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering defendant Holcomb 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. In proceeding on any such petition, defendant Holcomb may not, by way of defense to such petition, challenge the validity of this Final Judgment or the annexed Consent, contest the allegations in the Complaint filed by the Commission, or assert that payment of a civil penalty should not be ordered by the Court.

#### IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Final Judgment is binding upon defendant Holcomb, his officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with defendant Holcomb who receive actual notice of this Final Judgment by personal service or otherwise, pursuant to Federal Rule of Civil Procedure 65(d).

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the annexed Consent of defendant Holcomb shall be and is hereby incorporated herein with the same force as if fully set forth herein.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this action for all purposes, including, but not limited to, implementing and enforcing the terms and conditions of this Final Judgment.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, there being no just reason for delay, the Clerk of this Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

CONSENT OF CLARK M. HOLCOMB

1. Defendant Clark M. Holcomb ("Holcomb"), upon the advice of his counsel and being fully apprised of his rights, having read and understood the terms of the annexed Final Judgment Of Permanent Injunction Against Defendant Clark M. Holcomb By Consent ("Final Judgment"), appears and admits the in personam and subject matter jurisdiction of this Court, waives the filing of an answer, waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and without admitting or denying the allegations contained in the Complaint of plaintiff Securities and Exchange Commission ("Commission") except as to jurisdiction, hereby consents to the entry, without further notice, of the annexed Final Judgment.

2. Defendant Holcomb agrees that this Consent shall be incorporated by reference in and made part of the annexed Final Judgment to be presented to the Court for signature, filing, and entry contemporaneously herewith.

3. Defendant Holcomb waives any right he may have to appeal from the annexed Final Judgment.

4. Defendant Holcomb enters into this Consent voluntarily and acknowledges that no tender, offer, promise or threat of any kind has been made by plaintiff Commission or any member, officer, agent or representative thereof, to induce him to enter into this Consent.

5. Defendant Holcomb acknowledges that he has been informed and understands that plaintiff Commission, at its sole

or exclusive discretion, may refer this matter, or any information or evidence gathered in connection therewith or derived therefrom, to any person or entity having appropriate civil, administrative or criminal jurisdiction.

6. Defendant Holcomb acknowledges that any violation of the terms or provisions of the annexed Final Judgment may place him in contempt of this Court and subject him to civil or criminal penalties.

7. Defendant Holcomb acknowledges and agrees that this proceeding and this Consent to the entry of the Final Judgment are for the purpose of resolving this civil proceeding only, in conformity with the provisions of 17 C.F.R. § 202.5(f), and do not resolve, affect or preclude any other proceeding which may be brought against defendant Holcomb.

8. Defendant Holcomb agrees that he will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection he may have based thereon.

9. Defendant Holcomb waives any right he may have to assert that under the Double Jeopardy Clause of the United States Constitution, the relief consented to in this civil action bars any criminal action, or that any criminal action bars the relief consented to in this civil action.

10. Defendant Holcomb acknowledges and agrees that no promise or representation has been made to him by plaintiff

Commission or any member, officer, attorney, agent or representative of the Commission with regard to: (i) any criminal liability arising from the facts relating to the action; or (ii) immunity from, or sanctions for, any such criminal liability.

11. Defendant Holcomb acknowledges that this Consent together with the Final Judgment embodies the entire understanding of the parties.

12. Defendant Holcomb consents that this Court shall retain jurisdiction of this matter for all purposes.

13. Defendant Holcomb understands that it is the Commission's policy, as set forth in 17 C.F.R. § 202.5(e), not to permit a defendant to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint. Defendant Holcomb further understands that the Commission's acceptance of the settlement in this matter is based upon compliance with this policy by defendant Holcomb.

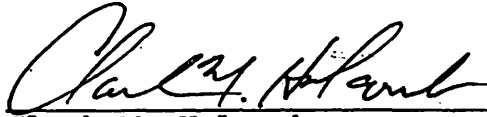
14. Defendant Holcomb acknowledges that the Court is not imposing a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), based upon the accuracy and completeness of defendant Holcomb's sworn representations to the Commission concerning his assets, income, liabilities, and net worth, as described in his Statement of Financial Condition, dated February 28, 1997, that was submitted to the Commission.



15. Defendant Holcomb further consents that if at any time following the entry of the Final Judgment, the Commission obtains information indicating that defendant Holcomb'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 defendant Holcomb, petition the Court for an order requiring defendant Holcomb to pay a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by defendant Holcomb was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In any such petition, the Commission may move the Court to consider all available remedies, including, but not limited to, ordering defendant Holcomb to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of the Court's Final Judgment, and the Commission may also request additional discovery. Defendant Holcomb may not, by way of defense to such petition, challenge the validity of this Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, or assert that payment of a civil penalty should not be ordered.

16. Defendant Holcomb hereby consents and agrees that the Final Judgment may be presented by the Commission to the Court for signature, filing and entry without further notice or delay.

Dated: Los Angeles, California  
May 15, 1997

  
\_\_\_\_\_  
Clark M. Holcomb

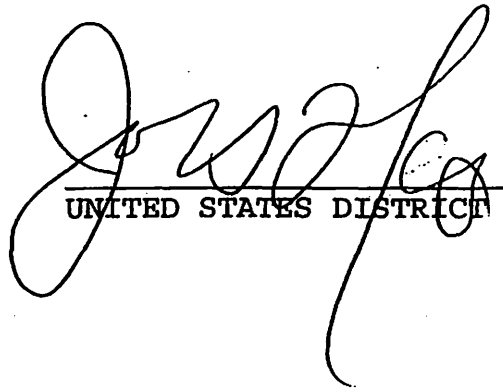
STATE OF )  
          ) ss.:  
COUNTY OF )

On this \_\_\_ day of May 1997, before me personally appeared Clark M. Holcomb, to me known and known to be the person who executed the foregoing Consent and he acknowledged that he executed the same.

\_\_\_\_\_  
NOTARY PUBLIC

SO ORDERED

Dated: New York, New York  
SEPTEMBER 3, 1997

  
\_\_\_\_\_  
UNITED STATES DISTRICT JUDGE mu

**THIS DOCUMENT WAS ENTERED  
ON THE DOCKET ON 9/5/97**