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ENT NO JS6

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ENTERED CLERK, U.S. DISTRICT COURT
MAY 15 1998
LOGGED CLERK, U.S. DISTRICT COURT
MAY 12 1998
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

11 SECURITIES AND EXCHANGE COMMISSION,
12 Plaintiff,

Case No. 97-4811 CAS (JGx)

13 vs.

JUDGMENT OF PERMANENT
INJUNCTION AGAINST DEFENDANT
ROBERT HAUG

14 B.M.C. ENTERPRISES, INC., MICHAEL E.
LOPUSZYNSKI, C. SCOTT COURTNEY,
15 MADISON CONSULTING GROUP, INC.,
JONATHAN SHOUCAIR, MICHAEL W.
16 ENGELHARDT, JOSEPH WIDMER, LIVESTOCK
FINANCIAL SERVICES, INC., EUGENE
17 EVANGELIST, KENT BOLLENBACH,
BROOKSIDE MANAGEMENT, INC., TIMOTHY
18 GRAYSON, LION'S SHARE VENTURES,
BRENT MORRIS, JAMES PEREZ, ROBERT
19 HAUG d/b/a WEST COAST INVESTMENTS,
FRONTLINE CONSULTING, INC., MARC
20 LEVINE, and IRA ITSKOWITZ,

21 Defendants.

FILED
CLERK, U.S. DISTRICT COURT
MAY 13 1998
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

I HEREBY CERTIFY THAT THE FOREGOING WAS REVIEWED BY
FIRST CLASS MAIL AND RECEIVED TO ALL
ADDRESSES AT THE MAIL SERVICE. MUST RECORD ADDRESS OF
RECORD TO THIS ACTION, ON THIS DATE.
MAY 15 1998
DATED: TRINA WASHINGTON
DEPUTY CLERK

24 Plaintiff Securities and Exchange Commission ("Commission"),
25 having filed and served upon defendant Robert Haug ("Defendant") a
26 Summons and Complaint for Violation of the Federal Securities Laws
27 in this action; Defendant, having admitted service of the Summons
28 and Complaint in this action and the jurisdiction of this Court over

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1 | him and over the subject matter of this action; and having been
2 | fully advised and informed of his right to a judicial determination
3 | of this matter; and having waived findings of fact and conclusions
4 | of law as provided by Rule 52 of the Federal Rules of Civil
5 | Procedure; and having consented to the entry of this Judgment of
6 | Permanent Injunction and Other Relief Against Defendant Robert Haug
7 | ("Judgment"), without admitting or denying any of the allegations in
8 | the Complaint except as specifically set forth in the Consent of
9 | Defendant Robert Haug to Entry of Judgment of Permanent Injunction
10 | ("Consent"); no notice of hearing upon the entry of this Order being
11 | necessary; and the Court being fully advised in the premises:

12 | **I.**

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

19 | A. making use of any means or instruments of
20 | transportation or communication in interstate
21 | commerce or of the mails to sell any security through
22 | the use or medium of any prospectus or otherwise,
23 | unless a registration statement is in effect as to
24 | such security;

25 | B. carrying or causing to be carried any security
26 | through the mails or in interstate commerce, by any
27 | means or instruments of transportation, unless a
28 |

1 registration statement is in effect as to such
2 security; and

3 C. making use of any means or instruments of
4 transportation or communication in interstate
5 commerce or of the mails to offer to sell or offer to
6 buy any security through the use or medium of any
7 prospectus or otherwise unless a registration
8 statement has been filed as to such security, or
9 while the registration statement is the subject of a
10 refusal order or stop order or any public proceeding
11 of examination;

12 in violation of Sections 5(a) and 5(c) of the Securities Act of 1933
13 [15 U.S.C. §§ 77e(a) and 77e(c)].

14 **II.**

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and
16 his agents, servants, employees and attorneys, and all persons in
17 active concert or participation with any of them, who receive actual
18 notice of this Order, by personal service or otherwise, and each of
19 them, are permanently restrained and enjoined from, directly or
20 indirectly, while acting as a broker or dealer, making use of the
21 mails or any means or instrumentality of interstate commerce to
22 effect any transactions in, or to induce or attempt to induce the
23 purchase or sale of, any security unless registered with the
24 Commission, in violation of Section 15(a) of the Securities Exchange
25 Act of 1934 [15 U.S.C. § 78o(a)(1)].

26 **III.**

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
28 shall pay disgorgement and a civil penalty in an amount subsequently

1 | to be determined by the Court. Defendant shall further pay
2 | prejudgment interest on the amount of disgorgement. The prejudgment
3 | interest shall be calculated using the Internal Revenue Service rate
4 | of interest on tax underpayments and refunds. In connection with
5 | any hearing to determine the appropriate amount of disgorgement
6 | and/or a civil penalty, Defendant shall not raise as a defense that
7 | he is not liable for the payment of such disgorgement and/or civil
8 | penalty because he did not violate one or more of the provisions of
9 | the Securities Act or the Exchange Act or the rules thereunder set
10 | forth in the Judgment.

11 | **IV.**

12 | IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
13 | provisions of the Consent filed concurrently with this Order are
14 | incorporated herein with the same force and effect as if fully set
15 | forth herein and that Defendant shall comply with his Consent.

16 | **V.**

17 | IT IS FURTHER ORDERED that this Court shall retain jurisdiction
18 | over this action for all purposes including determining the amount
19 | of disgorgement and/or civil penalties to be paid by this or any
20 | other Defendant in this action, determining the liability of any
21 | remaining defendants in this action, implementing and enforcing this
22 | Judgment and all other orders and decrees which have been and may be
23 | entered herein, and granting such other relief as the Court may deem
24 | necessary and just.

25 | * * *


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

4
5 IT IS SO ORDERED.

6 DATED: May 13, 1998

Christina A. Snyder
UNITED STATES DISTRICT JUDGE

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8
9 APPROVED AS TO FORM.
(Local Rule 14.7)

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12 _____
Irving M. Einhorn
Attorney for Defendant