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1 Sandra J. Harris
2 William E. White
3 Kelly Bowers
4 Jolie F. Zimmerman

5 Attorneys for Plaintiff
6 Securities and Exchange Commission
7 5670 Wilshire Blvd., 11th Floor
8 Los Angeles, CA 90036
9 Telephone: (213) 965-3998

ENTERED
CLERK, U.S. DISTRICT COURT
AUG 26 1997
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

FILED
CLERK, U.S. DISTRICT COURT
AUG 25 1997
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

10 UNITED STATES DISTRICT COURT
11 CENTRAL DISTRICT OF CALIFORNIA
12 WESTERN DIVISION

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

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

THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(d)

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1 determination of this matter; having waived the entry of findings
2 of fact and conclusions of law as provided by Rule 52 of the
3 Federal Rules of Civil Procedure; having consented to the entry
4 of this Final Judgment of Permanent Injunction and Other Relief
5 Against Defendant Hugo V. Cianciulli ("Final Judgment") without
6 admitting or denying the allegations in the Complaint, except as
7 specifically set forth in the Consent of Defendant Hugo V.
8 Cianciulli 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 Cianciulli 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 Cianciulli 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].

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1 III.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
3 Cianciulli, and his agents, servants, employees and attorneys,
4 and all persons in active concert or participation with any of
5 them, who receive actual notice of this Final Judgment by
6 personal 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 Cianciulli
22 shall provide all documents in his possession, custody or control
23 to the Commission and disclose under oath all information with
24 respect to his activities and the activities of others about
25 which the Commission or its staff may inquire or request. Such
26 production of documents and disclosure of information by
27 Cianciulli shall be made upon reasonable notice in writing and
28 without the service of a subpoena and subject only to the good

1 faith assertion of any privileges recognizable pursuant to
2 the provisions of Rule 501 of the Federal Rules of Evidence or
3 the United States Constitution and amendments thereto.

4 V.

5 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Cianciulli
6 shall pay disgorgement in an amount to be determined by the
7 Court, representing his gains from the conduct alleged in the
8 Complaint, plus pre-judgment interest thereon, as pursuant to 28
9 U.S.C. § 1961, and shall pay a civil penalty, if any, under the
10 Securities Enforcement Remedies and Penny Stock Reform Act of
11 1990, pursuant to Section 20(d) of the Securities Act [15 U.S.C.
12 § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. §
13 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. §
14 80b-9(e)], said disgorgement and civil penalty to be paid in
15 amounts, if any, as may be subsequently determined by the Court.
16 In connection with any hearing to determine the appropriate
17 amounts of disgorgement and civil penalties, Defendant Cianciulli
18 may offer proof of the actual amounts received, but shall not
19 assert as a defense that he did not commit the violations alleged
20 in the Commission's Complaint.

21 VI.

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

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