

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
DIGITAL ENTERTAINMENT CORPORATION,
AND ERNEST P. LAMONICA,

PETITION FOR ORDER

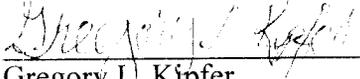
Respondents.

File No. S-04220(EX)

The staff of the Bureau of Registration & Enforcement, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Digital Entertainment Corporation ("Digital") is a foreign business entity with a last known business address of 3702 S. Virginia Street, #G-12, Reno, Nevada 89502. Digital was incorporated in the state of Nevada on September 25, 1995.
2. Ernest P. Lamonica ("Lamonica"), date-of-birth: 11/01/1942, is an individual who at all times material hereto has been President and Chief-Executive-Officer of Digital, with a last known business and home address at that of Digital.
3. During the period of November 1997 through October 2003 Lamonica, on behalf of Digital, offered to at least one person in Wisconsin shares of Digital.
4. The Digital stock has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.
5. All respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
6. On June 27, 1989, the State of New Mexico issued an administrative order against Lamonica based on allegations of securities law violations, including fraud.
7. On July 30, 1998, the State of Iowa issued a Cease & Desist Order against Lamonica based on allegations of securities law violations, including fraud.
8. Upon information and belief, during the offer and sale of stock described in Paragraph 3, Lamonica omitted to inform the individual that he had received administrative orders from the states of New Mexico and Iowa.
9. As described in Paragraph 8, Lamonica violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.



Gregory L. Kipfer
Examiner
Enforcement Unit

5/10/06
Date



David A. Cohen
Supervising Attorney
Enforcement Unit

5/12/06
Date