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CENTRAL DISTRICT OF CALIFORNIA
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RECORDED

13 UNITED STATES DISTRICT COURT
14 FOR THE CENTRAL DISTRICT OF CALIFORNIA
15 WESTERN DIVISION

16 SECURITIES AND EXCHANGE
17 COMMISSION,

18 Plaintiff,

19 vs.

20 JOHN C. BOHAN, et al.,

21 Defendants.

Case No.

Cv 03-2834 (318x) R

22 FINAL JUDGMENT OF
23 PERMANENT INJUNCTION AND
24 OTHER RELIEF AGAINST MARK
25 D. ROAH

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

28 Plaintiff Securities and Exchange Commission ("Commission"), having
filed and served upon Defendant Mark D. Roah ("Roah") a Summons and
Complaint in this action; Roah having admitted service upon him of the Summons
and Complaint in this action and the jurisdiction of this Court over him and over
the subject matter of this action; having been fully advised and informed of his
right to a judicial determination of this matter; having waived the entry of findings
of fact and conclusions of law as provided by Rule 52 of the Federal Rules of
Civil Procedure; having consented to the entry of this Final Judgment Of
Permanent Injunction And Other Relief Against Mark D. Roah ("Final Judgment")
without admitting or denying the allegations in the Complaint, except as
specifically set forth in the Consent Of Mark D. Roah To Entry Of Final Judgment

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CENTRAL DISTRICT OF CALIFORNIA
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1 Of Permanent Injunction And Other Relief (“Consent”); no notice of hearing upon
2 the entry of this Final Judgment being necessary; and this Court being fully
3 advised:

4 **I.**

5 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Roah and
6 his agents, servants, employees and attorneys, and all persons in active concert or
7 participation with any of them who receive actual notice of this Final Judgment by
8 personal service or otherwise, and each of them, are permanently restrained and
9 enjoined from, directly or indirectly, in the offer or sale of any securities, by the
10 use of any means or instruments of transportation or communication in interstate
11 commerce or by use of the mails:

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

13 B. obtaining money or property by means of any untrue statement of a
14 material fact or any omission to state a material fact necessary in
15 order to make the statements made, in light of the circumstances
16 under which they were made, not misleading; or

17 C. engaging in any transaction, practice, or course of business which
18 operates or would operate as a fraud or deceit upon the purchaser;

19 in violation of Section 17(a) of the Securities Act of 1933 (“Securities Act”), 15
20 U.S.C. § 77q(a).

21 **II.**

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah and
23 his agents, servants, employees and attorneys, and all persons in active concert or
24 participation with any of them who receive actual notice of this Final Judgment by
25 personal service or otherwise, and each of them, are permanently restrained and
26 enjoined from, directly or indirectly, in connection with the purchase or sale of any
27 security, by the use of any means or instrumentality of interstate commerce, or of
28 the mails, or of any facility of any national securities exchange:

- 1 A. employing any device, scheme, or artifice to defraud;
- 2 B. making any untrue statement of a material fact or omitting to state a
- 3 material fact necessary in order to make the statements made, in the
- 4 light of the circumstances under which they were made, not
- 5 misleading; or
- 6 C. engaging in any act, practice, or course of business which operates or
- 7 would operate as a fraud or deceit upon any person;

8 in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange
9 Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

10 **III.**

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah and
12 his agents, servants, employees and attorneys, and all persons in active concert or
13 participation with any of them who receive actual notice of this Final Judgment by
14 personal service or otherwise, and each of them, are permanently restrained and
15 enjoined from filing, or causing to be filed, annual reports with the Commission
16 on Forms 10-K and quarterly reports with the Commission on Forms 10-Q that fail
17 to contain material information necessary to make the required statements in the
18 Forms 10-K or 10-Q, in light of the circumstances under which they are made, not
19 misleading, in violation of Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a),
20 and Rules 12b-20, 13a-1 and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240-
21 13a-1 & 240.13a-13.

22 **IV.**

23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah and
24 his agents, servants, employees and attorneys, and all persons in active concert or
25 participation with any of them who receive actual notice of this Final Judgment by
26 personal service or otherwise, and each of them, are permanently restrained and
27 enjoined from knowingly circumventing or knowingly failing to implement a
28 system of internal accounting controls or falsifying any book, record or account

1 required to be kept by an issuer, in violation of Section 13(b)(5) of the Exchange
2 Act, 15 U.S.C. § 78m(b)(5), and Rule 13b2-1 thereunder, 17 C.F.R. § 240.13b2-1.

3 V.

4 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah and
5 his agents, servants, employees and attorneys, and all persons in active concert or
6 participation with any of them who receive actual notice of this Final Judgment by
7 personal service or otherwise, and each of them, are permanently restrained and
8 enjoined from, directly or indirectly, while an officer or director of an issuer:

9 A. making or causing to be made a materially false or misleading
10 statement; or

11 B. omitting to state, or causing another person to omit to state, any
12 material fact necessary in order to make statements made, in light of
13 the circumstances under which such statements were made, not
14 misleading;

15 to an accountant in connection with:

- 16 1. an audit or examination of the financial statements of the issuer
17 required to be made, or
18 2. the preparation or filing of any document or report required to
19 be filed with the Commission;

20 in violation of Exchange Act Rule 13b2-2, 17 C.F.R. § 240.13b2-2.

21 VI.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah pay
23 disgorgement in the amount of \$778,970, plus prejudgment interest thereon of
24 \$34,584.25, totaling \$813,554.25, within 180 days of the date this Final Judgment
25 is entered. The disgorgement shall be paid by cashier's check, certified check or
26 postal money order payable to the Clerk of this Court, together with a cover letter
27 that identifies the defendant, the name and case number of this litigation and the
28 court. A copy of the cover letter shall be simultaneously transmitted to counsel for

1 the Commission in this action at the Commission's Pacific Regional Office in Los
2 Angeles, California. By making this payment, Roah relinquishes all legal and
3 equitable right, title, and interest in such funds, and no part of the funds shall be
4 returned to Roah. The Clerk shall deposit the funds into an interest bearing
5 account with the Court Registry Investment System ("CRIS"). These funds,
6 together with any interest and income earned thereon (collectively, the "Fund"),
7 shall be held by the CRIS until further order of the Court. In accordance with the
8 guidelines set by the Director of the Administrative Office of the United States
9 Courts, the Clerk is directed, without further order of this Court, to deduct from
10 the income earned on the money in the Fund a fee equal to ten percent of the
11 income earned on the Fund. Such fee shall not exceed that authorized by the
12 Judicial Conference of the United States. The Commission may propose a plan to
13 distribute the Fund subject to the Court's approval.

14 **VII.**

15 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Roah,
16 pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section
17 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), is permanently prohibited
18 from acting as an officer or director of any issuer that has a class of securities
19 registered with the Commission pursuant to Section 12 of the Exchange Act, 15
20 U.S.C. § 78l, or that is required to file reports with the Commission pursuant to
21 Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

22 **VIII.**

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

27 **IX.**

28 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that during

1 the pendency of this action against any defendant, Roah shall remain subject to the
2 discovery provisions of the Federal Rules of Civil Procedure which apply to
3 parties, and, in addition, that Roah shall appear, without the service of a subpoena,
4 and without regard to any discovery cut-off date or other restrictions on discovery
5 imposed by the Federal Rules of Civil Procedure or the Local Rules of this Court,
6 for deposition or to testify as a witness at any trial of this action or any other
7 related proceeding. Failure to comply with the foregoing will subject Roah to the
8 remedies and sanctions set forth in Rule 37 of the Federal Rules of Civil
9 Procedure and all other available remedies.

10 **X.**

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this
12 Court shall retain jurisdiction over this action for all purposes, including
13 implementing and enforcing the terms of this Final Judgment and all other orders
14 and decrees which have been or may be entered in this case, and granting such
15 other relief as the Court may deem necessary and just.

16 **XI.**

17 There being no just reason for delay, the Clerk of the Court is hereby
18 directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter
19 this Final Judgment.

20
21 DATED: *April 23, 2003*


UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I, Magnolia M. Marcelo, am over the age of eighteen years, am not a party to this action, and am a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California, 90036. On April 23, 2003, I caused to be served the **FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST MARK D. ROAH** by causing to be mailed true and correct copies thereof in sealed envelopes, postage prepaid, addressed to:

John B. Missing, Esq.
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Los Angeles, CA 90071-3048
Counsel for Defendant Chantel J. Loo

I declare under penalty of perjury that the foregoing is true and correct.

Dated: April 23, 2003

Magnolia M. Marcelo
Magnolia M. Marcelo