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FILED
CLERK, U.S. DISTRICT COURT
AUG - 6 2003
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

Civil Action No.
SACV 03-485 JVS (SHx)

**PROPOSED FINAL JUDGMENT
OF PERMANENT INJUNCTION
AND OTHER RELIEF AGAINST
DEFENDANT PETER
BROMBERG**

**MOTORCAR PARTS AND
ACCESSORIES, INC., and PETER
BROMBERG,**

ENTERED

AUG - 7 2003

CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

(“Commissioner”) having

DEPUTY

Plaintiff Securities and Exchange Commission ("Commission"), having
 filed and served upon Defendant Peter Bromberg ("Bromberg") a Summons and
 Complaint in this action; Bromberg 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 Peter Bromberg ("Judgment")

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1 without admitting or denying the allegations in the Complaint, except as
2 specifically set forth in the Consent Of Peter Bromberg To Entry Of Final
3 Judgment Of Permanent Injunction And Other Relief ("Consent"); no notice of
4 hearing upon the entry of this Judgment being necessary; and this Court being
5 fully advised:

6 **I.**

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

- 14 A. employing any device, scheme or artifice to defraud;
15 B. obtaining money or property by means of any untrue statement of a
16 material fact or any omission to state a material fact necessary in
17 order to make the statements made, in light of the circumstances
18 under which they were made, not misleading; or
19 C. engaging in any transaction, practice, or course of business which
20 operates or would operate as a fraud or deceit upon the purchaser;
21 in violation of Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15
22 U.S.C. § 77q(a).

23 **II.**

24 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
25 Bromberg and his agents, servants, employees and attorneys, and all persons in
26 active concert or participation with any of them who receive actual notice of this
27 Judgment by personal service or otherwise, and each of them, are permanently
28 restrained and enjoined from, directly or indirectly, in connection with the

1 purchase or sale of any security, by the use of any means or instrumentality of
2 interstate commerce, or of the mails, or of any facility of any national securities
3 exchange:

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

5 B. making any untrue statement of a material fact or omitting to state a
6 material fact necessary in order to make the statements made, in the
7 light of the circumstances under which they were made, not
8 misleading; or

9 C. engaging in any act, practice, or course of business which operates or
10 would operate as a fraud or deceit upon any person;

11 in violation of Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C.
12 § 78j(b) (the "Exchange Act"), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

13 **III.**

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
15 Bromberg and his agents, servants, employees and attorneys, and all persons in
16 active concert or participation with any of them who receive actual notice of this
17 Judgment by personal service or otherwise, and each of them, are permanently
18 restrained and enjoined from filing, or causing to be filed, annual reports with the
19 Commission on Forms 10-K that fail to contain material information necessary to
20 make the required statements made in the Forms 10-K, in light of the
21 circumstances under which they are made, not misleading, in violation of
22 Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20 and
23 13a-1 thereunder, 17 C.F.R. §§ 240.12b-20 & 240.13a-1.

24 **IV.**

25 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
26 Bromberg and his agents, servants, employees and attorneys, and all persons in
27 active concert or participation with any of them who receive actual notice of this
28 Judgment by personal service or otherwise, and each of them, are permanently

restrained and enjoined from:

- A. failing to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer;
- B. failing to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:
 - (i) transactions are executed in accordance with management's general or specific authorization;
 - (ii) transactions are recorded as necessary (I) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (II) to maintain accountability for assets;
 - (iii) access to assets is permitted only in accordance with management's general or specific authorization; and
 - (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- C. knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record or account described above;
- D. directly or indirectly falsifying or causing to be falsified, any book, record, or account described above;

in violation of Sections 13(b)(2)(A), 13(b)(2)(B) and 13(b)(5) of the Exchange Act, 15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(2)(B) & 78m(b)(5), and Rule 13b2-1 thereunder, 17 C.F.R. §§ 240.13b2-1.

v.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
Bromberg and his agents, servants, employees and attorneys, and all persons in

1 active concert or participation with any of them who receive actual notice of this
2 Judgment by personal service or otherwise, and each of them, are permanently
3 restrained and enjoined from, directly or indirectly, while an officer or director of
4 an issuer:

5 A. making or causing to be made a materially false or misleading
6 statement; or

7 B. omitting to state, or causing another person to omit to state, any
8 material fact necessary in order to make statements made, in light of
9 the circumstances under which such statements were made, not
10 misleading;

11 to an accountant in connection with:

- 12 1. an audit or examination of the financial statements of the issuer
- 13 required to be made, or
- 14 2. the preparation or filing of any document or report required to
- 15 be filed with the Commission;

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

17 **VI.**

18 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
19 Bromberg pay disgorgement in the amount of \$76,275 plus prejudgment interest
20 calculated pursuant to 28 U.S.C. § 1961. Based upon Bromberg's sworn
21 representations in his Statement of Financial Condition dated November 5, 2002,
22 and submitted to the Commission, payment of all but \$50,000 of the disgorgement
23 and prejudgment interest is waived. Additionally, based upon Bromberg's sworn
24 representations in his Statement of Financial Condition, this Court is not ordering
25 Bromberg to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15
26 U.S.C. § 77t(d), or Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).
27 The partial waiver of disgorgement and interest and the determination not to
28 assess a civil penalty are contingent upon the accuracy and completeness of

1 Bromberg's Statement of Financial Condition. If at any time following the entry
2 of this Judgment the Commission obtains information indicating that Bromberg's
3 representations to the Commission concerning his assets, income, liabilities or net
4 worth were fraudulent, misleading, inaccurate or incomplete in any material
5 respect as of the time such representations were made, the Commission may, at its
6 sole discretion and without prior notice to Bromberg, petition this Court for an
7 order modifying this Judgment to require payment of additional disgorgement and
8 prejudgment and postjudgment interest on all disgorgement ordered, and the
9 maximum civil penalty allowable under the law. In connection with any such
10 petition, the only issue shall be whether the financial information provided by
11 Bromberg was fraudulent, misleading, inaccurate or incomplete in any material
12 respect as of the time such representations were made. In its petition, the
13 Commission may move this Court to consider all available remedies, including,
14 but not limited to, ordering Bromberg to disgorge funds or assets, or sanctions for
15 contempt of this Judgment. The Commission may also request additional
16 discovery. Bromberg may not, by way of defense to such petition: (1) challenge
17 the validity of his Consent or this Judgment; (2) contest the allegations in the
18 Complaint filed by the Commission; (3), assert that payment of additional
19 disgorgement and prejudgment or post-judgment interest or a civil penalty should
20 not be ordered; (4) contest the amounts of disgorgement and prejudgment and
21 post-judgment interest; (5) contest the imposition of the maximum civil penalty
22 allowable under the law; or (6) assert any defense to liability or remedy, including,
23 but not limited to, any statute of limitations defense.

24 VII.

25 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
26 Bromberg shall pay \$5,000 within ten days of service of this Judgment. Bromberg
27 shall pay post-judgment interest on any unpaid balance of the disgorgement. Such
28 interest shall be calculated pursuant to 28 U.S.C. § 1961. Any unpaid balance of

1 the disgorgment, along with post-judgment interest, shall be paid in eight equal
2 installments beginning ninety days after entry of this Judgment and continuing
3 every ninety days thereafter. Bromberg shall make all payments to the Clerk of
4 this Court in the form of a cashier's check, certified check, or postal money order,
5 together with a cover letter identifying Bromberg as a defendant in this action;
6 setting forth the title and civil action number of this action and the name of this
7 Court; and specifying that payment is made pursuant to this Judgment. Defendant
8 shall simultaneously transmit photocopies of each such payment and letter to the
9 Commission's counsel in this action. By making these payments, Defendant
10 relinquishes all legal and equitable right, title, and interest in such funds, and no
11 part of the funds shall be returned to Defendant. The Clerk shall deposit the funds
12 into an interest bearing account with the Court Registry Investment System
13 ("CRIS"). These funds, together with any interest and income earned thereon
14 (collectively, the "Fund"), shall be held by the CRIS until further order of the
15 Court. In accordance with the guidelines set by the Director of the Administrative
16 Office of the United States Courts, the Clerk is directed, without further order of
17 this Court, to deduct from the income earned on the money in the Fund a fee equal
18 to ten percent of the income earned on the Fund. Such fee shall not exceed that
19 authorized by the Judicial Conference of the United States. The Commission may
20 by motion propose a plan to distribute the Fund subject to the Court's approval.

21 VIII.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
23 Bromberg be prohibited, pursuant to Section 20(e) of the Securities Act, 15 U.S.C.
24 § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), from
25 acting as an officer or director of any issuer that has a class of securities registered
26 pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 781, or that is required to
27 file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

28 *

IX.

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

X.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that during the pendency of this action against any defendant, Bromberg shall remain subject to the discovery provisions of the Federal Rules of Civil Procedure which apply to parties, and, in addition, that Bromberg shall appear, without service of a subpoena, for his deposition or to testify as a witness at any trial of this action or at any other related proceeding. Failure to comply with the foregoing will subject Bromberg to the remedies and sanctions set forth in Rule 37 of the Federal Rules of Civil Procedure and all other available remedies.

XI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this action for all purposes, including to implement and enforce the terms of this Judgment and other orders and decrees which may be entered, and to grant such other relief as this Court may deem necessary and just.

XII.

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

DATED: 8.6.03


HONORABLE JAMES V. SELNA

CERTIFICATE OF SERVICE

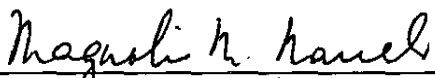
I, Magnolia M. Marcelo, am over the age of eighteen years, am not a party to this action, and am a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. On August 5, 2003, I caused to be served the **[PROPOSED] FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT PETER BROMBERG** by causing to be mailed true and correct copies thereof in sealed envelopes, postage prepaid, addressed to:

James L. Sanders, Esq.
McDermott, Will & Emery
2049 Century Park East, Suite 3400
Los Angeles, CA 90067-3208
Attorney for Defendant Motorcar Parts and Accessories, Inc.

Richard E. Drooyan, Esq.
Munger, Tolles & Olson
355 S. Grand Avenue
Los Angeles, CA 90071-1560
Attorney for Defendant Peter Bromberg

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

Dated: August 5, 2003



Magnolia M. Marcelo