

1 SANDRA J. HARRIS, Cal. Bar # 134153
Securities and Exchange Commission
2 Valerie Caproni, Regional Director
5670 Wilshire Boulevard, 11th Floor
3 Los Angeles, California 90036-3648
(323) 965-3998; Fax: (323) 965-3908

4 JAMES A. HOWELL, Cal. Bar # 92721
Securities and Exchange Commission
5 44 Montgomery Street, 11th Floor
6 San Francisco, California 94104
(415) 705-2356; Fax: (415) 705-2356

FILED
CLERK, U.S. DISTRICT COURT
APR 20 2000
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

LODGED
CLERK, U.S. DISTRICT COURT
APR 13 2000
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

- Priority
- Send
- Clsd
- Enter
- JS-5/JS-6
- JS-2/JS-3

11 SECURITIES AND EXCHANGE COMMISSION,

Case No. 98-6142 VAP (Mcx)

12 Plaintiff,

13 vs.

14 SAM D. SCHWARTZ,
15 BROAD CAPITAL ASSOCIATES, INC.,
16 MURRAY A. HUBERFELD, and
17 DAVID B. BODNER,

FINAL JUDGMENT OF PERMANENT
INJUNCTION AND OTHER RELIEF
AGAINST DEFENDANT SAM D.
SCHWARTZ

18 Defendants.

ENTERED
CLERK, U.S. DISTRICT COURT
APR 24 2000
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY

19 Plaintiff Securities and Exchange Commission

20 ("Commission"), having filed and served upon Defendant Sam D.
21 Schwartz ("Schwartz") a Summons and Complaint in this action;
22 Schwartz having admitted service upon him of the Summons and
23 Complaint in this action and the jurisdiction of this Court over him
24 and over the subject matter of this action; having been fully
25 advised and informed of his right to a judicial determination of
26 this matter; having waived the entry of findings of fact and
27 conclusions of law as provided by Rule 52 of the Federal Rules of
28 Civil Procedure; having consented to the entry of this Final

- Docketed
- Copies **NTC Sent**
- JS - 5 **JS - 6**
- JS - 2 / JS - 3
- CLSD

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

APR 24 2000

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

8 I.

9 IT IS ORDERED, ADJUDGED AND DECREED that Schwartz and his
10 agents, servants, employees and attorneys, and all persons in active
11 concert or participation with any of them, who receive actual notice
12 of this Final Judgment by personal service or otherwise, and each of
13 them, are permanently restrained and enjoined from, directly or
14 indirectly, in connection with the purchase or sale of any security,
15 by the use of any means or instrumentality of interstate commerce,
16 or of the mails, or of any facility of any national securities
17 exchange:

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

19 B. making any untrue statement of a material fact or
20 omitting to state a material fact necessary in order to
21 make the statements made, in the light of the
22 circumstances under which they were made, not misleading;
23 or

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

27 in violation of Section 10(b) of the Securities Exchange Act of 1934
28 [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5].

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II.

IT IS ORDERED, ADJUDGED AND DECREED that Schwartz and his agents, servants, employees and attorneys, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, filing, with respect to any issuer of a security registered pursuant to Section 12 of the Exchange Act or which is required to file reports pursuant to Section 15(d) of the Exchange Act, any annual report on Form 10-K, any current report on Form 8-K, any quarterly report on Form 10-Q, or any other report required to be filed with the Commission pursuant to the Exchange Act or rules or regulations under that Act, that contains any untrue statement of material fact or omits to state any material fact required to be stated or necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Exchange Act Rules 12b-20, 13a-11 and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-11 and 240.13a-13].

III.

IT IS ORDERED, ADJUDGED AND DECREED that Schwartz and his agents, servants, employees and attorneys, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from failing to file, with respect to any equity security registered pursuant to Section 12 of the Exchange Act, a statement indicating his ownership at the close of the calendar month and such changes in his ownership as

1 have occurred during such calendar month to the extent that he is,
2 directly or indirectly, the beneficial owner of more than 10 per
3 centum of any class of any such security or the director or officer
4 of the issuer of any such security in violation of Section 16(a) of
5 the Exchange Act [15 U.S.C. § 78p(a)] and Rule 16a-3 thereunder [17
6 C.F.R. § 240.16a-3].

7
8 **IV.**

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Schwartz
10 and his officers, agents, servants, employees and attorneys, and
11 those persons in active concert or participation with them, and each
12 of them, be and they hereby are permanently restrained and enjoined
13 from violating Section 13(d) of the Exchange Act [15 U.S.C.
14 § 78m(d)] and Rule 13d-1 promulgated thereunder [17 C.F.R.
15 240.13d-1] by failing, within ten (10) days after acquiring,
16 directly or indirectly, whether singly or as part of a partnership,
17 limited partnership, syndicate, or other group for the purpose of
18 acquiring, holding, voting or disposing of securities, the
19 beneficial ownership of more than five (5) percent of

- 20 (A) any equity security of a class which is registered
21 pursuant to Section 12 of the Exchange Act, or
22 (B) any equity security of an insurance company which
23 would have been required to be so registered except
24 for the exemption contained in Section 12(g)(2)(G)
25 of the Exchange Act, or
26 (C) any equity security issued by a closed-end
27 investment company registered under the Investment
28 Company Act of 1940 [15 U.S.C. § 80a-1, et seq.],

1 to file or cause to be filed with the Commission, and to send or
2 cause to be sent to the issuer of such equity security and to any
3 national securities exchange where such equity security is traded,
4 the statements containing information required by Section 13(d) of
5 the Exchange Act [15 U.S.C. § 78m(d)] and Rule 13d-1 promulgated
6 thereunder [17 C.F.R. § 240.13d-1]; and Schedule 13D (17 C.F.R. §
7 240.13d-101] or Schedule 13G (17 C.F.R. § 13d-102), if applicable.

8 IV.

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
10 Schwartz is assessed, and shall pay to the Commission for delivery
11 to the United States Treasury, civil penalties in the amount of
12 \$85,000 under the Securities Enforcement and Penny Stock Reform Act
13 of 1990 pursuant to Section 20(d) of the Securities Act [15 U.S.C.
14 Section 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C.
15 Section 78(d)(3)]. Schwartz shall pay the above penalty within 30
16 days of entry of this Final Judgment. This payment shall be made by
17 cashier's check, certified check or postal money order, payable to
18 the United States Treasury, and shall be transmitted to the
19 Comptroller, Securities and Exchange Commission, Operations Center,
20 6432 General Green Way, Stop 0-3, Alexandria, VA 22312, under cover
21 of a letter which identifies the defendant, the name and case number
22 of this litigation and the name of the Court. A copy of the cover
23 letter shall be simultaneously transmitted to counsel for the
24 Commission at its Los Angeles office.

25 IV.

26 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions
27 of the Consent filed concurrently with this Final Judgment are
28

1 incorporated by this reference, and that Schwartz shall comply with
2 the Consent.

3 v.

4 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court
5 shall retain jurisdiction over this action for all purposes,
6 including to determine the liability of any remaining defendants in
7 this action, to implement and enforce the terms of this Final
8 Judgment and other orders and decrees which may be entered, and to
9 grant such other relief as this Court may deem necessary and just.

10
11 DATED: *April 20, 2000*

Virginia A. Phillips
UNITED STATES DISTRICT JUDGE

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PROOF OF SERVICE BY MAIL

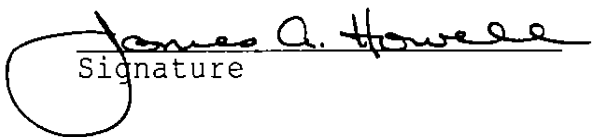
I, James A. Howell, am over the age of eighteen (18) years, not a party to the within action and am a citizen of the United States. My business address is 44 Montgomery Street, 11th Floor, San Francisco, California 94104. On April 12, 2000, I served the following document entitled **Final Judgment Of Permanent Injunction And Other Relief Against Defendant Sam D. Schwartz** by placing a true and correct copies in a separate envelope for each addressee named below, with the name and address of the person served shown on the envelope as follows:

Sheldon M. Jaffe, Esq.
Gartenberg Jaffe Gelfand & Stein
11755 Wilshire Boulevard, Suite 1230
Los Angeles, CA 90025

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on April 12, 2000, at San Francisco, California.

James A. Howell
Print or Type Name


Signature

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