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**FILED**  
MAY 13 2005  
CLERK, U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION AT SANTA ANA  
DEPUTY

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE  
COMMISSION,

12 Plaintiff,

13 vs.

14 JOHN E. MARTIN,

15 Defendant.

Case No. **SACV05-383 DOC (ANx)**

**[PROPOSED] FINAL JUDGMENT**

Priority   
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Closed   
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JS-2/JS-3   
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17 The Securities and Exchange Commission having filed a Complaint and  
18 Defendant John E. Martin ("Defendant") having entered a general appearance;  
19 consented to the Court's jurisdiction over Defendant and the subject matter of this  
20 action; consented to entry of this Final Judgment without admitting or denying the  
21 allegations of the Complaint (except as to jurisdiction); waived findings of fact and  
22 conclusions of law; and waived any right to appeal from this Final Judgment:  
23

24 I.

25 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that  
26 Defendant and Defendant's agents, servants, employees, attorneys, and all persons in  
27 active concert or participation with them who receive actual notice of this Final  
28 Judgment by personal service or otherwise are permanently restrained and enjoined

**DOCKETED ON CM**  
MAY 16 2005  
DV 092

**[PROPOSED] FINAL JUDGMENT**

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ADJGED

7:10:26 AM 05-13-05

DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
SANTA ANA

1 from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of  
2 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated  
3 thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate  
4 commerce, or of the mails, or of any facility of any national securities exchange, in  
5 connection with the purchase or sale of any security:

6 (a) to employ any device, scheme, or artifice to defraud;

7 (b) to make any untrue statement of a material fact or to omit to state a  
8 material fact necessary in order to make the statements made, in the light of the  
9 circumstances under which they were made, not misleading; or

10 (c) to engage in any act, practice, or course of business which operates  
11 or would operate as a fraud or deceit upon any person.

12 II.

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that

14 Defendant is liable for disgorgement of \$73,625, representing profits gained as a result  
15 of the conduct alleged in the Complaint, together with prejudgment interest thereon in  
16 the amount of \$2,735.52, for a total of \$76,360,52. Martin voluntarily forfeited this  
17 amount to Good Guys, Inc. on July 15, 2004.<sup>1</sup> A copy of Martin's July 15, 2004 check  
18 to Good Guys, Inc. shall be delivered or mailed to the Office of Financial  
19 Management, Securities and Exchange Commission, Operations Center, 6432 General  
20 Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a  
21 letter identifying John E. Martin as a defendant in this action; setting forth the title and  
22 civil action number of this action and the name of this Court; and specifying that the  
23 July 15, 2004 payment to Good Guys, Inc. partially satisfies this Final Judgment. A  
24 copy of the cover letter shall be simultaneously transmitted to the attention of Helene  
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26 <sup>1</sup> In addition to imposing reporting requirements, Section 16 of the Exchange Act, [15 U.S.C. §  
27 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5], prohibits company insiders from profiting by selling  
28 shares of stock within six months of their purchase date. As set forth in the Complaint, Martin  
disgorged his so-called "short swing profits" directly to the Company.

1 Morrison, District Administrator, at the Commission's San Francisco District Office,  
2 44 Montgomery Street, Suite 2600, San Francisco, CA 94104.

3 III.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
5 Defendant shall pay a civil penalty in the amount of \$73,625 pursuant to Section  
6 21A(a)(1)(A) of the Exchange Act [15 U.S.C. § 78u-1(a)(1)(A)]. Defendant shall  
7 make this payment within thirty (30) business days after entry of this Final Judgment  
8 by certified check, bank cashier's check, or United States postal money order payable  
9 to the Securities and Exchange Commission. The payment shall be delivered or  
10 mailed to the Office of Financial Management, Securities and Exchange Commission,  
11 Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia  
12 22312, and shall be accompanied by a letter identifying John E. Martin as a defendant  
13 in this action; setting forth the title and civil action number of this action and the name  
14 of this Court; and specifying that payment is made pursuant to this Final Judgment. A  
15 copy of the cover letter shall be simultaneously transmitted to the attention of Helene  
16 Morrison, District Administrator, at the Commission's San Francisco District Office,  
17 44 Montgomery Street, Suite 2600, San Francisco, CA 94104.

18 IV.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that,  
20 pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Defendant  
21 is prohibited, for five years following the date of entry of this Final Judgment, from  
22 acting as an officer or director of any issuer that has a class of securities registered  
23 pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file  
24 reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

25 V.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the  
27 Consent of Defendant John E. Martin to Entry of Final Judgment, filed concurrently  
28 with this Final Judgment, is incorporated herein with the same force and effect as if

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fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.


VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: May 13, 2005 David O. Carter

UNITED STATES DISTRICT JUDGE

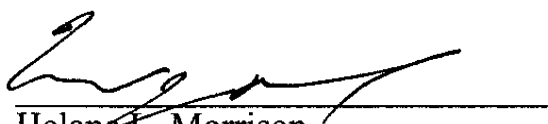
APPROVED AS TO FORM:



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