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

11 SECURITIES AND EXCHANGE
 COMMISSION,
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 Plaintiff,
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 vs.
 14 BROOKSTREET SECURITIES CORP.
 and STANLEY C. BROOKS,
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 Defendants.
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Case No. SA 8:09-cv-1431-DOC (ANx)
**FINAL JUDGMENT OF
 PERMANENT INJUNCTION AND
 OTHER RELIEF AGAINST
 DEFENDANTS BROOKSTREET
 SECURITIES CORP. AND STANLEY
 C. BROOKS**

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1 Pursuant to Rule 56 of the Federal Rules of Civil Procedure, Plaintiff
2 Securities and Exchange Commission (“Commission”) filed a Motion for
3 Summary Judgment Against Defendants Brookstreet Securities Corp. and Stanley
4 C. Brooks (“Motion”). The Motion came before the Court, and the Court, having
5 considered the Motion, the Memorandum of Points and Authorities and other
6 documents filed in support of the Motion, finds that:

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8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the
10 Commission’s Motion for Summary Judgment Against Defendants Brookstreet
11 Securities Corp. and Stanley C. Brooks is granted.

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13 II.

14 IT IS FURTHER OREDERED, ADJUDGED AND DECREED that
15 Brookstreet Securities Corp.’s and/ or Stanely C. Brooks’s agents, servants,
16 employees, attorneys, and all persons in active concert or participation with them
17 who receive actual notice of this Final Judgment by personal service or otherwise
18 are permanently restrained and enjoined from violating, directly or indirectly,
19 Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15
20 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5,
21 by using any means or instrumentality of interstate commerce, or of the mails, or
22 of any facility of any national securities exchange, in connection with the purchase
23 or sale of any security:

- 24 (a) to employ any device, scheme, or artifice to defraud;
25 (b) to make any untrue statement of a material fact or to omit to state a
26 material fact necessary in order to make the statements made, in the light of
27 the circumstances under which they were made, not misleading; or
28 (c) to engage in any act, practice, or course of business which operates or

1 would operate as a fraud or deceit upon any person.

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3 III.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Stanley
5 C. Brooks is liable for disgorgement of \$90,000, representing profits gained as a
6 result of the conduct alleged in the Complaint, together with prejudgment interest
7 thereon in the amount of \$20,713.31, and a civil penalty in the amount of
8 \$10,010,000, pursuant to Section 21(d)(3)(A) of the Exchange Act, 15 U.S.C. §
9 78(d)(3)(A). The civil penalty amount reflects the maximum third-tier penalty of
10 \$130,000 for each violation established by the undisputed evidence in support of
11 the Commission's motion for summary judgment, with the sales to each of the 77
12 investor victims who purchased collateralized mortgage obligations from former
13 Brookstreet Securities Corp. registered representatives, Travis Branch, Troy
14 Gagliardi, and Steve Shrago, each constituting a single violation. Stanley C.
15 Brooks shall satisfy this obligation by paying \$10,120,713.31 within 14 days after
16 entry of this Final Judgment by certified check, bank cashier's check, or United
17 States postal money order payable to the Securities and Exchange Commission.
18 The payment shall be delivered or mailed to the Office of Financial Management,
19 Securities and Exchange Commission, 100 F Street, NE, Stop 6042, Washington
20 DC 20549, and shall be accompanied by a letter identifying Stanley C. Brooks as a
21 defendant in this action; setting forth the title and civil action number of this action
22 and the name of this Court; and specifying that payment is made pursuant to this
23 Final Judgment. Stanley C. Brooks shall pay post-judgment interest on any
24 delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the
25 funds paid pursuant to this paragraph to the United States Treasury.

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27 IV.

28 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this

1 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
2 of this Final Judgment.

David O. Carter

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4 Dated: February 28, 2012

HONORABLE DAVID O. CARTER
UNITED STATES DISTRICT JUDGE

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