

orders entered in this case concerning the payment of disgorgement:

(1) The disgorgement and prejudgment interest obligations of Vavasieur Corporation and the Dowdell defendants, as set forth in the Court's prior orders dated February 18, 2003 and June 4, 2003, are joint and several.

(2) The maximum amount of disgorgement that the SEC is entitled to recover in this action from all defendants is \$121,235,000 (plus pre- and post-judgment interest thereon), which amount constitutes the total amount funds fraudulently raised by these defendants in their fraudulent scheme that is the subject of this litigation.

(3) Any amounts collected by the SEC or the Court-appointed Receiver in this action from any source other than the Vavasieur or Dowdell defendants shall be credited to the judgments owed by the Vavasieur or Dowdell defendants in partial satisfaction of the Vavasieur and Dowdell defendants' joint and several \$121,235,000 disgorgement obligation. Such sources include, but are not limited to: (i) any disgorgement amounts paid by or otherwise collected from any of the other defendants named in this action against whom judgments have been or will be entered in this litigation; and (ii) any other assets collected by the Receiver from any other source pursuant to any of the orders appointing the Receiver in this lawsuit, less fees and expenses as permitted pursuant to such orders.

(4) Pursuant to clause (ii) of Section II of the June 4, 2003 Order Setting Disgorgement and Civil Penalty Amounts, any amounts that the Receiver ultimately determines, subject to objection of the Commission and Approval by the Court, were actually received by the beneficial owners of the funds invested during the period in which the fraudulent scheme was in operation shall be applied to reduce the

disgorgement amount owed, rather than serve as a credit toward satisfaction of the disgorgement amount.

ENTER ORDER:

Norman K. Moon

Norman K. Moon
United States District Judge

October 19, 2006
Date