

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
CHARLOTTESVILLE DIVISION

CLERK'S OFFICE U.S. DIST. COURT  
AT LYNCHBURG, VA  
FILED  
*for Chille*  
OCT 19 2006

JOHN F. CORCORAN, CLERK  
BY: *Fay Coleman*  
DEPUTY CLERK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

TERRY L. DOWDELL, et al.,

Defendants.

Civil Action No. 3:01CV00116

Judge Norman K. Moon

**ORDER**

Before this Court is Plaintiff Securities and Exchange Commission's ("SEC" or "Commission") Motion for Clarification of Judgments and Disgorgement Orders. In its motion, the SEC seeks clarification of the Court's prior orders concerning the disgorgement obligations of the various defendants in this lawsuit, including such obligations as set forth in the Final Order of Permanent Injunction and Other Relief entered against Vavasseur Corporation on February 18, 2003 and the the Order Setting Amount of Disgorgement and Civil Penalties Owed by Defendants Terry L. Dowdell, Dowdell, Dutcher & Associates, Inc. and Emerged Market Securities, DE-LLC (collectively, the "Dowdell defendants"), entered by the Court on June 4, 2003.

Having reviewed the motion, no objection having been filed, being fully advised in the premises, and for good cause shown:

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that the SEC's motion is granted, and the Court enters the following clarification to all prior

orders entered in this case concerning the payment of disgorgement:

(1) The disgorgement and prejudgment interest obligations of Vavasour 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 Vavasour or Dowdell defendants shall be credited to the judgments owed by the Vavasour or Dowdell defendants in partial satisfaction of the Vavasour 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