

HHW

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,
v.
CHARLES RICHARD HOMA, et al.
Defendants,
and
LINDY L. GAUSE, LINDA L. NICHOLS AND
NICHOLS AND ASSOCIATES,
Relief Defendants.

99 CV 6895
Hon. Ronald A.
Guzman

99cv6895

**ORDER IMPOSING DISGORGEMENT, PREJUDGMENT INTEREST,
AND A CIVIL PENALTY AGAINST JOSEPH F. DENSON, JR.**

This matter is before the Court after a bench trial on the issue of: a) setting the amount of disgorgement and prejudgment interest against Joseph F. Denson, Jr.; and b) setting the amount, if any, of civil penalties to impose against Joseph F. Denson, Jr. The Court having considered all of the evidence before it and having been fully advised in the premises, states as follows:

I.

IT IS ORDERED that Joseph F. Denson shall pay disgorgement in the amount of \$57,980,036.88 within ten (10) days after the entry of this Order.

II.

IT IS FURTHER ORDERED that Joseph F. Denson, Jr. shall pay prejudgment interest in the amount of \$13,999,114.23 within ten (10) days after the entry of this Order.


III.

IT IS FURTHER ORDERED that Joseph F. Denson, Jr. shall pay a third-tier civil penalty of \$110,000 pursuant to Section 20(d)(2) of the Securities Act of 1933 [15 U.S.C. 77(d)(2)] and Section 21(d)(3) of the Securities Exchange Act 1934 [15 U.S.C. 78u(d)(3)] within ten (10) days after the entry of this Order.

IV.

IT IS FURTHER ORDERED that this Order shall not be construed to modify or effect any asset freeze previously ordered by the Court against Denson, Morningstar, Ltd. or Rolls Royce, Ltd.

IT IS SO ORDERED.


RONALD A. GUZMAN
UNITED STATES DISTRICT JUDGE

Dated: November 24, 2008
11-24-2008