

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

DOCKETED
SEP 12 2002

**ORDER OF DISGORGEMENT AND CIVIL PENALTIES AGAINST
ROBERT C. ELLENBURG, R. ELLENBURG, LLC
AND J & R FINANCIAL SERVICES, LTD.**

Plaintiff United States Securities and Exchange Commission ("Commission"), having filed an Amended Complaint for Temporary Restraining Order, Preliminary and Permanent Injunction, and Other Equitable Relief ("Amended Complaint"), and the Defendants Robert C. Ellenburg, Robert C. Ellenburg, LLC, and J & R Financial Services, Ltd. (collectively, "the Ellenburg Defendants"), having previously acknowledged receipt of the Amended Complaint, admitted the personal jurisdiction of this Court over them and consented to the entry of the Order of Permanent Injunction against them that the Court entered on March 13, 2000 ("Injunction Order"), and the Defendants having executed the Consent and Stipulation filed with the Court and incorporated herein by reference ("Consent"), and the Commission and the Ellenburg Defendants having waived the entry of Findings of Fact and Conclusions of Law as provided by Rule 52 of the Federal Rules of Civil Procedure, and the Ellenburg Defendants, without trial, argument, or adjudication of any issue of fact or law

having consented to the entry of this Order of Disgorgement and Civil Penalty against Robert C. Ellenburg, Robert C. Ellenburg, LLC, and J & R Financial Services, Ltd. (“Disgorgement Order”), and the Court, being fully advised in the premises, hereby states:

I.

IT IS ORDERED that the Injunction Order remains in effect.

II.

IT IS FURTHER ORDERED that the Ellenburg Defendants shall pay disgorgement in the amount of \$26,285,801.03, representing their gains from the conduct alleged in the Commission’s Amended Complaint in this matter, plus prejudgment interest of \$5,864,378.86.

III.

IT IS FURTHER ORDERED that Ellenburg pay a third-tier civil penalty imposed pursuant to Section 20(d) of the Securities Act of 1933 [15 U.S.C. § 77t(d)] and Section 21(d) of the Securities Exchange Act of 1934 [15 U.S.C. § 78u(d)(3)] in the amount of \$110,000.

IV.

IT IS FURTHER ORDERED that R. Ellenburg, LLC pay a third-tier civil penalty imposed pursuant to Section 20(d) of the Securities Act of 1933 [15 U.S.C. § 77t(d)] and Section 21(d) of the Securities Exchange Act of 1934 [15 U.S.C. § 78u(d)(3)] in the amount of \$550,000.

V.

IT IS FURTHER ORDERED that the attached Consent of Robert C. Ellenburg, Robert C. Ellenburg, LLC, and J & R Financial Services, Ltd., and hereby is, incorporated herein with the same force and effect as if fully set out.

VI.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this action for all purposes, including enforcement of this Disgorgement Order.

VII.

IT IS FURTHER ORDERED that, there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Disgorgement Order.


RONALD A. GUZMAN
UNITED STATES DISTRICT JUDGE

Dated: 8/29/02, 2002.