

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF ALABAMA
NORTHERN DIVISION

SECURITIES AND EXCHANGE)
COMMISSION,)
)
Plaintiff,)
)
v.)
)
ASSET RECOVERY AND MANAGEMENT)
TRUST, S.A., *et al.*,)
)
Defendants.)

CASE NO. 2:02-CV-1372-WKW

FINAL JUDGMENT AS TO DEFENDANT CARLA SUE JOHNSON
IN HER CAPACITY AS THE PERSONAL REPRESENTATIVE
OF THE WILL OF FRANK RAY JOHNSON

The Securities and Exchange Commission filed a complaint, and Defendant Carla Sue Johnson, solely in her capacity as the Personal Representative of the Will of Frank Ray Johnson, entered a general appearance and consented to the court’s jurisdiction over her and the subject matter of this action and to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction). She further waived findings of fact and conclusions of law and waived any right to appeal from this Final Judgment.

Accordingly, it is ORDERED, ADJUDGED and DECREED that Defendant Carla Sue Johnson, solely in her capacity as the Personal Representative of the Will of Frank Ray Johnson (“Defendant”), is liable, jointly and severally with Defendants Asset Recovery Management Trust, S.A., and Milton E. Vaughn, for disgorgement of \$900,000, representing

profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$657,786, for a total of \$1,557,786. Based on Defendant's representations as to the assets remaining in the Estate of Frank Ray Johnson by letter from Defendant's counsel dated March 2, 2007, and other documents and information submitted to the Commission, however, the payment of all but \$31,855 of the disgorgement and prejudgment interest thereon is waived as to this Defendant.

The disgorgement obligation ordered herein shall be satisfied as follows:

(a) Defendant shall pay \$25,000 within ten business days to the Clerk of this Court, together with a cover letter identifying Carla Sue Johnson in her capacity as the Personal Representative of the Will of Frank Ray Johnson as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to Asita Obeyesekere, Senior Counsel, Securities and Exchange Commission, Boston Regional Office, 33 Arch Street, 23rd Floor, Boston, Massachusetts, 02110. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant.

(b) The banks listed below (collectively, the "Banks") shall transmit to the Clerk of the Court, within ten (10) business days of entry of this Final Judgment, all of the currently frozen funds in their respective possession and/or control (including the amounts set forth

below plus any accrued interest thereon) that Defendants previously had either a direct or indirect interest in and which are currently in the following accounts:

- (1) Whitney Bank, Account #24-026-867 (Frank Johnson and Carla Johnson): \$800
- (2) BankTrust, Account #3047984 (Recovery Ministries International): \$5,750
- (3) Wachovia Bank, Account #3000489830490 (Frank Johnson): \$305

The Banks may make the aforementioned payment(s) by certified check(s), bank cashier's check(s), or United States postal money order(s) made payable to the Clerk of the Court. Such payment(s) shall be accompanied by a cover letter identifying Carla Sue Johnson in her capacity as the Personal Representative of the Will of Frank Ray Johnson as a defendant in this action, setting forth the title and civil action number of this action and the name of this Court, and specifying that payment is made pursuant to this Final Judgment. The Banks shall simultaneously transmit photocopies of such payment(s) and letter(s) to Asita Obeyesekere, Senior Counsel, Securities and Exchange Commission, Boston Regional Office, 33 Arch Street, 23rd Floor, Boston, Massachusetts, 02110. Defendant shall take whatever steps are required of her in order to ensure the transfer of these funds. Defendant relinquishes all legal and equitable right, title, and interest in all of the funds transmitted by the Banks to the Clerk of the Court, and no part of the funds shall be returned to Defendant.

The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is used by the Court. These funds, together with any interest and income earned thereon

(collectively, the “Fund”), shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk of the Court is DIRECTED, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court’s approval. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

The determination to waive payment of all but \$31,855 of the disgorgement and pre-judgment interest is contingent upon the accuracy and completeness of Defendant’s representations as to the assets remaining in the Estate of Frank Ray Johnson. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Defendant’s representations to the Commission concerning the Estate of Frank Ray Johnson’s assets were fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Defendant, petition the Court for an order requiring Defendant to pay the unpaid portion of the disgorgement and any pre-judgment and post-judgment interest thereon. In connection with any such petition, the only issue shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were

