

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 13-80806-CIV-ZLOCH

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

DOUGLAS P. MARTIN and
VHGI HOLDINGS, INC.,

Defendants.

ORDER AND FINAL JUDGMENT GRANTING PLAINTIFF'S MOTION SETTING
CIVIL PENALTY AMOUNT AS TO DEFENDANT DOUGLAS P. MARTIN

THIS MATTER is before the Court on Plaintiff Securities and Exchange Commission's Motion for Final Judgment Setting Civil Penalty Amount as to Defendant Douglas P. Martin (DE 22). The Court has carefully reviewed said Motion, the entire court file herein and is otherwise fully advised in the premises.

Accordingly, after due consideration, it is

ORDERED AND ADJUDGED that Plaintiff Securities and Exchange Commission's Motion for Final Judgment Setting Civil Penalty Amount as to Defendant Douglas P. Martin (DE 22) be and the same is **GRANTED** as follows:

Pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, Final Judgment be and the same is hereby **ENTERED** in favor of Plaintiff Securities and Exchange Commission and against Defendant Douglas P. Martin.

I.

CIVIL PENALTY

IT IS FURTHER ORDERED AND ADJUDGED that Martin shall pay a first-tier civil penalty in the amount of \$7,500, pursuant to Section 20(d) of the Securities Act of 1933, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act of 1934, 15 U.S.C. § 78u(d)(3). Martin shall make this payment within 14 days after entry of this Final Judgment.

Martin may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment also may be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Martin also may pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter (i) identifying the case title, civil action number, and name of this Court; (ii) identifying Martin as a defendant in this action; and (iii) specifying that payment is made pursuant to this Final Judgment.

Martin shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action:

Patrick R. Costello, Esq.
Securities & Exchange Commission
801 Brickell Avenue, Suite 1800
Miami, FL 33131
costello@sec.gov

By making this payment, Martin relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to him. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury. Martin shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

II.

BANKRUPTCY NONDISCHARGEABILITY

IT IS FURTHER ORDERED AND ADJUDGED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the Complaint are true and admitted by Martin, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Martin under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Martin of the federal securities laws or any regulation or order issued under such laws, as set forth in

Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

III.

DISMISSAL OF CLAIM FOR DISGORGEMENT AND PREJUDGMENT INTEREST

IT IS FURTHER ORDERED AND ADJUDGED that upon entry of this Final Judgment, the Commission's claim for disgorgement and prejudgment interest against Martin is dismissed.

IV.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court shall retain jurisdiction of this matter solely for the purpose of enforcing the terms of this Final Judgment.

DONE AND ORDERED in Chambers in Fort Lauderdale, Florida, this 12th day of June, 2014.



WILLIAM J. ZLOCH
UNITED STATES DISTRICT JUDGE

Copies furnished:

All Counsel of Record
VHGI Holdings, Inc.
c/o Michael E. Fasci, Sr.
Chief Executive Officer
103 North Court Street
Sullivan, IN 47882

Mr. Douglas P. Martin
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Lake Worth, FL 33461