

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
JUL 25 2002

**DISGORGEMENT ORDER AGAINST JOHN MARTIN CARLSON,
CARLSON NATIONAL BROKERS, LTD., TRADEWINDS HOLDINGS LLC,
PEAK HOLDINGS, LLC, AND HARBOR HOLDINGS, LLC**

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 John Martin Carlson ("Carlson"), Carlson National Brokers, Ltd. ("CNB") Tradewinds Holdings, LLC ("Tradewinds"), Peak Holdings, LLC ("Peak"), and Harbor Holdings, LLC ("Harbor") (collectively, "the Carlson 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 Carlson, CNB, Tradewinds, Peak and Harbor that the Court entered on January 12, 2001 ("Injunction Order"), and the Carlson Defendants having executed the Consent and Stipulation filed with the Court and incorporated herein by reference ("Consent"), and the Commission and the Carlson 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 Carlson Defendants, and without trial, argument, or adjudication of any issue of fact or law, other than: a) the Court's Order of Preliminary Injunction against the Carlson Defendants dated October 30, 2000; and b) the Court's Order of Civil Contempt against John Carlson dated November 7, 2000; having consented to the entry of this 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 Carlson Defendants shall pay disgorgement in the amount of \$285,034.00, representing their gains from the conduct alleged in the Commission's Amended Complaint in this matter, plus prejudgment interest of \$63,591.27. In addition to disgorgement and prejudgment interest, the Carlson Defendants will pay an additional \$209,366.61 in partial restitution. The Carlson Defendants' transfer of all the assets listed on Attachment A to the Consent, which shall be made to Phillip S. Stenger, the Receiver ("Receiver"), shall fully satisfy the ordered disgorgement, prejudgment interest and partial restitution. The transfer of assets listed on Attachment A shall be made within ten days of the entry of this Disgorgement Order.

III.

IT IS FURTHER ORDERED that based upon the sworn financial statements of: a) John Martin Carlson, dated July 20, 2000; and b) CNB, dated January 23, 2001; which were submitted to the Commission, and the financial depositions of Carlson on January 23, 2001,

and CNB on January 23, 2001, which were taken by the Commission the Court is not ordering the Carlson Defendants to pay any civil penalty pursuant to Section 20(d) of the Securities Act of 1933 and Section 21(d)(3) of the Securities Exchange Act of 1934. The determination not to impose a penalty is contingent on the accuracy and completeness of each of the Carlson Defendants' sworn statements regarding its financial condition and the financial depositions of Carlson and CNB on January 23, 2001.

If at any time following the entry of the Disgorgement Order the Commission obtains information indicating that any of the Carlson Defendants' representations to the Commission concerning their assets, income, liabilities, or net worth 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, petition the Court for an order requiring any of the Carlson Defendants to pay a civil penalty. In connection with such petition, the only issues shall be whether the financial information provided by any of the Carlson Defendants was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In any such petition, the Commission may move the Court to consider all available remedies, including, but not limited to, ordering any of the Carlson Defendants to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of the Court's Disgorgement Order. The Commission may also request additional discovery. The Carlson Defendants may not, by way of defense to such petition, (1) challenge the validity of this Consent or the Disgorgement Order; (2) contest the Commission's allegations in the Amended Complaint; (3) assert that payment of

disgorgement, pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

IV.

IT IS FURTHER ORDERED that Defendant CNB is ordered to execute any necessary forms required for the appointment of the Receiver and the release of all claims against the Receiver or any assets held by the Receiver (the "Receivership Estate"), in a form acceptable to the Receiver, within ten days of the entry of this Disgorgement Order.

V.

IT IS FURTHER ORDERED that Defendant Tradewinds is ordered to execute any necessary forms required for the appointment of the Receiver and the release of all claims against the Receiver or the Receivership Estate, in a form acceptable to the Receiver, within ten days of the entry of this Disgorgement Order.

VI.

IT IS FURTHER ORDERED that Defendant Peak is ordered to execute any necessary forms required for the appointment of the Receiver and the release of all claims against the Receiver or the Receivership Estate, in a form acceptable to the Receiver, within ten days of the entry of this Disgorgement Order.

VII.

IT IS FURTHER ORDERED that Defendant Harbor is ordered to execute any necessary forms required for the appointment of the Receiver and the release of all claims against the Receiver or the Receivership Estate, in a form acceptable to the Receiver, within ten days of the entry of this Disgorgement Order.

VIII.

IT IS FURTHER ORDERED that the attached Consent of Carlson, CNB, Tradewinds, Peak and Harbor be, and hereby is, incorporated herein with the same force and effect as if fully set out.

IX.

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

X.

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: June 27, 2002.