

MILANOWSKI JUDGMENT AND DISGORCEMENT ORDER

United District Court Judge Kent Dawson recently granted the SEC's motion for summary judgment against Milanowski. The Court granted the following (see **attached Judgment and Order**):

1. A declaratory judgment that Milanowski violated securities laws (unregistered offer and sale, fraud in the offer or sale under section 17(a), fraud in the offer or sale under section 10(b)) and an injunction preventing him from committing further violations;
2. Disgorgement of \$80.9 million (this figure is based upon non-performing loans) with credits being given for: (a) all monies collected in connection with the bankruptcy cases (including on behalf of the USACM Liquidating Trust and USA Capital Diversified Trust Deed Fund, LLC), less the costs associated with that work; and (b) any monies paid by Milanowski in connection with a criminal restitution order;
3. A civil monetary penalty of \$100,000; and
4. A bar against Milanowski serving as an officer or director for a public company.