

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

No. 1:10-cv-05760-JPO

SAMUEL E. WYLY and DONALD R. MILLER,  
JR., in his capacity as the Independent Executor of  
the Will and Estate of Charles J. Wyly, Jr.,

Defendants,

and

CHERYL WYLY, EVAN ACTON WYLY,  
LAURIE WYLY MATTHEWS, DAVID  
MATTHEWS, LISA WYLY, JOHN  
GRAHAM, KELLY WYLY O'DONOVAN,  
ANDREW WYLY, CHRISTIANA WYLY,  
CAROLINE D. WYLY, MARTHA WYLY  
MILLER, DONALD R. MILLER, JR., in his  
individual capacity, CHARLES J. WYLY III,  
EMILY WYLY LINDSEY, JENNIFER  
WYLY LINCOLN, JAMES W. LINCOLN,  
and PERSONS, TRUSTS, LIMITED  
PARTNERSHIPS, AND OTHER ENTITIES  
KNOWN AND UNKNOWN,

Relief Defendants.

AMENDED FINAL JUDGMENT AS TO DEFENDANT  
DONALD R. MILLER, JR., in his capacity as the Independent Executor of the Will and  
ESTATE of CHARLES J. WYLY, JR.

The Securities and Exchange Commission, having filed a Complaint, and Defendant, Donald R. Miller, Jr., in his capacity as the Independent Executor of the Will and Estate of Charles J. Wyly, Jr. (“Defendant” or “Estate of Charles J. Wyly, Jr.”), having entered his appearance, consented to the Court’s jurisdiction over Defendant and the subject matter of this action, and undergone a trial at which the jury found that Defendant violated Sections 10(b),

13(d), 14(a), and 16(a) of the Securities Exchange Act of 1934 (“Exchange Act”); Rules 10b-5(a)-(c), 13d-1, 13d-2, 14a-3, 14a-9, 16a-2 and 16a-3 promulgated thereunder; Sections 5 and 17(a)(1)- (3) of the Securities Act of 1933 (“Securities Act”); aiding and abetting in the violations of Section 13(a), 13(d) and 14(a) of the Exchange Act; and Rules 13a-1, 14a-3, and 14a-9 promulgated thereunder, and Defendant having appealed such judgment to the United States Court of Appeals for the Second Circuit and having voluntarily moved to dismiss with prejudice the appeal of such judgment, and the Commission having moved to dismiss Count Fourteen of the Amended Complaint against the Charles Wyly Relief Defendants (Caroline D. Wyly, Martha Wyly Miller, Donald R. Miller, Jr. (in his individual capacity), Charles J. Wyly III, Emily Wyly Lindsey, Jennifer Wyly Lincoln, and James W. Lincoln), and Defendant having consented to the entry of this Amended Final Judgment, the Court hereby enters this Amended Final Judgment as follows:

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that the Estate of Charles J. Wyly, Jr. is liable for \$10,000,000 of disgorgement for the violations set forth above.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that within thirty (30) days of the entry of this Amended Final Judgment the Clerk of Court shall pay the disgorgement of \$10,000,000 referred to in Section I above from funds deposited in the Court Registry Investment System (CRIS) in this case by virtue of an Order of this Court (Dkt. No. 711) (hereinafter, “the SDNY CRIS Account”) by making a check 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 identifying the case title, civil action number, and name of this Court; and specifying that payment is made pursuant to this Amended Final Judgment. Post judgment interest shall not accrue on the disgorgement ordered herein.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that any debt for disgorgement due by Defendant under this Amended Final Judgment is a debt for the violation by Defendant 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).

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that within thirty (30) days of the entry of this Amended Final Judgment the Clerk of Court shall transfer the entire rest and remainder of the funds on deposit in the SDNY CRIS Account to **Case No. 3:16-CV-2643-G in the United States District Court for the Northern District of Texas** to be held and distributed in accord with the December 2, 2019 Order authorizing clerk to accept funds [ECF 44] attached as Exhibit A and the December 19, 2019 Order appointing Robert Yaquinto, Jr. as Receiver [ECF 46] attached as Exhibit B, to receive and distribute funds pursuant to that certain June 20, 2018 Settlement Term Letter between Caroline D. Wyly, Donald R. Miller, Jr., individually and as Independent Executor of the Estate of Charles J. Wyly, Jr., the probate estate of Charles J. Wyly, Jr., Charles J. “Chip” Wyly, III and Keeley Hennington, Independent Administrator of the Estate of Charles J. “Chip” Wyly III, Martha C. Miller, Emily Wyly, Jennifer Wyly Lincoln, Robert Yaquinto, Jr., in his capacity as Chapter 7 trustee of the bankruptcy estate of Caroline D. Wyly, and the United States Department of Justice on behalf of the IRS (hereinafter, “the Tax Settlement”), and shall be accompanied by a letter identifying this case title, civil action number, and name of this Court; and specifying that payment is made pursuant to this Amended Final Judgment and the Orders attached hereto.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED**, pursuant to the Motion to Dismiss filed by the Commission as part of the settlement agreement between the parties, that Count XIV of the Amended Complaint (Dkt 541-0) is dismissed with prejudice with respect to the Charles Wyly Relief Defendants.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Amended Final Judgment.

The Clerk of Court is directed to terminate the motion at Docket Number 759 and to mark this case as closed.

**SO ORDERED.**

Dated: January 27, 2020  
New York, New York

  
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J. PAUL OETKEN  
United States District Judge