

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 07-cv-02636-REB-MEH

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JARROD W. MCMILLIN (individually and d/b/a American Investors Network),
INNOVATIVE PROJECTS, INC., (d/b/a American Investors Network),
LAURENCE G. YOUNG, (individually, and d/b/a Fairweather Management and/or Access
Funding),
ANNE B. LIEBERMANN, and
JASON A. KOLAKOWSKI,

Defendants.

DEFAULT JUDGMENT

Pursuant to and in accordance with the Order by Judge Robert E. Blackburn, entered, December 10, 2008, granting the Plaintiff's Motion for Default Judgment Against Defendant Laurence G. Young [#112] filed October 21, 2008, which order is incorporated herein by reference as if fully set forth,

it is **ORDERED** as follows:

1. Pursuant to Fed.R.Civ.P. 54(b), judgment is entered for the Plaintiff, United States Securities and Exchange Commission, and against the Defendant, Laurence G. Young (individually, and doing business as Fairweather Management and/or Access Funding).
2. Defendant, Laurence G. Young, and his agents, servants, employees,

attorneys, and all persons in active concert or participation with them who receive actual notice of the Order of Permanent Injunction Entered Against Laurence G. Young by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

3. Defendant, Laurence G. Young, and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of the Order of Permanent Injunction Entered Against Laurence G. Young by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the

Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

4. Defendant, Laurence G. Young, and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order of Permanent Injunction Entered Against Laurence G. Young by personal service or otherwise are permanently restrained and enjoined from violating Section 5 (a) and (c) of the Securities Act [15 U.S.C. § 77e(a) & (c)] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or

communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;

- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

- 5. Defendant, Laurence G. Young, and his agents, servants, employees, attorneys, and all person in active concert or participation with them who receive actual notice of the Order of Permanent Injunction Entered Against Laurence G. Young by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly,

Section 15(a) of the Exchange Act [15 U.S.C. § 78 o(a)], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless such person is registered with the Commission as a broker or dealer in accordance with Section 15(b) of the Exchange Act.

6. Defendant, Laurence G. Young, is liable for disgorgement of \$282,102.61, representing ill-gotten gains received as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$16,698.13, and a civil penalty in the amount of \$282,102 pursuant to Section 20 (d) (2) (c) of the Securities Act and Section 21 (d) (3) (B) (iii) of the Exchange Act. The Defendant shall satisfy this obligation by paying \$580,902.74 to the Clerk of this Court within ten business days after entry of the Court's order, together with a cover letter identifying Laurence G. Young 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 the Court's Order of Permanent Injunction Entered Against Laurence G. Young. The Defendant shall simultaneously

transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, the Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to the 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 utilized 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 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 by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the Fund shall be distribute pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this

Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, the Defendant shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant's payment of disgorgement in this action, argue that he is entitled to , nor shall he further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the Court in any Related Investor Action grants such a Penalty Offset, the Defendant shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against the Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint of this action. The Defendant shall also pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

7. That this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of the Order of Permanent Injunction Entered Against Laurence G. Young and the Court's Order of March 25, 2008 [#79] to provide a sworn accounting.

DATED at Denver, Colorado, this 22nd day of December, 2008.

FOR THE COURT
Gregory C. Langham , Clerk

By: s/ Edward P. Butler
Edward Butler
Deputy Clerk

APPROVED AS TO FORM:

s/ Robert E. Blackburn
Robert E. Blackburn
United States District Judge