

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

	:	
UNITED STATES SECURITIES	:	
AND EXCHANGE COMMISSION,	:	
	:	CIVIL ACTION NO.
Plaintiff,	:	07 CV 5927
	:	
v.	:	
	:	Hon. Judge Conlon
ROBERT A. LOFFREDI and	:	
RAYMOND FINANCIAL GROUP, INC.,	:	Magistrate Judge Schenkier
	:	
Defendants,	:	
	:	
ADVANCED SALES & MARKETING CORP., and	:	
KAREN L. LOFFREDI	:	
	:	
Relief Defendants.	:	
	:	

**ORDER OF TURNOVER AND DISGORGEMENT, PREJUDGMENT INTEREST,
AND CIVIL PENALTY AGAINST DEFENDANTS ROBERT A. LOFFREDI AND
RAYMOND FINANCIAL GROUP, INC.**

This cause coming to be heard on Plaintiff United States Securities and Exchange Commission’s (“Commission”) Motion for an Order of Turnover and Disgorgement, Prejudgment Interest and Civil Penalty against Defendants Robert A. Loffredi (“Loffredi”) and Raymond Financial Group, Inc. (“Raymond Financial”)(collectively, “Defendants”), and the Court having considered the memorandum in support of the Motion and all of the evidence and the arguments of the parties; the Court, being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants are liable, jointly and severally, for disgorgement of \$1,943,902, representing profits gained as a result of

the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$401,412, for a total of \$2,345,314. The disgorgement and prejudgment interest paid by Relief Defendant Karen L. Loffredi, in the amount of \$58,991, shall be credited dollar-for-dollar toward the disgorgement and prejudgment interest ordered against Defendants. The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after ten days following entry of this Order. In response to any such civil contempt motion by the Commission, Defendants may assert any legally permissible defense. Payments under this paragraph shall be made to the Clerk of this Court, together with a cover letter identifying Loffredi and Raymond Financial as defendants 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 this Order. Defendants shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. Defendants relinquish all legal and equitable right, title, and interest in such payments, and no part of the funds shall be returned to Defendants. 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 propose a plan to distribute the Fund

subject to the Court's approval. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Charter One Bank is directed to transfer to the Clerk of the Court within five days of the date of entry of this Order all assets of Raymond Financial held at the institution, including approximately \$294,568.47 located in the Raymond Financial account at Charter One Bank. Such transfer will be in partial satisfaction of Loffredi's and Raymond Financial's \$1,943,902 disgorgement obligation set forth in Paragraph I, above. Payment shall be made to the Clerk of this Court, together with a cover letter identifying Raymond Financial 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 this Order. Charter One Bank shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. The Clerk shall deposit these funds into the Fund described in Paragraph I, above, pursuant to the procedures described in Paragraph I, above. The Commission will propose a plan to distribute the Fund subject to the Court's approval.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that DuPage National Bank is directed to transfer to the Clerk of the Court within five days of the date of entry of this Order all assets of Raymond Financial held at the institution, including approximately \$14,839.16 located in the Raymond Financial account at DuPage National Bank. Such transfer will be in partial satisfaction of Loffredi's and Raymond Financial's \$1,943,902

disgorgement obligation set forth in Paragraph I, above. Payment shall be made to the Clerk of this Court, together with a cover letter identifying Raymond Financial 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 this Order. DuPage National Bank shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. The Clerk shall deposit these funds into the Fund described in Paragraph I, above, pursuant to the procedures described in Paragraph I, above. The Commission will propose a plan to distribute the Fund subject to the Court's approval.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Loffredi shall pay a civil penalty in the amount of \$130,000 pursuant to Section 20(d) of the Securities Act of 1933 [15 U.S.C. § 77t(d)] and Section 21(d) of the Securities Exchange Act of 1934 [15 U.S.C. § 78u(d)]. Loffredi shall make this payment within ten (10) business days after entry of this Order by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Loffredi 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 this Order. Loffredi shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the Commission's claim for a civil penalty against Raymond Financial is dismissed with prejudice.

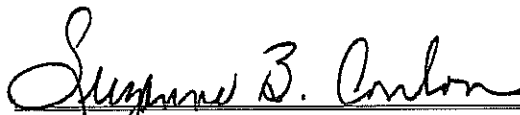
VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including, but not limited to, entertaining any applications for additional relief, and implementing and enforcing this Order.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Order forthwith and without further notice.

Dated: September 8, 2008


HONORABLE SUZANNE B. CONLON
UNITED STATES DISTRICT JUDGE