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 11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA
 13 SAN FRANCISCO DIVISION
 14

15 SECURITIES AND EXCHANGE COMMISSION,

16 Plaintiff,

17 v.

18 MAHER F. KARA, MICHAEL F. KARA,
 EMILE Y. JILWAN, ZAHY T. HADDAD,
 19 BASSAM Y. SALMAN, and KARIM I. BAYYOUK,

20 Defendants.

Case No. CV 09-1880 MHP

JOINT STATUS REPORT AND
 STIPULATED REQUEST TO
 CONTINUE STATUS CONFERENCE
 AND DISCOVERY DEADLINES

[~~PROPOSED~~ ORDER]

21 This matter is currently set for a further Status Conference on June 28, 2010. The Status
 22 Conference has been previously continued to follow the Trial and Motions Setting Conference in
 23 the related criminal action pending before the Court involving three of the same defendants. The
 24 parties to the criminal action have stipulated to continue the Trial and Motions Setting
 25 Conference until August 2, 2010. Accordingly, in order to permit the criminal action to proceed
 26 and permit the parties to continue to discuss resolution of the civil action, the parties request that
 27 the Court continue certain discovery deadlines by about 60 days and reschedule the further Status
 28 Conference in this case to August 23, 2010.

1 **A. STATUS OF THE CASE**

2 Three of the defendants in this civil action are also defendants in a related criminal case,
3 *U.S. v. Maher Fayez Kara, et al.*, No. CR 09-0417 MHP. Maher Kara, Michael Kara, and Emile
4 Jilwan are accused of securities fraud based on the same factual allegations as those made in the
5 Commission’s civil complaint. By a stipulation filed on June 17, 2010, the parties to the
6 criminal action have requested that the Court hold the criminal Trial and Motions Setting
7 Conference on August 2, 2010. The Court has not yet set a trial date for either the criminal case
8 or this related civil action.

9 Discovery is underway in the civil case, and the Commission has produced documents
10 obtained during its investigation, pursuant to initial disclosure obligations and defendants’
11 document requests, and defendants have responded to the document requests served by the
12 Commission. The parties have conducted two third-party depositions, and have agreed to
13 reschedule others in order to attempt to resolve the claims in the civil case.

14 **B. STIPULATION TO CONTINUE STATUS CONFERENCE AND DISCOVERY**

15 The parties to the civil case agree that the status conference and other discovery dates
16 should be continued by about 60 days, and that discovery should be stayed until a further status
17 conference is held. This stay in the discovery in this action will permit the parties to the criminal
18 case to work toward a resolution of that case, and permit the Commission and the parties to
19 discuss resolution of the civil claims.

20 The parties stipulate to continuing the following dates, by 56 days:

21

<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
22 Further Status Conference	June 28, 2010	August 23, 2010
23 Disclosure of witnesses, case in chief	September 13, 2010	November 8, 2010
24 Discovery cut-off	October 11, 2010	December 6, 2010
25 Plaintiff’s expert designation and reports	November 8, 2010	January 3, 2011
26 Defendants’ expert designation and reports	November 24, 2010	January 19, 2011

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<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
Plaintiff's rebuttal expert designation and reports	December 10, 2010	February 4, 2011
Defendants' rebuttal expert designation and reports	December 17, 2010	February 11, 2011
Dispositive motions to be heard	January 31, 2011	March 28, 2011

Dated: June 21, 2009

/s/ Robert Tashjian
 ROBERT TASHJIAN
 Attorney for Plaintiff
 SECURITIES AND EXCHANGE COMMISSION

/s/ George C. Harris
 GEORGE C. HARRIS
 Morrison & Foerster LLP
 Attorneys for Defendant MAHER KARA

/s/ Ismail Ramsey
 ISMAIL RAMSEY
 Ramsey & Ehrlich LLP
 Attorneys for Defendant MICHAEL F. KARA

/s/ William H. Green
 WILLIAM H. GREEN
 Attorneys for Defendant EMILE Y. JILWAN

/s/ Patrick W. Blegen
 PATRICK W. BLEGEN
 Attorneys for Defendant BASSAM Y. SALMAN

/s/ Matthew F. Leitman
 MATTHEW F. LEITMAN
 Miller Canfield Paddock and Stone, PLC
 Attorneys for Defendant KARIM I. BAYYOUK

GENERAL ORDER 45 ATTESTATION

In accordance with General Order 45, each of the signatories to this documents have concurred in its filing, and I shall maintain records to support these concurrences.

/s/ Robert Tashjian
 ROBERT TASHJIAN
 Attorney for Plaintiff
 SECURITIES AND EXCHANGE COMMISSION

1 **~~[PROPOSED]~~ ORDER**

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3 The Court has considered the materials and papers submitted by counsel in this matter
4 and for good cause shown, IT IS HEREBY ORDERED as follows:

5 The Status Conference previously set for June 28, 2010 is vacated and rescheduled for
6 August 23, 2010, at 3:00 p.m., with a joint status report to be filed one week prior to the
7 conference.

8 Discovery in this case shall be stayed until the Status Conference on August 23, 2010.

9 The following discovery deadlines previously set by the Court are continued to the
10 following dates:

11

12 Further Status Conference	August 23, 2010
13 Disclosure of witnesses, case in chief	November 8, 2010
14 Discovery cut-off	December 6, 2010
15 Plaintiff's expert designation and reports	January 3, 2011
16 Defendants' expert designation and reports	January 19, 2011
17 Plaintiff's rebuttal expert designation and reports	February 4, 2011
18 Defendants' rebuttal expert designation and reports	February 11, 2011
19 Dispositive motions to be heard	March 28, 2011

20 IT IS SO ORDERED.

21 Dated: June 22, 2010

