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 11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA
 13 SAN FRANCISCO DIVISION
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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 October 25, 2010. The
 22 Status Conference has been previously continued by the Court in order to follow the Trial and
 23 Motions Setting Conference in the related criminal action pending before the Court. Pursuant to
 24 a stipulation entered by the parties to the criminal action and on order of the Court, the Trial and
 25 Motions Setting Conference in the criminal action has now been continued to January 10, 2011.
 26 There are significant issues to be resolved in the criminal action, including the determination of
 27 the competency to enter a guilty plea by a defendant in the criminal action who is also a
 28 defendant in this civil action. Accordingly, the parties to this civil action request that the Court

1 continue certain discovery deadlines by about 90 days and reschedule the further Status
2 Conference in this case to January 31, 2011.

3 **A. STATUS OF THE CASE**

4 Three of the defendants in this civil action are also defendants in a related criminal case,
5 U.S. v. Maher Fayez Kara, et al., No. CR 09-0417 MHP. The criminal indictment contains
6 factual allegations also alleged in the Commission's civil action. The Court has set the criminal
7 Trial and Motions Setting Conference for January 10, 2011. The Court has not set a trial date for
8 either the related criminal case or this 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 agree that the status conference and other discovery dates should be
16 continued by about 90 days, and that discovery should be stayed until a further status conference.
17 This stay in the discovery in this action will permit the parties to the criminal case to try to
18 resolve the case, and permit the parties to discuss resolution of the civil claims.

19 The parties stipulate to continuing the following dates, by 98 days:

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<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
21 Further Status Conference	October 25, 2010	January 31, 2011
22 Disclosure of witnesses, case 23 in chief	January 10, 2011	April 18, 2011
24 Discovery cut-off	February 7, 2011	May 16, 2011
25 Plaintiff's expert designation and reports	March 7, 2011	June 13, 2011
26 Defendants' expert designation and reports	March 23, 2011	June 29, 2011
27 Plaintiff's rebuttal expert 28 designation and reports	April 8, 2011	July 15, 2011

<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
Defendants' rebuttal expert designation and reports	April 15, 2011	July 22, 2011
Dispositive motions to be heard	May 30, 2011	September 12, 2011

Dated: October 18, 2010

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

/s/ George C. Harris
 GEORGE C. HARRIS
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/s/ Ismail Ramsey
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 Attorneys for Defendant MICHAEL F. KARA

/s/ William H. Green
 WILLIAM H. GREEN
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/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

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3 **~~[PROPOSED]~~ ORDER**

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

6 The Status Conference previously set for October 25, 2010 is vacated and rescheduled for
7 January 31, 2011, at 3:00 p.m., with a joint status report to be filed one week prior to the
8 conference.

9 Discovery in this case shall be stayed until the Status Conference on January 31, 2011.

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

12 Further Status Conference	January 31, 2011
13 Disclosure of witnesses, case in chief	April 18, 2011
14 Discovery cut-off	May 16, 2011
15 Plaintiff's expert designation and reports	June 13, 2011
16 Defendants' expert designation and reports	June 29, 2011
17 Plaintiff's rebuttal expert designation and reports	July 15, 2011
18 Defendants' rebuttal expert designation and reports	July 22, 2011
19 Dispositive motions to be heard	September 12, 2011

20 IT IS SO ORDERED.

21 Dated: 10/25, 2010

