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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 By Order dated March 22, 2011, this matter is currently set for a further Status
 22 Conference on May 9, 2011. The Status Conference has been previously continued by the Court
 23 in order to follow the Trial and Motions Setting Conference in the related criminal action
 24 pending before the Court. Pursuant to an Order of this Court dated April 22, 2011, the Trial and
 25 Motions Setting Conference in the criminal action has now been continued to May 23, 2011.
 26 There are significant issues to be resolved in the criminal action that will affect this proceeding,
 27 because defendants in the criminal action have been charged with offenses closely related to the
 28 allegations in this civil action. Accordingly, the parties to this civil action request that the Court

1 continue certain discovery deadlines by approximately 45 days and reschedule the further Status
2 Conference in this case to June 27, 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 *United States v. Maher Fayez Kara, et al.*, No. CR 09-0417 MHP. The criminal indictment
6 contains factual allegations also alleged in the Commission's civil action. The Court has
7 adjourned the criminal action until May 23, 2011. The Court has not set a trial date for either the
8 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 45 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 49 days:

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<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
21 Further Status Conference	May 9, 2011	June 27, 2011
22 Disclosure of witnesses, case 23 in chief	July 29, 2011	September 16, 2011
24 Discovery cut-off	August 26, 2011	October 14, 2011
25 Plaintiff's expert designation and reports	September 30, 2011	November 18, 2011
26 Defendants' expert designation and reports	October 12, 2011	November 30, 2011
27 Plaintiff's rebuttal expert 28 designation and reports	October 28, 2011	December 16, 2011

<u>Event or deadline</u>	<u>Current Date</u>	<u>Proposed Continued Date</u>
Defendants' rebuttal expert designation and reports	November 16, 2011	January 4, 2012
Dispositive motions to be heard	December 19, 2011	February 6, 2012

Dated: May 2, 2011

/s/ Lloyd Farnham
LLOYD FARNHAM
Attorney for Plaintiff
SECURITIES AND EXCHANGE COMMISSION

/s/ George C. Harris
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/s/ Matthew F. Leitman
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Attorneys for Defendant KARIM I. BAYYOUK

GENERAL ORDER 45 ATTESTATION

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

/s/ Lloyd Farnham
LLOYD FARNHAM
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 May 9, 2011, is vacated and rescheduled for
7 June 27, 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 May 9, 2011.

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

12 Further Status Conference	June 27, 2011
13 Disclosure of witnesses, case in chief	September 16, 2011
14 Discovery cut-off	October 14, 2011
15 Plaintiff's expert designation and reports	November 18, 2011
16 Defendants' expert designation and reports	November 30, 2011
17 Plaintiff's rebuttal expert designation and reports	December 16, 2011
18 Defendants' rebuttal expert designation and reports	January 4, 2012
19 Dispositive motions to be heard	February 6, 2012

20 IT IS SO ORDERED.

21 Dated: May 4, 2011

