



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
SAN FRANCISCO DISTRICT OFFICE
44 Montgomery Street
Suite 2600
San Francisco, California 94104**

DIRECT DIAL: (415) 705-2351
FAX NUMBER: (415) 705-2501

December 6, 2010

Hon. Bernard Zimmerman
United States District Court
Northern District of California
450 Golden Gate Avenue
San Francisco, CA 94102

Re: *SEC v. Pegasus Wireless Corp., et al.*, CV-09-2302 JSW

Dear Magistrate Judge Zimmerman:

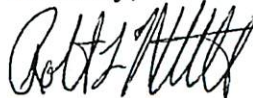
I am the lead trial attorney representing plaintiff Securities and Exchange Commission (eCommission) in the above-referenced matter, and I will be present at the settlement conference scheduled this Thursday, December 9.

As the Court may be aware, the Commission can only act to adopt a settlement through a vote of its Presidentially-appointed Commissioners. As a result, any agreement by the Commission staff to settle a legal claim is preliminary, and subject to the approval of the Commission.

I, in consultation with Michael S. Dicke, Associate Regional Director of the Commission's San Francisco Regional Office, have the authority to recommend a preliminary settlement for approval to the Commission. In the event that the settlement conference results in a settlement offer from one or more of the defendants, Mr. Dicke can be immediately available to consider such an offer by telephone.

Accordingly, I respectfully request that the Court allow the Commission to participate in the settlement conference through its lead trial counsel, with Mr. Dicke available for immediate phone consultation, as necessary.

Sincerely,



Robert L. Mitchell
Trial Counsel



12/14/10