

Exchange Act and (2) violation of 42 U.S.C. §§ 1983 and 1985. Ms. Hines notes that, in her
document captioned "Counts to Individual Capacity Suits," she actually identified violations of not
only §§ 15(a)(1) and 18(a) of the Securities Exchange Act but also § 20 of the Act. Ms. Hines states
that she is "uncertain if the omission was intentional or, perhaps administrative error."

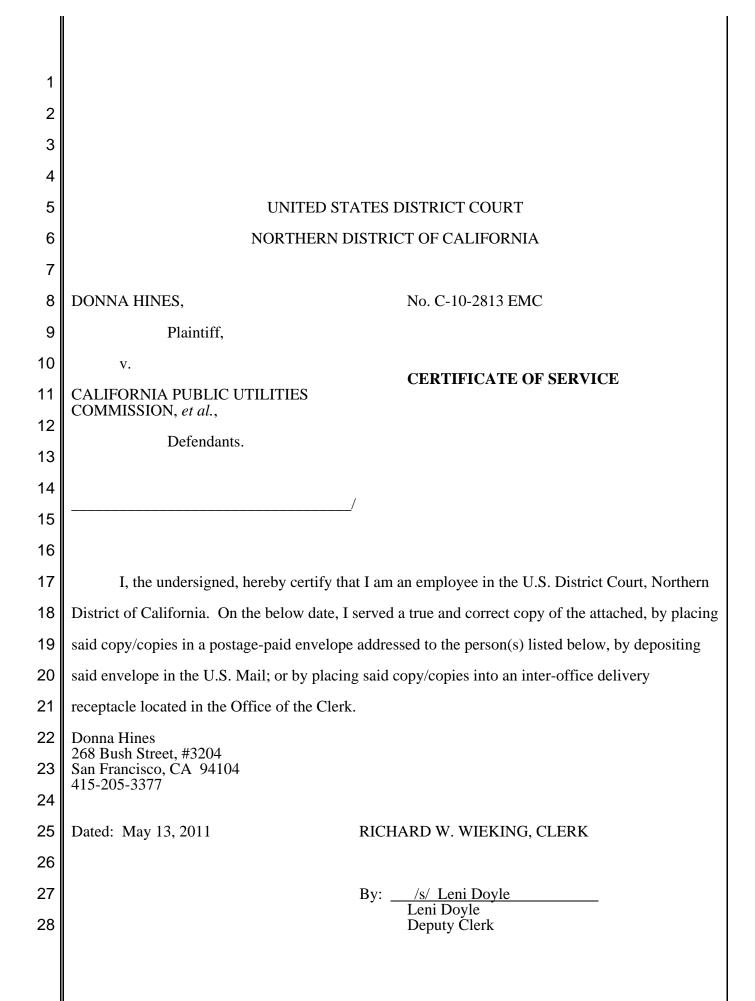
Ms. Hines is correct that she referenced § 20 in the document "Counts to Individual Capacity Suits." Section 20, however, provides only for derivative liability for violations of the Act. *See* 15 U.S.C. § 78t (titled "Liability of controlling persons and persons who aid and abet violations"); *see also Dellastatious v. Williams*, 242 F.3d 191, 194 (4th Cir. 2001) (noting that "Section 20(a) of the Securities Exchange Act of 1934, 15 U.S.C. § 78t(a), provides for derivative liability of persons who 'control' those who are primarily liable under the Exchange Act"). Based on the factual allegations that she has made to date, Ms. Hines seems to claim that the individual defendants are directly liable, not indirectly liable. Thus, at this juncture, the Court shall not amend its prior order and Ms. Hines is not permitted to amend her complaint to add a § 20 claim to her complaint.

This order disposes of Docket No. 73.

IT IS SO ORDERED.

19 Dated: May 13, 2011

EDWARD M. CHEN United States Magistrate Judge



United States District Court For the Northern District of California