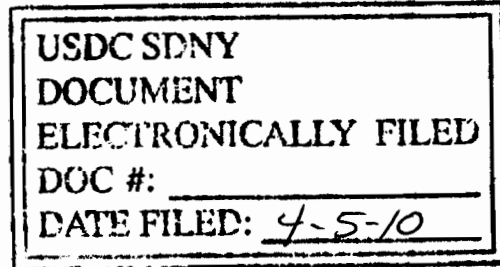


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
SECURITIES AND EXCHANGE COMMISSION, :
 :
Plaintiff, :
 :
-v- :
 :
GALLEON MANAGEMENT, LP, et al., :
 :
Defendants. :
----- X

09 Civ. 8811 (JSR)

ORDER



JED S. RAKOFF, U.S.D.J.

By letter dated March 29, 2010 (which will be separately docketed) plaintiff Securities and Exchange Commission ("SEC") submitted to the Court a Consent and Proposed Final Judgment as to defendant Schottenfeld Group, LLC ("Schottenfeld"), by which these parties jointly propose that Schottenfeld settle its part of this case by (i) paying disgorgement in the amount of \$460,475.28, plus prejudgment interest; (ii) paying an additional civil penalty of half that amount (reduced from higher penalties because of Schottenfeld's promise to cooperate with the SEC), (iii) agreeing to be permanently enjoined from future violations; and (iv) implementing enhanced control and compliance mechanisms as recommended by outside counsel and by a to-be-hired independent consultant. Although the proposed judgment does not appear unreasonable on its face and although a similar judgment against Schottenfeld was recently approved by another judge of this court in the companion case of SEC v. Cutillo et al., 09 Civ. 9208 (RJS), the Court requires further information before it can

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finally evaluate the settlement. Accordingly, the parties, jointly or severally, are hereby ordered to file with the Court, by no later than April 12, 2010, one or more formal statements setting forth:

(1) the details of how the disgorgement figure was calculated, including the particulars of the violations involved and how the related trading profits or losses were arrived at;

(2) the specifics of the recommendations for enhanced compliance made to Schottenfeld by its outside counsel and the manner in which Schottenfeld proposes to implement those recommendations; and

(3) the timing and manner of the appointment of the independent consultant, including the selection criteria.

SO ORDERED.



A handwritten signature in black ink, appearing to read 'Jed S. Rakoff', is written over a horizontal line.

JED S. RAKOFF, U.S.D.J.

Dated: New York, New York
April 5, 2010