

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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**SAWABEH INFORMATION
SERVICES CO. and EDCOMM, INC.,**

Plaintiffs,

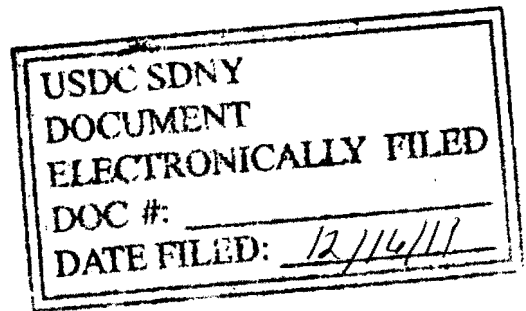
- against -

**CLIFFORD BRODY, LINDA EAGLE
and DAVID SHAPP,**

Defendants.
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OPINION AND ORDER

11 Civ. 4164 (SAS)



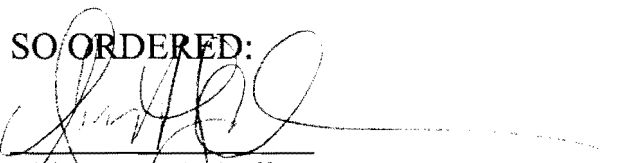
SHIRA A. SCHEINDLIN, U.S.D.J.:

I. INTRODUCTION

Sawabeh Information Services Company (“Siscom”) and its wholly owned subsidiary Edcomm, Inc. (“Edcomm”) (collectively “plaintiffs”) bring this action against former Edcomm officers and shareholders, Clifford Brody, Linda Eagle and David Shapp (“defendants”) arising out of the October 11, 2011 sale of all of the outstanding shares of Edcomm from defendants to Siscom (the “transaction”) pursuant to the parties’ stock purchase Term Sheet (the “Term Sheet”). Five months after the transaction, defendants identified — for the first time — two documents imposing significant potential liabilities on Edcomm: (1) a

[Docket No. 35]. A conference is scheduled for Friday, January 6 at 4:30 p.m.

The parties are instructed to bring a proposed scheduling order to the conference in accordance with the Court's individual rules.

SO ORDERED:


Shira A. Scheindlin
U.S.D.J.

Dated: New York, New York
December 15, 2011