

Staten, Y.

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff, 05-CV-4724 (LLS)

- against -

AIMSI TECHNOLOGIES, INC., REGINALD HALL,
HAROLD DEMPSEY "BUTCH" BALLOW, EVERETT
BASSIE, WINFRED FIELDS, and BRUCE CHARLES
POLLOCK,

Defendants,

- and -

WILLIAM WATKINS, DOLORES WATKINS, WRIGHT
FAMILY HOLDINGS, INC., WRIGHT FAMILY TRUST,
GBY INTERNATIONAL PUBLIC RELATIONS, INC., BP
INTERNATIONAL, INC., SECURE RELEASES, INC.,
CHINA GLOBAL DISTRIBUTION CORP., LINES
OVERSEAS MANAGEMENT, WONDERLAND CAPITAL
CORP., PRIVATE FUNDING CORP., and OREKOYA
CAPITAL CORP.,

Relief Defendants.

**[PROPOSED] ORDER FOR CREATION OF A FAIR FUND
AND APPOINTMENT OF TAX ADMINISTRATOR**

The Court having reviewed the Motion by the Plaintiff Securities and Exchange
Commission for Creation of a Fair Fund, and for good cause shown,

*and there being no
opposition.*

IT IS HEREBY ORDERED:

1. The Motion is GRANTED.
2. A Fair Fund is established pursuant to Section 308(a) of the Sarbanes-Oxley Act

of 2002, as amended by the Dodd-Frank Act of 2010, 15 U.S.C. § 7246(a), from the funds
deposited in the Court Registry Investment System ("CRIS") account under the case name

LLS

designation “Securities and Exchange Commission v. Aimsi Technologies Inc., et al.,” plus all interest earned on such funds, less court registry fees, taxes, and other expenses pursuant to the Final Judgments and other Orders entered here.

3. Damasco & Associates LLP is appointed as Tax Administrator to execute all income tax reporting requirements, including the preparation and filing of tax returns, for all funds under the Court’s jurisdiction in this case (the “Fair Fund”).

4. Damasco & Associates LLP shall be designated the Tax Administrator of the Fair Fund, pursuant to section 468B(g) of the Internal Revenue Code (IRC), 26 U.S.C. § 468B(g), and related regulations, and shall satisfy the administrative requirements imposed by those regulations, including but not limited to (a) obtaining a taxpayer identification number, (b) filing applicable federal, state, and local tax returns and paying taxes reported thereon out of the Fair Fund, and (c) satisfying any information, reporting, or withholding requirements imposed on distributions from the Fair Fund. Upon request, the Tax Administrator shall provide copies of any filings to the Commission’s counsel of record.

5. The Tax Administrator shall, at such times as the Tax Administrator deems necessary to fulfill the tax obligations of the Fair Fund, submit a declaration of the amount of taxes due to the Commission’s counsel of record for submission to the Court for approval and for payment from the Fair Fund.

6. The Tax Administrator shall be entitled to charge reasonable fees for tax compliance services and related expenses in accordance with its agreement with the Commission. The Tax Administrator shall, at such times as the Tax Administrator deems appropriate, submit a declaration of fees and expenses to the Commission’s counsel of record for submission to the

Court for approval and for payment from the Fair Fund. No fees or expenses may be paid without the Court's prior approval.

7. The Tax Administrator shall provide the Commission counsel of record with a draft of the supporting declaration for review. If the Commission has any corrections or objections to the declaration, the Tax Administrator and the Commission's counsel shall attempt to resolve them on a consensual basis. If a consensual resolution is not reached, the Commission may submit with the motion any objections along with the Tax Administrator's response thereto.

Dated: New York, New York
January 6, 2015

Louis L. Stanton
UNITED STATES DISTRICT JUDGE

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