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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 SECURITIES AND EXCHANGE COMMISSION,
14 Plaintiff,
15 vs.
16 REZA MIKAILLI, GARY F. PADO, and UNIFY
17 CORPORATION,
18 Defendants.

Civil Action No. 02-2426 SI

NOTICE OF WITHDRAWAL OF PRAYER
FOR CIVIL PENALTIES AGAINST GARY F.
PADO

19 Plaintiff Securities and Exchange Commission (“Commission”) hereby gives notice of
20 withdrawal of its prayer for civil penalty against Defendant Gary F. Pado.

21 **A. Background**

22 On September 25, 2002, pursuant to a written consent, the Court entered a Final
23 Judgment of Permanent Injunction and Other Relief Against Gary F. Pado. The Judgment enjoined
24 Pado from future violations of 15 U.S.C. § 78j(b) and 17 C.F.R. §§ 240.10b-5, 240.13b2-2 and
25 prohibited Pado from serving as an officer or director of any public company. The Judgment also
26 ordered Pado to pay a civil money penalty in an amount to be determined later. At the time this
27 judgment was entered, Pado was also a defendant in a criminal case based on the same facts. *US v.*
28 *Pado*, CR 02-135 SI. Pado was subsequently sentenced in the criminal case.

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B. Withdrawal of Claim for Monetary Relief

Based upon the criminal sentence imposed on Pado, the Commission has since determined that it will not seek to set an amount of penalty that Pado must pay. Accordingly, the Commission withdraws its prayer for civil penalties against Pado.

Dated: August 4, 2005

Respectfully submitted,

James A. Howell
Attorney for Plaintiff
SECURITIES AND EXCHANGE COMMISSION