

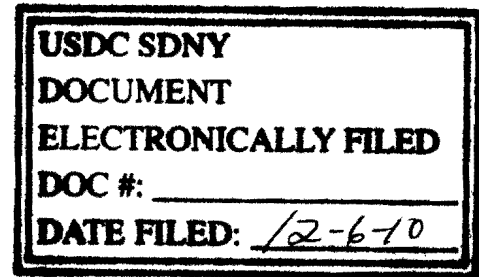
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KASE AND DRUKER

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*Castel, J.*

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

SMART ONLINE, INC., ET AL.,

Defendants.

07 Civ. 7960 (PKC)

**STIPULATION AND ORDER**

The Securities and Exchange Commission ("SEC") having filed a Complaint and Defendant James Doolan ("Defendant") having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; and waived any right to appeal from this Stipulation and Order:

IT IS HEREBY STIPULATED AND AGREED BY Plaintiff SEC and Defendant, by and through their undersigned counsel, that:

WHEREAS, on December 4, 2007, the Court entered a Partial Judgment of Permanent Injunctive Relief and Other Relief by Consent Against James Doolan (the "Partial Judgment"),

granting certain relief against Defendant, with issues related to Defendant's disgorgement and civil penalties to be determined by agreement of the parties, or failing that, by the Court;

WHEREAS, on February 11, 2008, Defendant pled guilty to conspiracy to commit securities fraud [18 U.S.C. § 371] and securities fraud [15 U.S.C. § 78] in United States v. Doolan, 08 Cr. 113 (S.D.N.Y.)(DC), and was sentenced to 3 years supervised release, ordered to forfeit \$9,000, and pay \$30,220 in restitution;

WHEREAS, based on Defendant's criminal sentence, forfeiture, and restitution order, Plaintiff SEC has determined to dismiss its claims for disgorgement, prejudgment interest, and civil penalties against Defendant, and Defendant consents to this dismissal;

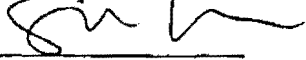
IT IS HEREBY ORDERED that Plaintiff SEC's claims for disgorgement, prejudgment interest, and civil penalties are hereby dismissed with prejudice, and the Partial Judgment entered on December 4, 2007 shall be deemed the Final Judgment against Defendant in this case.

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Securities and Exchange Commission

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James Doolan

By:   
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Garden City, NY 11530

Dated: 12-6-10

  
UNITED STATES DISTRICT JUDGE

