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**JUL 15 2004**  
CENTRAL DISTRICT OF CALIFORNIA  
BY DEPUTY

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1 SANDRA J. HARRIS, Cal. Bar No. 134153  
2 ANDREW J. DUNBAR, Cal. Bar No. 203265

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4 Securities and Exchange Commission  
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11 UNITED STATES DISTRICT COURT  
12 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
13 WESTERN DIVISION

14 SECURITIES AND EXCHANGE  
15 COMMISSION,

16 Plaintiff,

17 v.

18 REED E. SLATKIN

19 Defendant.

Case No. CV 01-4283 RSWL (AIJx)

**STIPULATION RE DISMISSAL  
OF THE REMAINING  
DISGORGEMENT AND CIVIL  
PENALTY CLAIMS AGAINST  
DEFENDANT REED E.  
SLATKIN; [REMOVED] ORDER  
THEREON**

20 STIPULATION

21 IT IS HEREBY STIPULATED AND AGREED between Plaintiff Securities  
22 and Exchange Commission ("Commission") and Defendant Reed E. Slatkin  
23 ("Slatkin"), that:

24 1. On May 11, 2001, the Commission filed its Complaint against Slatkin  
25 in this matter.

26 2. On June 7, 2001, the Court entered a Judgment of Permanent  
27 Injunction and Other Relief Against Defendant Reed E. Slatkin ("Judgment"), by  
28 which, among other things, Slatkin was permanently enjoined from future  
violations of various provisions of the federal securities laws. Slatkin consented  
to the entry of the injunction.

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1 3. On September 3, 2003, Slatkin was sentenced to, among other things,  
2 14 years imprisonment and ordered to pay \$240,295,910 in restitution in *U.S. v.*  
3 *Reed E. Slatkin*, CR 02-313.

4 4. In light of the sentence in the criminal case, the Commission has  
5 determined not to pursue its remaining claims for disgorgement, prejudgment  
6 interest and civil penalties against Slatkin.

7  
8 Accordingly, IT IS HEREBY STIPULATED AND AGREED between the  
9 Commission and Slatkin, pursuant to Fed. R. Civ. P. 41(a)(2), that the  
10 Commission's remaining claims against Slatkin for disgorgement, prejudgment  
11 interest thereon, and civil penalties be, and hereby are, dismissed against Slatkin.

12  
13 DATED: April \_\_, 2004

\_\_\_\_\_  
Andrew J. Dunbar  
Attorney for Plaintiff  
Securities and Exchange Commission

14  
15  
16  
17 DATED: April <sup>20</sup>\_\_, 2004

\_\_\_\_\_  
*Brian A. Sun*  
Brian A. Sun  
Frederick D. Friedman  
Attorneys for Reed E. Slatkin

18  
19  
20  
21 IT IS SO ORDERED.

22 DATED: April \_\_, 2004

\_\_\_\_\_  
HONORABLE RONALD S.W. LEW  
UNITED STATES DISTRICT COURT

SCANNED

3. On September 3, 2003, Slatkin was sentenced to, among other things, 14 years imprisonment and ordered to pay \$240,295,910 in restitution in *U.S. v. Reed E. Slatkin*, CR 02-313.

4. In light of the sentence in the criminal case, the Commission has determined not to pursue its remaining claims for disgorgement, prejudgment interest and civil penalties against Slatkin.

Accordingly, IT IS HEREBY STIPULATED AND AGREED between the Commission and Slatkin, pursuant to Fed. R. Civ. P. 41(a)(2), that the Commission's remaining claims against Slatkin for disgorgement, prejudgment interest thereon, and civil penalties be, and hereby are, dismissed against Slatkin.

DATED: <sup>July</sup> April 14, 2004

Andrew J. Dunbar  
Andrew J. Dunbar  
Attorney for Plaintiff  
Securities and Exchange Commission

DATED: April \_\_, 2004

Brian A. Sun  
Frederick D. Friedman  
Attorneys for Reed E. Slatkin

IT IS SO ORDERED.

DATED: <sup>July</sup> April 15, 2004

RONALD S. W LEW

HONORABLE RONALD S. W. LEW  
UNITED STATES DISTRICT COURT

**PROOF OF SERVICE**

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I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11<sup>th</sup> Floor; Los Angeles, California 90036.

Telephone: (323) 965-3998 Fax: (323) 965-3908

On July 14, 2004, I served the document entitled **STIPULATION RE DISMISSAL OF THE REMAINING DISGORGEMENT AND CIVIL PENALTY CLAIMS AGAINST DEFENDANT REED E. SLATKIN; [PROPOSED] ORDER THEREON** upon the parties to this action addressed as stated on the attached service list:

**OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this firm's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

**PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

**EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

**PERSONAL SERVICE:** I caused to be personally delivered each such envelope by hand to the office of the addressee in the attached service list.

**FEDERAL EXPRESS:** By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

**FAX (BY AGREEMENT ONLY):** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

**(Federal)** I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made. I declare under penalty of perjury that the foregoing is true and correct

Date: July 14, 2004

Magnolia M. Marcelo  
MAGNOLIA M. MARCELO

**SEC v. REED E. SLATKIN**  
**United States District Court - Central District of California**  
**Case No. CV 01-4283 RSWL (MANx)**  
**(LA-1961)**

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**SERVICE LIST**

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