

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE  
COMMISSION, :  
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 Plaintiff, :  
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 v. :  
 :  
 FRANCO, et al, :  
 :  
 Defendants. :  
 :

01 CV 3872 (JGK)  
(CONSOLIDATED)

**[PROPOSED] ORDER APPROVING DISTRIBUTION PLAN,  
APPROVING FEES AND EXPENSES OF DISTRIBUTION AGENT  
AND PROFESSIONAL, AND APPROVING DISBURSEMENT  
FOR INITIAL ADMINISTRATIVE FEES AND EXPENSES**

Plaintiff Securities and Exchange Commission (the "Commission") has filed its Motion for an order: (1) approving a Distribution Plan for the Distribution Fund by which injured investors may be compensated for their losses; (2) approving certain fees and expenses of the Distribution Agent and other Professional; and (3) directing that the Clerk of the Court release a portion of the Distribution Fund to a custodial account under the control of the Distribution Agent to cover certain estimated media publication costs and initial administrative expenses and fees to be incurred by the Distribution Agent (the "Motion").

The Court appointed Richard Weissman as Distribution Agent on June 10, 2010. The Distribution Agent has filed a declaration ("Weissman Declaration") in support of the Commission's Motion setting forth his estimates for media publication costs and the initial administrative fees and expenses (the "Administrative Disbursal") necessary to implement the claims process and claims eligibility report under the distribution plan the Commission has

proposed to the Court, and in support of the Distribution Agent's request for fees he has incurred in the development of the proposed Distribution Plan in cooperation with Commission Staff and for the fees of a professional he engaged to assist him in developing a plan methodology as presented in the proposed Distribution Plan.

Service of the Motion and supporting papers was duly made on the judgment defendants directly or through counsel of record appearing on the Docket. No responsive or opposition papers having been filed by any interested party, the matter was considered without a hearing.

The Court having considered Plaintiff's Motion, the Memorandum of Law in support thereof, the proposed Distribution Plan, and other supporting papers, and for good cause shown, hereby orders:

1. The Commission's Motion is granted. The proposed Distribution Plan, attached hereto, is hereby approved in its entirety. The Distribution Plan shall govern the management and distribution of the Fair Fund previously established by order entered June 10, 2010.

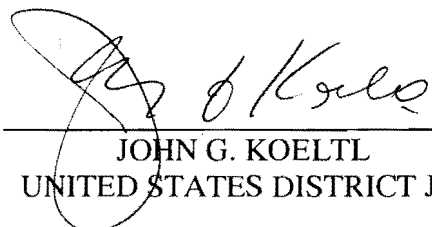
2. The fee petition for the Distribution Agent and his engaged professional, Fred R. Kuhns, is approved and shall be paid as follows: (a) to the Distribution Agent, Richard Weissman, an amount of \$29,280.50, for services rendered through November 30, 2010; and (b) to Fred R. Kuhns, in an amount of \$4,515.00, for services rendered through November 13, 2010.

3. It is further ordered that an amount of \$456,318 is approved for the initial Administrative Disbursal. The Clerk of the Court is directed to disburse to the Distribution Agent the initial Administrative Disbursal and the approved fees of the Distribution Agent and Mr. Kuhns, in the sum of \$490,113.50. The Clerk is directed to communicate with the Distribution Agent at (310) 481-6782, or by email to [rweissman@rwreceiver.com](mailto:rweissman@rwreceiver.com), to

obtain his overnight mail account number or bank account wire information to effect forthwith the remittance of said funds.

IT IS SO ORDERED.

Dated: 7/5/11

  
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JOHN G. KOELTL  
UNITED STATES DISTRICT JUDGE