

THE HONORABLE JOHN C. COUGHENOUR

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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,  
  
v.  
  
JOHN WAYNE ZIDAR, et al.,  
  
Defendants.

No. C00-823C

**ORDER DIRECTING THE  
RECEIVER TO CONTINUE  
ASSET RECOVERY EFFORTS  
AND SUBMIT SUPPLEMENTAL  
REPORT**

This matter came before the Court on the Receiver’s January 30, 2005 Second Supplemental Report Regarding Asset Recovery Efforts and Case Status (“Motion”). The Receiver’s Motion was filed in response to an October 27, 2005 court order.

As of the date of the Motion, the Receiver reported that the assets managed and controlled by his office (“Receivership Assets”) totaled \$762,738.34. The Receiver reported that there are several potential assets that may be recovered within the next few months, and the Receiver estimates that the additional funds may total as much as \$775,000.00.

The Receiver further reported that he has responded to two appeals filed in the Ninth Circuit Court of Appeals. The appeals currently are pending before the appellate court and argument is not expected for another six to 12 months. The Receiver will file a motion to

1 expedite in an attempt to speed up appellate review.

2 The Receiver estimates that he should be able to wind up his investigations and asset  
3 recovery efforts within the next few months. Accordingly, the Receiver petitioned the Court to  
4 order the Receiver to file a supplemental status report within six months. The Receiver also  
5 recommended that the Court order the Receiver to submit a supplemental distribution plan to the  
6 Court once the Ninth Circuit issues a final ruling on the two appeals.  
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8 The Court has considered the Receiver's motion, and the other pleadings and declarations  
9 on file regarding this motion.

10 Based on the pleadings, declarations and records on file, the Court orders as follows:

11 IT IS ORDERED that the Court approves the Receiver's Motion and directs the Receiver  
12 to file a supplemental report regarding the status of this case, the federal appeals and asset  
13 recovery efforts within six months of the date of this order.  
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15 IT IS FURTHER ORDERED that the Receiver shall continue to recover assets that are  
16 linked to the defendants' fraudulent transactions.  
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18 IT IS FURTHER ORDERED that the Receiver shall propose a supplemental distribution  
19 plan to the Court when he submits his supplemental report regarding assets recovery and case  
20 status. However, if the Ninth Circuit Court of Appeals has not acted by that date, the Receiver is  
21 not required to file a supplemental distribution plan with the Court until three weeks after the  
22 eventual Ninth Circuit ruling.  
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24 DATED this 22nd day of February, 2006.

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26 Honorable John C. Coughenour  
27 UNITED STATES DISTRICT JUDGE  
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Presented by:  
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