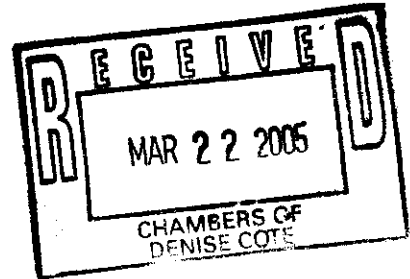


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MEMO ENDORSED

March 21, 2005



Honorable Denise L. Cote
United States District Judge
D.P. Moynihan U.S. District Courthouse
Southern District of New York
500 Pearl Street, Room 1040
New York, New York 10007-11312

Re: Seinfeld v. Allen, et al.
Civil No. 02 CV 5018 (DLC)

Honorable Madam:

More than 60 days have passed since the motions to dismiss were fully submitted, unless you count the letters dated February 4 and February 9, 2005, concerning demand on the board.

We would also remind the court that the stay of October 17, 2002, is still otherwise in effect and we hereby renew our request to begin documentary discovery. Respectfully, we assert that our state law claims are not subject to the PLSRA's automatic stay provisions during the pendency of a motion to dismiss. *See, Tobias Holdings v. Bank United Corp.*, 177 F.Supp. 2d 162, 168-69 (S.D.N.Y. 2001) ("Here, a federal court hearing only the federal securities claims would have no basis on which to stay discovery in a parallel state action involving non-fraud claims because the non-fraud claims would not interfere with the jurisdiction of the federal court or threaten its judgment in any way."); *City of Austin Police Ret.Sys. V. ITT Educ. Servs.*, 2005 WL 280345 at *10-*11 (S.D. Ind. 2005).

Respectfully,

A. Arnold Gershon

cc: Service List Attached

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Request to conduct discovery is denied.

*Denise Cote
March 22, 2005*