UNITED STATES DE SOUTHERN DISTRIC						
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RAJAT K. GUPTA,		:				
		:				
1	Plaintiff,	:				
	,	:	11	Civ.	1900	(JSR)
- V -		:				
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SECURITIES AND I	EXCHANGE COMMISSION,	:				
		:				
I	Defendant.	:				
		-x				

JED S. RAKOFF, U.S.D.J.

After several adjournments agreed to by the Court, defendant's Answer was due to be filed on August 3, 2011. However, on that same date, defendant's counsel faxed to the Court a two-page Agreement, signed by both parties and attached hereto, that, when fully executed, will result in the dismissal of this action as moot. Accordingly, defendant's time to answer is adjourned, <u>sine die</u>, and the entire matter is stayed pending further order of the Court.

SO ORDERED.

Dated: New York, New York August 4, 2011

USDC SDNY ELECTRONICALLY FILED DOC #: -

## AGREEMENT

WHEREAS, the Securities and Exchange Commission ("SEC") has filed an administrative and cease-and-desist proceeding alleging violations of the federal securities laws by Rajat Gupta ("Gupta"), In the Matter of Rajat K. Gupta, AP File No. 3-14279 ("the Administrative Proceeding").

WHEREAS, Gupta has filed an action in the U.S. District Court for the Southern District of New York, *Gupta v. SEC*, 11-cv-1900 (S.D.N.Y.) (the "Lawsuit"), challenging the institution of the Administrative Proceeding as violative of his constitutional rights.

**THEREFORE**, in consideration of the promises made herein, the Parties agree to dismiss both the Administrative Proceeding and the Lawsuit on the following terms:

1. The SEC will enter an Order Dismissing Proceedings, that dismisses the Administrative Proceeding. The SEC and Gupta (collectively "the Parties") agree that this dismissal will not be on the merits of the allegations in the Order Instituting Proceedings but the SEC agrees that it will not bring any administrative or cease-and-desist proceedings in the future against Gupta based on the factual allegations in the Order Instituting Proceedings.

2. The Parties agree that once the SEC issues the Order Dismissing Proceedings, the Lawsuit is moot.

3. The Parties will enter into a Joint Stipulation of Dismissal pursuant to Federal Rule of Civil Procedure 41(a)(1)(A)(ii) in the Lawsuit that includes the following stipulations:

- (a) The SEC will not bring any administrative or cease-and-desist proceedings in the future against Gupta based on the factual allegations in the Order Instituting Proceedings.
- (b) Any future action against Gupta based on the factual allegations in the Order Instituting Proceedings shall only be filed in the U.S. District Court for the Southern District of New York. Should the SEC file any such action, the SEC will designate it as related under Rule 13 of the Court's Rules for the Division of Business among District Judges to the other Galleon cases presently pending before the Honorable Jed S. Rakoff.
- (c) Gupta will not assert in any future action brought against him by the SEC in U.S. District Court based on the same factual allegations in the Order Instituting Proceedings, or on appeal from a judgment of the District Court, that the SEC is precluded from instituting such an action, or that he has a defense in such action, because of (i) the SEC's institution of the Administrative Proceeding, (ii) the SEC's dismissal of the Administrative Proceeding, or (iii) this Agreement.

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The Parties will file the Joint Stipulation of Dismissal in the Lawsuit dismissing 4. the Lawsuit as expeditiously as possible and within three business days of the SEC's entry of the Order Dismissing Proceedings.

5. So long as the SEC complies with the terms of this Agreement and the Joint Stipulation of Dismissal, Gupta may not refile the Lawsuit or bring any new lawsuit against the SEC, its Commissioners, or its staff regarding the institution of the Administrative Proceeding.

6. The Parties agree to bear their own attorneys' fees, costs and expenses.

IN WITNESS WHEREOF, the Parties, intending to be bound, have stipulated and agreed to the foregoing.

THE SEC: FO

Richard M. Humes

P. Naftalis

Garv

Associate General Counsel

Date

Date

FOR RAJAT GUP