



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
PHILADELPHIA REGIONAL OFFICE
MELLON INDEPENDENCE CENTER
701 MARKET STREET
SUITE 2000
PHILADELPHIA, PENNSYLVANIA 19106-1532

SCOTT A. THOMPSON
SENIOR TRIAL COUNSEL
(215) 597-553
ThompsonS@sec.gov

March 1, 2012

Via ECF and First-Class Mail

The Honorable Patty Shwartz
U.S. District Court for the District of New Jersey
Martin Luther King Building & U.S. Courthouse
50 Walnut St.
Newark, N.J. 07101

Re: SEC v. Kluger, Civil Action No. 11-1936(KSH)

Dear Judge Shwartz:

I am counsel for Plaintiff Securities and Exchange Commission. On December 19, 2011, the parties and the Court held a telephonic conference to discuss the possible resolution of this matter without further litigation. Based on that conference, the Court issued an Order requesting that the parties inform the Court of the status of the matter on or before March 1, 2012.

Both defendants have signed proposed consent agreements to the entry of final judgments. These agreements must be submitted to the Commission for approval – a necessary step before staff for the Commission can submit a proposed judgment to the Court. For this reason, the staff and defendants respectfully request the opportunity to report again to the Court within 45 days – at which time the Commission staff anticipates the approval process will be complete.

Respectfully,

A handwritten signature in blue ink that reads "Scott A. Thompson".

Scott A. Thompson

cc: Michael F. Bachner, Esq. (counsel for Defendant Garrett D. Bauer) (via ECF)
Matthew H. Kluger, Esq. (pro se) (via first-class mail, postage prepaid)