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12  
 13 **UNITED STATES DISTRICT COURT**  
 14 **CENTRAL DISTRICT OF CALIFORNIA**

15 SECURITIES AND EXCHANGE  
 16 COMMISSION,

17 Plaintiff,

18 vs.

19 DIVERSIFIED LENDING GROUP, INC.;  
 APPLIED EQUITIES, INC.; and BRUCE  
 20 FRIEDMAN,

21 Defendants,

22 and

23 TINA M. PLACOURAKIS,

24 Relief Defendant.

Case No. CV 09-01533-R-(JTLx)

**STIPULATION AND [PROPOSED]  
 ORDER RE CONSENT TO  
 ISSUANCE OF PRELIMINARY  
 INJUNCTION AND OTHER  
 RELIEF, AND REQUEST FOR  
 LIMITED RELIEF FROM ASSET  
 FREEZE**

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1 WHEREAS, defendant Bruce Friedman (“Friedman”) has been served with,  
2 inter alia, the summons and complaint filed by the Securities and Exchange  
3 Commission (“Commission”); this Court’s March 4, 2009 Temporary Restraining  
4 Order and Orders (1) Freezing Assets, (2) Appointing a Temporary Receiver, (3)  
5 Prohibiting The Destruction Of Documents, (4) Granting Expedited Discovery, and  
6 (5) Requiring Accountings; And To Show Cause Re Preliminary Injunction and  
7 Appointment of A Permanent Receiver (“TRO”); and the papers filed by the  
8 Commission in support of the issuance of a Preliminary Injunction;

9 WHEREAS, Friedman does not contest the issuance of a preliminary  
10 injunction in the form requested by the Commission and consents to all of the  
11 relief provided therein (including the confirmation of the temporary receiver as  
12 permanent receiver), but wishes to request from the Court limited relief from the  
13 asset freeze provisions thereof for reasonable and necessary living expenses;

14 WHEREAS, Friedman has represented through counsel the existence of  
15 essential living expenses that are due and payable prior to the time by which a  
16 noticed application for relief could be submitted to and heard by this Court;

17 IT IS HEREBY STIPULATED on behalf of the undersigned parties, and the  
18 Court is REQUESTED to order that:

19 The [Proposed] Order of Preliminary Injunction And Orders (1) Continuing  
20 Asset Freeze, (2) Appointing A Permanent Receiver, (3) Prohibiting The  
21 Destruction Of Documents, (4) Granting Expedited Discovery, and (5) Requiring  
22 Accountings previously submitted by the Commission be issued by the Court; and  
23 that the Court order grant Mr. Friedman limited relief from the asset freeze in the  
24 following respect only: allowing Mr. Friedman to make a one-time withdrawal

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1 from his personal Wells Fargo account number XXX-4630-338 in the amount of  
2 \$8,800, with such funds to be used solely for the purposes of immediate living  
3 expenses, specifically including payment of the mortgage on the residential  
4 property in which Mr. Friedman currently is residing. Any further applications for  
5 relief from the asset freeze shall be made by noticed motion.

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7 Respectfully submitted,

8  
9 DATED: March 10, 2009

*John M. McCoy III / CNB*  
\_\_\_\_\_  
John M. McCoy III  
Attorney for Plaintiff  
Securities and Exchange Commission

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12  
13 DATED: March 9, 2009

*Richard E. Drooyan*  
\_\_\_\_\_  
Richard E. Drooyan  
Munger, Tolles & Olson LLP  
Attorney for Defendant  
Bruce Friedman

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18 Good cause appearing, IT IS SO ORDERED  
19 **IT IS SO ORDERED.**

20  
21 DATED: March \_\_, 2009

\_\_\_\_\_  
HONORABLE MANUEL L. REAL  
UNITED STATES DISTRICT JUDGE

**PROOF OF SERVICE**

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648

Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On March 10, 2009, I caused to be served the document entitled **STIPULATION AND [PROPOSED] ORDER RE CONSENT TO ISSUANCE OF PRELIMINARY INJUNCTION AND OTHER RELIEF, AND REQUEST FOR LIMITED RELIEF FROM ASSET FREEZE** on all the parties to this action addressed as stated on the attached service list:

**OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

**PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

**EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

**HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

**FEDERAL EXPRESS:** By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

**ELECTRONIC MAIL:** By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

**FAX:** By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

**(Federal)** I declare under penalty of perjury that I am a member of the bar of this Court and that the foregoing is true and correct.

Date: March 10, 2009

/s/ John M. McCoy III  
John M. McCoy III

1                    **SEC v. DIVERSIFIED LENDING GROUP, INC., et al.**  
2                    **United States District Court – Central District of California**  
3                    **Case No. CV 09-01533 R (JTLx)**  
4                    **(LA-3591)**

5                    **SERVICE LIST**

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22                    Diversified Lending Group, Inc.  
23                    c/o CT Corporation, Registered Agent  
24                    818 W. 7th Street  
25                    Los Angeles, CA 90017

26                    Applied Equities, Inc.  
27                    c/o Karen Burhoe, Registered Agent  
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                     ***Attorney for Court-Appointed Temporary Receiver David A. Gill***