

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
Charlottesville Division

APR 19 2004

JOHN F. BRADSHAW, CLERK  
BY:  DEPUTY CLERK

SECURITIES AND EXCHANGE )  
COMMISSION, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
TERRY L. DOWDELL, *et al.* )  
 )  
Defendants. )

CASE NO. 3:01CV00116

JAMES H. MICHAEL, JR.  
U.S. DISTRICT JUDGE

AFFIDAVIT


I, the undersigned, under penalty of perjury, do depose and say:

1. I am a shareholder, officer and director of DuretteBradshaw, P.C., counsel for the Receiver in the case. I am a licensed, practicing attorney in good standing before this Court and before the other courts to which I am admitted.

2. On November 3, 2003, Kenneth G. Mason, a defendant in this proceeding, filed a voluntary petition for relief under Chapter 7 of the Bankruptcy Code.

3. Attached herewith for the Court's official record is a certified copy of the order entered March 18, 2004 in the matter of *In re Kenneth G. Mason*, Bankruptcy Case No. 03-44922 (Bankr. N.D. Ill.), *inter alia*, lifting the automatic stay with respect to the proceedings before this Court.

Further, your affiant sayth not.

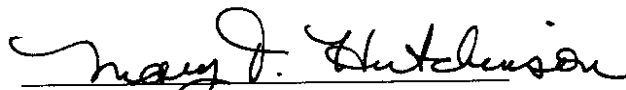


Douglas Scott

COMMONWEALTH OF VIRGINIA  
CITY OF RICHMOND, to-wit:

The foregoing Affidavit was executed before me, a Notary Public for the aforesaid jurisdiction, this 16<sup>th</sup> day of April, 2004 by Douglas Scott, who is personally known to me.

My commission expires: 9/30/07

  
\_\_\_\_\_  
Notary Public

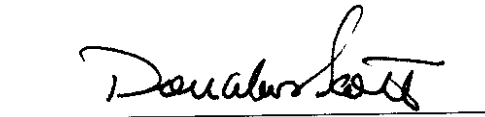
**CERTIFICATE OF SERVICE**

I hereby certify that on the 16<sup>th</sup> day of April, 2004, a true copy of the foregoing Affidavit was mailed by first class mail, postage fully prepaid, addressed to:

Steven J. Levine, Esquire  
Securities and Exchange Commission  
Midwest Regional Office  
Suite 900  
175 West Jackson Boulevard  
Chicago, IL 60604

Kenneth G. Mason, Esquire  
123 W. Madison St., Suite 700  
Chicago, IL 60602

Charles T. Rose  
2425 Graham Circle  
Savanna, IL 61074

  
\_\_\_\_\_  
Douglas Scott

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

APR 19 2004

JOHN F. CONCORAN, CLERK  
BY: DEPUTY CLERK

IN RE: ) Bankruptcy No. 03 B 44922  
 )  
Kenneth G. Mason, ) Judge Jacqueline P. Cox  
 )  
Debtor. ) Chapter 7

**ORDER**

This matter came to be heard on the Motion of the Securities and Exchange Commission for Relief from Stay and To Extend the Deadline for Objections to Discharge and Dischargeability to Debts. With notice to all parties and the Court being advised in the premises herein, **IT IS ORDERED** that the motion is GRANTED in all respects.

1) The automatic stay imposed by Section 362 of the Bankruptcy Code is lifted as to the Securities and Exchange Commission's Civil Action S.E.C. v. TERRY L. DOWDELL, et al., Case Number 3: 01CV0016 now pending before Judge James H. Michael, Jr. in the U.S. District Court for the Western District of Virginia - Charlottesville Division.

The automatic stay which arises at filing of a petition for bankruptcy relief does not stay the commencement or continuation of proceedings by the Securities and Exchange Commission to enforce its police or regulatory powers. 11 U.S.C. 362(b)(4). The automatic stay does prohibit the enforcement of a judgment obtained by the S.E.C. seeking money. This order lifting the stay will allow the S.E.C. to enforce money judgments against Debtor Kenneth G. Mason. The "cause" for lifting the stay is that if the S.E.C. succeeds, such a money judgment would be excepted from discharge pursuant to 11 U.S.C. Section 523(a)(19).

This is to certify that the within and attached document is a full, true and correct copy of the original thereof as the same appears on file in the office of the Clerk of the United States Bankruptcy Court for the Northern District of Illinois.

KENNETH S. GARDNER  
CLERK OF COURT

By *Allyson O'neal*  
Deputy Clerk  
Dated APR 19 2004

2) The Motion of the Securities and Exchange Commission to Extend Deadline for Objections to Discharge and Dischargeability of Debts is GRANTED.

Pursuant to Bankruptcy Rule of Procedure 4004(B) and 4007(C) the Court finds that the Motion to Extend herein was filed on February 12, 2004, and that the 60 day period after the first date set for the meeting of creditors under Section 341, the time in which an extension must be requested, expired on February 15, 2004. This Motion to Extend is timely as it was filed before February 15, 2004.

The Securities and Exchange Commission is granted 180 days up to and including September 17, 2004 to file complaints to object to discharge and to determine dischargeability of debts.

This matter is set for status on September 7, 2004 at 10:00 a.m. on the issue of the further extension of the time in which to file complaints regarding objections to discharge and the dischargeability of debts. The status hearing will be held in the U.S. Bankruptcy Court, 219 S. Dearborn Street, Courtroom 619, Chicago, Illinois 60604.

Dated: March 18, 2004

*J. Cox Jacqueline P. Cox*  
\_\_\_\_\_  
Judge Jacqueline P. Cox  
U.S. Bankruptcy Judge