

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FILED

MAR 3 - 1998

NANCY MAYER-WHITTINGTON, CLERK
U.S. DISTRICT COURT

THE HAMILTON SECURITIES GROUP, Inc.)
et al.,)

Plaintiffs,)

v.)

THE UNITED STATES DEPARTMENT OF)
HOUSING AND URBAN DEVELOPMENT,)
et al.,)

Defendants.)

Case No.: 1-98CV00036-SS

ORDER

This matter has come before the Court on the Motion for a Preliminary Injunction filed by Plaintiffs The Hamilton Securities Group, Inc. and Hamilton Securities Advisory Services, Inc. (collectively, "Hamilton") and the Motion of Defendant Inspector General of the Department of Housing and Urban Development Susan Gaffney to dismiss the counts of the Complaint directed at her or, in the alternative, for summary judgment.

Counts 3 through 6 of the Plaintiffs' Complaint currently pend against Defendant Gaffney. Counts 3 and 4 allege that Defendant Gaffney issued improper subpoenas to Defendant Hamilton and its principal, C. Austin Fitts. Defendant Gaffney moved to dismiss Counts 3 and 4 on the ground that they are premature because the subpoenas are not self-enforcing.

Counts 5 and 6 allege that the Office of the Defendant Inspector General improperly disclosed information about Plaintiffs to the media and the public about that Office's

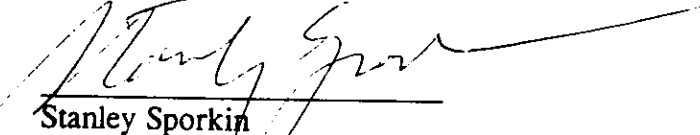
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investigation of Hamilton. Defendant Gaffney has moved to dismiss these counts on the basis that they fail to state a claim and on the basis that the improper activity alleged did not occur.

Based on the briefs, argument, and record in this case, without the Court making any Findings of Fact as to the allegations in the Complaint, it is this 22 day of DAV, 1998, hereby ORDERED, that

Counts 3 and 4 of the above-captioned Complaint should be and hereby are dismissed without prejudice against Defendant Gaffney, and it is further ORDERED, that

Counts 5 and 6 are dismissed without prejudice on the basis that Defendant Gaffney has represented to this Court through counsel that she is cognizant of and understands her and her Office's obligations with respect to the confidentiality of investigations conducted by the Office of the Inspector General of the United States Department of Housing and Urban Development, and that she and her Office have complied and will continue to comply with these obligations.


Stanley Sporkin
UNITED STATES DISTRICT JUDGE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 27th day of February, 1998, copies of
the foregoing Proposed Order were transmitted by facsimile and first class mail to:

David Gottesman, Esquire
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David E. Frulla

