


FILED
MAR - 7 2007
CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
BY  DEPUTY


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES EXCHANGE COMMISSION,)
Plaintiff,)
)
)
vs.)
)
)
)
JOHN J. TODD,)
ROBERT D. MANZA,)
Defendants.)
)
)
)
_____)

CASE NO. 03CV2230-BEN (WMC)

VERDICT

We, the jury in the above-entitled cause, have reached the following answers unanimously.


FOREPERSON OF THE JURY

DATED: 07 MARCH, 2007
SAN DIEGO, CALIFORNIA

VERDICT FORM AS TO TODD

Section 10(b) of the Securities Exchange Act

Did Todd, in violation of Section 10(b) of the Exchange Act and Rule 10b-5, with scienter, directly or indirectly: (1) employ any device, scheme, or artifice to defraud; (2) make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of Gateway securities, with regard to:

1. The adequacy of the disclosure regarding the increase in the dollar volume and portfolio percentage of higher risk consumer loans made to Gateway customers in the second quarter of 2000, ended on June 30, 2000;
2. Gateway's June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate;
3. The adequacy of the disclosure regarding the increase in the dollar volume and portfolio percentage of higher risk consumer loans made to Gateway customers in the third quarter of 2000, ended on September 30, 2000;
4. Gateway's transaction with Lockheed in September 2000; or
5. Gateway's transaction with VenServ in September 2000?

Yes:

No:

VERDICT FORM AS TO MANZA

Section 10(b) of the Securities Exchange Act

Did Manza, in violation of Section 10(b) of the Exchange Act and Rule 10b-5, with scienter, directly or indirectly: (1) employ any device, scheme, or artifice to defraud; (2) make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of Gateway securities, with regard to:

1. The adequacy of the disclosure regarding the increase in the dollar volume and portfolio percentage of higher risk consumer loans made to Gateway customers in the third quarter of 2000, ended on September 30, 2000;
2. Gateway's transaction with Lockheed in September 2000; or
3. Gateway's transaction with VenServ in September 2000?

Yes: X

No:

VERDICT FORM AS TO TODD

Section 13(a) of the Securities Exchange Act for the Second Quarter

Whether, in violation of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-13,

(a) Gateway filed with the Commission a materially false and misleading quarterly report on Form 10-Q for the second quarter of 2000, with regard to the adequacy of the disclosure regarding the higher risk consumer loans or Gateway's June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate; and (b) Todd knowingly and substantially assisted Gateway's preparation or filing of the report.

Yes: X

No: _____

VERDICT FORM AS TO TODD

Section 13(a) of the Securities Exchange Act for the Third Quarter

Whether, in violation of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-13,
(a) Gateway filed with the Commission a materially false and misleading quarterly report on Form 10-Q for the third quarter of 2000, with regard to the adequacy of the disclosure regarding the higher risk consumer loans, the Lockheed transaction, or the VenServ transaction; and (b) Todd knowingly and substantially assisted Gateway's preparation or filing of the report.

Yes: X

No:

VERDICT FORM AS TO MANZA

Section 13(a) of the Securities Exchange Act for the Third Quarter

Whether, in violation of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-13,

(a) Gateway filed with the Commission a materially false and misleading quarterly report on Form 10-Q for the third quarter of 2000, with regard to the adequacy of the disclosure regarding the higher risk consumer loans, the Lockheed transaction, or the VenServ transaction; and (b) Manza knowingly and substantially assisted Gateway's preparation or filing of the report.

Yes:

No:

VERDICT FORM AS TO TODD

Section 13(a) of the Securities Exchange Act for Gateway's Annual Report

Whether, in violation of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-1,

(a) Gateway filed with the Commission a materially false and misleading annual report on Form 10-K for the year 2000, with regard to the adequacy of the disclosure regarding the higher risk consumer loans, or the June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate; and (b) Todd knowingly or substantially assisted Gateway's preparation or filing of the report.

Yes:

No:

VERDICT FORM AS TO MANZA

Section 13(a) of the Securities Exchange Act for Gateway's Annual Report

Whether, in violation of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-1,

(a) Gateway filed with the Commission a materially false and misleading annual report on Form 10-K for the year 2000, with regard to the adequacy of the disclosure regarding the higher risk consumer loans; and (b) Manza knowingly or substantially assisted Gateway's preparation or filing of the report.

Yes:

No:

VERDICT FORM AS TO TODD

Rule 13b2-2

Whether, in violation of Rule 13b2-2, by signing a management representation letter dated November 14, 2000, Todd made or caused to be made materially false or misleading statements to PwC or omitted to state, or caused other persons to omit to state to PwC, material facts necessary in order to make statements made to PwC, in light of the circumstances under which they were made, not misleading.

Yes: X

No: _____

VERDICT FORM AS TO MANZA

Rule 13b2-2

Whether, in violation of Rule 13b2-2, by signing a management representation letter dated November 14, 2000, Manza made or caused to be made materially false or misleading statements to PwC or omitted to state, or caused other persons to omit to state to PwC, material facts necessary in order to make statements made to PwC, in light of the circumstances under which they were made, not misleading.

Yes:

No:

VERDICT FORM AS TO TODD

Section 13(b)(2)(A) of the Securities Exchange Act

Whether, in violation of Section 13(b)(2)(A) of the Exchange Act, (a) Gateway failed to make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflected the transactions and dispositions of its assets with regard to the higher risk consumer loans, the Lockheed transaction, the VenServ transaction, or the June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate; and (b) Todd knowingly and substantially assisted Gateway's failure to make and keep such books, records and accounts.

Yes: No:

Rule 13b2-1

Did Todd, in violation of Rule 13b2-1, directly or indirectly falsify or cause to be falsified Gateway's books, records or accounts with regard to any of the above transactions?

Yes: No:

VERDICT FORM AS TO MANZA

Section 13(b)(2)(A) of the Securities Exchange Act

Whether, in violation of Section 13(b)(2)(A) of the Exchange Act, (a) Gateway failed to make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflected the transactions and dispositions of its assets with regard to the higher risk consumer loans, the Lockheed transaction, or the VenServ transaction; and (b) Manza knowingly and substantially assisted Gateway's failure to make and keep such books, records and accounts.

Yes: X

No: _____

Rule 13b2-1

Did Manza, in violation of Rule 13b2-1, directly or indirectly falsify or cause to be falsified Gateway's books, records or accounts with regard to any of the above transactions?

Yes: X

No: _____

VERDICT FORM AS TO TODD

Section 17(a)(1) of the Securities Act

Did Todd, in violation of Section 17(a)(1) of the Securities Act, directly or indirectly, with scienter, employ any device, scheme or artifice to defraud, in the offer or sale of Gateway securities through a prospectus supplement dated September 15, 2000, which incorporated Gateway's second quarter 2000 Form 10-Q, with regard to:

1. The adequacy of the disclosure regarding the increase in the dollar volume and portfolio percentage of higher risk consumer loans made to Gateway customers in the second quarter of 2000, ended on June 30, 2000; or
2. Gateway's June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate?

Yes: X

No:

VERDICT FORM AS TO TODD

Section 17(a)(2) and (3) of the Securities Act

Did Todd, in violation of Section 17(a)(2) or (3) of the Securities Act, directly or indirectly, (1) negligently make misrepresentations of material fact or omit to disclose material facts; or (2) negligently engage in any transaction, practice, or course of business which operated or would have operated as a fraud or deceit upon a purchaser, in the offer or sale of Gateway securities through a prospectus supplement dated September 15, 2000, which incorporated Gateway's second quarter 2000 Form 10-Q, with regard to:

1. The adequacy of the disclosure regarding the increase in the dollar volume and portfolio percentage of higher risk consumer loans made to Gateway customers in the second quarter of 2000, ended on June 30, 2000; or
2. Gateway's June 2000 sale of a portion of its loan portfolio to ACS and its loan to an ACS affiliate?

Yes:

No: