

Exhibit “3”



Michael J. Quilling
Receiver for ABC Viaticals, Inc.

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August 8, 2008

Re: *Securities and Exchange Commission v. ABC Viaticals, Inc., C. Keith Lamonda, and Jessie W. Lamonda, Jr., Defendants, and Lamonda Management Family Limited Partnership, Structured Life Settlements, Inc., Blue Water Trust, and Destiny Trust, Relief Defendants*, Civil Action No. 3:06-CV-2136-P (N.D. of Texas).

Dear Investor/Claimant

You may have received a lot of conflicting information the past several weeks regarding my decision to sell the ABC Viaticals, Inc. Insurance Portfolio (the "Portfolio"). I am writing to you in an attempt to explain my decision and the sales process. Most importantly, the Portfolio has **not** yet been sold. There will be an opportunity for others to buy the portfolio, and therefore increase the final sales price. This is more fully discussed below.

As always, you should be checking both my website at www.secreceiver.com and the Examiner's website at www.abce Examiner.com on a regular basis. A copy of this letter and the attachments can be found there as well.

Decision to Sell the Policies:

I have stated from the beginning that ABC Viaticals did not have enough money to pay the required premiums on all of the policies. Early in the case, I asked the Court to allow me to take out a loan, using the policies as collateral, so that I would be able to pay premiums going forward. The monthly premium requirements for the Portfolio are almost \$1,000,000.00 a month. Currently, the loan amount is slightly more than \$15,000,000.00. Pursuant to the loan documents, if any or all of the policies are sold, I must first pay back the loan before the receivership estate would receive any of the sale proceeds.

My line of credit will be exhausted in a matter of just a few months and there is no guarantee that the bank will agree to increase the loan amount. Since none of the policies have matured since I have been appointed, I believe that it is far too risky to simply continue to borrow funds and pay premiums. Accordingly, I have asked the Court for approval to sell the entire Portfolio. A copy of the Motion to Sell All Insurance Policies and Approve Purchase and Sale Agreement and Request for Evidentiary Hearing (the "Motion") is attached for your reference.

Sales Process - First Round of Bidding:

On February 4, 2008, the Court authorized me to begin efforts to sell the Portfolio. As part of those efforts, I spoke with many institutions about the availability of the Portfolio. Since the Life Settlement Industry is a relatively small community, word of the potential sale spread quickly. As a result, I received several unsolicited calls about purchasing the Portfolio. Numerous institutions and investors, after signing confidentiality agreements, were given access to the Portfolio documents. For example, they had access to the life expectancies, the premium illustrations, and what little medical

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records that ABC Viaticals had in its possession. Potential buyers were asked to make bids on only certain policies as well as the entire Portfolio.

All bids were due on or before April 30, 2008. I received only 3 bids on that day and they were each for the entire Portfolio. The highest bid, \$27,100,000.00, was received from Silver Point Capital Fund, L.P. (“Silver Point”). Silver Point is a large hedge fund based out of Connecticut. It is also my understanding that Silver Point has successfully purchased life settlement portfolios from other receiverships.

Sales Process - Purchase and Sale Agreement:

Subsequent to receiving Silver Point’s winning bid, I began to negotiate the Purchase and Sale Agreement (“PSA”), a copy of which is attached for your reference. The PSA is a lengthy and legal document that you will likely find confusing. However, there are 3 important terms that I want to bring to your attention. First, Silver Point has agreed to be financially responsible for making all premium payments from July 1, 2008 forward. Should Silver Point be the eventual buyer of the Portfolio, it will reimburse me for all premiums paid from July 1, 2008 through the finalization of the sale.

Second, Silver Point has agreed to purchase the policies “as is”. This means that I do not have to spend any more money gathering information about the policies. This includes, medical information, life expectancies, and similar documents.

Third, should Silver Point not be the eventual buyer of the Portfolio, most likely because a higher bid is submitted, they will be entitled to a Break-up Fee. This is more fully discussed below.

Sales Process - Break-up Fee:

I have received many questions from investors/claimants regarding the “Break-up Fee”. In order to attract potential bidders, it is common practice in United States Courts to pay a Break-up Fee to an early bidder of an asset. In this case, Silver Point will be entitled to a Break-up Fee if there is a subsequent higher bidder. The Break-up Fee is limited to \$1 million or 25% of the incremental higher bid, whichever is less. For example, if someone bids \$40 million, Silver Point will be entitled to the entire \$1 million. However, if the winning bid is \$30 million, Silver Point would receive \$725,000 ($\$30 \text{ million} - \$27.1 \text{ million} = \$2.9 \text{ million} \times .25 = \$725,000$). However, the Receivership Estate will receive more money from the higher bid, in this example, \$2.175 million.

Again, this is common practice in this country in selling assets in a court proceeding. Because Silver Point has to expend substantial amounts to negotiate the PSA, go through the court proceedings, and commit its capital during the pendency of the sale, it would be difficult to find someone willing to commit to this process without paying them a Break-up Fee.

Sales Process - Second Round of Bidding:

As I noted previously, the Portfolio has not yet been sold. On September 23 and 24, 2008, the Court will hold a hearing on this matter. A notice of the hearing is enclosed for your reference. At

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that hearing, I intend to ask the Court for two things. First, I will ask if there are any bids higher than the current \$27,100,000.00. Second, I will ask the Court to approve the sale of the entire Portfolio for the highest amount bid and authorize me to enter into the PSA (or one very similar in nature) with the highest bidder.

It is my understanding that numerous individuals and entities intend to come to the hearing and bid on the Portfolio. Therefore, I expect that I will receive substantially higher bids at the hearing; however, I have no way of knowing how much higher. In order to participate in the bidding at the hearing, you must do the following (you may also refer to the enclosed Motion to Sell):

- each bidder must have signed a confidentiality agreement;
- prior to the hearing, provide me with proof they have \$50 million in available funds;
- each bidder must be prepared to show the present ability to finalize the sale;
- all bids must be on substantially the same terms as the PSA enclosed; and
- all bidders must either attend the hearing in person or have someone attend on their behalf, with written authority to act on their behalf.

Should you or someone you know, wish to bid on the Portfolio, please carefully read the enclosed Motion to Sell and PSA. In addition, please have them contact Dee Raibourn in my office. His e-mail address is draibourn@qscipc.com. Since the policy information is confidential, I will only allow those who sign a confidentially agreement and show me the financial ability to pay for the Portfolio, access to the information.

Right to Attend Hearing:

One purpose of the hearing on September 23 and 24, 2008, is to allow all affected parties to express their opinions and/or concerns. Accordingly, you have the right to attend the hearing and the Court will allow you to speak. You do not need to hire an attorney to appear for you, you can appear by yourself. I want this process to be open and transparent so that everyone understands what is happening.

Steve Harr, the Examiner in this case, has also been collecting everyone's protests and concerns. He intends to communicate, in summary form, the objections and opinions of all of the investors. This includes the investors in Taiwan, Puerto Rico, and the United States. Should you wish to express your acceptance or objection to the sale of the Portfolio and cannot attend the hearing; I urge to contact the Examiner's office through his website at www.abce Examiner.com.

Summary:

I know that some of you are disappointed in the low amount bid for the Portfolio. I am disappointed as well and I had hoped that the bids would be much higher. However, I believe that the market will set a fair value for the Portfolio. The Portfolio is only worth what someone is willing to pay. On September 23 and 24, 2008, we will find out exactly what the market will pay.

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Should you have any questions, I urge you to read both mine and the Examiner's web sites (at www.secreceiver.com and www.abcexaminer.com). We have both received many of the same questions over and over. In an attempt to answer these questions, both web sites have sections dedicated to answering the most common questions. If after reviewing the web sites you still have questions, please contact either my office or the Examiner's office.

Sincerely,

/s/ Michael J. Quilling
Michael J. Quilling, Receiver