

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

vs.

**ABC VIATICALS, INC.,
C. KEITH LAMONDA,
and JESSE W. LAMONDA, JR.,**

Defendants

and

**LAMONDA MANAGEMENT FAMILY
LIMITED PARTNERSHIP,
STRUCTURED LIFE SETTLEMENTS, INC.,
BLUE WATER TRUST,
and DESTINY TRUST**

Relief Defendants.

JOINT STATUS REPORT

TO THE HONORABLE JORGE SOLIS, UNITED STATES DISTRICT JUDGE:

The Receiver, the Securities & Exchange Commission (“SEC”), and the Examiner submit this Joint Status Report regarding the status of claims and settlement efforts in this lawsuit. They would respectfully show the Court as follows:

A. C. Keith LaMonda and Jesse W. LaMonda, Jr.

The SEC dismissed its monetary claims against Defendants C. Keith LaMonda and Jesse W. LaMonda, Jr. and the Court has entered a Final Judgment against them. (Unopposed Mot. to

Dismiss [Doc. 235]; Final J. [Doc. 236].) The SEC has no remaining claims against them and considers them terminated parties.¹

B. Corporate Defendants and Relief Defendants

The Court appointed the Receiver for Defendant ABC Viaticals, Inc. and Relief Defendants LaMonda Management Family Limited Partnership, Structured Life Settlements Inc., Blue Water Trust, and Destiny Trust (collectively, the “Corporate Defendants”). (Order Appointing Receiver [Doc. 8].) Although the receivership is ongoing, the Receiver and the SEC intend to settle all claims against the Corporate Defendants in an Agreed Judgment.

C. Ancillary Lawsuits

There are two ancillary lawsuits that are pending. In the first, the Receiver claims Christopher R. Erwin and Erwin & Johnson LLP (collectively, the “Erwin Defendants”) failed to ensure that ABC’s premium escrow accounts were properly funded. *Quilling v. Erwin & Johnson LLP, et al.*, Case No. 3:07-CV-1153 (N.D. Tex.). The Court recently granted the Erwin Defendants’ motion to add a U.K. law firm and solicitor as third-party defendants. The third-party defendants have filed a motion to dismiss and the parties are still briefing that issue. When it is resolved, the Receiver expects the Court will enter a scheduling order setting a new trial date and discovery deadlines. So far there have been no specific settlement discussions between the Receiver and the Erwin Defendants.

In the second ancillary lawsuit, C. Keith LaMonda asks for a declaratory judgment against the SEC and Receiver on claims he believes he has against the receivership estate. *LaMonda v. SEC, et al.*, Case No. 3:10-CV-1190 (N.D. Tex.). The Receiver and SEC have not

¹ Although there are no longer any claims against him, C. Keith LaMonda receives copies of the pleadings by request and continues to insist he is a claimant against the receivership estate.

been served and have not received a proper request for waiver of service.² The Receiver believes LaMonda is just trying to frustrate the receivership proceedings hoping to receive a pay-off and, as a result, no settlement discussions are necessary or warranted.

D. Respondents to Show Cause Motions

The Receiver is still investigating his claim against Jason Sun and intends to renew his Motion to Show Cause. Over the course of this case, the parties have engaged in lengthy settlement discussions and do not believe any more are necessary.

² LaMonda's first request for waiver of service was premature because he sent it while the case was still subject to dismissal for failure to pay the filing fee. That issue is resolved and the Receiver would now entertain a request for waiver of service that contains an updated answer date.

Respectfully submitted,

**U.S. SECURITIES AND EXCHANGE
COMMISSION**

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/s/ Harold R. Loftin, Jr.

Harold R. Loftin, Jr.
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/s/ Michael J. Quilling

Michael J. Quilling
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/s/ Steven A. Harr

Steven A. Harr
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ATTORNEYS FOR EXAMINER

CERTIFICATE OF SERVICE

A copy of this pleading was served on all interested parties through the Court's electronic filing system and by U.S. Mail to:

C. Keith LaMonda
Reg. No. 26060 – 018, Butner LSCI
P. O. Box 999
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/s/ Michael J. Quilling