

at 2 n.1.

2. Proposed Trial Date and Estimated Length of Trial

The Receiver states that he can be prepared for trial as early as December 2006 and anticipates that it will last less than a full day.

Defendant states that he can be ready for trial by June 2007 and anticipates that it will last 2 days.

3. Jury Demand

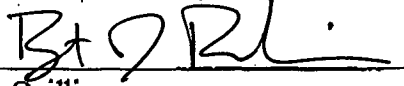
Defendant demands a jury trial.

4. Status of Settlement Negotiations

The parties have agreed to continue settlement negotiations. At this time, the Receiver does not believe that mediation or alternative dispute resolution are an efficient use of Receivership Estate assets. Defendant is interested in pursuing mediation.

Respectfully submitted,

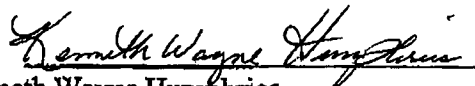
QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.
2001 Bryan Street, Suite 1800
Dallas, Texas 75201-4240
(214) 871-2100 (Telephone)
(214) 871-2111 (Facsimile)

By: 
Michael J. Quilling
State Bar No. 16432300
Email: mquilling@qsclpc.com
Brent J. Rodine
State Bar No. 24048770
Email: brodine@qsclpc.com

ATTORNEYS FOR PLAINTIFF

-and-

Kenneth Wayne Humphries
Post Office Box 74
110 East Ninth Street
Hopkinsville, Kentucky 42241-0074

By: 
Kenneth Wayne Humphries

DEFENDANT APPEARING PRO SE