

the Agreed Judgment on July 12, 2007. As a result of the entry of the Agreed Judgment, the only claims asserted by the Commission that are unresolved are its claims for disgorgement and civil monetary penalties. The Agreed Judgment, in paragraph 4, states:

The Commission's claims for disgorgement, including prejudgment interest, and the imposition of civil monetary penalties against Defendants pursuant to Section 20(d) of the Securities Act and Section 21(d) of the Exchange Act shall be decided at a future date by the Court based upon the motion of the Commission.

3. As the Court is aware, the defendants are the subjects of a criminal prosecution in the case styled *United States of America v. C. Keith LaMonda and Jesse W. LaMonda, Jr.*, which is presently pending in the United States District Court for the Middle District of Florida (Orlando Division). The defendants were convicted in the criminal proceeding and are awaiting sentencing. A sentencing hearing was set in August 2007 but was rescheduled and began on September 18, 2007. The final evidentiary portion of the sentencing hearing is currently set for October 9, 2007. The parties anticipate that the defendants will be sentenced before the end of 2007.

4. In light of the defendants' consent to the entry of the Agreed Judgment and the likely sentence that each will receive in the criminal proceeding, the parties do not believe that a Scheduling Order or Discovery Order are needed in this case at this time. The parties believe that the sentences imposed on the defendants will have a substantial impact on settlement discussions concerning the Commission's remaining claims. The parties further believe that the entry of a discovery order and the requirement that the parties begin pretrial preparation, at this time, will cause the parties to incur unnecessary expenses.

5. Accordingly, the parties jointly request that the Court order the parties to submit a second Joint Status Report on or before December 15, 2007, apprising the Court of any changes

in the circumstances of the defendants' criminal proceeding and the prospect of reaching a settlement of the Commission's remaining claims in this proceeding.

Dated: September 28, 2007

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the above instrument has this day been sent by electronic means upon its filing to all parties pursuant to the Federal Rules of Civil Procedure and Local Rule CV-5(a)(3)(A).

/s/ Harold R. Loftin, Jr.
Harold R. Loftin, Jr.