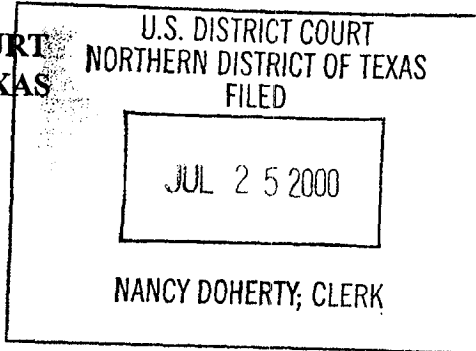


**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**



**Michael J. Quilling, Receiver for
Hammersmith Trust, LLC,
Hammersmith Trust, Ltd.,
Microfund, LLC, and B. David
Gilliland**

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Plaintiff

vs.

**Jerrold L. Gunn and
Jerrold L. Gunn, L.L.B.**

Defendants

Civil Action No: 3-00-CV-1318-M

(Jury Trial Requested)

JOINT STATUS REPORT

TO THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling ("Receiver") and, pursuant to this Court's Order entered on June 28, 2000, submits this, his Joint Status Report:

I.

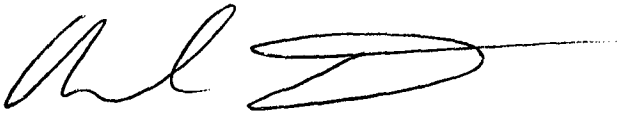
The Receiver was not able to comply with this Court's Order regarding a status conference because Jerrold Gunn has been indicted in Pensacola, Florida. The attorney who was and is representing Mr. Gunn in the original SEC v. Funding case, Mr. Ernest Leonard has indicated that he will not accept service and at this time does not represent Mr. Gunn. Therefore, no attorney conference was held.

The Receiver will attempt to serve Mr. Gunn in Canada and will submit another status report after service has been accomplished. If the Court determines that Mr. Gunn has been sufficiently served with summons, then the Receiver will move for a default judgment.

Pursuant to this Court's Order, the Receiver makes the following contentions. The Receiver contends that the Defendants aided and abetted an illegal ponzi scheme. Even though Mr. Gunn purports to be a retired attorney in Canada, he drafted and prepared the necessary documents to continue to illegal ponzi scheme. The Receiver is claiming damages, both actual and punitive damages from the Defendants in addition to reasonable and necessary attorneys' fees and all costs of court.

Respectfully submitted,

By:



Andrew M. Trusevich

S.B. #00785119

QUILLING, SELANDER, CUMMISKEY & LOWNDS, P.C.
2001 Bryan St., Suite 1800
Dallas, Texas 75201
(214) 871-2100
(214) 871-2111 (fax)

ATTORNEY FOR RECEIVER