

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

**SECURITIES AND EXCHANGE  
COMMISSION**

**Plaintiff,**

**v.**

**HOMELAND SAFETY  
INTERNATIONAL, INC, et al.,**

**Defendants.**

**Civil Action No.: 3:08-cv-01197-O**

**THE DISTRIBUTION AGENT'S FIRST STATUS REPORT**

JND Legal Administration (“JND”), the Court-appointed Distribution Agent in the above-captioned matter, respectfully submits this Status Report pursuant to the Plan of Distribution (the “Plan”, ECF No. 110-2), approved by the Court on February 16, 2022 (the “Approval Order”, ECF No. 111). By the Order, this Court appointed JND as the Distribution Agent for the Fair Fund (the “Fair Fund”), to oversee the administration and distribution of the Fair Fund in coordination with the Securities and Exchange Commission’s (“SEC”) counsel of record. Pursuant to paragraph 73 of the Plan, the Distribution Agent is required to provide the Commission staff, to file with the Court, its first status report within forty-five days of Court-approval of the Plan. This Status Report covers the period from JND’s appointment through March 30, 2022.

**Tasks Performed by the Distribution Agent Since its Appointment**

Since JND’s appointment, JND has performed the following tasks in connection with its role as the Court-appointed Distribution Agent:

- Worked with the Commission staff to draft and finalize the Plan, submitted for Court approval;

- Created a mailing and claim database of all Potentially Eligible Claimants<sup>1</sup> (the “Investor Database”) based on information provided to, and obtained by, the Distribution Agent;
- Worked with the SEC to design a Claims Packet (which included a Distribution Plan Notice and Claim Form), and Summary Notice;
- Drafted and established a website dedicated to the Fair Fund, located at [www.homelandsafetyfairfund.com](http://www.homelandsafetyfairfund.com), including Frequently Asked Questions, contact information, and downloadable documents;
- Drafted phone scripts and established a toll-free number at which investors can get additional information, including access to live representatives;
- Established a traditional mailing address and email address;
- Mailed 12,179 copies of the Notice Packet to Potentially Eligible Claimants;
- Mailed 4,077 and emailed 446 copies of the Notice Packet to brokerages and institutions that hold securities in “street name” as nominees for the benefit of their customers who are the beneficial owners of the securities; and
- On March 23, 2022, we published a copy of the Summary Notice on *PRNewswire*, and on March 30, 2022, the second copy of the Summary Notice was published on *PRNewswire*.

### **Anticipated Next Steps**

In the next quarter, JND anticipates that it will:

- Publish the third copy of the Summary Notice on *PRNewswire* on April 6, 2022;
- Respond to inquiries from Potentially Eligible Claimants and/or their representatives and assist them with submitting the Proof of Claim Form;

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<sup>1</sup> Capitalized terms not defined herein are used as defined in the Plan.

- Using information obtained from brokerages and institutions, begin disbursing additional Notice Packets to Potentially Eligible Claimants;
- Review Proof of Claim Forms submitted by Potentially Eligible Claimants and update the Investor Database accordingly;
- Prepare Determination Letters; and
- File a Second Status Report within 20 days of June 30, 2022.

Dated: March 30, 2022

Respectfully submitted,

By: 

Luiggy Segura

JND Legal Administration

Distribution Agent

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