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**UNITED STATES DISTRICT COURT
 DISTRICT OF NEVADA**

**USA CAPITAL DIVERSIFIED TRUST
 DEED FUND, LLC,**

Plaintiff,

v.

STANLEY E. FULTON,

Defendant.

CASE NO. 2:09-CV-01946-RLH-LRL

**Bankruptcy No. BK-S-06-01725-LBR
 Adversary No. 08-01132-LBR**

**JOINT STATUS REPORT AND
 REQUEST TO EXTEND DEADLINE
 TO CLOSE CASE**

Plaintiff USA Capital Diversified Trust Deed Fund, LLC (“DTDF”) and Defendant Stanley E. Fulton (“Fulton”, collectively with DTDF the “Parties”) hereby file this Joint Status Report and Request to Extend Deadline to Close Case (“Status Report”) and state as follows:

At the hearing on June 23, 2010, the Parties advised the Court that a settlement had been reached in principal and that the Parties were continuing to negotiate the final terms of the settlement and anticipated filing a motion to approve the proposed compromise in the Bankruptcy Court for hearing in July.

As a result of these representations at the June 23, 2010 hearing, the Court established a deadline of July 30, 2010, to file the necessary pleadings to close this case.

Negotiations have taken longer than originally anticipated; however, the Parties have recently finalized and executed the settlement agreement and are in the process of finalizing the

1 necessary pleadings to obtain approval of the compromise from the Bankruptcy Court. A copy
2 of the signed settlement agreement is attached hereto as Exhibit "A." It is anticipated that a
3 hearing on approval of the settlement will be held prior to the end of August 2010. Accordingly,
4 the Parties request that the Court extend the deadline to file closing papers until August 31, 2010,
5 to allow sufficient time to obtain Bankruptcy Court approval of the proposed settlement.

6 Dated: July 28, 2010

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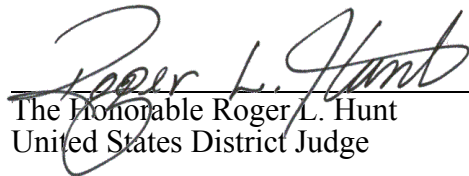
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ORDER

It is hereby ORDERED that the Parties shall file the necessary documents to close this proceeding by no later than August 31, 2010.



The Honorable Roger L. Hunt
United States District Judge