Orchestration of Restrictive-Legend Removal
The Iomega Opinion-Letter Sequence and Its Place in the Secured Diversified Investment Shell Cycle

Wallace–Doney–Cane Clark Coordination, June–October 2006, and the Davi Skin / LATI Cross-References

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Between June 19 and October 5, 2006, Jan M. Wallace, then Chief Executive Officer, President, and Director of Secured Diversified Investment, Ltd. (SDI),[1] coordinated with Cane Clark LLP attorney Scott Doney to produce a Rule 144 / Section 5 legal opinion that removed the restrictive legend from SDI common shares held by Iomega Investments, LLC, the reporting beneficial owner identified on Schedule 13D.[2] The opinion was timed by counsel to issue precisely three months after the date Iomega ceased to be a 10% shareholder and was routed through outside counsel Ronald Serota and a transfer-agent contact at Fidelity Transfer for execution on October 27, 2006.[3]

The same window contains parallel work: a Frankfurt Stock Exchange cross-listing agreement for SDI brokered through rg-securities (Wertpapierhandelsbank, Frankfurt am Main); the issuance of Form S-8 stock to consultants; and the filing of an SDI Form S-8 with a Cane Clark legality opinion as Exhibit 5.1.[4] The operational pattern — counsel drafting opinions on demand for the issuer's benefit, then routing them to transfer agents to convert restricted stock to free-trading shares — recurs across Davi Skin, Inc. and across the LATI shell predecessor. These coordinated steps preceded and enabled the SDI Chapter 7 proceeding, where Jan M. Wallace was examined under oath at the 341 creditors' meeting on September 18, 2008.[5]

I. SDI Iomega Sequence (June 19 – October 5, 2006)

The sequence opens on June 19, 2006, when Jolie Bischoff of Cane Clark wrote to Wallace stating, "Regarding Iomega – Schedule 13D for Helen West, we need to get Edgar codes for Iomega. I am attaching the Form ID."[6] The message establishes Cane Clark's operational role in setting up Iomega's filer-code infrastructure as the holder of record on SDI's Schedule 13D.

Six weeks later, on August 2, 2006, Doney addressed an opinion-letter request from Heidi at Fidelity Transfer with the single line, "If you have a form letter, I would be happy to sign it."[7] The statement offers counsel's signature on an opinion drafted by the transfer agent rather than by counsel.

On September 15, 2006, Doney wrote to Wallace confirming the SDI opinion-letter queue and that the Iomega letter

[1] Secured Diversified Investment, Ltd., Definitive Information Statement, Acc. No. 0001255294-06-000314 (May 31, 2006) (identifying Jan M. Wallace as "our Chief Executive Officer, President, and Director"); Secured Diversified Investment, Ltd., Registration Statement on Form S-8, Acc. No. 0001255294-06-000687 (Oct. 5, 2006) (signature page: Wallace signed as "Chief Executive Officer, President, & Director").

[2] Schedule 13D, Iomega Investments, LLC (reporting person), Secured Diversified Investment, Ltd. (CUSIP 813716107), Acc. No. 0001255294-06-000331 (June 2006) (49.4% beneficial ownership; sole voting and dispositive power over 15,000,000 shares; Schedule A identifying Helen West as Manager of Iomega Investments, LLC).

[3] E-mail from Scott Doney, Cane Clark LLP, to Jan M. Wallace (Sept. 20, 2006) (calendaring opinion signature to Oct. 27, 2006, the date three months after Iomega ceased to be a 10% holder).

[4] Secured Diversified Investment, Ltd., Registration Statement on Form S-8, Reg. No. 333-137837, Ex. 5.1 (Oct. 5, 2006), Acc. No. 0001255294-06-000687.

[5] Transcript of Meeting of Creditors, In re Secured Diversified Investment, Ltd. (Sept. 18, 2008) (Wallace examination).

[6] E-mail from Jolie Bischoff, Cane Clark LLP, to Jan M. Wallace (June 19, 2006).

[7] E-mail from Scott Doney, Cane Clark LLP, to Heidi at Fidelity Transfer (Aug. 2, 2006).

remained pending.[8] Four days later, on September 19, 2006, Munjit Johal — operationally embedded in the SDI / Premier Funding network — wrote to Wallace: "attached is the draft of a letter for mrs. west requesting lifting of the legend. i'll sent this draft to doney and request the opinion letter."[9] The holder's request letter was therefore drafted on the issuer side and transmitted to issuer's counsel, not authored by Iomega's own counsel.

Doney transmitted the initial Iomega opinion-letter draft to Wallace later the same day.[10] Wallace forwarded the draft internally on September 20, 2006.[11] That same day, Doney calendared the signature date to the Rule 144 affiliate-clock requirement: "the opinion cannot be signed until October 27, 2006, when 3 months has passed since July 27, 2006, the date Iomega was no longer a 10% shareholder. I talked with Ron Serota briefly about the opinion. He appears to be on board signing it."[12]

On September 21, 2006, Doney forwarded the revised Iomega opinion letter to Ronald Serota, the issuer's outside counsel, for co-signature.[13] Two weeks later, on October 5, 2006, Cane Clark transmitted the SDI Form S-8 with the Cane Clark legality opinion as Exhibit 5.1 to EDGAR.[14] The drafting counsel and the EDGAR-signing counsel are the same firm.

II. Inside Iomega Investments, LLC

The Schedule 13D names Iomega Investments, LLC — a Nevada limited liability company with principal business address 13223 No. 76th Pl., Scottsdale, AZ 85260 — as the reporting person; Schedule A to the 13D identifies Helen West as Manager of Iomega Investments, LLC.[15] The legend-removal request letter prepared for the transfer agent is to be executed "Iomega Investments, LLC, By: Helen West, its Manager."[16]

Operationally, however, Munjit Johal — aligned with SDI through the Premier Funding Service network — drafted Iomega's legend-removal request letter and routed it to Doney, not through any counsel retained by Iomega Investments, LLC. The outside counsel of record on the opinion itself is Ronald Serota, the co-signer Doney solicited; the nominal holder's own request was prepared issuer-side by Johal rather than by counsel for the holder. Wallace's role spans all four corners of the transaction: issuer (SDI, as CEO/President/Director), holder (Iomega, by issuer-side drafting of the holder's own request), issuer's counsel (Cane Clark, via direct calendaring of the Rule 144 affiliate clock), and transfer agent (Fidelity Transfer, via the "form letter" channel).

The documentary record of the basis for Wallace's effective control over Iomega remains incomplete. The 13D's public disclosure — Helen West as Manager of the LLC — does not surface the drafting and timing coordination shown in the internal record, and the corpus reviewed to date does not contain a power-of-attorney instrument, agency agreement, or operating-agreement provision establishing how the manager's authority was exercised during the June–October 2006 window. The predicate documents (LLC operating agreement, manager-authority instruments) are flagged for production and discovery.

III. Frankfurt Cross-Listing (Parallel Activity, July 2006)

In the same window, SDI's German cross-listing was brokered through rg-securities Wertpapierhandelsbank in Frankfurt am Main, with Sebastian Ostermann acting as principal and Kelly Black of Premier Funding Service serving as conduit to Wallace.[17] A Frankfurt listing creates an additional liquidity venue for the same shares the Iomega opinion is about to free from the U.S. restrictive legend.

IV. The Doney Drafting Pattern

Two pieces of internal record establish the pattern. Doney's August 2, 2006 statement to Fidelity Transfer offers counsel's signature on an opinion drafted by the transfer agent. Doney's September 20, 2006 message calendars the

[8] E-mail from Scott Doney, Cane Clark LLP, to Jan M. Wallace (Sept. 15, 2006).
[9] E-mail from Munjit Johal to Jan M. Wallace (Sept. 19, 2006) (transmitting issuer-side draft of holder's legend-removal request).
[10] E-mail from Scott Doney, Cane Clark LLP, to Jan M. Wallace (Sept. 19, 2006) (transmitting initial Iomega opinion-letter draft).
[11] E-mail from Jan M. Wallace (Sept. 20, 2006) (forwarding Doney draft).
[12] E-mail from Scott Doney, Cane Clark LLP, to Jan M. Wallace (Sept. 20, 2006) (Rule 144 affiliate-clock calendaring).
[13] E-mail from Scott Doney, Cane Clark LLP, to Ronald Serota (Sept. 21, 2006) (transmitting revised Iomega opinion letter for co-signature).
[14] Secured Diversified Investment, Ltd., Registration Statement on Form S-8, Reg. No. 333-137837, Ex. 5.1 (Oct. 5, 2006), Acc. No. 0001255294-06-000687.
[15] Schedule 13D, Iomega Investments, LLC, Acc. No. 0001255294-06-000331 (June 2006), Item 2 and Schedule A.
[16] Draft request letter, Iomega Investments, LLC to Fidelity Transfer Company (Sept. 19, 2006) (signature block: "By: Helen West, its Manager").
[17] E-mail from Sebastian Ostermann, rg-securities (Frankfurt), to Kelly Black, Premier Funding Service (July 10, 2006), forwarded in E-mail from Kelly Black to Jan M. Wallace (July 25, 2006).

opinion signature to the affiliate look-back window. Read together, the messages establish (a) counsel will sign an opinion drafted by another party, and (b) when counsel does draft, the timing is set by the Rule 144 affiliate-clock requirement that the opinion's legal conclusion will ultimately turn on.

V. Davi Skin Cross-Reference

Three Davi Skin opinion-letter filings frame the cross-firm question. On September 15, 2004, Bryan R. Clark, Esq., of McDonald-Carano-Wilson LLP signed the Davi Skin Form S-8 Exhibit 5.1 legality opinion.[18] On May 12, 2006, Kyleen E. Cane, Esq., personally signed the Davi Skin Form SB-2 Exhibit 5.1 legality opinion for her own client.[19] In 2007, the Davi Skin opinion-letter function passed to Buchalter Nemer.[20]

The 2004 Davi Skin filing was authored at McDonald-Carano-Wilson LLP but transmitted via Cane Clark's filer code 0001255294, indicating Cane Clark was filer of record for an opinion authored at another firm. Cane Clark's filer code has filings going back at least to 2003. Whether Bryan R. Clark later joined Cane Clark, and whether the 2004 cross-firm filing reflects a pre-merger arrangement between the two firms, remains open for verification. What the documentary record establishes is that by May 12, 2006, the Davi Skin SB-2 Exhibit 5.1 opinion was signed by Kyleen E. Cane personally — counsel rendering a legality opinion for her own client without third-party scrutiny. That self-signing occurred four months before the Iomega timing-coordinated opinion described in Part I.

VI. EDGAR-Filed Opinion Exhibits

Filing Date	Issuer (CIK)	Form / Reg. No.	Filer	Signer (Firm)
2001-08-07	LATI (878146)	S-8 POS 033-55254-03	Fowler (0001075793)[24]	Fowler (pre-Cane Clark)
2001-08-08	LATI (878146)	S-8 POS 033-55254-03	Fowler (0001075793)[24]	Fowler (pre-Cane Clark)
2004-09-15	Davi Skin (1059577)	S-8 Reg. 333-118996	Cane Clark[25]	Bryan R. Clark, McDonald-Carano-Wilson LLP
2006-05-12	Davi Skin (1059577)	SB-2 Reg. 333-134035	Cane Clark[26]	Kyleen E. Cane, Cane Clark LLP
2006-10-05	SDI (13156)	S-8 Reg. 333-137837	Cane Clark[27]	Scott Doney, Cane Clark LLP

VII. Federal Statute Violations and EDGAR False Statements

The documentary record places three categories of contemporaneous EDGAR filings inside the June–October 2006 email-activity window. Each filing makes a statement to the Commission that the internal record contradicts. The statements are catalogued below by statute, with the predicate filing identified by accession number and the contradicting internal record identified by date.

A. Section 5 of the Securities Act of 1933 — Unregistered Distribution

The Iomega legend-removal sequence converts 2,250,000 restricted SDI shares (post-reverse) of certificate no. 1283 into free-trading shares without registration, in reliance on Rule 144's safe harbor and on the legality opinion produced by issuer's counsel.[21] The internal record establishes (i) Doney's August 2, 2006 willingness to sign an opinion the transfer agent drafts, (ii) Doney's September 20, 2006 calendaring of the opinion signature to the affiliate-clock anniversary, and (iii) Johal's September 19, 2006 issuer-side drafting of the holder's own request letter. The legality opinion is therefore not the independent judgment of counsel applied to facts presented by the holder; it is an issuer-controlled instrument used to effect a distribution. A distribution effected without registration in reliance on a Rule 144 opinion procured by the issuer falls outside the safe harbor and is an unregistered offer or sale of a security within the meaning of 15 U.S.C. §~77e. Criminal liability for a willful violation arises under 15 U.S.C. §~77x.

B. Section 13(d) of the Securities Exchange Act of 1934 — False or Misleading Schedule 13D

Iomega Investments, LLC filed a Schedule 13D on the SDI common stock on June 29, 2006 (event date June 6, 2006; Acc. No. 0001255294-06-000465). The statement reports Iomega Investments, LLC as the sole beneficial owner of 15,000,000 shares of SDI common stock (CUSIP 813716107), representing approximately 49.4% of the 30,334,611 shares the issuer reported outstanding as of April 20, 2006, with sole voting and sole dispositive power over the

[18] Davi Skin, Inc., Registration Statement on Form S-8, Ex. 5.1 (Sept. 15, 2004), Acc. No. 0001255294-04-000267 (filed by Cane Clark filer code 0001255294).
[19] Davi Skin, Inc., Registration Statement on Form SB-2, Ex. 5.1 (May 12, 2006), Acc. No. 0001255294-06-000321.
[20] Davi Skin, Inc., Registration Statement, opinion of counsel exhibit (2007), Acc. No. 0001104659-07-008514.
[24] Legal Access Technologies, Inc., Form S-8 POS, Reg. No. 033-55254-03 (Aug. 7–8, 2001), filer code 0001075793.
[25] Davi Skin, Inc., Form S-8, Acc. No. 0001255294-04-000267 (Sept. 15, 2004).
[26] Davi Skin, Inc., Form SB-2, Acc. No. 0001255294-06-000321 (May 12, 2006).
[27] Secured Diversified Investment, Ltd., Form S-8, Acc. No. 0001255294-06-000687 (Oct. 5, 2006).
[21] Draft request letter, Iomega Investments, LLC to Fidelity Transfer Company (Sept. 19, 2006) ("Iomega's stock certificate no. 1283 for 2,250,000 shares or 112,500 shares post reverse" and request that "the 144 legend be removed").

entire block. Item 5 (Interest in Securities of the Issuer) discloses only that beneficial-ownership position. Schedule A identifies Helen West as the sole managing member and controlling person of the reporting LLC, and the statement is signed "/s/ Helen West, Manager."

Item 6 of the same Schedule 13D — "Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer" — expressly requires disclosure of any "transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies."[22] The reporting person answered Item 6: "None." That certification was false when made and remained false through the legend-removal sequence, because at least three contracts, arrangements, or relationships with respect to the issuer's securities then existed and were concealed.

First, the LLC's "sole" voting and dispositive power over the 15,000,000-share block was in substance exercised by SDI's own officers and counsel rather than independently by its managing member. The "holder's" request to lift the restrictive legend was not drafted by the holder; it was drafted on the issuer's side by SDI Chief Financial Officer Munjit Johal, who transmitted the draft to Wallace and stated his intent to route it to counsel: "attached is the draft of a letter for mrs. west requesting lifting of the legend. i'll sen[d] this draft to doney and request the opinion letter" (Johal to Wallace, Sept. 19, 2006, 18:26:42 UTC). Doney (Cane Clark) then calendared the opinion to the issuer's Rule 144 affiliate-clock interpretation, and Wallace, as SDI's CEO, routed and approved the instrument. An arrangement under which the issuer's officers and counsel prepare, time, and approve the reporting person's own disposition paperwork is a reportable Item 6 arrangement; it was omitted.

Second, a contemporaneous loan arrangement linked the reporting person's control group to the managing member's family. In the same window, a mortgage-refinance loan to William G. West — Helen West's family member — was being funded through Wallace's own lending entities, Secured Lending and iLendServices, by loan officers Susan Tate and Jennie DeNoia ("RE: YOUR LOAN," Tate to Wallace, Sept. 15, 2006, 14:33:03 UTC; "Your loan with Secured Lending," DeNoia, Sept. 15, 2006, 16:38:39 UTC). Wallace expressly tied that personal loan to the securities: "You must contact me on the loan … I also approved some things personally so that this loan can go forward … I also need to talk to you about the stock transaction" (Wallace to William West, Sept. 14, 2006, 00:27:22 UTC). A loan arrangement between the reporting person's control group and the family of the LLC's sole managing member, made contemporaneously with and expressly tied to "the stock transaction," is the paradigm "loan … arrangement[]" that Item 6 enumerates by name; it was omitted.

Third, the managing member's family handled the issuer's legend paperwork directly. William West reported to Wallace that he had personally caused the Iomega legend-removal paperwork to be stamped and sent (William West to Wallace, Sept. 18, 2006), and confirmed that his mother "will have a letter written up asking you to lift her off of the legend … [and] will sign it on the 27th when she returns" (William West to Wallace, Sept. 21, 2006, 21:07:33 UTC) — the same October-anniversary affiliate-clock date Doney had calendared. That coordination of the holder's signature through a family intermediary financially obligated to Wallace is a further undisclosed Item 6 relationship.

Each of these arrangements was concealed behind the one-word Item 6 answer "None," and the cover-page representation of "sole" voting and dispositive power omitted that the power was exercised through SDI's officers and counsel and that consideration flowing to the managing member's family was a Wallace-funded loan tied to "the stock transaction." Those are material omissions within the meaning of 15 U.S.C. §~78m(d) and §~78ff(a) (criminal liability for willful false or misleading statements in, or omissions from, any document required to be filed under the Act).

C. Section 18 of the Securities Exchange Act of 1934 and SOX — False Statements in S-8 Filings

The October 5, 2006 SDI Form S-8 (Acc. No. 0001255294-06-000687) is signed by Wallace as Chief Executive Officer, by Munjit Johal as Chief Financial Officer (October 2, 2006), and by directors Peter Richman and Jay Kister. The S-8 incorporates by reference SDI's prior periodic filings, including (1) the definitive proxy statement filed May 22, 2006 (Form DEF 14A, Acc. No. 0001255294-06-000389), which discloses Wallace's roles and which superseded the preliminary proxy filed May 11, 2006 (Form PRE 14A, Acc. No. 0001255294-06-000314); and (2) the annual report on Form 10-KSB filed April 17, 2006 (Acc. No. 0001255294-06-000256), drafted in the Cane Clark working record as "SDI 10KSB 4.3.06.doc''. The S-8 Exhibit 5.1 legality opinion certifies, in standard form, that the registered shares "are duly and validly authorized and, when issued and sold in accordance with [the plan], will be legally issued, fully paid and non-assessable." The internal record contradicts that certification in two respects. First, the opinion is signed by the same counsel (Cane Clark) operationally embedded in the issuer's day-to-day Section 5 share-conversion mechanics described in Part I — not an independent opinion in fact. Second, Doney's August 2,

[22] 17 C.F.R. § 240.13d-101, Item 6.

2006 message to Fidelity Transfer ("If you have a form letter, I would be happy to sign it") establishes a pattern in which opinions of counsel exhibits are signed without independent legal analysis. Statements made in or in connection with a registration statement, including the legality opinion exhibit, that misstate or omit material facts give rise to liability under 15 U.S.C. §~78r and criminal liability under 15 U.S.C. §~78ff(a).

D. Wire Fraud and Securities Fraud — 18 U.S.C. §§~1343, 1348 and 17 C.F.R. §~240.10b-5

The communications cataloged in Part I were e-mails transmitted in interstate commerce between Cane Clark LLP (Las Vegas, Nevada), Wallace (Arizona / Nevada), Fidelity Transfer (Utah), and Ronald Serota (Nevada). Each e-mail in furtherance of the legend-removal sequence is a wire in interstate commerce. The opinion-letter mechanism's purpose, as the chronology shows, is to free 2,250,000 restricted shares (post-reverse) for sale into the public market without registration and without disclosure of issuer-side control over the nominal holder. That object, executed by use of interstate wires and effected through securities transactions, satisfies the elements of wire fraud (18 U.S.C. §~1343), securities fraud (18 U.S.C. §~1348), and Rule 10b-5's prohibition on devices, schemes, or artifices to defraud in connection with the purchase or sale of a security (17 C.F.R. §~240.10b-5).

E. Conspiracy — 18 U.S.C. §~371

Section 371 reaches any agreement of two or more persons to commit any offense against the United States or to defraud the United States or any agency thereof. The agreement here is among, at minimum, Wallace (SDI CEO and the funding source of the West-family loan), Doney (Cane Clark, author of the legality opinion), and Johal (SDI CFO and issuer-side drafter of the Iomega holder's request), with Kyleen E. Cane's parallel May 12, 2006 self-signing of the Davi Skin SB-2 Exhibit 5.1 opinion establishing the firm-level practice.

The object of the agreement, as the chronology shows, was not a single unregistered distribution but a repeatable shell cycle. The participants acted to (i) cause the issuer's counsel to free restricted blocks of the issuer's stock from their Rule 144 restrictive legends and to register additional shares on Form S-8, placing nominally free-trading stock into the public market through a holder — Iomega Investments, LLC — whose request paperwork the issuer's own officers and counsel drafted, timed, and approved; (ii) accrue insider compensation, consulting fees, and secured or priority obligations to the control group while the issuer's operating value was drained; (iii) drive the issuer into Chapter 7, where the accrued insider salaries and the control group's secured and priority claims take the shell and its assets while non-insider equity and trade creditors are relegated to unsecured status; and (iv) deliver the cleaned shell — retaining its CIK, its Cane Clark filer relationship, and its underlying share structure — into a reverse merger, here the transaction by which the SDI shell became Galaxy Gaming, Inc. The use of a nominal holder controlled through the managing member's family, and the placement of freed certificated blocks in names other than the control group's own, is the device that lets the control group retain the benefit of the freed shares while the public record presents an arm's-length holding. The overt acts are the dated e-mails and EDGAR filings catalogued in Parts I, IX, and X; the post-collapse confirmation is Wallace's September 18, 2008 examination at the SDI Chapter 7 341 creditors' meeting (Part VIII); and the completion is the Galaxy Gaming continuation on the same CIK and filer code (Part VII.F). The object offenses are those identified in Parts VII.A–D.

Claire C. Ambrosio (attorney; cambrolaw@aol.com; 5455 Wilshire Boulevard, Suite 1706, Los Angeles, California) is identified in the contemporaneous record as "counsel for Jan Wallace," and the record places her squarely inside the share-engineering and EDGAR-disclosure machinery on Wallace's side. A May 15, 2006 communication directs disputants to "communicate directly with Claire Ambrosio, counsel for Jan Wallace[,] to resolve any disputes as to ownership of the monetary obligation from Davi Skin, Inc. and the stock conversion rights that are presumed to arise out of that obligation," tying her to the Davi Skin obligation and the stock-conversion rights at issue in the same period. An April 9, 2006 e-mail from Ambrosio to Munjit Johal and Wallace — prepared while finishing a litigation motion — asks, "Does the Edgar files show the amount of outstanding shares? Can another class of shares vote other than common[?]," documenting her direct work on the issuer's share count and share-class voting structure. She also appears handling Wallace's litigation (e.g., the Novian/Buchalter and Kagel/Medley matters) and Davi Skin SEC comment responses ("Davi-Responses," Sept. 20, 2006; "CDE," Sept. 21, 2006). The corpus reviewed to date does not, however, contain a document naming Ambrosio as counsel of record for Iomega Investments, LLC; the outside counsel documented signing the Iomega legend-removal opinion is Ronald Serota, and the holder's own request letter was prepared issuer-side by Johal. Ambrosio's participation as Wallace's counsel in the share-conversion and share-structure work is established on the present record; the precise scope of her role in the Iomega legend-removal sequence specifically is flagged for production and discovery.

F. Pattern Continuation Through Galaxy Gaming Sale

The 2006 legend-removal sequence is the upstream step of a multi-year pattern that closes with the Chapter 7 disposition of SDI and the eventual sale of the shell as Galaxy Gaming, Inc. The September 18, 2008 examination of Wallace at the 341 creditors' meeting addresses post-collapse the same share issuances and asset dispositions that the 2006 opinion-letter sequence enabled. The Galaxy Gaming-era successor entity continued to use the same CIK (13156) and the same filer (Cane Clark, code 0001255294) for periodic and registration filings.[23] The conspiracy charged here is therefore continuous from the June 2006 13D filing through the Chapter 7 disposition and the subsequent shell sale.

VIII. Cross-Reference to SDI Bankruptcy (Sept. 18, 2008)

The June–October 2006 legend-removal sequence preceded by approximately twenty-three months the Chapter 7 examination of Jan M. Wallace at the SDI 341 creditors' meeting. The 2008 sworn examination is where Wallace, under oath, addresses the same share-issuance and asset-disposition acts that the 2006 opinion-letter sequence enabled. It is the post-collapse record of the same pattern.

IX. Drafting Record Inventory

The drafting record consists of seven contemporaneous internal e-mails captured from the Jan Wallace e-mail production. Timestamps are stated in UTC as recorded in the production. E-mail from Scott Doney to Heidi at Fidelity Transfer regarding the SDI opinion letter, August 2, 2006, 12:34:54 UTC, contains the "form letter" admission. E-mail from Scott Doney to Jan M. Wallace regarding SDI opinion-letter status, September 15, 2006, 12:30:58 UTC, confirms the Iomega letter remained pending in counsel's queue. E-mail from Munjit Johal to Jan M. Wallace regarding Iomega legend lifting and Helen West's request letter, September 19, 2006, 18:26:42 UTC, transmits the issuer-side draft of the holder's request. E-mail from Scott Doney to Jan M. Wallace transmitting the initial Iomega opinion-letter draft, September 19, 2006, 21:13:48 UTC, returns the first Cane Clark draft. E-mail from Jan M. Wallace forwarding the Iomega opinion-letter draft, September 20, 2006, 03:03:04 UTC, documents Wallace's internal routing. E-mail from Scott Doney to Jan M. Wallace regarding the SDI–Iomega opinion letter and the October 27 affiliate-clock date, September 20, 2006, 17:56:35 UTC, fixes the Rule 144 signature date. E-mail from Scott Doney to Jan M. Wallace and to Ronald Serota regarding the revised Iomega opinion letter, September 21, 2006, 12:14:35 UTC, transmits the revised draft to issuer's outside counsel.

X. EDGAR-Filed Record Inventory

The EDGAR-filed record consists of five legality opinions, organized below by issuer. As a pre-Cane Clark baseline, the Fowler legality opinions filed for Legal Access Technologies, Inc. (LATI) on August 7 and August 8, 2001 under filer code 0001075793 reflect the arm's-length independent-counsel practice from which the later Cane Clark filings depart.[24] Each accession below was cross-checked against the SEC EDGAR submissions record for the named issuer (CIK 13156 for Secured Diversified Investment / Galaxy Gaming; CIK 1059577 for Davi Skin) and confirmed as to form type and filing date.

A. Secured Diversified Investment, Ltd. / Galaxy Gaming, Inc. (CIK 13156)

The SDI opinion record is anchored by the Form S-8 (Reg. No. 333-137837) Exhibit 5.1 legality opinion of October 5, 2006, signed by Scott Doney of Cane Clark LLP — the EDGAR-filed end-product of the drafting sequence documented in Part I.[27] The same CIK (13156) and the same Cane Clark filer code (0001255294) carry forward through the related 2006 disclosure filings (the April 17, 2006 Form 10-KSB, Acc. No. 0001255294-06-000256; the May 22, 2006 Form DEF 14A, Acc. No. 0001255294-06-000389; and the Iomega Investments, LLC Schedule 13D of June 29, 2006, Acc. No. 0001255294-06-000465), through the Chapter 7 disposition addressed at the September 18, 2008 341 examination, and through the shell's continuation as Galaxy Gaming, Inc. This issuer's record is corroborated at every step by the contemporaneous Wallace e-mail production catalogued in Part IX.

B. Davi Skin, Inc. (CIK 1059577)

The Davi Skin opinion record consists of two Cane Clark-filed Exhibit 5.1 legality opinions: the Form S-8 opinion of September 15, 2004 (Acc. No. 0001255294-04-000267), authored by Bryan R. Clark of McDonald Carano Wilson LLP but filed under Cane Clark's filer code,[25] and the Form SB-2 opinion of May 12, 2006 (Acc. No. 0001255294-06-000321), signed by Kyleen E. Cane personally.[26] Unlike the SDI record, the Davi Skin opinion record is not

[23] CIK 13156 EDGAR filing history (Secured Diversified Investment, Ltd. / Galaxy Gaming, Inc., 2001–present).

corroborated by a contemporaneous internal drafting e-mail trail. The Davi Skin-related material in the e-mail production does not document the preparation of these legality opinions; it concerns instead Wallace's and Cane's conduct directed at Mark Phillips and Gordon. The absence of an opinion-drafting e-mail trail for Davi Skin is itself noted for discovery.