

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 5, 2007

Secured Diversified Investment, Ltd.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of incorporation)

000-30653
(Commission File Number)

80-0068489
(I.R.S. Employer Identification No.)

5205 East Lincoln Drive, Paradise Valley, AZ
(Address of principal executive offices)

85253
(Zip Code)

Registrant's telephone number, including area code: 949 851-1069

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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SECTION 1 - ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

Item 1.01 Entry into a Material Definitive Agreement

On January 5, 2007, our company and Ms. Jan Wallace entered into a Confidential Settlement and General Release Agreement (the "Settlement Agreement") with Mr. Clifford L. Strand to resolve litigation in the matters of *Clifford L. Strand v. Secured Diversified Investment, Ltd.* (case no. 06CC02350) in the Superior Court of California, County of Orange, and *William S. Biddle v. Secured Diversified Investment, Ltd.* (case no. 06CC03959) in the Superior Court of California, County of Orange (the "Lawsuits"), as well as other claims involving Mr. Strand and our company as set forth in the Agreement.

With respect to the \$267,000 that Alliance Title Company deposited with the Superior Court of California in the matter of *Alliance Title Company, Inc. v. Secured Diversified Investment, Ltd.* (case no. 06CC02129), we had previously entered into a settlement agreement with Mr. William S. Biddle, Mr. Gernot Trolf, and Nationwide Commercial Brokers, Inc. that provides an order of disbursement as follows: \$45,000 to Mr. Biddle, \$42,000 to Mr. Trolf, \$33,803 to Nationwide, and \$33,803 to our company. Pursuant to an order dated May 16, 2006, Alliance Title Company, Inc. received \$22,395 for attorney fees in the interpleader action. This left a balance of \$89,998 remaining with the Superior Court of California. The Settlement Agreement with Mr. Strand provides that a stipulation and order of disbursement will be filed on the remaining \$89,998 as follows: \$80,000 to Mr. Strand and \$9,998 to our company. The *Alliance Title Company, Inc. v. Secured Diversified Investment, Ltd.* (case no. 06CC02129) matter remains open with Alliance Title Company, Inc. and Brenda Burnett remaining as defendants.

In addition to the above disbursement, the Settlement Agreement provides for a mutual release of claims, forbearance of prosecution, and dismissal of the Lawsuits with prejudice. Mr. Strand expressly waived any and all rights he may have had in connection with reemployment with our company, and agreed to refrain from pursuing complaints against our company and our officers and directors in any court or government agency.

Further under the Settlement Agreement, Mr. Strand granted an irrevocable proxy in connection with any shares of stock beneficially owned by him.

The foregoing description of the Settlement Agreement does not purport to be complete and is qualified in its entirety by reference to such Settlement Agreement with related exhibits, a copy of which is attached to this Form 8-K as Exhibit 10.1.

SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

Item 9.01 Financial Statements and Exhibits

Exhibit	Name
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Exhibit 10.1	Confidential Settlement and General Release Agreement, dated January 5, 2007
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Secured Diversified Investment, Ltd.

/s/ Jan Wallace

Jan Wallace

President, CEO, Director

Date: January 10, 2007

CONFIDENTIAL
SETTLEMENT AND GENERAL RELEASE AGREEMENT

This Settlement and General Release Agreement ("AGREEMENT") is entered into by and between CLIFFORD L. STRAND ("STRAND"), SECURED DIVERSIFIED INVESTMENT, LTD. ("SDP") and JAN WALLACE ("WALLACE") referred to jointly as the "PARTIES" as of the date this AGREEMENT is signed, with reference to the following terms:

RECITALS

A. On or about January 13, 2006, Alliance Title Company filed an Interpleader lawsuit Case Number 06CC02129 in the Orange County Superior Court, Department C11 against STRAND, WILLIAM S. BIDDLE ("BIDDLE"), GERNOT TROLF ("TROLF"), NATIONWIDE COMMERCIAL BROKERS ("NATIONWIDE"), SDI and others and as result, deposited with the Court the funds in the amount of \$267,000.00.

On or about January 20, 2006, STRAND, BIDDLE, TROLF and NATIONWIDE filed a separate lawsuit Case Number 06CC02350 in the Orange County Superior Court, Department C11 against SDI and one of its officers WALLACE along with others for Fraud and Misrepresentation, Negligent Misrepresentation, Breach of Contract, Breach of the Covenant of Good Faith and Fair Dealing, Conversion, Commons Counts, Money had and received and Declaratory Relief. On or about March 15, 2006 SDI filed a cross-complaint against the Plaintiffs along with others for Breach of Contract, Breach of Fiduciary Duty, Negligent Supervision, Civil Conspiracy, Intentional Interference with Economic Relations; Negligent Interference with Economic Relations; Breach of Oral Agreement, Breach of Employment Contract; Breach of Directors/Officers' Fiduciary Duty; Fraud and Intentional Misrepresentation and Declaratory Relief.

B. On or about March 10, 2006, STRAND BIDDLE, TROLF along with another shareholder, filed a lawsuit against SDI for declaratory relief under Corporation Code Section 2115, Case Number 06CC03959, filed in the Orange County Superior Court, Department C11. Both litigations shall be referred to as the "ACTIONS".

C. STRAND filed a complaint with the Securities and Exchange Commission of the United States of America ("SEC") in regard to his objections to the June 2, 2006 SDI shareholder meeting which he has not taken nor does he intend to any further action on.

D. On or about September 19, 2006 BIDDLE, TROLF and NATIONWIDE entered into a settlement agreement with SDI and WALLACE which is incorporated herein by reference. In addition BIDDLE, TROLF and NATIONWIDE dismissed, with prejudice, their claims in the ACTIONS against SDI and WALLACE. SDI and WALLACE dismissed, with prejudice, their claims in the ACTIONS against BIDDLE, TROLF and NATIONWIDE.

E. The parties expressly acknowledge that they have no personal

knowledge of any liability, fraud or wrongdoing on the part of any other party, its agents, officers, directors, stockholders, employees, successors, assigns, insurers and attorneys with respect to any claims in the ACTIONS, or with respect to any other matters relating to it. No provision hereof or of any related document shall be construed as an admission or concession of liability or fraud or of any wrongdoing or of any preexisting liability. However, in order to fully and forever resolve these matters, and with the understanding that this AGREEMENT does not constitute an admission by any party of any wrongdoing or of any lack of merit relating to any claims referred to herein, STRAND, SDI, and WALLACE enter into this AGREEMENT.

AGREEMENT

1. In consideration for the promises set forth herein, the PARTIES agree as follows:
 - a. The PARTIES agree that (1) upon execution by STRAND and his attorney of this AGREEMENT, (2) upon execution of a stipulation and order of disbursement and requests for dismissal with prejudice in the above ACTIONS attached hereto as Exhibit A and incorporated herein by reference, and (3) upon execution by STRAND Irrevocable Proxy attached hereto as Exhibit B and incorporated herein by reference, The PARTIES shall file with the Orange County Superior Court a stipulation and order of disbursement as follows and for the benefit of: \$80,000 to STRAND and the remainder to SDI; in addition the PARTIES shall also file the requests for dismissal. The payments shall be in one lump sum with no payroll or other taxes deducted.
 - b. SDI makes no representations or warranties regarding the tax effect of the settlement proceeds as directed by this AGREEMENT. Further, STRAND agrees to defend and/or indemnify SDI with respect to any liability created by STRAND'S payment or non-payment of taxes with respect to the settlement sum.
2. STRAND, as the first party, and SDI and WALLACE as a second party, on their own behalf and on behalf of their respective dependents, successors, heirs, executors, administrators and assigns, and each of them, hereby fully and forever releases and discharges each other, and any parent companies, any subsidiaries, any predecessors in interest, any successors in interest, any companies associated as a result of an asset purchase or any affiliated companies or organizations, as well as their agents, officers, directors, stockholders, employees, successors, assigns, insurers and attorneys, and each of them, of and from any and all claims, rights, actions, causes of action, obligations, debts, interest, damages, charges, losses, debts, penalties, forfeitures, liabilities, costs, attorneys' fees, and demands of any nature, whether in law or in equity, arising out of or relating to any acts or omissions that took place prior to the date of this AGREEMENT, including without limitation, any matters relating in any way to the ACTIONS and/or any matters relating to or contained in or which could have been contained in the ACTIONS and/or any claims under other Federal or State statute, law or regulation.
3. It is the intention of the PARTIES hereto that this AGREEMENT shall be effective as a full and final accord and satisfaction and release of each and every released matter, including all unknown and/or unsuspected claims. Accordingly, the

PARTIES hereby waive and relinquish any and all rights or benefits that any party may have under the provisions of Section 1542 of the California Civil Code, which reads as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in its favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

In connection with this waiver, each party hereto acknowledges that facts in addition to or different from those presently known may later be discovered which relate to the subject matter of this AGREEMENT. The PARTIES also recognize the possibility that, in the future, damages that are not currently known may be suffered in relation to matters released in this AGREEMENT. Notwithstanding these possibilities, it is each party's intention to fully, finally and forever settle and release all released matters, disputes and differences, whether known or unknown, suspected or unsuspected, that have existed; now exist, or may exist. It is the intention of the PARTIES hereto that this AGREEMENT shall be effective as a full and final accord and satisfaction and release of each and every released matter, including all unknown and/or unsuspected claims. In connection with this waiver, each party hereto acknowledges that facts in addition to or different from those presently known may later be discovered which relate to the subject matter of this AGREEMENT. The PARTIES also recognize the possibility that, in the future, damages that are not currently known may be suffered in relation to matters released in this AGREEMENT. Notwithstanding these possibilities, it is each party's intention to fully, finally and forever settle and release all released matters, disputes and differences, whether known or unknown, suspected or unsuspected, that have existed; now exist, or may exist. Nothing in this AGREEMENT constitutes, or should or shall be deemed to constitute, any admission of any act, fact or liability, with respect to any matters released herein.

4. STRAND represents that he does not desire reemployment by SDI as an officer or reelection as a director and hereby expressly waives any and all rights which he may have had to such reemployment or to reinstatement with SDI. Further, STRAND agrees and promises that he will not at any time seek employment or reemployment with SDI and/or any other party or entity released herein as an officer or reelection as a director.

5. The contents and the existence of this AGREEMENT, and the PARTIES' discussions pertaining to it, are and shall remain forever confidential, and neither party will communicate or allow communication in any manner (written, oral or otherwise) to anyone with respect thereto, except that this AGREEMENT may be disclosed as required to the PARTIES' attorneys, insurers, accountants and/or governmental authorities, or otherwise may be disclosed as compelled by law. If any party breaches any clause of the AGREEMENT other party may seek all rights and remedies under the law including but not limited to attorney's fees and costs.

6. The PARTIES hereto, and each of them, shall forever refrain and forbear from commencing, instituting, or prosecuting any lawsuit, action or other proceedings against any of the other PARTIES related to the claims released herein. Such forbearance from commencing, instituting or prosecuting any lawsuit, action or other proceeding by one such party against the other shall include not only such other parties,

but their officers, directors, representatives, assigns, agents, attorneys, heirs, employees, partners and personal representatives as well, and such forbearance shall apply to any cause relating to, based upon or arising out of any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions or causes of action, released and discharged hereunder, except those necessary to enforce the terms of this agreement.

7. Each party agrees to bear its/her own costs, expenses and attorneys' fees incurred in connection with the ACTIONS and this AGREEMENT.

8. Each party hereto expressly warrants and represents that they are fully authorized to enter into this AGREEMENT and each of its terms, and that they have not assigned to any other party or person any claims released herein.

9. With the exception of the claims listed in the RECITALS above STRAND warrants that he has not filed any other lawsuits, charges, complaints, petitions, or other accusatory pleading against SDI and/or WALLACE with any governmental agency or in any court, on behalf of himself or any other entity he represents, based upon, arising out of or related in any way to any events occurring prior to the execution of this Agreement, including, without limiting the generality of the foregoing ACTIONS. STRAND further agrees that he will not hereafter file, cause to be filed, or otherwise voluntarily participate in the filing, investigation, and/or prosecution of any other charges, complaints, petitions or accusatory pleading brought by any other party in any court currently pending or not or with any governmental agency in which WALLACE and/or SDI, its officers, directors, shareholders, agents, attorneys or any parent companies, any subsidiaries, any predecessors in interest, any successors in interest, any companies associated as a result of an asset purchase or any affiliated companies or organizations is named as a party.

With the exception of the claims listed in the RECITALS above WALLACE and/or SDI warrant that they have not filed any other lawsuits, charges, complaints, petitions, or other accusatory pleading against STRAND with any governmental agency or in any court, on behalf of themselves or any other entity they represent, based upon, arising out of or related in any way to any events occurring prior to the execution of this Agreement, including, without limiting the generality of the foregoing ACTIONS. WALLACE and/or SDI further agrees that they will not hereafter the, cause to be filed, or otherwise voluntarily participate in the filing, investigation, and/or prosecution of any other charges, complaints, petitions or accusatory pleading brought by any other party in any court currently pending or not or with any governmental agency in which STRAND is named as a party.

10. This AGREEMENT contains the entire agreement between the PARTIES hereto with respect to all matters addressed herein, and fully supersedes any and all prior or contemporaneous agreements, understandings or representations, oral or written, implied or express, pertaining to the subject matter hereof. All prior and contemporaneous discussions and negotiations have been and are merged and integrated into, and are superseded by this Agreement. This AGREEMENT may only be subsequently modified by a writing signed by all PARTIES hereto.

11. Each party agrees to do all things necessary to carry out and

effectuate the terms of this AGREEMENT, and expressly promises not to do or fail to do anything, directly or indirectly, which will interfere with any other party's realization of the benefits hereof.

12. This AGREEMENT, including the releases herein, shall be binding upon and inure to the benefit of each of the PARTIES to this AGREEMENT and to each of their successors in interest, including heirs and assigns.

13. Each of the PARTIES hereto has been represented by counsel in the negotiating and drafting of this AGREEMENT. Accordingly, the rules of construction of contracts relating to resolution of ambiguities against the drafting PARTIES shall be inapplicable to this AGREEMENT.

14. Any construction, interpretation and performance of this AGREEMENT shall be governed by the laws of the State of California, both substantive and procedural. Both PARTIES accede to the jurisdiction of the Orange County Superior Court for any actions to enforce, or for breach of, any term of this AGREEMENT.

15. If for any reason any provision contained in this AGREEMENT is later deemed unenforceable, the remainder of this AGREEMENT shall nonetheless remain binding and enforceable on all PARTIES hereto.

16. In the event of any action brought to enforce any provision of this AGREEMENT, or for breach of any provision of this AGREEMENT, the prevailing party therein shall be entitled to an award of their costs and reasonable attorneys' fees incurred therein, in addition to any other relief.

17. This AGREEMENT may be executed in multiple originals or counterparts, each of which shall be deemed an original or the equivalent thereof.

WHEREFORE, each party hereto, by the signatures below, certifies that this AGREEMENT has been read in its entirety, that any questions regarding the meaning or effect of any terms have been answered to their satisfaction, that each party enters into this AGREEMENT with the intent to be fully and forever bound by all of its terms, as of the date set forth opposite their signature below.

Dated: January 5, 2007

/s/ Clifford Strand
Clifford Strand

APPROVED AS TO FORM AND
CONTENT:
LAW OFFICES OF ROBERT
COVIELLO

/s/ Robert Coviello
ROBERT COVIELLO
ATTORNEY FOR CLIFFORD
STRAND

Dated: January 5, 2007

By: /s/ Jan Wallace
JAN WALLACE
CEO
SECURED DIVERSIFIED
INVESTMENT,
LTD.

Dated: January 5, 2007

/s/ Jan Wallace
JAN WALLACE

APPROVED AS TO FORM AND
CONTENTS:

By: /s/ Claire C. Ambrosio
CLAIR C. AMBROSIO
ATTORNEY FOR SECURED
DIVERSIFIED INVESTMENT, LTD.

EXHIBIT A

1 CLAIRE C. AMBROSIO State Bar No: 181883
ATTORNEY AT LAW
2 5455 Wilshire Boulevard, Suite 1706
Los Angeles, CA 90036-4217
3 (323) 938-2878
4 (323) 939-7809 (facsimile)

5 Attorneys for Cross-Complainant/Defendant
SECURED DIVERSIFIED INVESTMENTS, LTD.

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

JAN - 8 2007

ALAN SLATER, Clerk of the Court
Alan Slater
BY D. GRENBERG

7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 COUNTY OF ORANGE, CENTRAL DISTRICT

9 ALLIANCE TITLE COMPANY, INC.
10 a California corporation;

11 Plaintiff

12 vs.

13 SECURED DIVERSIFIED INVESTMENT,
14 LTD., a Nevada corporation, NATIONWIDE
15 COMMERCIAL BROKERS, INC., a California
16 corporation, WILLIAM S. BIDDLE, an
individual, CLIFFORD L. STRAND, an
17 individual, GERNOT TROLF, an individual,
PRIME TIME AUCTIONS, INC., a Nevada
18 corporation and DOES 1 through 20.

19 Defendants.

Case No: 06CC02129

STIPULATION AND ORDER RE:
DISBURSEMENT OF FUNDS HELD BY
COURT

JUDGE WILLIAM M. MONROE
DEPT. C11

20 WHEREAS, on January 13, 2006 an Interpleader action was filed on behalf of
21 Alliance Title Company, Inc. against Clifford L. Strand, Gernot Trolf, William S. Biddle,
22 Nationwide Commercial Brokers, Inc., Secured Diversified Investments, Ltd., and Max Hollis,
23 Case Number 06CC02129.

24 WHEREAS, on January 20, 2006 a Complaint was filed on behalf of Clifford L.
25 Strand, Gernot Trolf, William S. Biddle, Nationwide Commercial Brokers, Inc., against Secured
26

27
STIPULATION AND ORDER RE: DISBURSEMENT OF FUNDS HELD BY COURT

1 Diversified Investments, Ltd., Alliance Title Company, Inc. and Brenda Burnett in Case Number
2 06CC02350.

3 WHEREAS, on February 13, 2006, Alliance Title Company, Inc. filed a Notice of
4 Deposit of Funds with court in the amount of \$267,000.00 in Case Number 06CC02129.

5 WHEREAS, on February 24, 2006, a default was entered against Max Hollis in
6 Case Number 06CC02129.

7 WHEREAS, on March 13, 2006 the Court order Case Numbers 06CC02129 and
8 06CC02350 related cases and moved to Department C11 of the Orange County Superior Court.

9 WHEREAS, on March 15, 2006, Secured Diversified Investment, Ltd. filed a
10 Cross-Complaint against Clifford L. Strand, Gernot Trof, William S. Biddle, Nationwide
11 Commercial Brokers, Inc., Alliance Title Company, Inc. and Brenda Burnett.

12 WHEREAS, on September 19, 2006, the following parties: Gernot Trof, William
13 S. Biddle, Nationwide Commercial Brokers, Inc., and Secured Diversified Investment, Ltd. have
14 entered into settlements agreement partially settling Case Number 06CC02350.

15 WHEREAS, on January 2, 2007, Clifford L. Strand and Secured Diversified
16 Investment, Ltd. have entered into a settlement agreement settling Case Number 06CC02350 and
17 requesting that the court disburse the funds held as follows:

- 18 1. \$80,000 to Clifford Strand, and
- 19 2. the remainder approximately \$9998.87 to Secured Diversified Investment, Ltd.

20 NOW THEREFORE, IT IS HEREBY STIPULATED: the Court shall order
21 disbursement of the funds held as follows: for the benefit of Clifford L. Strand in the amount to
22 \$80,000.00 to the Law Office of Robert D. Coviello Trust Account; and for the benefit of
23 Secured Diversified Investment, Ltd. the remainder of the funds held with the court
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2 STIPULATION AND ORDER RE: DISBURSEMENT OF FUNDS HELD BY COURT

1 approximately \$9998.87 to Claire C. Ambrosio, Attorney at Law Trust Account.
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3

4 DATED: January 2, 2007

LAW OFFICE OF ROBERT COVELLIO

5
6 By: 

7 ROBERT COVELLIO
8 Attorney for Defendants
9 WILLIAM S. BIDDLE,
10 GERNOT TROLF, AND
11 NATIONWIDE COMMERCIAL
12 BROKERS, INC.

13 DATED: January 7, 2007

14 By: 

15 CLAIRE C. AMBROSIO
16 Attorney for Defendant
17 SECURED DIVERSIFIED INVESTMENTS LTD.
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ORDER

BASED UPON THE ABOVE STIPULATION, IT IS HEREBY ORDERED THAT the certain funds on deposit with the court in Case Number 06CC02129 shall be release forthwith as follows:

1. \$80,000 payable to the Law Office of Robert D. Coviello Trust Account; and
2. the remainder of the funds held with court approximately \$9998.87 payable to Claire C. Ambrosio, Attorney at Law Trust Account.

JAN - 8 2007

JUDGE WILLIAM M. MONROE
HONORABLE WILLIAM M. MONROE

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): William F. White, Jr. Esq. (SNB 82935) DAAR & NEWMAN A Professional Law Corporation 865 South Figueroa Street, Suite 2300 Los Angeles, CA 90017-2565	TELEPHONE NO.: 212-892-0999	FOR COURT USE ONLY FILED SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE CENTRAL JUSTICE CENTER JAN 08 2007 ALAN SLATER, Clerk of the Court <i>Mandi A. Debra</i> BY M. DESTRA
ATTORNEY FIRM (Name): William S. Biddle et al.		
Name of court and name of judicial district and branch court, if any: Orange County Superior Court, Central Justice Center		
PLAINTIFF/PETITIONER: William S. Biddle et al.		CASE NUMBER: 06CC03959
DEFENDANT/RESPONDENT: Secured Diversified Investment, Ltd.		
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): Declaratory Relief		
- A conformed copy will not be returned by the clerk unless a method of return is provided with the document. -		

1. TO THE CLERK: Please dismiss this action as follows:
- a. (1) With prejudice (2) Without prejudice
- b. (1) Complaint (2) Petition
 (3) Cross-complaint filed by (name):
 (4) Cross-complaint filed by (name):
 (5) Entire action or all parties and all causes of action
 (6) Other (specify):*

on (date):
 on (date):

Date: **January 5, 2007**
William F. White, Jr.

William F. White, Jr.
 (SIGNATURE)

(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 *If dismissal requested is of specified parties only of specified causes of action only, or of specified cross-complaints only, do state and identify the parties, causes of action, or cross-complaints to be dismissed.

Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

2. TO THE CLERK: Consent to file above dismissal is hereby given.**
 Date:

(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 ** If a cross-complaint or Response (Family Law) seeking affirmative relief is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581 (i) or (j).

Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

(To be completed by clerk)

3. Dismissal entered as requested on (date): **1/08/07**
 4. Dismissal entered on (date): as to only (name):
 5. Dismissal not entered as requested for the following reasons (specify):

6. a. Attorney or party without attorney notified on (date):
 b. Attorney or party without attorney not notified. Filing party failed to provide

a copy to conformed means to return conformed copy
 Date: **1/08/07** Clerk by *Alan Slater* Deputy

ALAN SLATER, EXEC. OFFICER/CLERK
Alan Slater
 Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): Robert D. Coviello, Esq. Law Offices of Robert D. Coviello 31831 Camino Capistrano, Suite 201 San Juan Capistrano, CA 92675 ATTORNEY FOR (name): Clifford Strand		TELEPHONE NO.: 949-429-7500	FOR COURT USE ONLY RECEIVED SUPERIOR COURT COUNTY OF CENTRAL JUSTICE CENTER JAN 08 2007 ALAN SLATER, Clerk of the Court
Insert name of court and name of judicial district and branch court, if any: Orange County Superior Court, Central Justice Center			
PLAINTIFF/PETITIONER: CLIFFORD L. STRAND, an individual et al.			
DEFENDANT/RESPONDENT: JAN WALLACE, an individual et al.			
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): Breach of Contract et al.		CASE NUMBER 06CC02350	
- A conformed copy will not be returned by the clerk unless a method of return is provided with the document. -			

1. TO THE CLERK: Please dismiss this action as follows:
- a. (1) With prejudice (2) Without prejudice
 - b. (1) Complaint (2) Petition
 - (3) Cross-complaint filed by (name): _____ on (date): _____
 - (4) Cross-complaint filed by (name): _____ on (date): _____
 - (5) Entire action of all parties and all causes of action
 - (6) Other (specify):* **Complaint filed by Plaintiff Clifford L. Strand as against Defendants Jan Wallace and secured Diversified Investment Ltd. only.**

Date: **January 8, 2007**
Robert D. Coviello, Esq.
 (TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 *If dismissal requested is of specified parties only or specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.
 Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

Robert D. Coviello
 (SIGNATURE)

2. TO THE CLERK: Consent to the above dismissal is hereby given.**
 Date: _____
 (TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

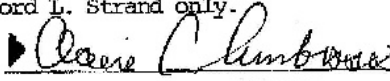
(To be completed by clerk)
 3. Dismissal entered as requested on (date): _____
 4. Dismissal entered on (date): _____ as to only (name): _____
 5. Dismissal not entered as requested for the following reasons (specify): _____
 6. a. Attorney or party without attorney notified on (date): _____
 b. Attorney or party without attorney not notified. Filing party failed to provide
 a copy to conformed means to return conformed copy
 Date: _____ Clerk, by _____, Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): CLAIRE C. AMBROSIO SBN: #181883 Attorney at Law 5455 Wilshire Boulevard, Suite 1706 Los Angeles, CA 90036	TELEPHONE NO.: 32-938-2878	FOR COURT USE ONLY <div style="text-align: center;"> RECEIVED SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE CENTRAL JUSTICE CENTER JAN 08 2007 ALAN SLATER, Clerk of the Court </div>
ATTORNEY FOR (Name): Secured Diversified Investment, Ltd. et al. Insert name of court and name of judicial officer and branch court, if any: Orange County Superior Court, Central Justice Center		CASE NUMBER: <div style="text-align: center;">06CC02350</div>
PLAINTIFF/PETITIONER: CLIFFORD L. STRAND, an individual et al. DEFENDANT/RESPONDENT: JAN WALLACE, an individual et al.		
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): Breach of Contract et al.		
- A conformed copy will not be returned by the clerk unless a method of return is provided with the document. -		

1. TO THE CLERK: Please dismiss this action as follows:
- a. (1) With prejudice (2) Without prejudice
- b. (1) Complaint (2) Petition
- (3) Cross-complaint filed by (name): _____ on (date): _____
- (4) Cross-complaint filed by (name): _____ on (date): _____
- (5) Entire action of all parties and all causes of action
- (5) Other (specify):* **Cross-complaint filed by Secured Diversified Investment, Ltd. only against Cross-Defendant Clifford L. Strand only.**

Date: **January 8, 2007**

Claire C. Ambrosio


 (SIGNATURE)

(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 *If dismissal requested in of specified parties only of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.

Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

2. TO THE CLERK: Consent to the above dismissal is hereby given.**

Date: _____

(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)

(SIGNATURE)
 Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

** If a cross-complaint or Response (Family Law) seeking affirmative relief is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581 (f) or (i).

(To be completed by clerk)

3. Dismissal entered as requested on (date): _____
4. Dismissal entered on (date): _____ as to only (name): _____
5. Dismissal not entered as requested for the following reasons (specify): _____

6. a. Attorney or party without attorney notified on (date): _____
- b. Attorney or party without attorney not notified. Filing party failed to provide
 a copy to conformed means to return conformed copy

Date: _____

Clerk, by _____ Deputy

EXHIBIT B


IRREVOCABLE PROXY

I, CLIFFORD L. STRAND, a shareholder of SECURED DIVERSIFIED INVESTMENT, LTD., a NEVADA corporation ("Corporation"), do hereby irrevocably appoint _____ to be my proxy agent, with full power of substitution, and with full discretion to vote all of my shares of common and preferred stock in the Corporation that I directly or indirectly own, have control of or the right to vote, and/or have beneficial ownership of, and all such shares that I subsequently acquire, with respect to all matters submitted to the shareholders at all meetings of the shareholders, or any adjournments thereof, and in all consents to any actions taken without a meeting. This appointment shall begin immediately and continue from this date until January 8, 2008, and during said period, my proxy shall have all of the power that I would possess if personally present with respect to the voting my shares and granting my consent. I hereby ratify and confirm all acts that my proxy shall do or cause to be done by virtue of and within the limitations set forth in this proxy.

I hereby revoke all proxies previously given by me with respect to all my shares of common and preferred stock in the Corporation that I directly or indirectly own, have control of or the right to vote, and/or have beneficial ownership of.

I hereby waive my right to cancel this Irrevocable Proxy at any time during the time period described herein. I hereby acknowledge that this irrevocable proxy is coupled with an interest, described as follows: as consideration for that certain Confidential Settlement and Release Agreement entered into contemporaneous with this Irrevocable Proxy.

IN WITNESS WHEREOF, I have executed this proxy on 1/3/07


CLIFFORD L. STRAND