

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

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:05-CV-1328-(BD)
	§	
MEGAFUND CORPORATION, STANLEY A.	§	
LEITNER, SARDAUKAR HOLDINGS, IBC.,	§	ECF
and BRADLEY C. STARK, CIG, LTD., and	§	Referred to the U.S. Magistrate Judge
JAMES A. RUMPF, Individually and d/b/a	§	
CILAK INTERNATIONAL,	§	
	§	
Defendants,	§	
and	§	
	§	
PAMELA C. STARK,	§	
	§	
Relief Defendant.	§	

**RECEIVER’S FIRST MOTION TO ALLOW “A” CLAIMS
AND DISALLOW POTENTIAL “A” CLAIMS
(SARDAUKAR HOLDINGS RECEIVERSHIP ESTATE)**

TO THE HONORABLE JEFF A. KAPLAN, UNITED STATES MAGISTRATE JUDGE:

Pursuant to this Court’s Order of August 19, 2005 [Docket No. 53], the Receiver submits his First Motion to Allow “A” Claims and Disallow Potential “A” Claims.

1. As part of his duties, the Receiver has reviewed the claims submitted against the Sardaukar Holdings Receivership Estate. To date, only two claims have been filed with respect to the Sardaukar Holdings Receivership Estate. One of the claims (MFA-00277) was filed by Lynn Atkinson d/b/a Rose of Avalon, LLC in the amount of \$100,000.00. The other claim (MFA-00316)

was filed by Michael J. Quilling in his capacity as receiver for CIG, Ltd. in the net amount of \$6,063,266.38. It is calculated as follows:

Investments

<u>Date</u>	<u>Amount</u>
11/19/04	\$600,000.00
01/18/05	\$300,000.00
02/11/05	\$5,000,000.00
04/11/05	\$3,600,000.00
	\$9,500,000.00

Payments

<u>Date</u>	<u>Amount</u>	<u>Recipient</u>
03/21/05	\$122,000.00	CIG
03/21/05	\$678,000.00	Megafund
04/11/05	\$415,233.62	CILAK
04/26/05	\$2,034,000.00	Megafund
04/26/05	\$188,500.00	TGC
	\$3,436,733.62	

Net Claim: \$6,063,266.38

The Receiver does not oppose either of the claims and requests that the Court allow each of the claims totaling \$6,163,266.38.

2. Consistent with this Court's Order of October 19, 2005, the Receiver requests that if no objection is filed within thirty (30) days after the date of filing this motion, the Court enter an order allowing the "A" claims listed above.

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3. Based upon the bank records available to the Receiver and the Receiver's reconstruction of those bank records, it is clear that a number of other individuals sent money to Sardaukar Holdings for what the Receiver believes was investment purposes ("Potential Claimants"). Neither the bank records available to the Receiver nor records which the Receiver seized from Bradley Stark's computer, however, reveal any information regarding the Potential Claimants, such as addresses or telephone numbers. Despite repeated requests by the Receiver to Bradley Stark, he refuses to provide such information.¹ Instead, the only relevant information the Receiver has been able to locate regarding Potential Claimants are dated e-mail addresses for some of them, which may or may not be correct, and other minor bits of information.

4. In an attempt to induce the Potential Claimants to submit claims to the Receiver, the Receiver sent an e-mail to the ones for which he had an e-mail address, a copy of which is attached hereto as Exhibit "2". The Receiver's e-mail was not returned as undeliverable as to any of the Potential Claimants to whom it was sent. Since the date of the e-mail, August 18, 2005, only one investor, Lynn Atkinson d/b/a Rose of Avalon, LLC, has submitted a claim as set forth above.

5. So as to allow this receivership estate to move towards closure, the Receiver requests that the Court enter an order disallowing the potential claim of any Potential Claimant based upon their refusal to submit a claim form to the Receiver. Based upon the bank records available to the

¹ On May 19, 2006, the Receiver filed *Plaintiff's Motion for Bradley C. Stark, Pamela C. Stark, Hans Tschebaum, and Michael Tschebaum to Appear and Show Cause Why They Should Not Be Held In Contempt for Violating Court Orders and Brief in Support*, which was set for hearing by Judge Lindsay on October 27, 2006. A settlement order was reached before the hearing, a copy of which is attached as Exhibit "1." The Order is awaiting signature by Judge Lindsay. Bradley Stark is required to provide the information.

Receiver, the Receiver believes that each of the Potential Claimants set forth below have **potential** claims in the amounts listed.

Name	Potential Claim Amount
CDB&B Investors, Inc. c/o Ralph Schaefer ²	\$953,425.52
Harriette Reibman	\$60,000.00
Robin Schaefer ²	\$150,000.00
Clover Investment, LLC c/o Jill Erickson ³	\$75,000.00
Ag Financial Services, Ltd. c/o Amin Ramji ⁴	\$390,000.00
Tony Plotkin	\$10,000.00
Investment World, Inc. c/o Kelly Christensen	\$50,000.00
Kerry Semon	\$23,000.00
Dvora Adams	\$15,000.00
Gus Schvarckpof	\$50,000.00
Steven Anderson	\$10,000.00
Grainaissance, Inc. and Grainaissance Profit Sharing	\$200,000.00
Mack Ellery, LLC	\$50,000.00

² The Receiver has had several meetings with Ralph Schaefer regarding the investment of this entity and his wife. The Receiver also has telephone numbers for him. He refuses to file a claim because Brad Stark has told him these proceedings are a sham and that if he files a claim he will not be repaid by Brad Stark, who professes the ability to do so.

³ The Receiver has recently discovered what he believes is an address and phone number for Ms. Erickson. She is being served with a copy of the motion at that address.

⁴ The Receiver has recently discovered what he believes is an address and phone number for Mr. Ramji. He is being served with a copy of the motion at that address.

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International Consultants & Referrals ⁵	\$466,238.73
Paul Sugar	\$10,000.00
Linda Gramlich	\$15,000.00
Jesse and Margaret Morse	\$10,000.00
Classic Diamond Enterprises c/o Bruce Beeley	\$15,000.00
Daniel Cleary	\$10,000.00
William Wesson	\$2,000.00
Myrtle Jones	\$2,500.00
Maureen Rafael	\$10,000.00
Universal One Club, LLC	\$150,000.00
Barr Chase, S.A.	\$50,000.00
K&R Development, LLC c/o DeWayne Long	\$20,000.00
Clara Neil Hollaway a/k/a Clara Neil Heard	\$7,422.16
Brian Fabin	\$39,000.00
Peter Kaiser	\$110,000.00
Stephen Hood	\$50,000.00
Norman Spahr	\$50,000.00
Covenant Faith Advisor	\$60,000.00

6. Consistent with this Court's Order of October 19, 2005, the Receiver requests that if no objection is filed as to disallowing each of the potential claims within thirty (30) days after the

⁵ The Receiver has had contact with counsel for this Potential Claimant, The Welby Law Offices. A copy of a letter sent to the Receiver is attached hereto as Exhibit 3. No claim has been filed. Counsel is being served with this motion.

date of filing of this motion, the Court enter an order disallowing each of the potential “A” claims listed above.

7. **This motion does NOT address claims against either the Megafund Receivership Estate or the Lancorp Financial Receivership Estate.**

DATED this 2nd day of November, 2006.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.
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Dallas, Texas 75201
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By: /s/ Michael J. Quilling

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ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

This is to certify that on the 2nd day of November, 2006, a true a correct copy of the above and foregoing has been served on the attorneys for the parties in this matter via electronic notice and on all parties on the following list via first class mail with full and proper postage prepaid thereon:

Clover Investment, LLC
Jill Erickson, President
216 South Russell Lane
Rush Valley, UT 84069

Amin Ramji
132 Anderson Close
Red Deer, Alberta CANADA
T4R 1&2

Welby Law Office, P.C.
Thirteen Ventura Drive
North Dartmouth, MA 02747

Lynn Atkinson
Rose of Avalon, LLC
PO Box 775602
Steamboat Springs, CO 80477

/s/ Michael J. Quilling

This Motion will also be posted on the Receiver's website, www.secreceiver.com after filing.