

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

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

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**LIMITED OBJECTION TO RECEIVER’S MOTION TO MAKE INTERIM DISTRIBUTION (SARDAUKAR HOLDINGS RECEIVERSHIP ESTATE)**

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

COME NOW John Stark and Barbara Stark (the “Starks”), unlisted claimants to the Sardaukar Holdings Receivership Estate (the “Estate”) and file their *Limited Objection to Receiver’s Motion to Make Interim Distribution (Sardaukar Holdings Receivership Estate)* (the “Objection”). In support hereof, the Starks respectfully show the Court as follows:

**OBJECTION**

1. On January 19, 2007, the court-appointed receiver in the above-entitled case (the “Receiver”) filed *Receiver’s Motion to Make Interim Distribution (Sardaukar Holdings*

*Receivership Estate*) (the “Distribution Motion”) [**Docket No. 255**].

2. Within the Distribution Motion the Receiver states: “This Motion [the Distribution Motion] presumes and is expressly conditioned upon the Court approving the Claims Motion [as therein defined] as filed.” *See* Distribution Motion p. 2 ¶ 2. The Claims Motion is **Docket No. 250** in this case (hereafter, the “Claims Motion”).

3. On February 2, 2007, the Starks objected to the Claims Motion for reasons asserted in the Starks’ *Limited Objection to Receiver’s Motion to Allow “A” Claims and Disallow Potential “A” Claims (Sardaukar Holdings Receivership Estate)* [**Docket No. 266**].

4. Attached hereto and incorporated for all purposes are true and correct copies of John and Barbara Starks’ claims against the Estate, marked Exhibit “A”, which were hand-delivered to the Receiver’s designated receiving party on February 2, 2007 prior to the filing of this Objection.<sup>1</sup>

5. The Starks file this Objection to the Distribution Motion and hereby object to the extent that the Receiver’s Distribution Motion, as filed, will prejudice the Receiver’s ability to satisfy distributions due on the Starks’ claims. Accordingly, if the Receiver’s Distribution Motion is granted, the Starks request the Court order the Receiver to segregate and reserve in trust, for the specific and sole benefit of the Starks, the amounts claimed by the Starks so as to ensure their claims can be met and can be paid in the same priority and percentages contemplated for the other claims listed by the Receiver.<sup>2</sup>

6. Final resolution of the pending litigation against the Starks will not necessarily be dispositive of the issues raised herein to preclude their ability to receive compensation from the

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<sup>1</sup> The Starks’ claims were submitted without prejudice to and without waiving their rights, claims, and defenses to current or future litigation against them.

<sup>2</sup> The Starks submit that the allegedly “defrauded” investors stand in no better light than do John and Barbara Stark in that the other investors performed no better due diligence on the alleged ponzi scheme to understand the means for the allegedly promised and guaranteed incredible returns on their investments.

estate. The issue raised in the Starks' claims against the estate is whether the Starks should be compensated by the Sardaukar estate for prior value given. The issue raised in the Receiver's suit against the Starks is whether the Starks received payment in good faith and for reasonably equivalent value. Accordingly, even if the Starks are ordered to return those funds based on a finding of lack of good faith, they still will be due compensation from the Sardaukar estate for value given.

7. The Starks submit that there will be little or no prejudice to any party in sustaining this Objection because the funds will continue to accrue interest in the Receiver's accounts and the Receiver already contemplates withholding other amounts to pay fees and expenses of the Receiver.

Respectfully Submitted February 12, 2007.

THE CURTIS LAW FIRM, PC

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*COUNSEL FOR JOHN STARK  
AND BARBARA STARK*

**CERTIFICATE OF SERVICE**

The undersigned certifies that on February 12, 2007 a true and correct copy of the foregoing was served *via* the Court's ECF system and first class mail, postage pre-paid, to counsel for the Receiver at the address below.

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