

[Docket #255], to which no objections were filed.* Specifically, the magistrate judge recommended that the court grant the interim distribution plan set forth in Exhibit #1 to the Receiver's Motion to Make Interim Distribution (Sardaukar Holdings Receivership Estate). Under this plan, of the \$2,227,146.73 the Receiver has on hand in cash and other assets, the Receiver asks that \$327,46.73 be reserved to cover past and future expenses, including attorney's fees and accounting fees, and that the remaining \$1,900,000 be distributed pro-rata to holders of the allowed claims as set forth in Exhibit #1 to the Receiver's Motion, a copy of which the court has attached as Exhibit #1 to this order.

Having reviewed the pleadings, file and record in this case, and the findings and conclusions of the magistrate judge, the court determines that the findings and conclusions are correct. The magistrate judge's findings are **accepted** as those of the court. Accordingly, the court **grants** Receiver's Motion to Make Interim Distribution (Sardaukar Holdings Receivership Estate) [Docket # 255] and approves the interim distribution plan set forth in Exhibit 1 hereto, which reflects the exact amount each holder is to receive. The court **directs** the Receiver to issue interim distribution checks to each claimant in the amounts set forth in the attached schedule. *See* Ex. 1. The checks shall be void if not cashed within 45 days from the date of issuance.

*On February 20, 2007, the Clerk of Court for the Northern District of Texas received two letters from Ralph Schaefer [Dkt. Nos. 287 & 288] that were construed as objections to the Findings and Recommendation that the court grant the Receiver's Motion to Make Interim Distribution (Sardaukar Holdings Receivership Estate) [Docket #258]. These letters were forwarded to the Receiver, who investigated and clarified that the letters from Mr. Schaefer should have been construed as objections to the Findings and Recommendation that the court disallow certain potential claims against the Sardaukar Holding Receivership Estate [Dkt. # 269]. On February 28, 2007, the court granted the Receiver's motion to disallow the claims urged by Mr. Schaefer [Dkt. # 289]. Earlier this week, on April 9, 2007, the Receiver's filed a Second Motion to Allow "A" Claims and Disallow Potential "A" Claims [Dkt. # 303], seeking, among other things to disallow the claims referenced in Mr. Schaefer's letters. The court has granted the Receiver's Second Motion by separate order issued today. To the extent Mr. Schaefer's letters could be construed as objections to the Findings and Recommendation that the court grant the Receiver's Motion to Make Interim Distribution (Sardaukar Holdings Receivership Estate) [Docket #258], they have been considered and rejected.

It is so ordered this 11th day of April, 2007.

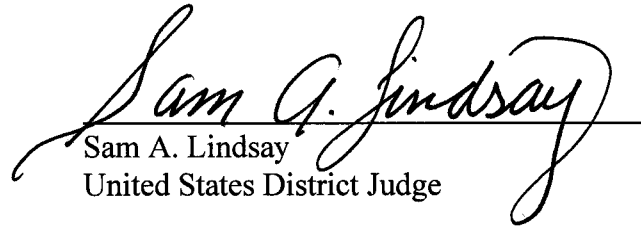

Sam A. Lindsay
United States District Judge

Exhibit “1”

Sardaukar Distribution

Investor	Claim	30.215% Distribution
Michael J. Quilling, Receiver	\$ 6,063,266.38	\$ 1,832,016.24
Lynn Atkinson d/b/a Rose of Avalon, LLC	\$ 100,000.00	\$ 30,215.01
Norman D. Spahr	\$ 50,000.00	\$ 15,107.50
Stephen T. Hood	\$ 50,000.00	\$ 15,107.50
Bruce Beeley d/b/a Performance Management Group	\$ 10,000.00	\$ 3,021.50
Dvora Adams	\$ 15,000.00	\$ 4,532.25
	\$ 6,288,266.38	\$ 1,900,000.00