

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

SECURITIES AND EXCHANGE
COMMISSION

Plaintiff,

VS.

MEGAFUND CORPORATION,
ET AL.

Defendants.

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NO. 3-05-CV-1328-L

ORDER

Michael J. Quilling, as Receiver for the Lancorp Financial Group Receivership Estate, has filed a fifth interim application for payment of \$16,143.00 in fees and \$1,352.40 in expenses incurred by the Receiver and his law firm, Quilling Selander Cummiskey & Lownds, P.C., from February 1, 2007 through April 30, 2007.¹ The Receiver was ordered to post a copy of the fee application on his website with notice to all interested parties that any objections must be filed with the court by May 31, 2007. No written objections have been received. The Securities and Exchange Commission, through its regional counsel, previously consented to payment of the amounts requested.

The court has reviewed the fee application and the exhibits attached thereto, and finds that the time spent, services performed, expenses incurred, and hourly rates charged by the Receiver are justified under the factors set forth in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). To date, Receiver has recovered more than \$1.3 million for the Lancorp Financial Group

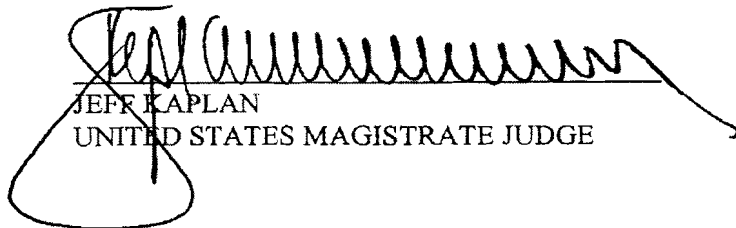
¹ The court previously authorized the Receiver "to pay 100% of his expenses on a monthly basis, provided statements are sent to the SEC each month, no objections thereto have been presented, and the quarterly fee applications are filed as required." See Order, 5/8/06 at 4. As permitted by this order, the Receiver has reimbursed his law firm \$1,352.40 in expenses and now seeks court approval of that action.

Receivership Estate. With the approval of this fee application, the total fees and expenses paid to the Receiver are \$152,828.53,² which is reasonable in light of the complexities of this litigation and the results obtained for defrauded investors, which includes a recent distribution of \$2.5 million. The court therefore determines that no adjustments to the fees requested by the Receiver are warranted at the present time.

Accordingly, the Receiver's fifth interim application for payment of fees and expenses [Doc. #316] is approved. The Receiver is authorized to pay the law firm of Quilling Selander Cummiskey & Lownds, P.C. the sum of \$16,143.00 in fees and \$1,352.40 in expenses from February 1, 2007 through April 30, 2007. All payments shall be chargeable to the Lancorp Financial Group Receivership Estate.

SO ORDERED.

DATED: June 1, 2007.



JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE

² In addition to legal fees and expenses, the court has approved payments of \$5,487.00 in accounting fees to Litzler, Segner, Shaw & McKenney, LLP. No additional accounting fees are sought by the Receiver in his current fee application.