

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 Megafund Corporation and related entities, has filed a motion to approve a proposed settlement with Allan Clark and Financial Risk Specialists, Inc. Under the terms of the settlement agreement, Clark has agreed to make a lump sum payment of \$100,000 to the Receivership Estate in full and final settlement of the \$140,000 balance due and owing under a promissory note executed on January 16, 2007.<sup>1</sup> The Receiver represents that this settlement is in the best interest of the Estate and likely will provide the highest recovery of investor funds at the least expense.

The Receiver was ordered to post a copy of the motion on his website with notice to all interested parties that any objections must be filed with the court by September 13, 2007. No written objections have been received. The Securities and Exchange Commission, through its regional counsel, has consented to the proposed settlement.

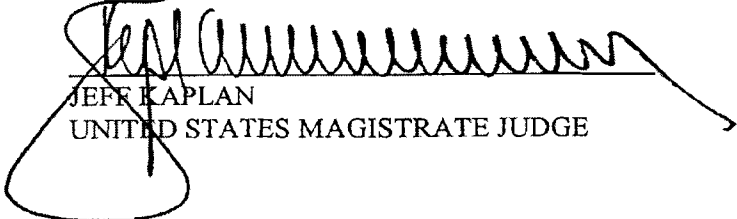
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<sup>1</sup> Clark executed a \$160,000 promissory note in favor of the Receiver in full and final settlement of a lawsuit brought against him to recover more than \$167,000 in investor funds. *Quilling v. Clark*, No. 3-06-CV-1088-L. After making one \$20,000 installment payment, Clark defaulted. The Receiver then filed a second lawsuit to recover the \$140,000 balance due under the promissory note. *Quilling v. Clark*, No. 3-07-CV-0926-L.

Accordingly, the Receiver's motion to approve a proposed settlement with Allan Clark and Financial Risk Specialists, Inc. [Doc. #350] is granted. The Settlement Agreement attached as Exhibit "A" to the Receiver's motion is hereby approved. The parties are directed to submit a stipulation of dismissal and an agreed order of dismissal in *Quilling v. Clark*, No. 3-07-CV-0926-L to Judge Sam A. Lindsay by **September 28, 2007**. The agreed order of dismissal must be approved and signed by all counsel of record.

SO ORDERED.

DATED: September 14, 2007.

  
JEFF KAPLAN  
UNITED STATES MAGISTRATE JUDGE