

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

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

**RECEIVER’S AGREED MOTION TO APPROVE
SETTLEMENT WITH GLENN M. STARK**

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

COMES NOW, Michael J. Quilling as the Receiver for Sardaukar Holdings, IBC and Bradley C. Stark (“Plaintiff” or “Receiver”) and files this his Agreed Motion to Approve Settlement with Glenn M. Stark. In support of this motion, the Receiver would respectfully show the Court as follows:

1. On July 1, 2005, the Securities and Exchange Commission (“SEC”) initiated these proceedings against numerous defendants involved in a fraudulent investment scheme. *See Complaint* [Dkt. No. 1]. By order of July 5, 2005, this Court appointed Michael J. Quilling as Receiver for Sardaukar Holdings, IBC (“Sardaukar”), Bradley C. Stark (“Brad Stark”), and other

related individuals and entities. *Order Appointing Temporary Receiver* (“Order Appointing Receiver”) [Dkt. No. 9], as amended July 19, 2005 [Dkt. No. 36].

2. The Order Appointing Receiver expressly authorized legal action to recover funds transferred out of the receivership estate:

The Receiver is hereby authorized to institute such actions or proceedings to impose a constructive trust, obtain possession and/or recover judgment with respect to persons or entities who received assets or funds traceable to investor monies.

Id. [Dkt. No. 36] at ¶ 13.

3. Accordingly, on August 10, 2006, the Receiver filed a lawsuit against Brad Stark’s brother, Glenn M. Stark (“Glenn Stark”), to recover fraudulent transfers from Sardaukar totaling \$87,280.00. *Complaint* [Dkt. No. 1] (3:06-CV-1435). On October 1, 2007, the Court awarded judgment to the Receiver for \$87,280.00 plus pre- and post-judgment interest. *Final Judgment* [Dkt. No. 23] (3:06-CV-1435). The Court also directed Glenn Stark to disgorge that amount to the Receiver within sixty days. *Nunc Pro Tunc Amended Order* [Dkt. No. 24] (3:06-CV-1435).

4. Glenn Stark maintains that he is unable to tender the full disgorgement amount to the Receiver and has produced a sworn financial statement demonstrating his inability to pay. After viewing the sworn financial statement and negotiating with opposing counsel, the Receiver has secured an agreement from Glenn Stark to tender \$65,000.00 within sixty days. The Receiver believes that this agreement is in the receivership estate’s best interests because it will likely provide the highest recovery of investor funds for the least expense.

WHEREFORE, PREMISES CONSIDERED, the Receiver requests that this Court enter an Order authorizing the Receiver to accept \$65,000.00 in full satisfaction of his judgment against

Glenn M. Stark. The Receiver also seeks such other and further relief, general or special, at law or in equity, to which he may show himself justly entitled.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.
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By: /s/ Brent J. Rodine

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ATTORNEYS FOR RECEIVER

CERTIFICATE OF CONFERENCE

Pursuant to Local Civil Rule 7.1, the Receiver's counsel participated in a conference with Mark A. Castillo, settlement counsel for Glenn M. Stark, on January 7, 2007. It was determined that both parties agree to the relief requested herein.

/s/ Brent J. Rodine

CERTIFICATE OF SERVICE

This is to certify that on January 8, 2007, a true and correct copy of this motion was served on all interested parties by the Court's electronic filing system and U.S. Mail, postage prepaid, to:

Glenn M. Stark
c/o Mark A. Castillo
The Curtis Law Firm, P.C.
901 Main Street, Suite 6515
Dallas, Texas 75202

/s/ Brent J. Rodine

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