

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

SECURITIES AND EXCHANGE COMMISSION, §

Plaintiff, §

v. §

Civil Action No. 3:05-CV-1328-L

MEGAFUND CORPORATION, STANLEY A. §

LEITNER, 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. §

RECEIVER’S OBJECTIONS TO CLAIMS
(Lancorp Receivership Estate)

TO THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling (“Receiver”) and files this his Objections to Claims and in support of such would show the Court as follows:

1. On July 5, 2005, the Court appointed Michael J. Quilling to serve as Receiver in these proceedings. On July 19, 2005, the Court issued an Amended Order Appointing Receiver pursuant to which additional parties were added to the Receivership.

2. On August 11, 2005, the Receiver filed a Motion to Designate Receivership Estates which the Court approved by Order dated August 12, 2005. As a result of the Order, the Lancorp Receivership Estate was designated.

3. On August 16, 2005, the Receiver filed a Motion to Establish Claim Procedure Plan and to Approve Claim Form, which Motion was granted by Order dated August 19, 2005. Pursuant to paragraph 8 of the Order, the Receiver requests that the Court disallow the following claims for the reasons set forth below.

Eckhard Alt Claim Number A-00360 (\$1,000,000.00)

Joseph Harker Claim Number A-00361 (\$159,000.00)

Kathleen Crocker Claim Number A-00362 (\$200,000.00)

The claimants each assert that they invested funds with First National Bancorp. Although the Receiver does not doubt that the claimants actually invested the funds, Lancorp never received any of the claimants' funds. Instead, both Lancorp and First National Bankcorp sent monies which they aggregated to a brokerage firm in New York, Max International. Subsequent to the Receiver's appointment, he sought to seize the brokerage account into which \$2,000,000.00 of Lancorp funds had been sent. At or about the same time the United States Government also seized the account in connection with its criminal prosecution of First National Bancorp principals in California. The parties have subsequently divided the funds in the account such that the Receiver has recovered the entire \$2,000,000.00 of the funds sent to the account by Lancorp and all remaining funds which are attributable to First National Bankcorp have been retained by the United States Government in California. Accordingly, each of these claims are more properly asserted against the funds held by the government in California and the claims in this case should be disallowed.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.
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By: /s/ Michael J. Quilling

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ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

This is to certify that on the 14th day of March, 2008, a true and correct copy of the above and foregoing motion was sent via first class mail, with full and proper postage prepaid thereon, to:

Eckhard U. Alt
807 Willard Street
Houston, TX 77006

Joseph B. Harker
Stewardship Group, LLC
5400 W. Plano Pkwy, #200
Plano, TX 75093

Kathleen A. Crocker
105 NE 7th Street
Delray Beach, FL 33444

/s/ Michael J. Quilling

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