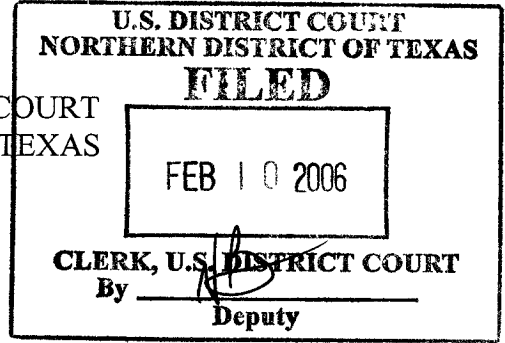


ORIGINAL

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



SECURITIES AND EXCHANGE COMMISSION, §
 Plaintiff, §
 v. §
 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. §

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

**RECEIVER'S UNOPPOSED AMENDED FIRST INTERIM APPLICATION TO
ALLOW AND PAY (1) RECEIVER'S FEES AND EXPENSES AND
(2) ATTORNEYS' FEES AND EXPENSES AND BRIEF IN SUPPORT
(MEGAFUND CORPORATION/CIG, LTD. RECEIVERSHIP ESTATE)**

TO THE HONORABLE SAM A. LINDSAY, UNITED STATES DISTRICT JUDGE:

Michael J. Quilling, Receiver, files this his Unopposed Amended First Interim Application to Allow and Pay (1) Receiver's Fees and Expenses and (2) Attorneys' Fees and Expenses (Megafund Corporation/CIG, Ltd. Receivership Estate) and in support of such would respectfully show unto the Court as follows:

BACKGROUND

1. **On November 30, 2005 the Receiver filed his First Unopposed Fee Application [Docket No. 75]. On January 9, 2006 the Court issued a Memorandum Opinion and Order [Docket No. 80] denying the application without prejudice because no supporting affidavit regarding the reasonableness and necessity of the fees was presented. By virtue of this pleading, the original application is being re-filed. There are no changes to the application other than this paragraph. The Affidavits of Steven A. Harr and Stephen J. Korotash in support of this Application are being filed contemporaneously.**

2. On July 1, 2005 the Securities and Exchange Commission ("SEC") filed its Complaint and request for appointment of a receiver. On July 5, 2005 the Court issued its Order Appointing Receiver pursuant to which Michael J. Quilling was appointed to serve as Receiver in this case. On July 18, 2005 the SEC filed an Amended Complaint and sought to add other individuals and entities to the receivership. On July 19, 2005 the Court issued an Amended Order Appointing Receiver. The Receivership Order applies to Megafund Corporation and CILAK International and its related entities, CIG, Ltd. and CILAK Properties.

3. Pursuant to the terms of the Orders Appointing Receiver, the Receiver was authorized to employ such attorneys as is necessary and proper in connection with the claims process. Subsequent to his appointment, the Receiver employed the law firm of Quilling Selander Cummiskey & Lownds, P.C. ("QSCL") as his general counsel. The Receiver is an attorney and a shareholder of the law firm and has rendered many of the legal services which are the subject of this Application as well as performing his duties as the Receiver.

4. On August 12, 2005 the Receiver filed an Unopposed Motion to Designate Receivership Estates [Docket No. 48]. On August 15, 2005 the Court entered an Order [Docket No. 50] pursuant to which two receivership estates were established with regard to these proceedings, the Megafund Corporation/CIG, Ltd. Receivership Estate and the Sardaukar Holdings Receivership Estate.

5. This Application seeks approval and payment of the fees and reimbursement of expenses for the Receiver and QSCL for the time period from July 1, 2005 through October 31, 2005 as to the Megafund Corporation/CIG, Ltd. Receivership Estate and only that estate.

6. Pursuant to paragraph 16 of the Order Appointing Receiver, the Receiver has paid himself and QSCL 90% of the fees (\$159,740.10) and 100% of the expenses (\$6,258.29). The purpose of this Application is to request Court approval of all of the fees and expenses and to allow payment of the 10% fee holdback (\$17,748.90).

7. During the period covered by this Application, the Receiver has incurred fees and expenses with respect to his activities as Receiver and with respect to QSCL as to these proceedings on a monthly basis as follows:

Month	Fees	Expenses
July 2005	\$49,008.50	\$2,484.67
August 2005	\$65,698.00	\$781.69
September 2005	\$23,286.50	\$1,624.46
October 2005	\$39,496.00	\$1,367.47
TOTAL:	\$177,489.00	\$6,258.29

8. Exhibit "A," which is attached hereto and incorporated herein by reference for all purposes conveys the following information for the time period of July 1, 2005 through October 31,

2005: (a) the number of hours worked by each attorney and staff member on a particular day; (b) the manner and type of work performed by each attorney and staff member; (c) the customary billing rate for each person rendering service in this matter; and (d) the monetary value assigned to each task performed by a given attorney and/or staff member. Each of the invoices attached hereto as Exhibit "A" reflect aggregate expenses by category during a given month.

JOHNSON FACTORS

9. In support of this request for allowance of compensation and reimbursement of expenses, the Receiver and QSCL respectfully direct this Court's attention to those factors generally considered by courts in awarding compensation to professionals for services performed in connection with the administration of a receivership estate. As stated by the Fifth Circuit Court of Appeals in *Migis v. Pearle Vision, Inc.*, 135 F.3d 1041, 1047 (5th Cir. 1998) "The calculation of attorneys fees involves a well-established process. First, the court calculates a 'lodestar' fee by multiplying the reasonable number of hours expended on the case by the reasonable hourly rates for the participating lawyers. (cite omitted.) The court then considers whether the lodestar figure should be adjusted upward or downward depending on the circumstances of the case. In making a lodestar adjustment the court should look at twelve factors, known as the Johnson factors, after *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974)." Those factors as applied to the services rendered in this case by the Receiver and QSCL are addressed below.

(a) The Time and Labor Required. The Receiver and QSCL respectfully refer the Court's attention to Exhibit "A" which details the involvement of the Receiver and QSCL's attorneys in this case during the four month period covered by this Application during which a total of more than 875 hours of attorney, Receiver and paraprofessional time have been expended.

(b) The Novelty and Difficulty of the Questions. Many of the tasks reflected in Exhibit “A” involved factual and legal questions which were of substantial complexity.

(c) The Skill Requisite to Perform the Service. The Receiver believes that the services performed in this case have required individuals possessing considerable experience in asset seizure, tracing and liquidation. Both the Receiver and QSCL have considerable experience in such areas.

(d) The Preclusion of Other Employment Due to Acceptance of the Case. The Receiver and QSCL have not declined any representation solely because of their services as Receiver and counsel for the Receiver.

(e) The Customary Fee. The hourly rates sought herein are commensurate with or lower than the rates charged by other practitioners of similar experience levels in the Northern District of Texas. During the course of these proceedings, the following lawyers at QSCL have performed legal services on behalf of the Receiver with respect to these proceedings: Michael J. Quilling (\$350.00 per hour), licensed in Texas in 1982 and Texas Board Certified in Business Bankruptcy Law and Civil Trial Law; D. Dee Raibourn (\$225.00 per hour) licensed in Texas in 1998; Michael D. Clark (\$225.00 per hour) licensed in Texas in 1997; and Hudson Jobe (\$185.00 per hour) licensed in Texas in 2003.

(f) Whether the Fee is Fixed or Contingent. The Receiver’s and QSCL’s fees are fixed insofar as monies exist by way of Receivership Assets from which to pay such fees. Payment of such fees, however, is subject to Court approval.

(g) Time Limitations Imposed by the Client or Other Circumstances. The time requirements during the period covered by this Application have been normal.

(h) The Amount Involved and the Results Obtained. As to the Megafund Corporation/CIG, Ltd. Receivership Estate, the primary assets are located in Flower Mound, Texas. The Receiver has seized a couple of vehicles, three houses and office contents and furnishings. The Receiver has also seized all known computer and hard copy books and records.

Megafund Corporation received at least \$17 million of investor funds, much of which was improperly diverted before about \$11 million was passed along to CILAK International and CIG, Ltd. which also diverted funds and sent the balance of about \$9.5 million to Sardaukar Holdings. The Receiver is in the process of liquidating the vehicles, houses and office contents.

(i) The Experience, Reputation and Ability of the Attorneys. QSCL has several attorneys who specialize exclusively in the practice of civil trial law. The practice of those attorneys regularly includes the representation of bankruptcy trustees and receivers. The reputation of QSCL's attorneys is recognized and respected in their community in Texas.

(j) The Undesirability of the Case. The representation of the Receiver incident to this case has not been undesirable.

(k) The Nature and Length of the Professional Relationship with the Client. QSCL did not represent the Receiver in these proceedings prior to being retained in these proceedings.

(l) Award in Similar Cases. QSCL believes that the fees requested in this case are less than or equal to those which have been awarded in similar cases in this District.

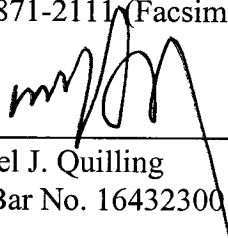
WHEREFORE, the Receiver respectfully requests that the Court allow the requested compensation for professional services and expenses rendered by the Receiver and QSCL and authorize the Receiver to pay the 10% fee holdback of \$17,748.90, as per itemization in Exhibit "A"

attached hereto and for such other and further relief, general or special, at law or in equity, to which the Receiver and QSCL may show themselves justly entitled.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.
2001 Bryan Street, Suite 1800
Dallas, Texas 75201-4240
(214) 871-2100 (Telephone)
(214) 871-2111 (Facsimile)

By:

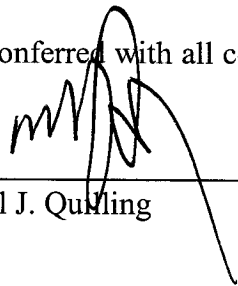


Michael J. Quilling
State Bar No. 16432300

ATTORNEYS FOR RECEIVER

CERTIFICATE OF CONFERENCE

Prior to filing this Amended Application, I conferred with all counsel of record. None of them oppose the Application.



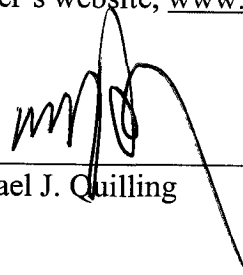
Michael J. Quilling

CERTIFICATE OF SERVICE

This is to certify that on the 10th day of February, 2006, a true and correct copy of the above and foregoing Amended Application was served, via first class mail, with full and proper postage prepaid thereon, to:

Stephen J. Korotash Securities and Exchange Commission 801 Cherry Street, Suite 1900 Fort Worth, Texas 76102	Scott Baker 10830 North Central Expressway Suite 475, B4 Dallas, Texas 75231
Jeffrey Henderson Henderson & Lyman 175 West Jackson Boulevard, Suite 240 Chicago, Illinois 60604	CIG, Ltd. c/o James Rumpf 1802 Pleasant Valley Drive, Suite 100-149 Garland, Texas 75040
James Rumpf, Individually and d/b/a CILAK International 1802 Pleasant Valley Drive, Suite 100-149 Garland, Texas 75040	Steve Smoot Smoot Law Firm, P.C. 4545 Mt. Vernon Houston, Texas 77006

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



Michael J. Quilling

Exhibit “A”



QUILLING • SELANDER • CUMMISKEY • LOWNDS

Federal ID #75-2459334

Michael J. Quilling, Receiver

Page: 1
 07/31/2005
 Client No: 911-0110M
 Invoice No: 31717

RE: Megafund Corporation

ITEMIZED SERVICES BILL

	Hours	
06/29/05 MJQ Meeting with SEC in Fort Worth to review case facts and strategy (3.5); Review and revise proposed receivership order (.5).	4.00	1,400.00
DDR Meeting with Michael Quilling and SEC regarding various case issues.	3.00	675.00
06/30/05 DDR Research regarding potential receivership assets.	1.50	337.50
07/01/05 SMT Preparation for office shutdown and home visit. Mapquest locations and document preparation.	2.00	220.00
DDR Continue to research for potential receivership assets and case witnesses (2.0); Attention given to preparing 754 filings (.4).	2.40	540.00
07/05/05 LDF Trip to Court to obtain certified copies of Order Appointing Receiver	1.00	100.00
SMT Attention to the shut down of the Mega Fund office. Picture inventory of the office and Stan Leitner's home.	7.00	770.00
DDR Attention given to obtaining Receiver's bond and filing same (.3); Review of pleadings at courthouse (.7); Several telephone conferences with Steve Korotash regarding various case issues (.7); Several telephone conferences with Receiver regarding various case issues (.7); Attention given to locating potential receivership assets (2.0); Attention given to securing Megafund offices, meeting with landlord, and review of documents (3.0); Meeting with Stanley Leitner and inspect property in Argyle, TX (3.0).	10.40	2,340.00
07/06/05 LDF Trip to Crest Cadillac to take possession of vehicle	1.50	150.00
SMT Item inventory of the furniture in the Megafund offices.	6.00	660.00
DDR Telephone conference with Susan Coleman regarding Megafund LEase space (.3);		

Bryan Tower 2001 Bryan St., Suite 1800 Dallas, TX 75201

ph. 214 871 2100 fx. 214 871 2111 www.qsclpc.com

A P P R O F E S S I O N A L C O R P O R A T I O N

A T T O R N E Y S A N D C O U N S E L O R S

Michael J. Quilling, Receiver

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07/31/2005

Client No: 911-0110M

Invoice No: 31717

RE: Megafund Corporation

		Hours	
	Meeting with PAT Brewer at Crest Cadillac regarding turnover of automobile (1.5); Several telephone conferences with Steve Korotash regarding various case issues (.6); Several telephone conferences with Receiver regarding various case issues (.6); Review documents at Megafund offices and inventory property (6.0).	9.00	2,025.00
07/07/05	LS Telephone conference with counsel for IGI regarding frozen bank account (.2).	0.20	20.00
	DDR Review of documents seized by the FBI from Megafund offices (4.0); Meeting with Steve Korotash regarding various case issues (.3); Continue to review documents and trace potential estate assets (4.5).	8.80	1,980.00
	MJQ Meeting with DDR regarding status in Dallas, records and assets (.8).	0.80	280.00
07/08/05	MJQ Several telephone conferences with Alberto in Office of International Affairs of SEC (.6); Telephone conference with counsel in Netherland Antilles regarding retention to pursue CIG funds (.5);	1.10	385.00
	DDR Attention given to drafting subpoenas for records (.5); Attention given to tracing estate assets (1.0); Review of case records and documents (1.5); Meeting with SEC and interview with Robert Fridd regarding various case issues and facts (6.5)	9.50	2,137.50
07/09/05	MJQ Preparation of letter to counsel in Netherland Antilles regarding CIG account and gather materials incident to same (.5); Office conference with Dee Raibourn regarding action items (.4); Inspect Megafund Cadillac (.3); Telephone conference with Steve Korotash regarding preparation for injunction hearing (.3).	1.50	525.00
	DDR Attention given to picking up and securing Cadillac XLR.	1.50	337.50
07/10/05	DDR Office conference with Receiver regarding various case issues (.4); Telephone conference with Steve Korotash regarding various case issues (.3); Review of documents obtained from Megafund offices (2.0).	2.70	607.50
07/11/05	MJQ Review of letter from counsel for Rbtt Bank (.1);	0.10	35.00
	DDR Meeting with Receiver and Steve Korotash regarding various case issues (5.0); Telephone conference with Steve Korotash regarding various case issues (.3); Draft		

Michael J. Quilling, Receiver

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07/31/2005

Client No: 911-0110M

Invoice No: 31717

RE: Megafund Corporation

	Hours	
declaration for Michael Quilling (.8); Review of bank records and other documents in connection with same (2.5).	8.60	1,935.00
07/12/05 SMT Meeting with the Receiver, SEC and US Postal Inspector regarding case overview and status.(4.0); Creation of Powerpoint money flow diagram.(1.0)	5.00	550.00
DDR Meeting with AUSA Yanowitch regarding various case issues (3.0); Review of documents produced by Megafund and Stan Leitner (2.5); Several telephone conferences with Steve Korotash regarding various case issues (.6); Revise Michael Quilling Declaration (.3); Attention given to locating potential estate assets (1.5); Telephone conference with Dennis Harper er status of case (.3).	8.20	1,845.00
07/13/05 SMT Telephone conference with Milo Segner regarding the Cash Flow diagram and updates.(.4); Southtrust Bank record review.(.6)	1.00	110.00
DDR Telephone conference with Paul Yanowitch regarding production of documents (.4); Review and respond to general case correspondence and e-mails (.3); Attention given to drafting various Lis Pendens (.1.0; Draft letter to Aaron Keiter regarding production of documents (.5); Continue to review documents produced and obtained from Megafund (5.0).	7.20	1,620.00
07/14/05 MJQ Attend Megafund offices and inspect furniture and artwork (3.5); Meet with post office to forward mail (.5);	4.00	1,400.00
LS Research filing Lis Pendens in State of Missouri (.5).	0.50	50.00
SMT Continued written inventory of the Megafund offices.(5.0); Bank record review.(2.0)	7.00	770.00
DDR Draft letter to Ralph Janvey regarding production of documents from Robert Fridd (.5); Continue to inventory Megafund offices and meeting with landlord (5.0); Several telephone conferences with Steve Korotash regarding various case issues (.5); Continue to review documents and trace potential estate assets (3.0); Attention given to preparing various subpoenas (.7).	9.50	2,137.50
07/15/05 AFS Conference with Dee Raibourn re lis pendens procedures in Texas and practical resolution of problems re same in receivership case.	0.50	175.00

Michael J. Quilling, Receiver

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07/31/2005

Client No: 911-0110M

Invoice No: 31717

RE: Megafund Corporation

	Hours	
SMT Meeting with Receiver regarding case overview (.8); Review of bank records and transaction details (4.0); Telephone conference with Harris Furniture regarding furniture held by them and proposal for a buy back (.5)	5.30	583.00
DDR Meeting with Receiver regarding various case issues and strategies (.8); Telephone conference with Milo Segner regarding various case issues (.3); Telephone conference with Steve Korotash regarding various case issues (.3); Review and respond to general case correspondence and e-mails (.4); Continue to review documents and trace potential receivership assets (7.0).	8.90	2,002.50
07/18/05 DDR Telephone conference with Steve Korotash regarding various case issues (.3); Telephone conference with Milo Segner regarding various case issues (.3); Telephone conference with Receiver regarding various case issues (.3); Review of documents produced by Megafund and obtained at offices (4.0); Attention given tracing potential receivership assets (1.0).	6.40	1,440.00
CM Conference with attorney regarding scope of project (.2); sort through documents to locate and prepare investor files (2.5).	2.70	270.00
07/19/05 AFS Review notice of lis pendens; letter to Denton County Clerk enclosing same for filing.	0.50	175.00
SMT Seizure of Rumpf house, cars, Pendagrast house. Review of documents and photo document items in both locations.	8.50	935.00
DDR Review of case documents and continue tracing potential estate assets (4.0); Several telephone conferences with Steve Korotash regarding various case issues (.6); Several telephone conferences with Receiver regarding various case issues (.5); Attention given to taking control of real and personal property for defendants and review of documents, including several interviews with case witnesses and defendants (9.0).	14.50	3,262.50
CM Continue organization of documents including preparation of files for investors and various categories related to investments, wiring, and banking.	5.00	500.00
07/20/05 LS Telephone conference with potential claimant (.3); Unload computer equipment and boxes taken from Rumpf home and		

Michael J. Quilling, Receiver

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07/31/2005

Client No: 911-0110M

Invoice No: 31717

RE: Megafund Corporation

	Hours	
offices (1.0); Telephone conference with James Rumpf regarding property (.2).	1.50	150.00
SMT Continue review assets and inventory at Rumpf house. (3.5); Assist with review of properties at Saddlebrook apartments. Photo document assets and apartments.(5.0)	8.50	935.00
DDR Meeting with Sabre Management and examine CILAK office space (3.0); Continue to review documents and inventory assets at Gentle Drive property (3.0); Interview case witnesses and inspect apartments at Saddlebrook Apartments leased by CILAK (5.0).	11.00	2,475.00
07/21/05 MJQ Numerous telephone conferences with Dee Raibourn regarding CIG assets and seizure (2.0).	2.00	700.00
SMT Assist in inspection of and photo document property in Argyle, TX.(3.5); Continue inventory of assets at the Gentle Street property.(1.0); Inspection of CILAK offices and photo document assets there.(3.0); Meeting with Paul Ritter and Kelly Jones regarding computer forensics issues and electronic data mining.(2.0); Transfer of photos to online folder. Review and initial test of inventory database.(1.5)	11.00	1,210.00
DDR Several telephone conferences with Steve Korotash regarding various case issues (.5); Several telephone conferences with Receiver regarding various case issues (.5); Telephone conference with Mike Ferona regarding CILAK properties (.3); Attention given to taking possession of and inspecting property in Argyle, Texas (3.5); Inventory CILAK offices and review of documents (3.0); Continue to inventory property and documents at Gentle Street property (1.0); Meeting with Paul Ritter and Kelly Jones regarding computer forensic issues and electronic data mining (2.0); Continue to review documents (1.0).	11.80	2,655.00
MDC Research and legal research re corporation soles (.5); phone calls from/to Receiver re same (.1);	0.60	120.00
07/22/05 CA Bates label documents for Dee (Saddlebrook) (1.5).	1.50	127.50
SMT Review of inventory fax of items held at Harris Furniture. Telephone conference with Janice regarding the property and the potential for buy back and/or pick up.(1.3);	1.30	143.00

Michael J. Quilling, Receiver

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 07/31/2005
 Client No: 911-0110M
 Invoice No: 31717

RE: Megafund Corporation

	Hours	
DDR Review of documents and records obtained from CILAK offices and Rumpf's house (2.0); Attention given to tracing potential estate assets (1.5); Several telephone conferences with Receiver regarding various case issues (.5); Travel to and attend meetings at SEC office in Ft Worth with Milo Segner and others (7.0).	11.00	2,475.00
MDC Initial review of SEC's complaint and order appointing receiver (.3); e-mail memo to receiver re corporate sole and information obtained via research (.5); conference with Dee Raibourn and e-mail to receiver re same (.8).	1.60	320.00
07/23/05 DDR Telephone conference with Steve Korotash regarding various case issues (.3); Review of case records and documents (1.0).	1.30	292.50
MDC Continue research on corporation soles (1.2);	1.20	240.00
07/24/05 DDR Review of general case correspondence and e-mails (.5); Meeting with Receiver regarding various case issues (1.0); Continue to review case records and documents (3.0).	4.50	1,012.50
07/25/05 MJQ Telephone conference with potential buyer of furniture (.2);	0.20	70.00
SMT Start inventory of the CILAK Offices (.5);	0.50	55.00
DDR Telephone conference with Terry Teel regarding CILAK office space (.3); Draft letter to same regarding authorization to open and change locks (.5); Telephone conference with Lisa Huffman regarding Megafund office space (.3); Telephone conference with case witness regarding various case issues and facts (.4); Telephone conference with Steve Korotash regarding various case issues (.3); Telephone conference with James Clark regarding production request from Aaron Keiter (.4); Draft letter to same regarding same (.6); Meeting with Ralph Freeman regarding various case assets (.5);	3.30	742.50
For Current Services Rendered	250.10	49,008.50

Recapitulation

Timekeeper	Hours	Hourly Rate	Total
Michael J. Quilling	13.70	\$350.00	\$4,795.00
Arthur F. Selander	1.00	350.00	350.00
Stephen M. Tomasky	63.10	110.00	6,941.00
D. Dee Raibourn	155.00	225.00	34,875.00
Michael D. Clark	3.40	200.00	680.00
Leslie D. Finn	2.50	100.00	250.00

Michael J. Quilling, Receiver

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07/31/2005

Client No: 911-0110M

Invoice No: 31717

RE: Megafund Corporation

Cheryl Moseley	7.70	100.00	770.00
Lisa Smith	2.20	100.00	220.00
Christy Armstrong	1.50	85.00	127.50

Telecopies	19.00
Parking	10.00
Travel Expenses - Dee Raibourn to California for meetings and to inventory seized property.	1,232.48
Travel Expenses - Dee Raibourn to California for meetings and inventory seized assets.	609.66
Paid to U.S. District Court for certified copy of order appointing receiver	125.00
Gas for cadillac.	30.00
Repairs on Cadillac seized by receivership estate.	102.07
Dinner for receivership team after house seizures.	29.96
Paid to Denton County Clerk for record Notice of Lis Pendens	38.00
Fuel for seized cadillac.	39.50
Certified Copies of Amended Order Appointing Receiver.	97.00
Paid to Denton County Clerk for Filing Fee for Notice of Lis Pendens	38.00
Paid to Denton County Clerk for Filing Fee for Notice of Lis Pendens	38.00
Paid to Denton County Clerk for Filing Fee for Notice of Lis Pendens	38.00
Paid to Denton County Clerk for Filing Fee for Notice of Lis Pendens	38.00
<hr/>	
Total Expenses Thru 07/31/05	2,484.67
Total Current Work	51,493.17
Balance Due	<u><u>\$51,493.17</u></u>

NOTE: PLEASE REFERENCE THE CLIENT MATTER NO. WITH PAYMENT



QUILLING • SELANDER • CUMMISKEY • LOWNDS

Federal ID #75-2459334

Michael J. Quilling, Receiver

Page: 1
08/31/2005

Client No: 911-0110M
Invoice No: 32381

RE: Megafund Corporation

ITEMIZED SERVICES BILL

			Hours	
08/01/2005	MJQ	Preparation of Motion to Designate Receivership Estates (.6); Preparation of Motion to Approve Claim Form (.5); Initial review of bank records provided under subpoena (1.0); Several telephone conferences regarding shipment of model ships (.5); Review and organize various case documents (.5); Continue work on preliminary report (.5).	3.60	1,260.00
	DDR	Telephone conference with James Rumpf regarding various case issues (.3); Meeting with Ralph Freeman regarding various case issues (.6); Telephone conference with Milo Segner regarding various case issues (.3); Meeting with Paul Ritter regarding document production (1.0); Review of documents from Rumpf USB drive and other documents (6.5).	8.70	1,957.50
08/02/2005	MJQ	Work on website construction.	0.80	280.00
	DDR	Meeting with Ralph Freeman regarding various case issues and assets (.5); Review of documents and prepare for meeting with James Rumpf (1.0); Meeting with James Rumpf and Receiver regarding various case issues and assets (1.7); Meeting with Paul Ritter regarding production of documents (.3); Attention given to organizing case documents and assets (1.5); Continue to review documents (4.5).	9.50	2,137.50
	SMT	Create and modify A and B claim forms. Creation and modification of return post cards.	8.00	880.00
	LS	Meeting with Comerica Bank regarding new bank accounts.	1.00	100.00
	MJQ	Meeting with Comerica Bank to establish accounts and deposit funds recovered to date (1.0); Meeting with James Rumpf and wife to discuss assets and case issues (1.7); Review of claim form (.2).	2.90	1,015.00
08/03/2005	DDR	Telephone conference with Steve Korotash regarding various case issues (.3); Telephone conference with Receiver regarding various case issues (.3); Review and respond to general case correspondence and e-mails (.3); Attention given to inventory of Megafund offices and review of documents (7.0).	7.90	1,777.50
	SMT	Telephone conference with Judy at Kilpatrick Equipment regarding nsf check for shredder (.5); Attention to inventory of Megafund offices. Office clean up and box of personal effects.(7.0)	7.50	825.00

Bryan Tower 2001 Bryan St , Suite 1800 Dallas, TX 75201

ph 214 871.2100 fx 214 871 2111 www qsclpc.com

A P R O F E S S I O N A L C O R P O R A T I O N

A T T O R N E Y S A N D C O U N S E L O R S

Michael J. Quilling, Receiver

Page: 2

08/31/2005

Client No: 911-0110M

Invoice No: 32381

RE: Megafund Corporation

			Hours	
	LS	Attention to Inventory of MegaFund offices. Photo document inventory of IGI artwork. Clean kitchen and various offices.	7.00	700.00
	LDF	Attention to Inventory of MegaFund offices. Photo document inventory of IGI artwork.	7.00	700.00
	MJQ	Assist with transfer of items from Megafund offices to storage unit.	2.00	700.00
08/04/2005	MJQ	Meeting with Paul Yanowich and FBI agents regarding case facts and evidence (1.5); Telephone conference with model ship company regarding shipping details (.2); Telephone conference with Mike Tonioli regarding case issues (.2).	1.90	665.00
	DDR	Prepare for and attend meeting with Receiver and AUSA regarding various case issues (3.2); Draft Motion and Order to sell Cadillac (.7); Continue to review documents obtained from CILAK computers (4.5); Meeting with Paul Ritter regarding computer forensic work and document production (.8).	9.20	2,070.00
	SMT	Photo download of inventory pictures and file set up for inventory.(3.0); Telephone conference with Robert Phipps regarding bid on furniture. Email photos.(1.0); Input data on inventory database.(2.0)	6.00	660.00
08/05/2005	MJQ	Office conference with Dee Raibourn regarding moonoggie issues and case action items (.5) Telephone conference with First United Bank regarding closing of account and preparation of letter regarding same (.4)	0.90	315.00
	SMT	Inventory of items seized. Update database. Research of eBay procedures.	5.00	550.00
	DDR	Left voice message for James Rumpf regarding various case issues (.1); Telephone conference with Milo Segner regarding various case issues (.3); Meeting with Paul Ritter and Receiver regarding computer forensic work (.5); Review of documents obtained in case in connection with identifying potential assets (6.0).	6.90	1,552.50
08/07/2005	MJQ	Preparation of letter to counsel regarding Motion to Sell (.1).	0.10	35.00
08/08/2005	DDR	Telephone conference with James Rumpf regarding various cas issues (.3); Telephone conference with David Grubbs regarding various case issues (.3); Telephone conference with Julia Huseman regarding various case issues (.3); Telephone conference with case witness regarding various case facts (1.0); Telephone conference with James Clark regarding various case issues (.5); Telephone conference with Mike Mockins regarding potential		

Michael J. Quilling, Receiver

08/31/2005

Client No: 911-0110M

Invoice No: 32381

RE: Megafund Corporation

			Hours	
		purchase of property (.3); Draft letter to UATV regarding transfer of funds from Megafund (.7); Continue to review case documents in connection with tracing of potential assets (5.5).	8.80	1,980.00
	SMT	Create and modify B claim form and update A claim form.	6.00	660.00
08/09/2005	DDR	Meeting with Robert Gribbs at Megafund offices to value contents (3.5); Meeting with Megafund landlord regarding status of case (.3); Review and respond to general case correspondence and e-mails (.5); Review of bank records and case documents in connection with tracing of assets (5.0).	9.30	2,092.50
	SMT	Meet with furniture appraiser at Megafund offices to value furniture. Continue clean up of offices.(3.5); Download of inventory pictures of office furniture.(.8); Attention to review of seized media devices such as cd's & memory cards from Rumpf property.(1.5); Telephone conference with Judy at Kilpatrick Equipment regarding nsf check and faxed statements.(.4)	6.20	682.00
08/10/2005	MJQ	Telephone conference with AUSA regarding privileged documents (.2); Work on website (1.0).	1.20	420.00
	DDR	Meeting with Paul Ritter regarding document production (.3); Telephone conference with Robert Phipps regarding valuation of Megafund office furniture (.5); Telephone conference with Paul Yanowitch regarding various case issues (.3); Meeting with Julia Huseman regarding various case issues and review of documents in preparation for Larry Frank interview (4.0); Review and organize documents from CILAK, CIG, and Rumpf (2.0); Telephone conference with Richard Gibson regarding CIG account (.3); Telephone conference with David Delo regarding moondoggie technologies (.3); Review of CD's and other electronic data from CILAK/CIG computers (1.5).	9.20	2,070.00
	SMT	Review of information stored on seized cd's and dvd's from Pentecost property.	3.00	330.00
08/11/2005	DDR	Travel to FT Worth, TX and attend meeting with Steve Korotash and others (4.5); Continue to review documents from CILAK computers (3.0); Review and respond to general case correspondence and e-mails (.4);	7.90	1,777.50
	SMT	Telephone conference with Janice at Harris Antiques regarding furniture held at their store. Copy and mail cd with photos of seized furniture to Janice for bid.(1.5); Attention to inventory database, upload of pictures and information.(3.5)	5.00	550.00
08/12/2005	MJQ	Attend Rumpf house and inspect premises; Meeting with copier vendor to deliver possession; review electronic assets and documents; Attend Megafund		

Michael J. Quilling, Receiver

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08/31/2005Client No: 911-0110M
Invoice No: 32381

RE: Megafund Corporation

			Hours	
		offices to identify remaining assets to remove and negotiate deal with landlord.	6.00	2,100.00
	DDR	Meeting with Paul Ritter regarding various computer forensic issues (.3); Travel to Gentle Drive property and Megafund offices to conduct inventory and obtain case documents (6.0); Review and respond to general case correspondence and e-mails (.3); Attention given to organizing documents and reviewing documents (1.5).	8.10	1,822.50
	SMT	Several phone calls with Janice at Harris Antiques regarding the bid for furniture and the buyback of items held in storage.(1.5); Telephone conference with Cindy Thomas at Atrium Antiques regarding purchase orders and furniture held at the store.(.5); Attention to inventory database input and updates. Picture review.(3.0)	5.00	550.00
08/13/2005	MJQ	Review of letter from vendor and respond to same.	0.20	70.00
08/15/2005	MJQ	Review of additional bank records received under subpoena and telephone conference with accountants regarding same (.5); Office conference with Dee Raibourn regarding settlement with landlord (.3); Review of orders issued by Court (.1); Meeting with Dee Raibourn to discuss action items (.5).	1.40	490.00
	LS	Work on setting up website.	4.50	450.00
	DDR	Meeting with Paul Ritter regarding computer forensic work (.5); Several telephone conferences with Travis McNellie regarding Megafund lease and potential settlement (.6); Telephone conference with Ron Loecker regarding copies of Megafund hard drives (.3); Telephone conference with Paul Ritter regarding same (.3); Telephone conference with Milo Segner regarding various case issues (.3); Meeting with Receiver regarding various case issues and action items (.5); Review and respond to general case correspondence and e-mails (.4); Attention given to preparing Receiver's preliminary report (1.0); Continue to review case documents (4.5).	8.30	1,867.50
	SMT	Assist with web page development and issues.	0.80	88.00
08/16/2005	DDR	Prepare for and attend interview of Larry Frank (6.0); Several telephone conferences with Travis McNellie regarding Megafund lease settlement (.4); Telephone conference with Ralph Freeman regarding various case issues (.3); Review and organize documents obtained from Gentle Drive property (1.5); Attention given to preparing Receiver's preliminary report (.5); Review of electronic data from case (.8).	9.50	2,137.50
08/17/2005	MJQ	Assist with removal of final assets from Megafund offices (2.5); Organize computer assets and various documents (1.0).	3.50	1,225.00

Michael J. Quilling, Receiver

08/31/2005

Client No: 911-0110M

Invoice No: 32381

RE: Megafund Corporation

		Hours		
	DDR	Telephone conference with Scott Baker regarding various case issues (.3); Finish clearing out Megafund offices and meeting with Stan Leitner regarding return of personal property (3.5); Telephone conference with Megafund landlord regarding various case issues (.3); Telephone conference with Travis McNellie regarding lease settlement (.3); Attention given to preparing Receiver's Preliminary Report (2.0); Continue to organize, inventory, and review case documents (4.0).	10.40	2,340.00
	SMT	Attention to clean up of Megafund offices. Box and removal of non essential items and supplies.(3.5); Email correspondence with Gary Lancaster regarding case information.	3.90	429.00
08/18/2005	MJQ	Continue to work on Preliminary Report (1.5); Telephone conference with First United Bank regarding closure of account (.2); Attention to deposit of funds from same (.2); Telephone conference with Angelia Stewart regarding bank records (.2).	2.10	735.00
	LDF	Trip to Court to obtain certified copies of orders granting sale of auto	0.50	50.00
	DDR	Attention given to preparing Receiver's Preliminary Report (4.0); Draft Motion to Approve Settlement and Compromise Agreement (1.0); Telephone conference with Travis McNellie regarding same (.3); Continue to review case documents (2.5).	7.80	1,755.00
	SMT	Attention to furniture and storage inventory. Update of inventory database.	5.50	605.00
08/19/2005	LS	Telephone conference with investor regarding claim form (.2); Work on website (1.0).	1.20	120.00
	DDR	Several telephone conferences with investors regarding status of case (.5); Review and respond to general case correspondence and e-mails (.5); Review of electronic data from CILAK and CIG (8.0).	9.00	2,025.00
	SMT	Telephone conference with Dale Thomas at Atrium Antiques regarding bills and statement on purchased furniture at store.(.5); Attention to inventory database and input of information. Review of eBay procedures for sale of items.(3.5)	4.00	440.00
08/22/2005	MJQ	Review of privilege log from Magistrate Bush (.3); Meeting with potential purchaser of Rumpf house and meeting with post office to forward mail (3.5); Initial review of CILAK bank account records (.6).	4.40	1,540.00
	LS	Telephone conference with investor regarding case		

Michael J. Quilling, Receiver

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08/31/2005

Client No: 911-0110M

Invoice No: 32381

RE: Megafund Corporation

		Hours	
	status and claim information.	0.30	30.00
	DDR Left voice message for James Rumpf regarding various case issues (.1); Review and organize materials and documents from Gentle Drive property (1.0); Left voice message for Gary Lancaster regarding various case issues (.1); Attention given to sale of Caddilac (.3); Attention given to forwarding mail, continue to inventory Rumpf house, and meeting with potential buyer for same (3.0); Telephone conference with Trisha Pentacost regarding various case issues (.3); Meeting with paralegal regarding various case issues (.3); Telephone conference with Travis McNellie regarding motion to approve compromise and settlement (.3); Attention given to filing same (.2).	5.60	1,260.00
	MJQ Review of letter from counsel for Stark (.2); Telephone conference with Angelia Stewart regarding Refco account (.2); Preparation of letter regarding same (.1); Telephone conference with Mike Tonioli regarding action items (.3).	0.80	280.00
08/23/2005	CA Travel to and from Flower Mound Utility Department to make utility payment for the Cilak Properties II (1.8); Prepare Subpoena to Grubbs Infiniti regarding 2005 Infiniti bought by Cilak Properties II (.5); Compile Excel Spreadsheet for Cilak Properties II Investors and Megafund Investors (3.2).	5.50	467.50
	MJQ Attention to payment of various expenses relating to houses (.5); Telephone conference with Comerica regarding movement of funds (.2); Meeting with Dee Raibourn and Christy Armstrong regarding investor database (.3); Preparation of subpoena for Infiniti records (.2); Office conference with potential purchaser of Infiniti (.2); Review of various case documents and instructions to paralegals regarding same (.5).	1.90	665.00
	DDR Telephone conference with Gary Lancaster regarding various facts issues and status (.5); Meeting with Nicole Magee regarding various case facts and return of personal property (.8); Telephone conference with Terry Teal regarding CILAK office space (.3); Review and respond to general case correspondence and e-mails (.5).	2.10	472.50
	SMT Create in house checks for Megafund account using Check Launch. Issue checks for utilities on Gentle Drive property.(2.0); Telephone correspondence with Jade at the Town Of Flowermound utility office regarding the water bill.(.4);	2.40	264.00
08/24/2005	CA Continue preparing Excel spreadsheet with Cilak Properties II Investors and Megafund Investors (4.0).	4.00	340.00

Michael J. Quilling, receiver

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RE: Megafund Corporation

			Hours	
	LS	Telephone conference with bank regarding subpoena request.	0.20	20.00
08/25/2005	CA	Complete the investor spreadsheet in Excel for Cilak Properties II and Megafund (4.5).	4.50	382.50
	LS	Telephone conferences with JPMorgan Chase Bank regarding account closures (.3); Update website (.3).	0.60	60.00
08/28/2005	DDR	Review and respond to general case correspondence and e-mail.	0.50	112.50
	MJQ	Meeting with potential purchaser of Infiniti (.5); Review of materials from Ralph Freeman regarding utility issues (.2).	0.70	245.00
08/29/2005	DDR	Telephone conference with Sabre Reality regarding CILAK lease (.3); Review of general case correspondence and e-mail (.6); Meeting with landlord at CILAK offices and inventory of same (2.5); Meeting with Paul Ritter regarding computer forensic work (.5); Telephone conference with Steve Korotash regarding various case issues (.3); Attention given to maintenance of receivership assets (.5); Telephone conference with Larry Lyons regarding potential purchase of property (.3); Review of books and records for Megafund in connection with tracing assets (1.2).	6.20	1,395.00
	LS	Telephone conference with potential buyer of property to arrange showing (.1); Telephone conference with investor (.2); Draft letter to investment company to freeze account and forward funds to Receiver (.2).	0.50	50.00
	MJQ	Attention to issuance of check for water bill and movement of funds at Comerica (.2); Attention to receipt of funds from Wells Fargo regarding closed accounts (.2); Review of various documents relating to case and make arrangements to pack contents of Rumpf house (1.0); Attend Cilak offices to determine course of action and meeting with post office to forward mail (3.5).	4.90	1,715.00
	SMT	Telephone conference with Bartonville water supply regarding past due notice on 110 Eagles Nest property (.8); Issue check to Bartonville water supply for past due bill (.5); Preparation for asset removal at 2608 Gentle Drive (1.0); Telephone conference with Judy at Kilpatrick Equipment regarding check for purchase of copier (.4)	2.70	297.00
08/30/2005	DDR	Attention given to clearing out and inventory of Gentle Drive property (7.0); Attention given to obtaining appraisals for real property (1.0). Review and respond to general case correspondence and e-mails (.3).	8.30	1,867.50

Michael J. Quilling, receiver

08/31/2005

Client No: 911-0110M

Invoice No: 32381

RE: Megafund Corporation

		Hours	
	LDF Attention given to clearing out and inventory of Gentle Drive property	7.00	700.00
	MJQ Assist with boxing of Rumpf possessions at house and meeting with potential buyer; Inspect Eagles Nest property.	8.00	2,800.00
	LS Work on packing and boxing personal items at Rumpf house.	8.00	800.00
	SMT Assist with the boxing of personal items at 2608 Gentle Drive and preparation for asset removal.	8.00	880.00
08/31/2005	DDR Telephone conference with Travis McNellie regarding lease settlement (.3); Review and respond to general case correspondence and e-mails (.4); Draft e-mail to appraiser regarding CILAK properties (.3).	1.00	225.00
	SMT Discussion with Mike Quilling and Nate Robinson regarding creation of investor database for Megafund, Cilak and Sardaukar investors.	0.80	88.00
	MJQ Attention to payment of numerous expenses relating to assets and telephone conference with Comerica Bank regarding movement of funds (1.0); Review of order from court regarding settlement agreement (.1); Office conference with paralegal regarding action items in mail (.2); Work on website updates (.4); Telephone conference with neighbor at Eagles Nest property regarding house conditions (.3).	2.00	700.00
	For Current Services Rendered	335.10	65,698.00

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael J. Quilling	49.30	\$350.00	\$17,255.00
Stephen M. Tomasky	79.80	110.00	8,778.00
D. Dee Raibourn	154.20	225.00	34,695.00
Leslie D. Finn	14.50	100.00	1,450.00
Lisa Smith	23.30	100.00	2,330.00
Christy Armstrong	14.00	85.00	1,190.00

Telecopies	259.00
Long-Distance Telephone	30.50
Travel Expenses - Lisa Smith to Megafund offices to inventory and clean.	22.19
Mileage/parking for Christy Armstrong to Flower Mound to make a utility payment for Cilak Properties.	22.68
Travel Expenses - Mileage for Leslie Finn to Rumpf home and boxes and bubble wrap to pack house.	90.72
Courier Deliveries	47.75
Express Mail Service	42.82
Lunch with staff while completing inventory at Megafund offices.	44.29

Michael J. Quilling, Receiver

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08/31/2005
Client No: 911-0110M
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RE: Megafund Corporation

Photocopies	152.40
Postage	<u>69.34</u>
Total Expenses Thru 08/31/2005	781.69
Total Current Work	66,479.69
Balance Due	<u>\$66,479.69</u>

NOTE: PLEASE REFERENCE THE CLIENT MATTER NO. WITH PAYMENT



QUILLING • SELANDER • CUMMISKEY • LOWNDS

Federal ID #75-2459334

Michael J. Quilling, Receiver

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09/30/2005

Client No: 911-0110M
Invoice No: 32958

RE: Megafund Corporation

ITEMIZED SERVICES BILL

		Hours	
09/01/2005			
LS	Telephone conference with Comerica Bank regarding checks (.1); Draft letter to vendor regarding NSF check and claim form (.2); Telephone conference with vendor to cancel Muzak service (.3); Telephone conference with Larry Lyons regarding water service and inspection at Eagles Nest house (.1); Telephone conference with Ozarka to cancel service and arrange equipment pick up (.2).	0.90	90.00
SMT	Travel to Bartonville to pay utility bill.	2.00	220.00
09/06/2005			
LS	Update website.	1.00	100.00
DDR	telephone conference with Mike Fierno regarding listing of CILAK properties (.3); Telephone conference with case witness regarding various case facts (.5); Telephone conference with Special Spivey regarding various case issues and facts (.5); Review and respond to general case correspondence and e-mails (.5); Review of case documents (5.0).	6.80	1,530.00
09/07/2005			
LS	Several telephone conferences with potential purchaser of homes regarding maintenance and progress with sale (.4); Prepare subpoena for furniture purchases (.2).	0.60	60.00
MJQ	Attention to receipt of funds from closure of CILAK account (.2); Telephone conference with purchaser of Infinity (.3); Reconcile bank account (.2); Office conference with Dee Raibourn regarding status of various matters (.3); Office conference with paralegal regarding mailing of claim forms (.1).	1.10	385.00
SMT	Review of home appraisals and color copies.(1.0); Telephone correspondence with several investors regarding case and claim form status.(1.5)	2.50	275.00
DDR	Telephone conference with Scott Wilson regarding appraisals for CILAK properties (.3); Draft e-mail to same regarding same (.2); Telephone conference with Larry Lyons regarding potential purchase of properties (.3); Telephone conference with James Clark regarding HMS litigation (.3); Office conference with Receiver		

Michael J. Quilling, Receiver

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09/30/2005

Client No:

911-0110M

Invoice No:

32958

RE: Megafund Corporation

		Hours	
	regarding various case issues (.3); Review of case documents (3.0).	4.40	990.00
09/08/2005	LS Telephone conference with investor regarding status (.2); Telephone conference with Grubbs Infiniti regarding subpoena (.1).	0.30	30.00
09/09/2005	LS Telephone conference with landlord for CILAK offices regarding closing (.2).	0.20	20.00
	MJQ Attention to payment of various invoices (.3); Telephone conference with Larry Lyons regarding house issues (.2); Work on motion to approve sale of houses (.8).	1.30	455.00
09/12/2005	LS Telephone conference with investor regarding status and procedure.	0.20	20.00
09/13/2005	LS Telephone conference with vendor regarding subpoena request (.2); Attention to payment of water bill and maintenance expenses on Gentle Drive property (.3).	0.50	50.00
09/14/2005	MJQ Preparation of letter to James Rumpf regarding removal of items from house (.1); Reconcile bank account (.2); Review of additional property appraisals (.4); Attention to payment of numerous invoices and deposit of funds received (.8); Review of documents subpoenaed from Grubbs Infiniti (.3).	1.80	630.00
	SMT Email correspondence with Todd Orr regarding case and claim form status (.6); Appraisal review and print of color copies (.1.0)	1.60	176.00
	DDR Telephone conference with Travis McNellie regarding Megafund property (.3); Revise Bill of Sale regarding transfer of property (.4); Review and respond to general case correspondence and e-mails (.4); Telephone conference with Steve Korotash regarding various case issues (.4); Review of general case documents and attention given to locating potential case assets (3.0).	4.50	1,012.50
09/15/2005	MJQ Telephone conference with Comerica Bank regarding movement of funds (.2); Review of various company mail and attention to action items (.2); Continue work on motion to sell real property (.6); Organize various case documents (.3).	1.30	455.00
	LS Telephone conference with investor regarding status of case and claim forms (.2); Begin mailing out claim forms		

Michael J. Quilling, Receiver

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09/30/2005

Client No: 911-0110M

Invoice No: 32958

RE: Megafund Corporation

		Hours	
	to investors (1.5).	1.70	170.00
SMT	Telephone correspondence with investors regarding claim from information and case updates.	1.00	110.00
DDR	Telephone conference with Grubbs Infiniti regarding production of documents (.3); Telephone conference with Paul Yanowitch regarding various case facts (.3); Review of general case documents and attention given to locating potential case assets (4.0).	4.60	1,035.00
09/16/2005			
LS	Telephone conference with Mr. Rumpf regarding items in home (.2); Mail out claim forms (2.5).	2.70	270.00
09/19/2005			
LS	Finish mailing out A Claim Forms and researching incomplete addresses and updating database.	4.50	450.00
MJQ	Review of closing files relating to houses (1.5); Review of letter from counsel for Rumpf (.1).	1.60	560.00
DDR	Several telephone conferences with James Jones regarding turnover of leased equipment (.5); Review of documents regarding same (.2); Telephone conference with Terry Teel regarding same (.3); Telephone conference with Receiver regarding various case issues (.3); Review of general case correspondence and e-mails (.4); Review of case documents (2.5).	3.80	855.00
09/20/2005			
LS	Telephone conference with investor regarding claim form status (.2); Left voice mail for title company regarding 230 Shady Hill property (.1).	0.30	30.00
MJQ	Telephone conference with Comerica regarding movement of funds (.2); Attention to payment of various invoices (.2); Attend portion of meeting with Larry Lyons regarding purchase of house (.2); Review of letter from counsel for Rumpf (.1).	0.70	245.00
SMT	Review and color print of appraisals of all three properties.	1.50	165.00
DDR	Meeting with Larry Lyons regarding potential purchase of CILAK properties (.5); Review of appraisals for properties (.5); Review of case documents in connection with locating potential receivership assets (3.0); Telephone conference with Steve Korotash regarding various case issues (.3).	4.30	967.50
09/21/2005			
LS	Telephone conference with Wells Fargo regarding Urban Entertainment statement. Gather materials, draft letter		

Michael J. Quilling, Receiver

Client No: 911-0110M

Invoice No: 32958

RE: Megafund Corporation

		Hours	
	and fax information regarding the statement (.8); Telephone conference with Allegiance Title regarding Shady Hill property (.2); Sort creditor/vendors and begin database for B claims (.7).	1.70	170.00
MJQ	Travel to Fort Worth to prepare for and attend meeting with counsel for Rumpf (4.0); Preparation of motion to sell Infiniti (.3).	4.30	1,505.00
SMT	Telephone conference with Angie Keelor regarding case and power of attorney issues.	0.80	88.00
DDR	Prepare for and attend meeting with counsel for Rumpf in Ft Worth (4.5); Review and respond to general case correspondence and e-mail (.3); Review of case documents (1.0); Meeting with Paul Ritter regarding electronic document production (.5).	6.30	1,417.50
09/22/2005			
LS	Draft subpoena for information on Shady Hill property (.3); Telephone conference with homeowners association president regarding dues (.2); Draft of Motion to Sell Real Property and Motion to Sell Vehicle (.5).	1.00	100.00
MJQ	Telephone conference with moving company regarding CILAK furniture (.2); Preparation of letter forwarding motion to sell Infiniti (.1); Review of appraisal #3 for houses and attention to payments of invoices (.6).	0.90	315.00
SMT	Assist with design and function of investor database. Test and debug.	3.00	330.00
09/23/2005			
LS	Draft subpoena to Wells Fargo.	0.30	30.00
MJQ	Telephone conference with Comerica Bank regarding movement of funds (.1); Telephone conference with counsel for Rumpf regarding various motions (.2); Review and execute motions and orders regarding sale of houses and Infiniti (.2).	0.50	175.00
SMT	Telephone and email correspondence with investors regarding case and claim form issues.(2.5); Review and create database spreadsheets for claim form mail out tracking.(1.0)	3.50	385.00
DDR	Telephone conference with Larry Lyons regarding potential purchase of property (.3); Attention given to clearing out CILAK offices and review of documents (6.0); Review and respond to general case correspondence and e-mails (.3); Telephone conference with paralegal regarding various case issues and action items (.5); Telephone conference with Ralph Freeman regarding various case issues (.3).	7.40	1,665.00

Michael J. Quilling, Receiver

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09/30/2005

Client No: 911-0110M

Invoice No: 32958

RE: Megafund Corporation

		Hours	
09/24/2005	LS	1.00	100.00
	Mail creditor/vendor claim forms and input into database.		
09/26/2005	MJQ	0.80	280.00
	Review of bank account spreadsheets.		
	SMT	2.50	275.00
	Telephone and email correspondence with investors regarding claim form questions and case updates.(2.5)		
	DDR	2.10	472.50
	Telephone conference with Larry Lyons regarding potential purchase of properties (.3); Telephone conference with Dianna Ramos with IRS regarding various case issues (.3); Gather documents in response to request from same (.5); Review of case documents (1.0).		
09/27/2005	LS	0.50	50.00
	Update website.		
	LS	0.20	20.00
	Telephone conference with telephone system vendor regarding equipment and any money due.		
	MJQ	4.50	1,575.00
	Continue review of bank account spreadsheets (.5); Attend Rumpf house to discuss transfer of personal possessions and Pecan Meadows house to confirm status (4.0).		
	SMT	1.50	165.00
	Attention to claims database.(.5) Telephone and email correspondence with investors regarding claim form issues.(1.0)		
	DDR	0.30	67.50
	Review of general case correspondence and e-mails.		
09/28/2005	SMT	1.50	165.00
	Telephone conference with Mia Flannery regarding claims issues.(.5); Email correspondence with several investors regarding Lancorp claim form issues.(1.5).		
	MJQ	0.30	105.00
	Review of offer to purchase houses and office conference with Dee Raibourn regarding same.		
	LS	1.80	180.00
	Telephone conference with investor (.4); Email to Lancorp investor (.3); Telephone conference with Ozarka and Muzak to coordinate removal of their equipment from CILAK offices (.8); Update database information and re-send claim forms with corrected addresses (.3).		
	DDR	6.90	1,552.50
	Telephone conference with Larry Lyons regarding potential purchase of properties (.3); Review and respond to general case correspondence and e-mails (.6); Attention given to preparing lawsuits (1.5); Meeting with Ralph Freeman regarding various case issues (.4); Travel to Flower Mound and inspect Pecan Meadows property and meeting with potential buyer (4.0).		

Michael J. Quilling, Receiver

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09/30/2005

Client No: 911-0110M

Invoice No: 32958

RE: Megafund Corporation

		Hours	
09/29/2005	DDR		
	Attention given to selling various case assets (1.0); Telephone conference with Steve Korotash regarding various case issues (.3); Review of general case documents (2.0)	3.30	742.50
	For Current Services Rendered	114.60	23,286.50

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael J. Quilling	19.10	\$350.00	\$6,685.00
Stephen M. Tomasky	21.40	110.00	2,354.00
D. Dee Raibourn	54.70	225.00	12,307.50
Lisa Smith	19.40	100.00	1,940.00

Telecopies	69.00
Parking	7.00
Parking	6.25
Travel Expenses for Thomas Bruce to California to pack assets and drive U-Haul back to Dallas.	509.77
Courier Deliveries	9.50
Express Mail Service	212.74
Supplies for packing Rumpf house	263.68
Paid to Massie's Locksmith for change of locks at 3405 Pecan Meadows, Argyle, Texas	183.48
Photocopies	156.80
Postage	131.06
Online outside service expense for legal research - Invoice #0809409575	75.18
Total Expenses Thru 09/30/2005	1,624.46
Total Current Work	24,910.96
Balance Due	\$24,910.96

NOTE: PLEASE REFERENCE THE CLIENT MATTER NO. WITH PAYMENT



QUILLING • SELANDER • CUMMISKEY • LOWNDS

Federal ID #75-2459334

Michael J. Quilling, Receiver

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10/31/2005Client No: 911-0110M
Invoice No: 33801

RE: Megafund Corporation

ITEMIZED SERVICES BILL

Hours

10/03/2005	DDR	Review of general case correspondence and e-mail (.3); Review of documents at U.S. Attorney's office (2.0).	2.30	517.50
	MJQ	Attention to payment of invoices (.4); Review and respond to email from Jim Rumpf (.2); Preparation of letter to CIRRO regarding invoices (.2); Telephone conference with Jim Rumpf regarding case issues (.1); Review of letter and bank statement from counsel for Rumpf (.3); Office conference with Dee Raibourn regarding documents in possession of government (.3).	1.50	525.00
10/04/2005	MJQ	Attention to receipt of funds from counsel for Rumpf (.2); Review of documents from Rumpf house and CILAK offices (6.5).	6.70	2,345.00
	LS	Telephone conference with potential purchaser of homes (.2); Research and sign up electricity and water utilities for Pecan Meadows house (1.0); Draft subpoena for Ranch Road home closing documents (.3); Telephone conference with Matrix Solutions regarding subpoena (.1).	1.60	160.00
	DDR	Office conference with Receiver regarding various case issues (.3); Review of proposed agreement with Chartwell Managers (.7); Draft e-mail to Steve Smoot regarding same (.3); Telephone conference with Ralph Freeman regarding various case assets (.3); Attention given to sale of receivership assets (1.5); Review of case documents (1.0).	4.10	922.50
10/05/2005	MJQ	Review and respond to email from Rumpf (.1); Preparation of letter to Paul Yanowitch regarding records (.2); Telephone conference with Larry Lyons regarding offer to purchase houses (.3); Telephone conference with Mrs. Rumpf regarding documents needed (.2).	0.80	280.00
10/06/2005	LS	Telephone conference with Allegiance Title regarding closing documents requested in subpoena (.2); Update website (1.0).	1.20	120.00
	DDR	Review of general case correspondence and e-mail (.3); Review of general case documents (.9).	1.20	270.00
	SMT	Telephone conference with Dalton Jackson regarding transport of furniture from Rumpf's house.	0.40	44.00
10/07/2005	LS	Continue website updates with new lawsuit information (1.0); Telephone conferences with		

Bryan Tower 2001 Bryan St, Suite 1800 Dallas, TX 75201

ph 214 871 2100 fx 214 871.2111 www.qsclpc.com

A P R O F E S S I O N A L C O R P O R A T I O N

A T T O R N E Y S A N D C O U N S E L O R S

Michael J. Quilling, Receiver

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10/31/2005

Client No: 911-0110M

Invoice No: 33801

RE: Megafund Corporation

			Hours	
		Lancorp investors, send out claim forms and update database with contact information (.6).	1.60	160.00
	MJQ	Telephone conference with Jim Rumpf regarding Motion to Sell.	0.20	70.00
	SMT	Met with Jim Rumpf and Dalton Jackson to supervise removal of furniture from Rumpf's house to his storage.	0.40	44.00
10/11/2005	DDR	Review and respond to general case correspondence and e-mails (.5); Several telephone conferences with investors regarding status of case. (.9).	1.40	315.00
	SMT	Prepare and print postcards for investor claims.	1.20	132.00
10/12/2005	MJQ	Reconcile bank accounts (.2); Attention to payment of invoices (.4).	0.60	210.00
	DDR	Telephone conference with Steve Korotash regarding various case issues (.3); Attention given to tracing potential receivership assets (1.0).	1.30	292.50
	RGQ	Input claim information into database, create file and send postcard notification to claimants.	7.50	562.50
10/13/2005	MJQ	Attention to payment of various invoices.	0.20	70.00
	SMT	Attention to claim form issues and print additional postcards for claims.	1.50	165.00
	RGQ	Input claim information into database, create file and send postcard notification to claimants.	4.50	337.50
10/14/2005	LS	Enter claim information into database.	2.00	200.00
	MJQ	Review of documents from Allegiance Title regarding Shady Hill property.	0.60	210.00
	DDR	Meeting with computer forensic expert regarding production of electronic documents (.7); Review of general case documents produced from computers (3.0); Review and respond to general case correspondence (.3); Telephone conference with Steve Korotash regarding various case issues (.5).	4.50	1,012.50
10/17/2005	MJQ	Review of two offers to purchase houses and respond to same (1.0); Telephone conference with Larry Lyons regarding same (.3).	1.30	455.00
	DDR	Telephone conference with investor regarding various case issues and status (.4); Review and respond to general case correspondence and e-mails (.5); Review of general case documents (1.0); Attention given to locating potential case assets (1.0).	2.90	652.50
	SMT	Telephone conference with Johnny Artis regarding claim form issues.	0.60	66.00

Michael J. Quilling, Receiver

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10/31/2005

Client No: 911-0110M

Invoice No: 33801

RE: Megafund Corporation

			Hours	
	RGQ	Input claim information into database, create file and send postcard notification to claimants.	1.00	75.00
10/18/2005	LS	Enter claim information into database.	2.00	200.00
	MJQ	Prepare for and attend lengthy meeting with Jim Rumpf and counsel (6.5); Attention to payment of invoices (.2); Preparation of letter to Wells Fargo (.1).	6.80	2,380.00
	DDR	Prepare for and attend meeting with James Rumpf, counsel, and Receiver (5.0); Review and respond to general case correspondence and e-mail (.4).	5.40	1,215.00
	RGQ	Input claim information into database, create file and send postcard notification to claimants.	3.00	225.00
10/19/2005	LS	Telephone conference with electric company to get service turned on at Pecan Meadow Drive home (.4); Mail Lancorp investors claim forms (2.5); Telephone conference with claimant John Blandi (.4).	3.30	330.00
	MJQ	Review of documents from Allegiance Title regarding Eagles Nest property (.8); Review of materials from First American Title regarding Leitner house (1.5); Telephone conference with Jim Rumpf (.2); Prepare for trip to Portland (.5); Travel to Portland, including review of spreadsheets and determine action items (6.5).	9.50	3,325.00
	DDR	Prepare for and gather documents for meeting with Gary Lancaster (1.0); Travel to Portland, OR for meeting with Gary Lancaster, including review of documents in preparation for same (6.5); Review and respond to general case correspondence and e-mails (.4); Review of general case documents (1.5).	9.40	2,115.00
10/20/2005	MJQ	Attend meeting with Gary Lancaster (2.5); Return travel to Dallas including discussions with SEC regarding case strategy and action items (6.5).	9.00	3,150.00
	DDR	Prepare for and attend meeting with Gary Lancaster (3.0); Return travel to Dallas, TX including review of notes and documents from meeting (6.5).	9.50	2,137.50
10/21/2005	MJQ	Review and execute release as to offshore funds (.2); Telephone conference with Russell Rhodes regarding listing of houses (.3); Telephone conference with Julia Huseman regarding case issues (.3).	0.80	280.00
10/24/2005	MJQ	Meeting to deliver possession of Cadillac to purchaser (1.0); Attention to payment of various invoices (.3); Review of materials from Russell Rhodes (.2); Preparation of letter to counsel to Rumpf (1.0); Telephone conference with SEC regarding issues relating to Lancorp (.3); Meeting with Reed Nordyke to review bank account		

Michael J. Quilling, Receiver

Client No: 911-0110M
Invoice No: 33801

RE: Megafund Corporation

			Hours	
		spreadsheets for CIG (.5).	3.10	1,085.00
	LS	Telephone conference with Lancorp investor regarding claim form (.3); Work on entering claim form information into database (1.5); Telephone conference with investor regarding status (.2).	2.00	200.00
	DDR	Meeting with Receiver regarding financial records for CIG, Ltd (.4); Obtain and review financial records for same (.7); Prepare Memo to file regarding meeting James Rumpf (1.2); Review and respond to general case correspondence and e-mails (.3); Review of general case documents (1.0).	2.90	652.50
10/25/2005	LS	Work on entering claim form information into database.	1.50	150.00
	MJQ	Meeting with Reed Nordyke to review and revise bank account spreadsheets (2.0); Attention to payment of various invoices (.3); Review and organize various case documents (.5); Telephone conference with Julia Huseman regarding various case issues (.2).	3.00	1,050.00
	CB	Conference with M. Quilling regarding title and lien analysis needed on two properties involving Leitners (.2); Review of file turned over from First America to Receiver's counsel in conjunction with ordering title, tax and name search work related to two Leitner properties (.8)	1.00	275.00
	DDR	Telephone conference with Julia Huseman regarding various case issues (.4); Attention given to locating potential case assets and review of document sin connection with same (1.5); Review and respond to general case correspondence and e-mails (.2).	2.10	472.50
10/26/2005	LS	Travel to Flower Mound and attend meeting with realtor regarding properties for sale (3.2); Obtain artwork from Gentle Drive home (3.0).	6.20	620.00
	MJQ	Meeting with realtor to execute listing agreements and inspect properties (3.2); Remove artwork from Rumpf house (3.0); Several telephone conferences with Julia Huseman regarding Lancorp and related issues (.5).	6.70	2,345.00
	DDR	Research numerous case issues including causes of action, corporate privilege and custody of records (6.0); Review of case documents in connection with same (2.5).	8.50	1,912.50
	SMT	Telephone conferences with investors regarding claim form issues.	1.50	165.00
10/27/2005	LS	Telephone conference with neighbor of Gentle Drive property (.2); Telephone conference with realtor regarding properties (.3); Copy and forward appraisals of properties to same (.2).	0.70	70.00

Michael J. Quilling, Receiver

10/31/2005

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RE: Megafund Corporation

		Hours	
	DDR	Research various case issues including causes of action, privilege of entity, and custody of records (6.0); Review and respond to general case correspondence (.5); Telephone conference with investor regarding status of case (.5).	7.00 1,575.00
	MJQ	Telephone conference with Jim Rumpf and review of email for Forex account (.3); Multiple telephone conferences with Julia Huseman regarding same (.8); Work on website updates (.9).	2.00 700.00
10/28/2005	LS	Telephone conference with investor regarding status (.2); Input claim information into database (2.0).	2.20 220.00
	SMT	Telephone correspondence with investors regarding claim form issues and case information.	2.00 220.00
10/31/2005	MJQ	Telephone conference with Gary Lancaster regarding case issues (.2); Multiple telephone conferences with Julia Huseman regarding depositions and subpoenaed documents (1.0); Work on website updates (1.0); Continue review of spreadsheets and preparation of related subpoenas (1.0).	3.20 1,120.00
	LS	Enter claim information into database and send postcards to investors (4.5); Draft subpoenas (.8).	5.30 530.00
	DDR	Left voice message for Tom Derickson regarding Larry Frank documents (.1); Telephone conference with potential purchaser of properties (.3); Attention given to sale of receivership assets (.5); Review of general case documents (1.0); Review and respond to general case correspondence and e-mails (.3); Meeting with Receiver regarding various case issues (.3).	2.50 562.50
		For Current Services Rendered	175.20 39,496.00

Recapitulation

<u>Timekeeper</u>	<u>Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Michael J. Quilling	56.00	\$350.00	\$19,600.00
Chuck Baum	1.00	275.00	275.00
Stephen M. Tomasky	7.60	110.00	836.00
D. Dee Raibourn	65.00	225.00	14,625.00
Lisa Smith	29.60	100.00	2,960.00
Ronald G. Quilling	16.00	75.00	1,200.00

Telecopies	6.00
Long-Distance Telephone	2.36
Travel Expenses - Hotel and parking at D/FW for Dee Raibourn for travel to Portland, Oregon for meeting with Gary Lancaster.	426.33
Courier Deliveries	26.75
Express Mail Service	144.95

Michael J. Quilling, receiver

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RE: Megafund Corporation

Rumpf moving costs	375.00
Certified copy of original title to Cadillac XLR.	5.45
Photocopies	184.40
Postage	178.39
Pacer Service	17.84
Total Expenses Thru 10/31/2005	<u>1,367.47</u>
Total Current Work	40,863.47
Balance Due	<u>\$40,863.47</u>

NOTE: PLEASE REFERENCE THE CLIENT MATTER NO. WITH PAYMENT