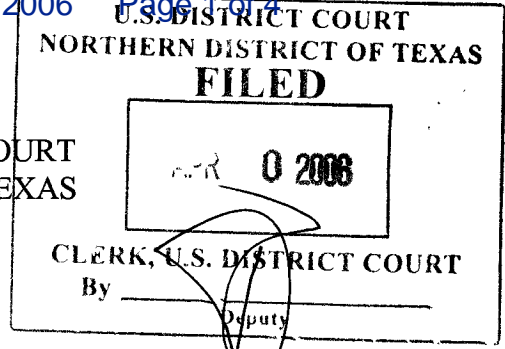


BD



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

SECURITIES AND EXCHANGE COMMISSION, §
ORIGINAL 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 INTERIM REPORT
(LANCORP FINANCIAL RECEIVERSHIP ESTATE)**

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

Pursuant to the Court's Order of March 27, 2006, the Receiver in these proceedings, Michael J. Quilling, submits this Interim Report incident to his Second Interim Fee Application covering the period from January 1, 2006 to March 31, 2006.

DESCRIPTION OF THE ACTIONS TAKEN DURING THIS PERIOD

1. During the period covered by this Application, the Receiver has undertaken the following generally described activities:
 - a. Continuing to investigate and prosecute pending lawsuits;
 - b. Continuing to subpoena and analyze documents from third parties, financial institutions and brokerage houses;

- c. Filing required § 754 filings;
- d. Continuing reconstruction/completion of bank account histories;
- e. Cooperating with law enforcement agencies;
- f. Cooperating with and communicating with the SEC regarding case issues;
- g. Reconciling receivership bank accounts;
- h. Receiving and processing investor claim forms;
- i. Performing website updates;
- j. Communicating with investors;
- k. Engaging in formal discovery of key fact witnesses;
- l. Handling general/administrative matters relating to the estate.

MONEY AND ASSETS RECOVERED DURING THIS PERIOD

2. From January 1, 2006 through March 31, 2006 the Receiver has recovered \$1,316,116.14 including interest.

TOTAL RECOVERIES TO DATE

3. From inception of the receivership estate through March 31, 2006 the Receiver has recovered \$1,316,116.14 including interest.

ANTICIPATED ACTIONS DURING THE NEXT PERIOD

4. During the next three-month period, the Receiver anticipates undertaking at least the following activities:

- a. Continuing to prosecute/settle pending lawsuits;
- b. Continuing to subpoena and analyze documents from third parties, financial institutions and brokerage houses;
- c. Investigating and filing additional lawsuits to recover receivership assets;

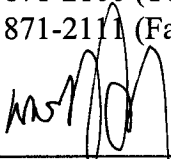
- d. Continuing reconstruction/completion of bank account histories;
- e. Cooperating with law enforcement agencies;
- f. Cooperating with and communicating with the SEC regarding case issues;
- g. Reconciling receivership bank accounts;
- h. Receiving and processing investor claim forms;
- i. Performing website updates;
- j. Communicating with investors;
- k. Engaging in formal discovery of key fact witnesses;
- l. Handling general/administrative matters relating to the estate.

DATED this 10th day of April, 2006

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

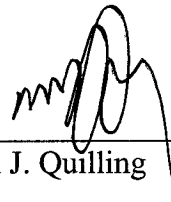
ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

This is to certify that on the 10th day of April, 2006, a true and correct copy of the above and foregoing Interim Report 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
Steve Smoot Smoot Law Firm, P.C. 4545 Mt. Vernon Houston, Texas 77006	Bradley C. Stark 16960 Washington Street Riverside, California 92504
Pamela C. Stark 16960 Washington Street Riverside, California 92504	

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



Michael J. Quilling