

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

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**SECURITIES AND EXCHANGE COMMISSION,**

Plaintiff,

vs.

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

**MEGAFUND CORPORATION,  
STANLEY A. 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.

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**JOINT STATUS REPORT**

Counsel for Plaintiff Securities and Exchange Commission and counsel for Defendants Stanley A. Leitner, Megafund Corp., Bradley C. Stark, Sardaukar Holdings, IBC, and Relief Defendant Pamela C. Stark submit this Joint Status Report. Defendants James A. Rumpf and CIG, Ltd., did not participate in the preparation of this report.

**1. Proposed Trial Date and Estimated Length of Trial:**

**A. Plaintiff:** Plaintiff requests that this matter be set for trial in February and estimates that the case will take one week to try.

B. Defendants Stark, Sardaukar Holdings and Relief Defendant Pamela Stark request that this matter be set for trial in February and estimate that the case will take one week to try.

C. Defendants Leitner and Megafund have reached an agreement with the plaintiff regarding the terms and conditions of a settlement.

**2. Whether any Party Has Made a Jury Demand**

No party has done so to date. Defendants Stark, Sardaukar Holdings and Relief Defendant Pamela Stark anticipate filing a jury demand.

**3. Status of Settlement Negotiations:**

Defendants Leitner and Megafund have reached an agreement with the plaintiff regarding the terms and conditions of a settlement. It is anticipated that the Commission will consider these offers in early October.

The plaintiff and Defendants Bradley Stark, Sardaurkar Holdings IBC, and Relief Defendant Pamela Stark have been unable to reach an agreement to settle this matter, and believe that mediation could prove beneficial. In this regard, the parties would appreciate the Court's assistance with the selection of a mediator.

Plaintiff advises the Court that Defendants Rumpf and CIG, Ltd., have submitted a settlement offer that is unacceptable to the Commission staff. The plaintiff believes that mediation could prove beneficial.

**4. Trial before Magistrate Judge:**

Not all parties agree to a trial before a Magistrate Judge.

**5. Other Matters**

None.

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U.S. Securities and Exchange Commission

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*Counsel for Stanley A. Leitner and  
Megafund Corp.*

**CERTIFICATE OF SERVICE**

I hereby certify that on September 1, 2006, I electronically filed the foregoing “***Joint Discovery/Case management Plan Under Rule 26(F) Federal Rules of Civil Procedure***” with the Clerk of the Court for the Northern District of Georgia, by using the CM/ECF system which will send a notice of electronic filing to the following CM/ECF participants,

Steve J. Korotash, *Counsel for Securities and Exchange Commission*  
Scott Russell Baker, *Counsel for Stanley Leitner and Megafund Corp.*  
Charles M. Meadows, David N. Reed, and John Sweeney, Jr.  
*Counsel for Bradley C. Stark, Pamela C. Stark and Sardaukar Holdings, IBC*  
Philip D. Collins, *Counsel for James Rumpf*  
D. Dee Raibourn, *Receiver’s Counsel*  
Michael Quilling, *Receiver*  
Brent Jason Rodine, *Receiver’s Counsel*  
Steven Smoot, *Counsel for CIG, Ltd. And James Rumpf*  
Clark B. Will, *Receiver’s Counsel*

I further certify that on September 1, 2006, I served a true and correct copy of the foregoing “***Joint Discovery/Case management Plan Under Rule 26(F) Federal Rules of Civil Procedure***” and the notice of electronic filing by depositing a copy thereof in an authorized U.S. Mail depository at Fort Worth, Texas, with first class postage prepaid and addressed to the following parties and persons entitled to notice that are non-CM/ECF participants:

James L. Rowton  
4515 N. Miller  
Oklahoma City, OK 73112  
405-949-2939

/s/ Stephen J. Korotash  
Stephen J. Korotash