

ORIGINAL

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

U.S. DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
**FILED**  
JUL 14 2005  
CLERK, U.S. DISTRICT COURT  
By dg  
Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

MEGAFUND CORPORATION,  
STANLEY A. LEITNER,  
SARDAUKAR HOLDINGS, IBC., and  
BRADLEY C. STARK,

Defendants,

and,

PAMELA C. STARK, and  
CIG, LTD.,

Relief Defendants.

Civil Action No.

3:05-CV-1328-L

**AGREED PRELIMINARY INJUNCTION AS TO SARDAUKAR HOLDINGS, IBC**

This matter came on before me, the undersigned United States District Judge, this 14th day of July 2005, on application of Plaintiff Securities and Exchange Commission ("Commission") for issuance of a preliminary injunction, and after the Court having previously issued a temporary restraining order <sup>and ordered Sif</sup> other equitable relief including an order freezing assets, requiring an accounting of revenues, expenses and assets, prohibiting the destruction and/or alteration of documents, authorizing expedited discovery and requiring the repatriation of funds and assets against Defendant Sardaukar Holdings, IBC ("Defendant"), among others. Defendant has agreed to the entry of this Order, without admitting or denying the allegations contained in the Commission's Complaint; has agreed that this Court has jurisdiction over it and subject

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matter of this action; and has agreed to waive a hearing and the entry of findings of fact and conclusions of law.

**ACCORDINGLY, IT IS THEREFORE ORDERED:**

1. Defendant, its agents, servants, employees, attorneys, and all other persons in active concert or participation with it, who receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby are restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§77e(a) and 77e(c)]:

(a) making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities through the use or medium of any offering document or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;

(b) carrying any securities or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities; or

(c) making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, to offer to sell, or to offer to buy, through the use or medium of any offering documents or otherwise, any securities, unless a registration statement has been filed with the Commission as to such securities, or while a registration statement filed with the Commission as to such securities is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding of examination under Section 8 of the Securities Act [15 U.S.C. § 77h]; provided, however,

that nothing in this Order shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act [15 U.S.C. § 77e].

[Securities Act §§ 5(a) and 5(c) (15 U.S.C. §§ 77e(a) and 77e(c))].

2. Defendant, its agents, servants, employees, attorneys, and all other persons in active concert or participation with it, who receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby are restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. §77q(a)], directly or indirectly, in the offer or sale of a security, by making use of any means or instruments of transportation or communication in interstate commerce or by use of the mails:

- a. to employ any device, scheme or artifice to defraud;
- b. to obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or
- c. to engage in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser.

3. Defendant, its agents, servants, employees, attorneys, and all other persons in active concert or participation with it, who receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby are restrained and enjoined from violating Section 10(b) of the Exchange Act and Rule 10b-5 [15 U.S.C. §78j(b) and 17 C.F. R. §240.10b-5], directly or indirectly, in connection with the purchase or sale of a security, by making use of any means or instrumentality of interstate commerce, of the mails or of any facility of any national securities exchange:

- a. to use or employ any manipulative or deceptive device or contrivance;

- b. to employ any device, scheme or artifice to defraud;
- c. to make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or
- d. to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

4. Defendant, its agents, servants employees, attorneys and other persons in active concert or participation with it, who receive actual notice of this order, by personal service or otherwise, is hereby restrained and enjoined from, directly or indirectly, making any payment or expenditure of funds belonging to or in the possession, custody or control of Defendant, effecting any sale, gift, hypothecation or other disposition of any asset belonging to or in the possession, custody or control of Defendant, pending a showing to this Court that Defendant has sufficient funds or assets to satisfy all claims arising out of the violations alleged in the Commission's Complaint or the posting of a bond or surety sufficient to assure payment of any such claim.

5. All banks, savings and loan associations, savings banks, trust companies, broker-dealers, other financial or depository institutions and investment companies that hold one or more accounts in the name, on behalf or for the benefit of Defendant, are hereby restrained and enjoined from engaging in any transaction in securities (except liquidating transactions necessary to comply with a court order) or any disbursement of funds or securities pending further order of this Court.

6. All other individuals, corporations, partnerships, limited liability companies and other artificial entities are hereby restrained and enjoined from disbursing any funds, securities or other property obtained from Defendant without adequate consideration.

7. Defendant is hereby required to make an interim accounting, under oath, within thirty days of the entry of this Order, (1) detailing all monies and other benefits which it received, directly and indirectly, from June 1, 2004 through the date of the accounting (including the date on which the monies or other benefit was received and the name, address and telephone number of the person paying the money or providing the benefit), (2) listing all current assets wherever they may be located and by whomever they are being held (including the name and address of the holder and the amount or value of the holdings) and (3) listing all accounts with any financial or brokerage institution maintained in the name of, on behalf of or for the benefit of the Defendant (including the name and address of the account holder and the account number) and the amount held in each account on the last day of each month during the period from June 1, 2004, through the date of the accounting.

8. Defendant, its agents, servants, employees, attorneys and other persons in active concert or participation with it, who receive actual notice of this order, by personal service or otherwise, are hereby restrained and enjoined from destroying, removing, mutilating, altering, concealing and/or disposing of, in any manner, any books and records owned by or pertaining to the financial transactions and assets of any defendant or relief defendant named in the above-styled cause.

9. Defendant shall immediately repatriate all funds and assets obtained, directly or indirectly, from the activities described in the Commission's Complaint that are now located outside the jurisdiction of this Court. Such funds shall be, immediately, transferred or paid into the Court appointed Receiver. Furthermore, with respect to any other asset owned by the Defendant that is now located outside the jurisdiction of this Court, including specifically, any securities or real property, the Defendant shall immediately identify to the Receiver the location

of such asset, the price paid or consideration given, and the date upon which it was purchased. Securities or other personal property that are to be repatriated and that can be readily moved or transferred and titles or other documents reflecting ownership as to real property subject to repatriation, shall be delivered to the Receiver as soon as practicable.

10. The United States Marshal in any district in which Defendant does business and/or may be found is authorized and directed to make service of process at the request of the Commission.

11. The Commission is authorized to give any notice required under the Federal Rules of Civil Procedure to the Defendant by U.S. Mail, by electronic mail, or by any other means authorized by the Federal Rules of Civil Procedure.

12. All parties shall serve written responses to any other party's request for discovery and the interim accountings to be provided by Defendant by delivery to the Commission address as follows:

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Fort Worth District Office  
Attention: Steve Korotash  
801 Cherry Street, Unit 18  
Fort Worth, TX 76102-6477  
Facsimile: (817) 978-4927

and by delivery to other parties at such address(es) as may be designated by them in writing. Such delivery shall be made by facsimile transmission, express courier or electronic mail.

EXECUTED AND ISSUED at \_\_\_\_\_ o'clock p.m. CST this 14th day of \_\_\_\_\_, 2005.

  
United States District Judge

Agreed and Approved as to Form and Content:



Steve Korotash  
Oklahoma Bar No. 5102  
Attorney for Plaintiff  
U.S. SECURITIES and EXCHANGE COMMISSION  
Burnett Plaza, Suite 1900  
801 Cherry Street, Unit #18  
Fort Worth, Texas 76102-6822  
Telephone: (817) 978-6490  
Facsimile: (8 17) 978-4927



Sardaukar Holdings, Inc.  
Bradley C. Stark, Secretary

7/12/05  
Date



Jeffrey M. Henderson  
Robert B. Christie  
Counsel for Defendant Sardaukar Holdings, IBC  
Henderson & Lyman  
125 W. Jackson Blvd.  
Chicago, IL 60604

7/12/05  
Date