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

ORIGINAL

MICHAEL J. QUILLING, RECEIVER
FOR JAMES A. RUMPF,

Plaintiff,

v.

BONANZA GOLD, INC.,

Defendant.

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CIVIL ACTION NO. **3-06CV0474-B**

(JURY TRIAL DEMANDED)

COMPLAINT

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW, Michael J. Quilling, in his capacity as Receiver for James A. Rumpf, ("Receiver") and files this his Complaint against Bonanza Gold, Inc. and, in support of such, would respectfully show unto the Court the following:

Parties

1. Michael J. Quilling is the Receiver appointed for James A. Rumpf and other associated individuals and entities pending before the United States District Court for the Northern District of Texas, Dallas Division, the Honorable Sam A. Lindsay presiding.

2. Bonanza Gold, Inc. ("Defendant") is the parent company of Left Behind Games, Inc. Defendant is a Washington corporation that maintains its principal place of business in Chattaroy, Washington. Its registered agent can receive service of process at the following address: Bonanza Gold, Inc. c/o Gregory Lipsker, 26505 North Bruce Road, Chattaroy, Washington 99003.

Jurisdiction and Venue

3. This Court has jurisdiction over the subject matter of this action because the actions stated herein constitute Receivership Assets within the meaning of the Order Appointing Receiver. That Order requires that all disputes relating to Receivership Assets be filed in this Court. This Court also has subject matter jurisdiction, in personam jurisdiction, and in rem jurisdiction pursuant to 28 U.S.C. § 754, § 1692, and Fed. R. Civ. P. 4(k)(1)(D).

4.. Venue for this action is proper in the Northern District of Texas because: (1) this action is ancillary to the SEC Proceedings pending in this District; (2) the Receiver was appointed in this District; and (3) this action involves Receivership Assets within the meaning of the Order Appointing the Receiver, which requires that all disputes relating to those assets be filed in this Court.

Background Facts

5. On July 1, 2005, the Securities and Exchange Commission ("SEC") initiated Case No. 3:05-CV-1328-L, *Securities and Exchange Commission v. Megafund Corporation, et al.*, and sought the appointment of a Receiver as to the defendants and relief defendant. By Order dated July 19, 2005, that Court appointed Michael J. Quilling as the Receiver for CIG, Ltd. and James A. Rumpf, individually and d/b/a Cilak International. On January 20, 2006, that same Court entered an Order reappointing the Receiver for all defendants. The Receiver continues to function in that capacity and brings this action in accordance therewith.

6. On January 26, 2006, the Receiver filed notice of appointment in the United States District Court for the Eastern District of Washington, as required by 28 U.S.C. § 754. That notice is on file with the District Court Clerk as MC-06-007-CI.

7. James A. Rumpf (“Rumpf”) operated a financial investment program that turned out to be a *Ponzi* scheme run through a variety of entities under his direction and control. In particular, investors sent funds to Rumpf believing they would be applied to various investments under his supervision. As he received investor funds, however, Rumpf fraudulently diverted large amounts as *Ponzi* payments to previous investors and for other illegitimate expenses not related to any investment program.

8. On May 5, 2005, Rumpf caused IAM Ltd. (an entity under his management and control) to execute a Stock Purchase Agreement (“Purchase Agreement”) with Left Behind Games, Inc. (“LBG”). The Purchase Agreement expressly stated that Rumpf agreed to buy and LBG agreed to sell 60,000 shares of Defendant’s stock for \$.50 a share. After executing the Purchase Agreement, Rumpf mistakenly wired payment for \$1.00 a share—causing LBG to receive an additional \$30,000.00. LBG then mailed Rumpf 60,000 shares of stock, as negotiated in the Purchase Agreement, but retained the additional \$30,000.00. LBG is still in wrongful possession of those funds and did not exchange any reasonable value therefor with the Receiver, Rumpf, or any investors who sent funds to Rumpf.

9. The Receiver has attempted to recover the \$30,000.00 overpayment without success. LBG has informed the Receiver that, rather than issue a refund, it unilaterally decided to keep the additional \$30,000.00 and issue a second stock certificate to Rumpf or IAM Ltd. This second stock certificate, however, was never accepted by Rumpf or the Receiver and was never authorized by any purchase agreement.

10. Defendant obtained the Receivership Estate assets described above when it acquired LBG through a Share Exchange Agreement on February 6, 2006.

COUNT ONE

Breach of Contract

11. The Receiver incorporates Paragraphs 1 through 10 as if set forth herein.

12. Defendant breached the Purchase Agreement by withholding payment in excess of the stated purchase price and unilaterally changing the terms of that Agreement. The Receiver therefore brings this suit to enforce the contract's express terms or, alternatively, to rescind the contract and recover appropriate damages.

COUNT TWO

Conversion

13. The Receiver incorporates Paragraphs 1 through 12 as if set forth herein.

14. Defendant is liable for conversion of the \$30,000.00 overpayment. At all relevant times, Rumpf and/or the Receiver was entitled to have that amount refunded. Defendant, through its current subsidiary, has refused the Receiver's demands to return those funds. Instead it unilaterally decided to assume and exercise control over the additional \$30,000.00 without any claim of right under the Purchase Agreement. The Receiver, therefore, seeks relief against Defendant for the conversion of those funds.

COUNT THREE

Unjust Enrichment & Restitution

15. The Receiver incorporates Paragraphs 1 through 14 as if set forth herein.

16. Defendant has been unjustly enriched by the actions described above. The Defendant has benefitted by continuing to possess \$30,000.00 at the expense of Rumpf and the Receivership Estate. Defendant's continued possession is unconscionable and, therefore, the Receiver seeks restitution of those funds.

COUNT FOUR

Constructive Trust & Disgorgement

17. The Receiver incorporates Paragraphs 1 through 16 as if set forth herein.

18. The Receiver has a claim and interest in funds belonging to Rumpf or investors that sent money to him along with any transfers, proceeds, or their equivalent value that can be traced to those funds. The \$30,000.00 possessed by Defendant constitute and are directly traceable to funds of the investors and are, therefore, Receivership Assets that are impressed with a constructive trust.

19. Pursuant to principles of equity, the Receiver seeks the imposition of a constructive trust upon the \$30,000.00 in the Defendant's wrongful possession and a judgment requiring disgorgement of those funds. To the extent the Defendant is unable to disgorge the funds received, the Receiver seeks a money judgment against it in that amount.

COUNT FIVE

Fraudulent Transfer

20. The Receiver incorporates paragraphs 1 through 19 as if set forth herein.

21. Rumpf's investment program amounted to nothing more than a *Ponzi* scheme. Consequently, all funds and benefits the Defendant received from Rumpf constitute fraudulent transfers. The Receiver is entitled to recover all such funds from the Defendant as fraudulent transfers, for which amounts the Receiver hereby sues.

COUNT SIX

Fees, Expenses, Costs and Interest

22. The Receiver incorporates paragraphs 1 through 21 as if set forth herein.

23. As a direct result of the Defendant's conduct, as alleged above, it has been necessary for the Receiver to file this action. The Receiver sues for all costs, expenses, attorneys' fees and pre-judgment and post-judgment interest to which he is entitled under the law or at equity.

JURY DEMAND

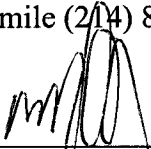
24. The Receiver respectfully requests that this case be tried before a jury.

WHEREFORE, PREMISES CONSIDERED, the Receiver prays that upon final trial hereof that the Court enter judgment in favor of the Receiver against the Defendant in an amount equal to the amount of funds received, plus pre- and post-judgment interest, attorneys' fees and costs of court, and for such other and further relief, general or special, at law or in equity, to which the Receiver may show himself justly entitled.

Respectfully submitted,

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

By:



Michael J. Quilling
State Bar No. 16432300
D. Dee Raibourn, III
State Bar No. 24009495
Brent J. Rodine
State Bar No. 24048770

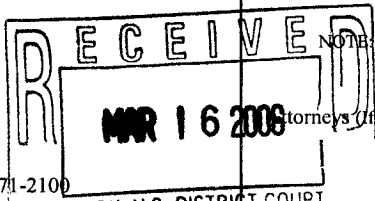
ATTORNEYS FOR PLAINTIFF

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS Michael J. Quilling, Receiver for James A. Rumpf DEFENDANTS Bonanza Gold, Inc.

(b) County of Residence of First Listed Plaintiff Dallas County, TX County of Residence of First Listed Defendant Spokane County, WA

ORIGINAL



NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED

(c) Attorney's (Firm Name, Address, and Telephone Number) Michael J. Quilling, Quilling, Selander, Cummiskey & Lownds, P.C., 2001 Bryan St., Suite 1800, Dallas, TX 75201 (214) 871-2100

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II. BASIS OF JURISDICTION (Place an "X" in One Box Only) CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Grid for Basis of Jurisdiction with checkboxes for U.S. Government Plaintiff/Defendant, Federal Question, Diversity, PTF/DEF Citizen of This State/Another State/Foreign Country, and Incorporated or Principal Place of Business.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Table with columns: CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, SOCIAL SECURITY, FEDERAL TAX SUITS, BANKRUPTCY, PROPERTY RIGHTS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only) 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from another district, 6 Multidistrict Litigation, 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C.A. § § 1332 and 2201 Brief description of cause: Collection action incident to SEC Receivership proceedings

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND \$ 30,000.00 CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions): JUDGE Lindsay DOCKET NUMBER 3:05-CV-1328-L

DATE 3/16/06 SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE