



1328).

3. On June 20, 2006, the Receiver filed this lawsuit against Defendant Allan Clark, individually and d/b/a Financial Risk Specialists (“Defendant”). *Complaint* [Dkt. No. 1]. In his Complaint, the Receiver alleged that Megafund fraudulently transferred \$167,316.00 of investor funds to the Defendant. *Id.* On July 31, 2006, the Defendant filed an Answer denying the Receiver’s claims for relief. *Original Answer of Allan Clark* [Dkt. No. 10].

4. On January 16, 2007, the parties executed a Settlement Agreement that would resolve all claims and defenses at issue in this case. A true and correct copy of this Settlement Agreement is attached as Exhibit “1” and fully incorporated for all purposes.<sup>1</sup>

5. That Agreement is expressly conditioned upon Court approval in the Receivership Proceedings. *See id.* Therefore, the Receiver is simultaneously filing a motion in the Receivership Proceedings for that Court to enter its approval of this Settlement Agreement on the docket. Following approval, the Receiver and Defendant will file their Stipulation of Dismissal and Agreed Order in this case. *See id.* at Exhibits “1-B” and “1-C” (incorporating the parties’ Stipulation of Dismissal and Agreed Order of Dismissal).

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<sup>1</sup> The Settlement Agreement is backed by a Promissory Note that has been redacted to obscure account numbers maintained by the Receivership Estate. *See Promissory Note*, Exhibit “1-A”.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS, P.C.  
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By:           /s/ Brent J. Rodine          

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ATTORNEYS FOR PLAINTIFF

**CERTIFICATE OF SERVICE**

On the January 16, 2007 a true and correct copy of the above and foregoing was sent via first class mail, with full and proper postage prepaid thereon, to:

Allan Clark  
c/o Austin H. England  
Veon & England  
909 Lake Carolyn Parkway, Suite 150  
Irving, Texas 75039

          /s/ Brent J. Rodine            
Brent J. Rodine