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

MICHAEL QUILLING,

Petitioner

v.

GARY McDUFF, et al.,

Respondent

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Civil Action No. 3:06-CV-0959-L

**RESPONDENT'S WRITTEN RESPONSE TO PETITIONER'S MOTION FOR  
PARTIAL SUMMARY JUDGEMENT AND BRIEF IN SUPPORT**  
**and**  
**NOTICE OF DEFAULT AND ASSENT, DEMAND, and SECOND NOTICE OF RIGHTS**  
**and**  
**NOTICE OF FILING OF DECLARATION OF SECURED PARTY TO INCLUDE IN  
AND TO AUGMENT THE RECORD**  
**and**  
**SECOND NOTICE OF SURETY ACT AND BOND**

Comes now the living, breathing man, Secured Party of Respondent, known as Gary Lynn McDuff who is unschooled in law, makes this special visitation (NOT ACTING *PRO SE* NOW OR IN ANY PRIOR VITIATIONS OR APPEARANCES IN THIS MATTER) and Notices the court to take Judicial Notice of the enunciation of principles stated in Haines v. Kerner, 404 U.S. 519, wherein the court directed that those who are unschooled in law making pleadings shall have the court look to the substance rather than the form.

**RESPONDENT'S WRITTEN RESPONSE TO PETITIONER'S MOTION FOR  
PARTIAL SUMMARY JUDGEMENT AND BRIEF IN SUPPORT**

**I.  
SUMMARY**

Petitioner (Michael J. Quilling) is seeking relief from alleged Respondent regarding specified subject matter that Respondent is not now or ever was the recipient of, has no personal

equity in, full or partial ownership in, control of, any records of, or legal liability for. The law and the courts define this as Felony Criminal Conversion. Therefore, Petitioner must be estopped from proceeding further. Respondent directs the court to Petitioner's May 17, 2006 "EMERGENCY *EX PARTE* MOTION TO FREEZE ACCOUNTS AND BRIEF IN SUPPORT" filed under civil action number 3:05-CV-1328-L wherein he asserted unsupportable speculative claims as follows:

1. Petitioner is reckless in his claims and expects this court to accept volumes of unrelated documentation as his basis of claim in this action instead of documentation supported by facts that actually create a nexus sufficient enough to bring a cause against Respondent. Petitioner has only submitted copies of documents where Respondent obediently followed the directives of his employer by sending communications to the Megafund, the Lancorp Group and to Cash Cards International regarding payments due to his employer and parties contracted to his employer, not to Respondent. No matter what Petitioner chooses to speculate regarding Respondent he can not modify the documents' intended purpose to say or imply anything other than their clear meaning.
2. Petitioner has claimed that each of the accounts listed in his May 17, 2006 EMERGENCY *EX PARTE* MOTION TO FREEZE ACCOUNTS AND BRIEF IN SUPPORT "received funds traceable to Megafund and/or Lancorp". This is patently false. Cash Cards International informed Petitioner in writing, that the funds received from Megafund were removed and paid out within 72 hours of their receipt. They also stated that there were numerous unrelated payments into those account many months after the Megafund was closed, yet Petitioner persuaded Cash Cards International to freeze those accounts as well as other accounts that did not even exist until many months later. It is false for Petitioner to state to this court that he operated within his authority to seize these funds because they were within this courts order to "freeze all assets .... in actual or constructive possession of ...persons in active concert or participation with the defendants and relief defendants to promptly surrender all receivership assets to the Receiver,.....therefore to the extent the Receiver is able to trace funds in the subject accounts to Megafund and Lancorp, no further court orders are necessary

to freeze those accounts.” This court properly denied the Petitioner/Receiver’s May 17, 2006 “EMERGENCY *EX PARTE* MOTION TO FREEZE ACCOUNTS AND BRIEF IN SUPPORT, however, Petitioner then expanded the courts instruction beyond the limitations and restrictions defined by this court when he took action to freeze funds in accounts that came from sources having no direct or indirect association with Megafund or Lancorp whatsoever. Petitioner froze innocent and unrelated funds. It is criminal conversion when any representative of this court is allowed to abuse the authority granted to him. The Petitioner has demonstrated clear abuse of the limits of the scope of his appointment and a blatant disregard for due-process.

3. Not one document supplied to the court as Summary Judgment Evidence supports Petitioners claim that Respondent is:

- a) the recipient of the alleged \$304,272.58 of the Megafund earnings payments or any portion thereof,
- b) an alleged owner or control person for Southern Trust Company,
- c) an alleged owner or control person for First Global Foundation,
- d) an alleged owner or control person for Secured Clearing Corporation, directly or indirectly,
- e) the alleged beneficial owner of the accounts at Cash Cards International,
- f) now, or was ever in beneficial possession of any assets of the Megafund or Lancorp.
- g) now, or was ever an alleged account holder at Cash Cards International in beneficial possession of any funds.

## II. EVIDENCE OF ESTOPPEL OF SUMMARY JUDGMENT

Respondent directs the court to the following Exhibits as undisputed fact and evidence that the Petitioner has no subject matter controversy or properly established jurisdiction that can be supported now or in any trial against Respondent. (See attached Exhibits)

1. APOSTILLE by the Government of Belize of Notary Certification (Exhibit A)
2. APOSTILLE by the Government of Belize of Trust Certificate For Southern Trust Company (Exhibit B)
3. APOSTILLE by the Government of Belize of Certificate of Good Standing (Exhibit C)
4. Letter from Wilhelm Cadle to Petitioner (Exhibit D)
5. Letter from Wilhelm Cadle to Judge Caplan (Exhibit E)
6. Letter from Gary McDuff to Judge Caplan (Exhibit F)

### III. COMPLETE DEFENSE AND BAR

**This Notice of a complete defense and bar against further proceedings pursuant to the following has been served upon Petitioner on two (2) prior occasions. Petitioner has not responded or rebutted so therefore has acquiesced through tacit procuration. Respondent requests this court to instruct Petitioner that his action against Respondent must be barred because of his failure to honor and abide by this Public Protection Policy:**

There is no O.M.B.-Number on any of the documents sent to Gary Lynn McDuff, the natural man, or to the fiction GARY LYNN MCDUFF by Petitioner or any other SEC agent on any of the presentments requesting information bearing reference numbers: FW-2975, [FW-02957], 4:06-MC-011-Y, or 4:06-mc-00011, and that according to "TITLE 44--PUBLIC PRINTING AND DOCUMENTS, CHAPTER 35--COORDINATION OF FEDERAL INFORMATION POLICY, SUBCHAPTER I--FEDERAL INFORMATION POLICY, Sec. 3502. Definitions, (5) the term "independent regulatory agency" means the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the Consumer Product Safety Commission, the Federal Communications Commission, the Federal Deposit Insurance Corporation, the Federal Energy Regulatory Commission, the Federal Housing Finance Board, the Federal Maritime Commission, the Federal Trade Commission, the Interstate Commerce Commission, the Mine Enforcement Safety and Health Review Commission, the National Labor Relations Board, the Nuclear Regulatory Commission, the Occupational Safety and Health Review Commission, the Postal Rate Commission, **the Securities and Exchange Commission**, and any other similar agency designated by statute as a Federal independent regulatory agency or commission; (10) the term "person" means an individual, partnership, association, corporation, business trust, or legal representative, an organized group of individuals, a State, territorial, tribal, or local government or branch

thereof, or a political subdivision of a State, territory, tribal, or local government or a branch of a political subdivision; (14) the term "penalty" includes the imposition by an agency or court of a fine or other punishment; a judgment for monetary damages or equitable relief; or the revocation, suspension, reduction, or denial of a license, privilege, right, grant, or benefit." And further, "Sec. 3512. Public protection, (a) Notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information that is subject to this subchapter if-- (1) the collection of information does not display a valid control number assigned by the Director in accordance with this subchapter; or (2) the agency fails to inform the person who is to respond to the collection of information that such person is not required to respond to the collection of information unless it displays a valid control number. (b) The protection provided by this section may be raised in the form of a complete defense, bar, or otherwise at any time during the agency administrative process or judicial action applicable thereto. (Added Pub. L. 104-13, Sec. 2, May 22, 1995, 109 Stat. 181; amended Pub. L. 106-398, Sec. 1 [div. A], title X, Sec. 1064(b)], Oct. 30, 2000, 114 Stat. 1654, 1654A-275.)"

#### IV.

#### RELIEF IS TO BE DENIED

Petitioner has failed to establish proper subject matter jurisdiction or beneficial ties to Respondent of any alleged Receivership assets of Megafund or Lancorp and therefore no constructive trust can be imposed for any requested relief from Respondent to be granted or ordered. This requested relief is clearly criminal conversion and must be denied. Petitioner requests that the court instruct Petitioner to vacate this improper action against Respondent and to seek relief from the proper parties who actually received any of the funds in question.

**BRIEF IN SUPPORT OF  
RESPONDENT’S WRITTEN RESPONSE TO PETITIONER’S  
MOTION FOR PARTIAL SUMMARY JUDGEMENT**

**Appendix of Contents of Response and Brief**

Introduction ..... 1.  
Statement of Undisputed Material Facts.....2.  
Analysis.....3.  
Conclusion.....4.

**INTRODUCTION 1.**

The Petitioner was appointed Receiver for Megafund and Lancorp by this court. Petitioner traced 2 wire transfer payments totaling \$304,272.58 from the Megafund, which were identified by the Megafund as profit payments, to an account at Cash Cards International, where the money was paid onward to contracting parties. Petitioner has asserted his theory that Respondent was the beneficial recipient of the majority of those funds. However, Petitioner has not produced any bank signature cards or contracts bearing the signature of Petitioner which evidences any ownership in or equity in any of the entities that received any portion of the Megafund or Lancorp wires.

**STATEMENT OF UNDISPUTED MATERIAL FACTS 2.**

**Respondent or Respondent’s spouse does not own Secured Clearing Corporation or  
Southern Trust Company**

1. On August 25, 2006 the clerk of this court and Petitioner were served with an Apostille

from the Government of Belize according to international standards of the 1961 Hague Convention for Foreign Public Documents affirming the ownership of Secured Clearing Corporation and Southern Trust Company to be solely held by Mr. Wilhelm Cadle. see Exhibit A

2. On August 25, 2006 the clerk of this court and Petitioner were served with an Apostille from the Government of Belize according to international standards of the 1961 Hague Convention for Foreign Public Documents affirming Victoria Avilez as settler and Secured Clearing Corporation as Trustee of Southern Trust Company who's sole beneficiary is Mr. Wilhelm Cadle. see Exhibit B
3. On August 25, 2006 the clerk of this court and Petitioner were served with an Apostille from the Government of Belize according to international standards of the 1961 Hague Convention for Foreign Public Documents affirming the Good Standing of Secured Clearing Corporation that is solely owned by Mr. Wilhelm Cadle. see Exhibit C
4. On August 25, 2006 the clerk of the court and Petitioner were served with a 4 page letter from Wilhelm Cadle, dated August 14, 2006, wherein he confirms that he is the sole beneficiary of Southern Trust Company and Secured Clearing Corporation, and that Respondent is only a person hired to handle some of his business affairs. The letter clearly confirms that Respondent has no beneficial ownership or equity in the subject entities. The letter further confirms that Wilhelm Cadle is the sole beneficiary of the assets of Southern Trust Company. Mr. Cadle identifies the property located at 1318 Minchen Drive in Deer Park, Texas, as his trust property and that Petitioner is denying Mr. Cadle due process by attempting to seize that property from Respondent when Respondent is not the legal owner of record. see Exhibit D and Exhibit E
5. On August 25, 2006 the clerk of the court, this presiding Judge and Petitioner were served with a 1 page letter from Wilhelm Cadle giving Notice to the court that Petitioner has never contacted him, the lawful owner of the property, as evidenced by the official Harris County property records, and formally informed him of the current claim Petitioner is trying to assert on Mr. Cadle's trust property. see Exhibit F

6. On August 25, 2006 the clerk of the court, the presiding Judge and Petitioner were served with a 1 page letter from Respondent wherein Respondent informs the court that he is not the owner of the subject property in Deer Park, Texas titled in the name of Southern Trust Company. see Exhibit G
7. Petitioner has placed into evidence a letter dated March 17, 2005 from Secured Clearing Corporation to the Lancorp Financial Group, LLC see Exhibit H. This letter sets out the fact that Secured Clearing Corporation formally assigned all its profit participation interest in the Lancorp Financial Fund to MexBank SA de CV. This letter must be viewed in its clear recital of the prior and then current relationship between Secured Clearing Corporation and Lancorp Financial Fund, LLC. This letter formally ended any relationship between Secured Clearing Corporation and Lancorp Financial Fund, LLC. From this date onward there was only a relationship between MexBank and Lancorp and not between Secured Clearing and Lancorp. This was done prior to any Megafund earnings payments being paid to Lancorp or to MexBank.
8. Petitioner has placed into evidence a copy of the February 2, 2005 JOINT VENTURE between Lancorp Financial Group, LLC and MexBank SA de CV. see Exhibit I. This is the formal agreement of profit participation between these parties which was executed prior to any Megafund earnings payments being paid to Lancorp or to MexBank. This clearly delineates which entities are to be compensated in agreed portions.
9. Petitioner has placed into evidence a copy of the Fax dated 5/20/2006 from Respondent to Mia Flannery of the Megafund wherein Respondent is informing Ms. Flannery of the account details for her to send the May 2005 earnings for the entities who employed him. see Exhibit J. These payments were never made due to the SEC freezing all the accounts of the Megafund. This document is clear in its purpose. Respondent is doing his job on behalf of his employer (Wilhelm Cadle) by instruction Mr. Flannery on where to make the payments. There is no instruction to sent paymentas to any account where Respondent is the beneficial owner [**emphasis added**]. Respondent is in no capacity herein acting as principal or as beneficiary, instead he is clearly acting in the same capacity as Ms. Flannery who was employed by the Megafund and authorized to make



payments out of Megafund accounts. Petitioner has never asserted that since Ms. Flannery had authority to make payments from the Megafund accounts that she was anything other than an employee doing her job. Documentation submitted to the court by Petitioner supports the fact that Respondent was nothing more than an employee without equity doing his job for the benefit of the true and legal beneficiaries.

10. Petitioner has placed into evidence a copy of a letter from MexBank to Lancorp dated 28 March 2005, wherein MexBank confirms the assignment of Secured Clearing's vested interest of the Lancorp investment into the Megafund. see **Exhibit K**. This letter serves as support that Respondent was acting on behalf of others and not for his own benefit.
11. The official statement given by Stan Leitner of the Megafund to the Petitioner does not contain any declarations that Respondent was anything other than a representative or employee of the entities Petitioner has named in this action. If this case goes to trial, Mr. Leitner will testify that he does not know who the actual owners of the entities named in this action are, but can confirm receipt of proper entity disclosure documents which contain the identities of the beneficial owners, provided the Petitioner gives him access to the Megafund records. Further he will testify that Respondent did not represent the Megafund in any capacity, did not know of Leitner or the Megafund prior to January 2005 when Respondent's father introduced Leitner to Respondent, did not know any of the parties the Megafund placed investment funds with to be managed, did not introduce any investors at all except the Lancorp Financial Group, LLC who was the trustee of Respondent's father's retirement funds, and that Respondent, or Respondent's father, did not supply any Megafund information to Lancorp, or any other parties, on behalf of the Megafund to solicit investment into the Megafund, but that the Megafund provided all information directly to Lancorp to allow Lancorp to make the determination whether to invest or not to invest in the Megafund.
12. The official statement given by Gary Lancaster of the Lancorp Financial Group LLC & the Lancorp Financial Fund to the Petitioner does not contain any declarations that Respondent was anything other than a representative or employee of the entities Petitioner has named in this action. If this case goes to trial, Mr. Lancaster will most

certainly reassert his comments contained in his statement that he understood the Respondent to be the hired representative of the entities Petitioner has named in this action and that it was his understanding that the actual owners were other persons. Further he will confirm the Secured Clearing, MexBank and Lancorp relationships to be precisely as reflected in the documents the Petitioner has already entered into evidence. He will confirm that he had sole control of any investment decisions and was only obligated to share profits with Secured Clearing Corporation out of honor and not out of contracted obligation. Mr. Lancaster is a man of honor who has proven to uphold the truth even when Petitioner attempts to coerce him into making statements that when read by this court would inappropriately indicate that his alleged evidence supports the Petitioner's theory. Mr. Lancaster will testify to the veracity of all the facts herein.

13. The official statement given by Steve Renner of Cash Cards International does not contain any declarations that Respondent was anything other than an authorized representative or employee of the entities Petitioner has named in this action. If this case goes to trial, Mr. Renner will not be able to produce any documentation whatsoever that Respondent was anything more than a representative for other beneficiaries. He will also be able to confirm that monies frozen by Petitioner's request were in accounts that did not even exist when the Megafund monies passed through other Cash Cards International accounts, and that the actual funds in the accounts which are now frozen was from parties unrelated to any Megafund payment activities. His testimony will not support the Petitioner's theory.
14. Petitioner has never served Shannon McDuff with any notices regarding this matter. He has no proof-of-service on her in this matter and must cease any action against her. Petitioner has no evidence whatsoever that Shannon McDuff is the beneficiary of any entity named by petitioner in this action.

### ANALYSIS 3.

Petitioner has been provided with the highest standard of proof according to international law that Respondent is not the beneficial owner of the entities or the assets

Petitioner has named in this action, yet the Petitioner has chosen to disregard the requirements of the 1961 Hague Convention by acting as though the Apostille for each entity was never presented to him. The contents of each Apostille are facts that Petitioner cannot dispute (nor has he attempted to) therefore, he must acquiesce to the fact that Respondent is not the proper party to seek relief from.

Petitioner has presented no evidence from any source that Respondent is the beneficial owner of any account held at Cash Cards International that received any portion of the funds from the two Megafund related wire transfers that Petitioner is relying upon as the grounds for this action.

Petitioner has a duty to accept the truth when supported by facts and vacate his actions when he is presented with undisputable proof that he is seeking relief from the wrong party.

#### **CONCLUSION 4.**

To prevent this court from inappropriately entering a default judgment against the wrong party and that judgment being overturned as inappropriate and a deprivation of due process, Petitioner must be ordered to estoppel and not be permitted to proceed any further in this action against Respondent.

#### **NOTICE OF DEFAULT AND ASSENT, DEMAND, and SECOND NOTICE OF RIGHTS**

*to wit*

#### **NOTICE OF DEFAULT**

On the 29th day of the 9th month, in the year of our Lord two thousand and six you received “RESPONDENT’S CHALLENGE OF JURISDICTION (2<sup>ND</sup> notice)” **Exhibit L**, and “Respondent’s Commercial Affidavit of Truth” **Exhibit M**, from Gary Lynn McDuff, presenter.

Michael J. Quilling did not invoke the Fifth and Sixth Amendment's of the Constitution for the United States of America. However, he is under Public Law 93-579; FOIA (5 USC 552); PA (5 USC 552a) and U.C.C. 1-103.6, as administrative demands were made, with NOTICE, DEMAND AND CAVEAT, PRIOR TO RESPONSE. See the above attached Exhibits.

DEMAND was respectfully made to Michael J. Quilling, to provide DISCLOSURE regarding his actions.

Michael J. Quilling FAILED TO RESPOND and/or FAILED to provide ALL the requested information or disclosure documents required by LAW, and demanded by presenter.

By failure to do so, NOW and FOREVER each Michael J, Quilling must yield to Estoppel, Waiver and/or Fraud, under U.C.C. 1-103, 1-103.6 *nemo debet bis vexari pro una et eadem Causa*, and such willful refusal may subject Michael J. Quilling to Civil liabilities or Criminal punishment.

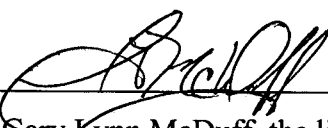
**Michael J. Quilling and MICHAEL J. QUILLING IS HEREBY NOTICED AND DEMANDED:** To desist and refrain from taking any further action in the above referenced matter without liability therefore (cf. liability for personal damages, Pulliam v. Allen, 104 set. 1970, 1979) except to restore the Secured Party to his former status, and recognize those secured rights, privileges, privacy and immunities, and each is so protected that it is valued at no less than one million dollars each, DEMAND IS FURTHER MADE to all governmental officials to protect Gary Lynn McDuff the living man, and all that is his in my peaceful exercise or enjoyment of his rights, privileges, privacy, immunities, etc., (cf. Title 18 USC 241 142; Title 42 USC, 1983, Bivins v US Officials and Agents, 403 US 388 (1971), Dykes v Hosemann, 743 F2d 1488, (11 CA Dec. 1984).

**NOTICE OF LIEN:** Violation and/or invasion of any above denominated rights per violative, shall act as a lien upon the nonexempt property of each presentee as follows:

*Nonexempt household goods; and real estate; and future earnings; and other personal property.*

**VERIFICATION:** Gary Lynn McDuff hereby verifies that a true copy of this Notice of Default, and Demand, was duly served upon Michael J. Quilling, et al, and that he is competent to testify in the matters herein stated; that he has personal knowledge of all of the facts which relate to this service and the above named response on the record; that the allegations stated herein are true and correct in their entirety to be best of his knowledge, belief and upon information, under penalty of perjury.

Sealed this 18th day of the 11th month, in the Year of Our Lord Two thousand and Six.

Affiant:  \_\_\_\_\_ invoking U.C.C. 1-308 Without Prejudice.  
Gary Lynn McDuff, the living man

**NOTICE OF FILING OF DECLARATION OF SECURED PARTY TO  
INCLUDE IN AND TO AUGMENT THE RECORD**

**DECLARATION OF SECURED PARTY**

The following documents attached hereto are hereby entered into the court file and record.

1. UCC FINANCING STATEMENT filed in the office of the Secretary of State in Kansas under file number: 6255533 showing Gary Lynn McDuff an the "Secured Party" of the debtors "GARY LYNN MCDUFF" and "SHANNON MICHELLE BOELTER" see Exhibit N

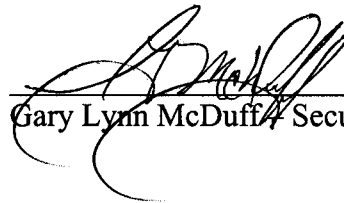
2. Letter from Ron Thornburgh the State of Kansas Secretary of State confirming the filing by the secured party. see Exhibit O

This is Notice and Demand to (Claimant) for all Confidential Commercial Information in this matter be presented before the Treasury Data Integrity Board. These claims are bonded and under the mandates of Article VII of the Bill of Rights. They have been discharged with acknowledgement from the Secretary of the Treasury without dishonor in accordance with the Administrative Procedures Act at 5 USC 706.

### *CONCLUSION*

There is no controversy in this matter. The claims by Petitioner Michael J. Quilling have been lawfully and legally discharged. Therefore, Petitioner's claims must be dismissed with prejudice.

Respectfully,



---

Gary Lynn McDuff, Secured Party, Creditor

**SECOND NOTICE OF SURETY ACT AND BOND**

C/o 1314 Minchen Drive  
Deer Park, Texas [77538])  
Gary Lynn McDuff, Secured Party

County of Harris            )  
  )  
State of Texas                ) Asseveration  
  )  
united States of America )

**NOTICE OF SURETY ACT AND BOND**

**SILVER SURETY BOND**

**In accordance with 31 CFR Part 203**

**Re: UCC Contract Trust Account number 455943319**

KNOW ALL MEN, BY THESE PRESENTS; I, Gary Lynn McDuff, Principal, Titled Sovereign, neutral, surety, guarantor, a free man upon the free soil of Texas, herein confirms that I am not a corporation, am a living being, of legal age, competent to testify, have personal first-hand knowledge of the truths and facts stated herein as being true, correct, complete, certain, and not misleading.

I, Gary Lynn McDuff, of my own free will and accord, in the presence of Almighty God, in capacity as beneficiary to the Original Jurisdiction, in good conscience, do willingly undertake to act as surety, to pledge and provide private bond, in the amount of twenty-one Dollars in Silver coinage, minted by the American Treasury (at the legal and lawful 24 to 1 ratio prescribed by law) united States of America, Lawful coin dollars of the united States of America, personally held in my ownership and possession. This undertaking is in accordance with Article VII in the Bill of Rights of the Constitution of the United States.

This bond is to the credit of the private party listed hereon, Gary Lynn McDuff capacity as beneficiary to the Original Jurisdiction, by his appellation, as full faith and credit guarantee to any Lawful Bill in Redemption, duly presented under Seal in Lawful specie money of the

account of the united States of America, Original Jurisdiction, to wit, pursuant and in parity to the cost – expense ratio of senate bill 70 on file with this State.

The Bill of Redemption is a tender as set off for any alleged contract, agreement, consent, assent purportedly held, as an obligation of duty against Gary Lynn McDuff so as to cause an imputed disability, or presumption against the capacity, Rights and powers of Gary Lynn McDuff. The specific intent of the bond, under seal, is to establish, by My witness, the good credit and Lawful money specie of Gary Lynn McDuff.

I, Gary Lynn McDuff, do make this surety, pledge, bond, under My seal, as full faith and credit guarantee, to any Lawful Bill, duly presented, to Me under Seal, *under penalties of perjury*, in Lawful money of account of the united States of America, in the matter of correct public judicial/corporate actions in the forum of Original Rules, Original Jurisdiction, for the benefit and credit of the peculiar private party listed above and their heirs and assigns.

The intent of the bond, under Seal, is to establish, by My witness, the good credit, in the sum certain amount of at least twenty-one dollars in silver coinage, which carries no debt obligation worldwide, minted by the American Treasury, united States of America, Lawful specie dollars of the united States of America, available to bond the actions of the private party listed above, and further, in reservation of Rights under common law and customs of the united States of America, Original Jurisdiction, Original Rules, has, before this assembly of Men, a bond in tender of twenty-one Dollars Silver, Coinage Act of A.D. 1792, Bond of Identity and Character as proof positive, competent evidence, Gary Lynn McDuff cannot be bankrupt, the *causa debendi*, not *cessio bonorum*, or a *forma pauperis*, *dolus* trust Gary Lynn McDuff ©

The life of this bond covers five (5) years from the date entered below unless the claimant enters a true bill of particulars and all related causes of action and information with testamentary documentation under the penalties of perjury per Title 26 USC 6065 into evidence in the case of the peculiar private party listed above, in which case the life of the bond will be extended for a period of two (2) years after such documentation is presented under the penalties of perjury per Title 26 USC 6065 in the case of the peculiar party listed above, whereby, by the signature Jurat and Seal of Gary Lynn McDuff, in capacity as beneficiary of the Original Jurisdiction, surety, guarantor herein confirms, attests, and affirms this bond. All assumptions and presumptions have to be proven in writing, signed and sealed before three witnesses as a valid response, if any.



Upon failure of response required under the three (3) day grace period under Truth in Lending, Regulation Z, to respond and rebut, point for point, this Notice of Surety Act and Bond, from receipt, UCC Section 1-204, unless a request for an extension of time is presented in writing, claimant is hereby collaterally estopped from any further adversarial actions against the peculiar private party listed above, and for good cause not limited to the laws of collateral estoppel, coercion, fraud and want of subject matter jurisdiction, the peculiar private party listed above demands that the cause(s) be vacated, dismissed and the accounts be immediately discharged with prejudice. A lack of response or rebuttal under the penalties of perjury means claimant assents to this Notice of Surety Act and Bond and that a fault exists, UCC Section 1-201(16), creating fraud through material misrepresentation that vitiates all forms, contracts, testimony, agreements, etc. express or implied, from the beginning, UCC Section 1-103, of which claimant may rely on, and there is no longer permission by consent or assent for any demand of payment being ordered or levied against the peculiar private party listed above, and the peculiar private party listed above further demands that the record be expunged and the records and facts of the above attached captioned matter(s) be turned over to the Office of Homeland Security and any other interested federal agency for their investigation of violations of federal law and any interlocking agencies, et al. Failure to comply pursuant to the Truth in Lending Act will negate all remedies for claimant. Any Third Party compelled to serve will make claimant liable for civil and criminal prosecution in accordance with the Erie and Clearfield Doctrines.

NOTICE TO THE PRINCIPALS IS NOTICE TO THE AGENTS  
NOTICE TO THE AGENTS IS NOTICE TO THE PRINCIPALS

Teste Meipso

Done this the 18<sup>th</sup> day of November, anno Domino, in the year of our Lord, two thousand and six.

X  \_\_\_\_\_, Secured Party

Gary Lynn McDuff, only in capacity as beneficiary of the Original Jurisdiction

ALL RIGHTS RESERVED WITHOUT PREJUDICE, UCC 1-308

Witness:

Witness:

Witness:

Certificate of Service

I Hereby Certify that the foregoing:

**RESPONDENT'S WRITTEN RESPONSE TO PETITIONER'S MOTION FOR  
PARTIAL SUMMARY JUDGEMENT AND BRIEF IN SUPPORT**

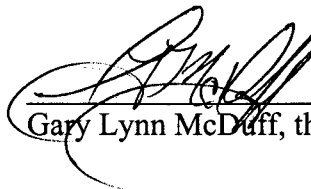
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**SECOND NOTICE OF SURETY ACT AND BOND**

was sent by prepaid delivery service on this- :20th (Day): 11th (Mo.):2006 C.E. to be filed into the  
account-number supra, to:

1. Karen Mitchell, Clerk  
"United States District Clerk"  
1100 Commerce, Room 1452  
Dallas, TX 75242
2. Michael J. Quilling,  
Quilling, Selander, Cumiskey and Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201

  
\_\_\_\_\_  
Gary Lynn McDuff, the living man

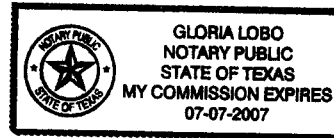
Texas-State :  
Harris-County : asv  
Deer Park-City :

The foregoing 18 pages were Subscribed and sworn to before me this 20 day of November 2006 C.E.

My Commission Expires: 07/07/2007

Notary Public Gloria Lobo

Seal



**INDEX  
OF  
EXHIBITS**

**INDEX OF EXHIBITS**

- For: Civil Action No. 3:06-CV-0959-L filed November 20, 2006
- Exhibit A – APOSTILLE OF NOTARY CERTIFICATION
- Exhibit B – APOSTILLE OF TRUST CERTIFICATE FOR SOUTHERN TRUST COMPANY
- Exhibit C – APOSTILLE OF CERTIFICATE OF GOOD STANDING
- Exhibit D – August 14, 2006 – Letter from Wilhelm Roy Cadle to Michael J. Quilling
- Exhibit E – Harris County Property Record – SOUTHERN TRUST COMPANY Owner of property located at 1318 Minchen Drive, Deer Park, Texas, 77536.
- Exhibit F – August 15, 2006 – Letter from Wilhelm Roy Cadle to Judge Caplan
- Exhibit G – August 17, 2006 – Letter from Gary McDuff to Judge Caplan
- Exhibit H – March 17, 2005 – Letter from Gary McDuff, Director of Secured Clearing Corporation, to Gary Lancaster
- Exhibit I – JOINT VENTURE Agreement between Lancorp Financial Group LLC and MexBank SA de CV
- Exhibit J – May 20, 2005 – Fax to Ms. Mia Flannery from Gary McDuff concerning payments to various parties
- Exhibit K – March 28, 2005 – Letter from Eduardo Trejo, Managing Director of MexBank, to Gary Lancaster
- Exhibit L – RESPONDENT'S CHALLENGE OF JURISDICTION (2<sup>nd</sup> notice)
- Exhibit M – RESPONDENT'S Commercial Affidavit of Truth
- Exhibit N – UCC FINANCING STATEMENT naming Gary Lynn McDuff as Secured Party over GARY LYNN MCDUFF and SHANNON MICHELLE BOELTER
- Exhibit O – October 4, 2006 – Letter from RON THORNBURGH, Secretary of State, STATE OF KANSAS, confirming Gary Lynn McDuff as Secured Party of GARY LYNN MCDUFF and SHANNON MICHELLE BOELTER

# Exhibit A

FROM :Lionel LR Welch

FAX NO. :2277391

Aug. 23 2006 09:16AM P1

**APOSTILLE  
(CONVENTION DE LA HAYE DIA 6 OCTUBRE 1961)**

Country **BELIZE**

- 1. Public Documents **NOTARY CERTIFICATION**
- 2. Has been signed by **LIONEL LR WELCH**
- 3. Acting as **NOTARY PUBLIC**
- 4. Bearing the Seal/Stamp of **LIONEL LR WELCH, NOTARY PUBLIC**

**CERTIFIED**

- 5. At **BELIZE CITY** 6. On **10th August, 2006**
- 7. By **EDMUND O. FENNIL** 8. Under No. **5185/2006**
- 9. Seal 10. Signature



*[Handwritten Signature]*  
**DEPUTY REGISTRAR**

FROM :Lionel LR Welch

FAX NO. :2277381

Aug. 23 2006 09:14AM P2

### NOTARY CERTIFICATION

The undersigned Notary does hereby confirm possession of original and certified copies  
of a Secured  
Clearing Corporation Certificate of Good Standing, Southern Trust Company  
certification of Registrar,  
and the following facts;


Wilhelm Roy Cadle is the sole shareholder of Secured Clearing Corporation

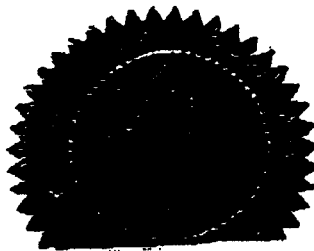
Wilhelm Roy Cadle is the sole beneficiary of Southern Trust Company.

Wilhelm Roy Cadle is a natural born Belizean, who resides only in Belize.

Wilhelm Roy Cadle is a man personally known by me.

15th day of August, 2006

  
Lionel LR Welch  
Notary Public





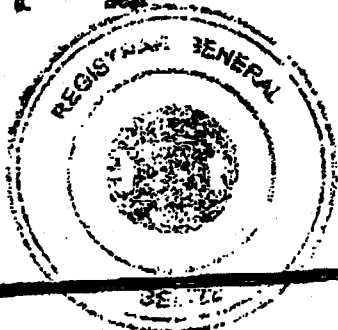
# Exhibit B

**APOSTILLE  
(CONVENTION DE LA HAYE DIA 5 OCTUBRE 1961)**

- Country **BELIZE**
- 1. Public Document: **TRUST CERTIFICATE FOR SOUTHERN TRUST COMPANY**
- 2. Has been signed by **LIONEL LR WELCH**
- 3. Acting as **NOTARY PUBLIC**
- 4. Bearing the Seal/Stamp of **LIONEL LR WELCH NOTARY PUBLIC**

**CERTIFIED**

- 6. At **BELIZE CITY** c. On **16th August, 2006**
- 7. By **EDMUND O. PENNIL** a. Under No. **5786/2006**
- 8. Seal
- 10. Signature

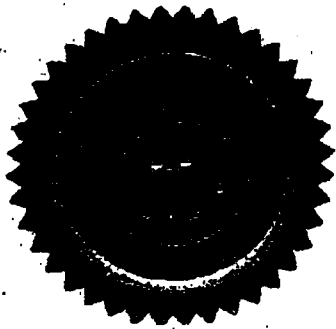


*[Handwritten Signature]*  
 DEPUTY REGISTRAR

15th August, 2006

I hereby certify that this is a true copy of the original.

*[Handwritten Signature]*  
 Notary Public



FROM : Lionel LR Welch

FAX NO. : 2277381

AUG. 17 2006 05:10PM F3

True Copy

L.O. Pennil  
Deputy Registrar  
August 8th, 2006

IN THE MATTER OF THE TRUST ACT, NO. 5 OF 1992

AND

IN THE MATTER OF SECTION 63 OF THE SAID TRUST ACT

\*\*\*\*\*

I, MICHELLE AGNES ARANA, Registrar of the Supreme Court of Belize, HEREBY CERTIFY that a settlement dated the 21st day of January, 2001 made between VICTORIA AVILEZ as Settlers of one part and SECURED CLEARING CORPORATION as Trustees was registered in the name of SOUTHERN TRUST COMPANY, BELIZE on the 22nd day of January, Two Thousand and Two.

GIVEN UNDER my hand and the seal of the Supreme Court at Belize City, BELIZE, this 22nd day of January, Two Thousand and Two.



M.A. ARANA  
Registrar of the Supreme Court

# Exhibit C

FROM :Lionel LR Welch

FAX NO. :2277381

Aug. 17 2006 12:22PM P4

**APOSTILLE**  
(CONVENTION DE LA HAYE DIA 5 OCTUBRE 1961)

Country **BELIZE**

1. Public Documents **CERTIFICATE OF GOOD STANDING**

2. Has been signed by **LIONEL LR WELCH**

3. Acting as **NOTARY PUBLIC**



4. Bearing the Seal/Stamp of **LIONEL LR WELCH, NOTARY PUBLIC**

**CERTIFIED**

5. At **BELIZE CITY** 6. On **15th August, 2006**

7. By **EDMUND O. PENNIL** 8. Under No. **5927/2006**


9. Seal 10. Signature

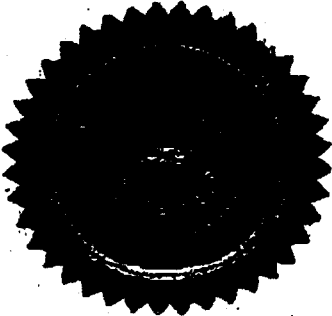



**DEPUTY REGISTRAR**

15th August, 2006

I hereby certify that this is a true original.

  
 \_\_\_\_\_  
 Notary Public



FROM : Lionel LR Welch

FRX NO. : 2277381

Aug. 17 2006 05:09PM P2

BELIZE CITY, BELIZE

THE INTERNATIONAL BUSINESS COMPANIES ACT, 1990

### Certificate of Good Standing

The undersigned, Registrar of International Business Companies, HEREBY CERTIFIES, pursuant to Sections 136 (1) of The International Business Companies Act, that

**SECURED CLEARING CORPORATION** No. 16463

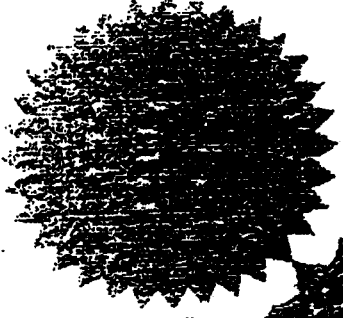
(A company incorporated under said Act) is of good standing as of the date set out below

This certifies that the above-named company as of the date hereof:

- (a) has not submitted to the Registrar articles of merger or consolidation that have not yet become effective;
- (b) the company has not submitted to the Registrar articles of arrangement that have not yet become active;
- (c) the company is not in the process of being wound up and dissolved;
- (d) proceedings to strike the name of the company off the Register have not been instituted.

GIVEN under my hand and seal in Belize City, Belize

this 15<sup>th</sup> day of August, two thousand six



*E. J. ...*  
DEPUTY REGISTRAR OF INTERNATIONAL  
BUSINESS COMPANIES

# Exhibit D

Wilhelm Roy Cadle  
125 Independence Drive  
Orange Walk District  
Belize, C.A.

August 14, 2006

Re: Property forfeiture  
Cause # 3:06-CV-0959

Michael J. Quilling, Attorney  
c/o Brent L. Rodins  
Quilling, Selander, Cummiski & Lowndes, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas [75201]

Dear Mr. Quilling:

I have recently discovered that you are attempting to seize, without due process from Gary McDuff, a property in Deer Park, Texas. The property located at 1318 Minchen Dr. in Deer Park does not belong to Mr. McDuff nor does it belong to Secured Clearing Corporation of Belize, the company which hired Mr. McDuff as director. I would have thought you would do a better job on your due diligence. You should have contacted me if you had any questions regarding Southern Trust Company and its properties. As the only surviving member of the John Aviles Law Firm, I am the sole shareholder of Secured Clearing Corporation who is the appointed Trustee for Southern Trust Company. Southern Trust Company was formed in 1989 as an Ireland trust by my partner the late John Avilez, who was a United Kingdom and Belize Barrister. He tutored Mr. McDuff in international trust law and appointed him as trustee of Southern Trust Company. Mr. Avilez formed Secured Clearing Corporation before his death and appointed Southern Trust Company and his wife as Directors. Upon his death I became the sole beneficiary of Secured Clearing and Southern Trust Company. I moved the situs of Southern Trust Company from Ireland to Belize. I appointed Secured Clearing Corporation as Trustee.

You are hereby formally placed on notice that you are stepping on my interests with your actions. You apparently believe that my property is the subject of some disdainful activity according to the understanding that I have through Mr. McDuff. Would you be so kind as to enlighten me as to the nature of the alleged offense and the cause of action you are seeking against my corporation and trust? Please inform me as to how the SEC and you as their agent can justify some sort of securities offense against my entities. It appears that you believe you have the right to use a military confiscation program [under necessity] to relieve my trust of its property without paying for it, or going through a lawful due process effort. By incorrectly claiming ownership by Mr. McDuff, a disinterested party, who is without title to the property, you are acting unlawfully.

It is my understanding that you believe my trust has received an illicit profit. What proof do you have that the party who paid profits to my trust committed any unlawful act to acquire the funds?

Also, I asked a US law research group to send me some information on the Securities and Exchange Commission. You will find this interesting. First of all, let's cover the SEC.



FROM :Lionel LR Welch

FAX NO. :2277381

**Issues**

1. The SEC was established by a 'resolution' disguised as a public law. Black's Law Dictionary defines a resolution as a "municipal opinion only, not to be confused with a statute or law. Its the decision of a board of directors (the U.S. Congress).
2. The SEC was established by a corporation (the United States) in 1871 by the District of Columbia Organic Act after the U.S. Civil War. Your Congress had not re-convened and the Congress established a for-profit municipal corporation in place of your constitutional republic. That was not lawful nor constitutionally correct, was it? It still isn't today.
3. As I understand your Constitution for the united States of America, the U.S. corporation has no valid authority within your Union states. Even your U.S. Supreme Court ruled that the United States has no police power within the states. You can check Keller v. U.S., 213 US 138 (1909); U.S. v. DeWitt, 76 US 41 (1869) and U.S. v. Lopez, 514 US 549 (1995). I don't recall your publication cites. This means you have no authority to follow your present course of action against my property.
4. I am of the understanding that you feel the arrangements my trust has with Secured Clearing Corporation allows some sort of deprivation of my trusts legal title to ownership of the Deer Park, Texas property located at 1318 Minchen Dr. against which you are seeking a "pending" amount of judgment. The house is clear of debt. I'm sure that you feel that this is very convenient for you. What is your evidence and why have you not presented it to me, the real party of interest?
5. I understand that you intend to release some funds you confiscated to investors. My trust is an investor. Where does that leave me?
6. Southern Trust Company invested \$10K of the initial joint venture profit payments it received from Secured Clearing Corporation, who received it from MaxBank, who received it from, Lancorp Group, who received it from Megafund, who received it from, CILAK International, who received it from Sardnakar Holdings. No maxim of law holds parties not directly contracted with alleged wrongdoers liable for monies received in good faith absent proof they were a party to the wrongdoing. What claim do you have against me?
7. Please provide me with a comprehensive and complete list of all the parties you have or intend to sue who received payments from the Megafund Corporation and the Lancorp Group, you seek to recover, and the amounts of those payments so that I can determine if you are treating all parties equally or if you are only engaging in selective civil prosecution.
8. What is the disposition of:
  - (a) Megafund and
  - (b) Lancorp Group?
9. You are greatly premature in your attempt to seize and sell my trust property in violation

FROM : Lionel LR Welch

FAX NO. : 2277381

Aug. 17 2006 12:27PM F3

of your own Fourth Amendment. As I now understand your 1946 Administrative Procedures Act, your administrative procedures are for executive agencies (established under statutes) which are government and not the public at large. You're taking on a considerable presumption to believe that you have authority to come into Texas and steal the Deer Park property from my trust. Your action is one concerning an alleged "inland maritime" offense stretched onto land. What crime against the United States has my property committed? Why is forfeiture necessary?

10. We understand, that in the past, the United States courts have used their admiralty/maritime jurisdiction to extend the authority of the constitutional commerce clause to include admiralty/maritime causes upon the land solely for the "capture" of property to deprive men and women of their right to a trial-by-jury and forfeiture of their assets. One only has to read Title 18 United States Code, Section 7, note 3 to find that the limited federal jurisdiction over property is outside of that under the jurisdiction of the Texas state. Make yourself acquainted with the United States Government Printing Office publication: JURISDICTION OVER FEDERAL AREAS WITHIN THE STATES, at Volume 2, page 199 on this same discourse.
11. Furthermore, the SEC and you as their agent have violated protocol without first going to proper parties of contract with a proper notice of the alleged offense and your intent to involve them. Instead you laid claim to financial assets of Southern Trust Company and others without requesting a list of all parties thought to be involved in an alleged breach of contract or other U.S. admiralty law violation. Such arrogance has no excuse.
12. The SEC, you, and your firm have your work cut out for you if you people have any concept of trying to prove that Southern Trust Company committed some sort of fraud and should be a defendant in your alleged cause(s). There is no reckless violation of U.S. laws mentioned in your action against Mr. McDuff, a disinterested party, just a notice of seizure and auction pursuant to a *Lis pendens*, which is totally inappropriate under the present undisputable facts of ownership. I believe that your own U.S. Circuit Court of Appeals, 9<sup>th</sup> Cir., in *Stewart v. Ragland* ruled that joint venture partnerships are not securities; so, what is the real problem?
13. What evidence do you have that Mr. McDuff owns the Deer Park property? What evidence do you have that Mr. or Mrs. McDuff are a beneficiary of even one share of Secured Clearing Corporation stock? What evidence do you have that they are beneficiaries of Southern Trust Company? You must provide me with this evidence within 10 days of your receipt of this letter, or it will be evident that you possess no such proof and have acted on mere presumption.
14. I believe that the burden of proof now upon you, before you have any right to ask the court for any hearing, action or ruling, is clearly established by your own negligence and lack of proper due-diligence of the facts and the true beneficial parties of interest. To proceed as you are now doing against my property after receiving this letter would constitute fraud against the court on your part.

FROM :Lionel LR Welch

FAX NO. :2277381

Aug. 17 2006 12:27PM P4

- 15. In this action you have negligently provided false and misleading information to the court in your blatant disregard for the rights of the proper and lawful interested party. This constitutes fraud against me and makes you liable for damages, actual and punitive.
- 16. Southern Trust Company nor Secured Clearing Corporation ever received any funds from the Megafund Corporation or any of the parties the Megafund Corporation is shown to have invested or placed funds with for generation of anticipated profit, legitimate or otherwise. There is no nexus of control, ownership, contract, or even acquaintance. What proof do you have to support anything to the contrary?
- 17. If you do not immediately cease from your current actions against my property I will take appropriate action against you.

Sincerely,

X Wilhelm Roy Cadle  
 Intervening Third Party of Interest  
 Wilhelm Roy Cadle, Beneficiary  
 Southern Trust Company and  
 Secured Clearing Corporation

X [Signature]  
 Witness:

Attachments:

Secured Clearing Corporation:  
 Southern Trust Corporation:  
 Apostille:

Certificate of Good Standing  
 Belize Registrars Certification  
 Notary Certificate