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

MICHAEL J. QUILLNG, Receiver	§	
For Megafund Corporation and	§	
Lancorp Financial Group, LLC.	§	
Plaintiffs,	§	
	§	
V.	§	CIVIL ACTION 3-06CV-0959-L
	§	
GARY McDUFF, Individually and	§	
d/b/a	§	
SOUTHERN TRUST COMPANY and	§	
FIRST GLOBAL FOUNDATION,	§	
ROBERT REESE, Individually and	§	
d/b/a EXCEL FINANCIAL , INC., and	§	
SHANNON McDUFF, Individually and	§	
d/b/a SECURED CLEARING CORP.	§	
Defendants.	§	

DEFENDANT ROBERT REESE, INDIVIDUALLY AND D/B/A EXCEL FINANCIAL , INC.'S ORIGINAL ANSWER

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE:

NOW COMES Robert Reese, individually and d/b/a Excel Financial, Inc, (hereinafter referred to as "Reese") and files this Original Answer in response to the Complaint filed by Plaintiff, and in support of such answer would show the following:

1. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 1. Based on information and belief, Reese believes the allegations contained in paragraph 1 are true.

2. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 2. Based on information and belief, Reese believes the allegations contained in paragraph 21 are true.

3. Reese admits the allegations contained in Paragraph 3 of the complaint.

Case 3:06-cv-00959 Document 13 Filed 07/28/2006 Page 2 of 4

4. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 4. Based on information and belief, Reese believes the allegations contained in paragraph 4 are true.

5. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 5. Based on information and belief, Reese believes the allegations contained in paragraph 5 are true.

6. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 6. Based on information and belief, Reese believes the allegations contained in paragraph 6 are true.

7. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 7. Based on information and belief, Reese believes the allegations contained in paragraph 7 are true.

8. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 8. Based on information and belief, Reese believes the allegations contained in paragraph 8 are true.

9. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 9. Based on information and belief, Reese believes the allegations contained in paragraph 9 are true.

10. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 10. Based on information and belief, Reese believes the allegations contained in paragraph 10 are true.

11. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 11. Based on information and belief, Reese believes the

Case 3:06-cv-00959 Document 13 Filed 07/28/2006 Page 3 of 4

allegations contained in paragraph 11 are not true and therefore Reese denies such allegations.

12. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 12. Based on information and belief, Reese believes the allegations contained in paragraph 12 are not true and therefore Reese denies such allegations.

13. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 13. Based on information and belief, Reese believes the allegations contained in paragraph 13 are not true and therefore Reese denies such allegations.

14. Reese lacks sufficient information to admit or deny the allegations contained in Paragraph 14. Based on information and belief, Reese believes the allegations contained in paragraph 14 are not true and therefore Reese denies such allegations. Reese admits receiving approximately \$45,000 from an account at CCI, but denies any impropriety or wrongful act in obtaining such funds.

15. Reese denies the allegations contained in Paragraph 15 of the complaint.

16. Reese acknowledges the recitations in paragraph 16.

17. While Reese admits and acknowledges the capacity, role and rights instilled in the Receiver, Reese denies he engaged in any impropriety or wrongful conduct, denies the right to impose a constructive trust on any assets/funds he received or that he should be required to disgorge any funds received.

18. Reese denies the allegations contained in Paragraph 18 of the complaint.

19. Reese acknowledges the recitations in paragraph 19.

- 20. Reese denies the allegations contained in Paragraph 20 of the complaint.
- 21. Reese acknowledges the recitations in paragraph 21.
- 22. Reese denies the allegations contained in Paragraph 22 of the complaint.

Prayer

Wherefore, Reese prays that upon final trial hereof, that all relief sought by

MICHAEL J. QUILLNG, Receiver For Megafund Corporation and Lancorp Financial

Group, LLC.be denied in its entirety against Reese, and for all other relief that Reese may

be entitled.

Respectfully submitted,

The Zisman Law Firm, P.C. 1412 Main Street Twenty-Third Floor Dallas, Texas 75202 Tel: (214) 745-1300 Fax: (214) 720-0748

By:<u>/s/Richard L. Wright</u> Richard L. Wright State Bar No. 22052700

CERTIFICATE OF SERVICE

This shall certify the foregoing Answer has been served on all parties in accordance with the applicable rules on the 28 day of July, 2006.

/s/ Richard L. Wright