

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

MICHAEL J. QUILLING, Receiver	§	
for Lancorp Financial Group, LLC, and	§	
Lancorp Financial Fund Business Trust	§	
	§	
Plaintiff,	§	
	§	CIVIL ACTION NO. 3:07-CV-0682-L
v.	§	
	§	<b>ECF</b>
ROBERT TRINGHAM,	§	
FIRST NATIONAL BAN CORP., FIRST	§	
ASSET MANAGEMENT CORP., MAX	§	
INTERNATIONAL BROKER DEALER	§	
CORP., and NIGEL GILBERT,	§	
	§	
Defendants.	§	

**STIPULATION OF DISMISSAL**

TO THE HONORABLE SAM A. LINDSAY, UNITED STATES DISTRICT JUDGE:

COMES NOW Michael J. Quilling, as Receiver for Lancorp Financial Group, LLC and the Lancorp Financial Fund Business Trust, (“Plaintiff” or “Receiver”) and files this Stipulation of Dismissal under FED. R. CIV. P. 41(a)(1)(ii) and LOCAL CIV. R. 41.1. In support, the Receiver would respectfully show the Court as follows:

1. Michael J. Quilling is the Receiver for Lancorp Financial Group, LLC, the Lancorp Financial Fund Business Trust (“Lancorp”), and other associated parties in *SEC v. Megafund Corporation, et al.*, Case No. 3:05-CV-1328, pending before the United States District Court for the Northern District of Texas (the “Receivership Proceedings”).

2. On April 20, 2007, the Receiver filed suit against Defendants Max International Broker Dealer Corp. and Nigel Gilbert (“Max International Defendants”) in these proceedings to

recover Lancorp investor funds totaling \$884,371.23—representing the balance of funds claimed by Lancorp from the Max International account held by First National Ban Corp. *Complaint* [Dkt. No. 1]. Until recently, those funds were subject to a civil forfeiture action in the United States District Court for the Central District of California (the “Civil Forfeiture Action”). *See Receiver’s Motion to Approve Settlement with Robert Tringham* [Dkt. No. 358] (3:05-CV-1328).

3. On or about September 13, 2007, the Receiver executed a Settlement Agreement with Defendants Robert Tringham, First National Ban Corp., and First Asset Management Corp. (“Tringham Defendants”). Through that Settlement Agreement, the Tringham Defendants consented to have the Internal Revenue Service transfer \$884,371.23 from the Civil Forfeiture Action to the Receiver, thereby making Lancorp whole with respect to its claims in this case. *Compromise & Settlement Agreement* [Dkt. No. 354-2] (3:05-CV-1328). This Court approved that Settlement Agreement on October 10, 2007. *Order* [Dkt. No. 365].

4. On November 8, 2007, the Court overseeing the Civil Forfeiture Action entered an Order requiring the U.S. Attorney and Internal Revenue Service to deliver \$884,371.23 to the Receiver within sixty days. Once paid, the Receiver will have obtained a full recovery of all funds sought through this lawsuit.

5. Accordingly, the parties wish to dismiss all of the Receiver’s claims stated against the Max International Defendants in this action. An Order of Dismissal is attached as Exhibit 1 and fully incorporated for all purposes.

WHEREFORE, PREMISES CONSIDERED, the parties hereby notify this Court of their desire to dismiss, with prejudice, all of the Receiver’s claims asserted against Defendants Max International Broker Dealer Corp. and Nigel Gilbert in this case and for both parties to bear their

own fees and costs. They further request that this Court sign the Order of Dismissal attached as Exhibit 1 and grant such other and further relief, general or special, at law or in equity, to which they may otherwise be entitled.

Respectfully submitted,

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By:           /s/ Brent J. Rodine            
Michael J. Quilling  
State Bar No. 16432300  
Brent J. Rodine  
State Bar No. 24048770

By:           /s/ Arian Baryalai            
Erwin J. Shustak  
CA State Bar No. 119152  
Arian Baryalai  
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ATTORNEYS FOR PLAINTIFF

ATTORNEYS FOR DEFENDANTS MAX  
INTERNATIONAL BROKER DEALER  
CORP. AND NIGEL GILBERT

**CERTIFICATE OF SERVICE**

A copy of this notice will be served on all interested parties through the Court's electronic filing system.

          /s/ Brent J. Rodine