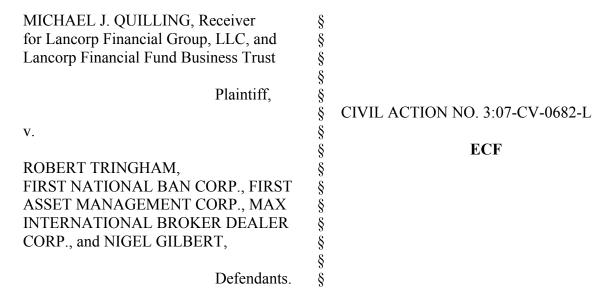
## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION



## **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 <a href="Exhibit 1">Exhibit 1</a> 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 <u>Exhibit 1</u> and grant such other and further relief, general or special, at law or in equity, to which they may otherwise be entitled.

Respectfully submitted,

QUILLING SELANDER CUMMISKEY & LOWNDS,
P.C.
2001 Bryan Street, Suite 1800
Dallas, Texas 75201-4240
(214) 871-2100 (Telephone)
(214) 871-2111 (Facsimile)

SHUSTAK & PARTNERS, P.C.
401 West A Street, Suite 2330
San Diego, CA 92101
(619) 696-9500 (Telephone)
(619) 615-5290 (Facsimile)

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
CA State Bar No. 242085

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.

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