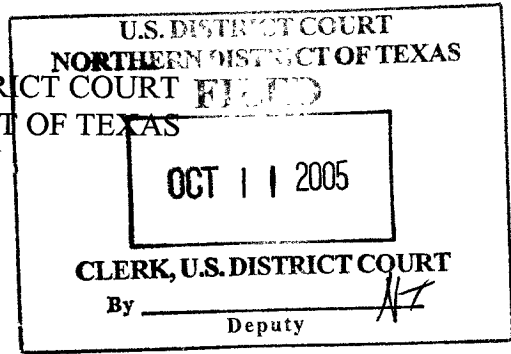


#L

ORIGINAL

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



MICHAEL J. QUILLING, RECEIVER FOR
SARDAUKAR HOLDINGS, IBC AND
BRADLEY C. STARK,

Plaintiff,

vs.

HANS TSCHEBAUM and MICHAEL
TSCHEBAUM,

Defendants.

§
§
§
§
§
§
§
§
§
§
§

Civil Action No. 3:05-CV-1465-*HL*

JOINT STATUS REPORT

TO THE HONORABLE JUDGE OF SAID COURT:

In accordance with this Court's order of September 9, 2005, the following status report is submitted by the parties.

Statement of the Case

1. Michael J. Quilling, as Receiver for Sardaukar Holdings, IBC and Bradley C. Stark, has filed suit against Hans Tschebaum and Michael Tschebaum alleging that they received property and cash from Bradley C. Stark, who, through Sardaukar Holdings, IBC, was running a Ponzi scheme, in at least the aggregate amount of \$475,912.00, which the Receiver has the right to recover and hold as Receivership assets pursuant to this Court's order. The Receiver is seeking, among other things, disgorgement of said assets by the Defendants. The Defendants admit that they have received property but have no knowledge of the allegations of the Receiver and no knowledge of wrong doing

on the part of Bradley C. Stark which would require them to return property either to Mr. Quilling or Mr. Stark.

Challenges to Jurisdiction and Venue

2. Defendants have asserted as an affirmative defense a challenge to en personam jurisdiction and venue of this cause.

Motions

3. There are no pending motions. The Receiver contemplates filing a summary judgment motion following Defendants' depositions. The parties would suggest that the Court require motions of a dispositive nature to be filed at least sixty (60) days before trial.

Court Conference

4. There are no matters at this time that require a conference with the Court.

Additional Parties

5. At this time, the parties are not aware of the necessity of enjoining any other parties to this action.

Discovery

6. The parties estimate that no more than twelve months will be needed for discovery. The Defendants are residents of California and need to schedule travel necessary to consult with their attorneys and conduct discovery. Furthermore, the Receiver's allegations require proof of a Ponzi type scheme on the part of Bradley C. Stark. Defendants have no knowledge of the scheme and will be required to conduct discovery to determine whether, and to what extent, such scheme existed.

7. The Receiver will only need to conduct limited discovery, as the issues in the case are

straightforward. At a minimum, the Receiver will take the Defendants' depositions to find out, among other things, the circumstances and details surrounding their receipt of the cash and property belonging to the Receivership estate; their relationship with Sardaukar Holdings, IBC and Bradley Stark; any consideration given by Defendants in exchange for said property; and the current whereabouts and status of said property.

8. The parties are not aware of any limitations not stated in the Federal Rules of Civil Procedure that should be placed on discovery. The parties see no need for discovery to be conducted in phases, nor for any changes that should be made in the timing, form or requirement for Rule 26(a) disclosures. The parties agree and stipulate that the 26(a) disclosures shall be shall be made no later than Monday, October 17, 2005.

Dondi Decision

9. Counsel for Plaintiff and Defendants have read the Dondi decision. Counsel have read and are familiar with the District Court's civil justice expense and delay reduction plan as amended May 2002.

Trial Date

10. The parties request a trial date on or after September 1, 2006. The parties estimate the trial of this cause should take no more than three days. A jury has been demanded.

Consent to Magistrate

11. The parties will consent to trial before United States Magistrate Judge Paul D. Strictney.

Settlement

12. There are no settlement negotiations ongoing and no current prospects for settlement of this case.

ADR

13. The parties will agree to mediation and believe that it would be most effective at the close of discovery.

ECF

14. The parties do not object to the case being handled as an electronic case files case pursuant to Miscellaneous Order 61 and the ECF Procedures Manual.

Other Matters

15. There are no other matters relevant to the status and disposition of this case known to the parties at this time.

Respectfully submitted,

Bruce W. Claycombe / *by MDC*
w/ permission

BRUCE W. CLAYCOMBE

State Bar No. 04335500

GEARY, PORTER & DONOVAN, P.C.

One Bent Tree Tower

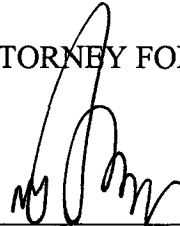
16475 Dallas Parkway, Suite 500

Addison, Texas 75001-6837

972 931-9901

972 931-9208 (FAX)

ATTORNEY FOR DEFENDANTS



MICHAEL J. QUILLING

State Bar No. 16432300

D. Dee Raibourn, III

State Bar No. 24009495

Quilling Selander Cummiskey & Lownds, P.C.

2001 Bryan Street, Suite 1800

Dallas, Texas 75201-4240

214 871-2100

214 871-2111 (FAX)

ATTORNEYS FOR MICHAEL J. QUILLING,
RECEIVER