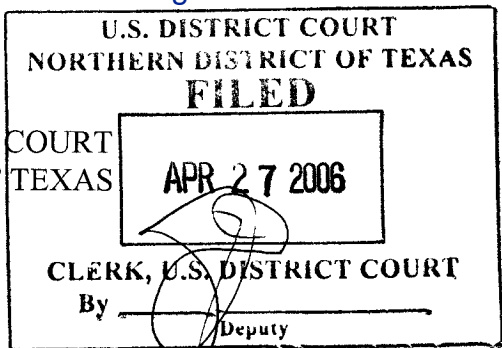


BD



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

ORIGINAL

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

Plaintiff,

v.

HANS TSCHEBAUM and MICHAEL  
TSCHEBAUM,

Defendants.

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Civil Action No. 3:05-CV-1465-L

(Jury Trial Demanded)

**APPENDIX TO PLAINTIFF'S MOTION TO COMPEL DEFENDANTS'  
RESPONSE TO DISCOVERY REQUESTS AND BRIEF IN SUPPORT**

Exhibit A - Defendants' Responses to Plaintiff's Discovery Requests (with cover letter)

# **EXHIBIT A**



**GEARY, PORTER & DONOVAN**  
A PROFESSIONAL CORPORATION  
ATTORNEYS AND COUNSELORS

MICAH R. HURT

DIRECT DIAL NUMBER:  
(972) 349-2209

ONE BENT TREE TOWER  
16475 DALLAS PARKWAY, SUITE 500  
ADDISON, TEXAS 75001-6837

POST OFFICE BOX 700248  
DALLAS, TEXAS 75370-0248

April 11, 2006

E-MAIL ADDRESS:  
mhurt@gpd.com

Michael J. Quilling, Esq.  
Quilling Selander Cummiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

VIA EMAIL  
AND U. S. MAIL

RE: Civil Action No. 3:05-CV-1465-H; Michael J. Quilling, Receiver for Sardaukar Holdings, IBC and Bradley C. Stark vs. Hans Tschebaum and Michael Tschebaum in the United States District Court for the Northern District of Texas, Dallas Division

Dear Mike:

You will find enclosed the following:

1. Defendant's Response to Plaintiff's Requests for Admission to Hans Tschebaum;
2. Defendant's Response to Plaintiff's Requests for Admission to Michael Tschebaum;
3. Defendant's Response and Objections to Plaintiff's Request for Production to Hans Tschebaum;
4. Defendant's Response and Objections to Plaintiff's Request for Production to Michael Tschebaum;
5. Defendant Hans Tschebaum's Response and Objections to Plaintiff's First Set of Written Interrogatories.
6. Defendant Michael Tschebaum's Response and Objections to Plaintiff's First Set of Written Interrogatories.

Very truly yours,

GEARY, PORTER & DONOVAN,  
A Professional Corporation

By: 

Micah R. Hurt

MRH/cl

cc: Hans Tschebaum  
Michael Tschebaum  
Glen Jonas, Esq.  
Michael Artan, Esq.  
Michael Clark, Esq.  
Clark Will, Esq.  
Brent Rodine, Esq.

Enclosures



RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 3:

Admit that third parties invested funds with Sardaukar and/or Stark.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 4:

Admit that investor funds were deposited in Sardaukar's account at JPMorgan Chase Bank.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 5:

Admit that the funds in Sardaukar's account at JPMorgan Chase Bank were used or transferred for purposes other than investing activity.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 6:

Admit that Michael Tschebaum received at least \$334,237.00 from Sardaukar's account at JPMorgan Chase Bank.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 7:

Admit that Palace Investments received at least \$668,000.00 from Sardaukar's account at JPMorgan Chase Bank.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 8:

Admit that Michael Tschebaum was an officer for Palace Investments and/or otherwise exercised discretion or control over that entity.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 9:

Admit that an entity called Administrative Specialists received a Maserati automobile that was paid for out of Sardaukar's account at JPMorgan Chase Bank.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 10:

Admit that Tschebaum was an officer for Administrative Specialists and/or otherwise exercised discretion or control over that entity.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 11:

Admit that the Maserati automobile had a total sale price of at least \$141,675.71.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 12:

Admit that the Maserati automobile is currently insured.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 13:

Admit that the Maserati automobile is not currently insured.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 14:

Admit that the funds and property You and Palace Investments received, either directly or indirectly, from Sardaukar's JPMorgan Chase account were investor funds.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 15:

Admit that the Maserati automobile was purchased with investor funds.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 16:

Admit that You and/or Palace Investments gave no consideration for the funds and property referenced in Interrogatories 4-6 and Request for Admission No. 7 that You and Palace Investments received.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 17:

Admit that the funds and property referenced in Interrogatories 4-6 and Request for Admission No.7 that You and Palace Investments received were commissions You and/or Palace Investments earned.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 18:

Admit that the funds and property referenced in Interrogatories 4-6 and Request for Admission No.7 that You and Palace Investments received were not commissions You and/or Palace Investments earned.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR ADMISSION NO. 19:

Admit that the funds and property referenced in Interrogatories 4-6 and Request for Admission No. 7 that You and Palace Investments received constituted, at least in part, the return of Your and Palace Investments' principal investment with any of the SEC Defendants.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

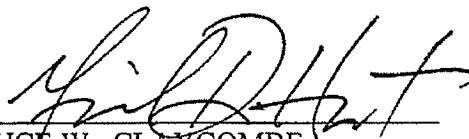
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Admit that the funds and property referenced in Interrogatories 4-6 and Request for Admission No. 7 that You and Palace Investments received constituted, at least in part, the investment return on Your and Palace Investments' investment with any of the SEC Defendants.

RESPONSE:

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Respectfully submitted,



BRUCE W. CLAYCOMBE  
State Bar No. 04335500  
MICAH R. HURT  
State Bar No. 24032451  
GEARY, PORTER & DONOVAN, P.C.  
One Bent Tree Tower  
16475 Dallas Parkway, Suite 500  
Addison, Texas 75001-6837  
P. O. Box 700248  
Dallas, Texas 75370-0248  
972-931-9901  
972-931-9208 (FAX)

ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

I hereby certify that on this 21<sup>st</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cummiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
MICAH R. HURT



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RESPONSE:

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Admit that Tschebaum was an officer for Administrative Specialists and/or otherwise exercised discretion or control over that entity.

RESPONSE:

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Admit that the Maserati automobile had a total sale price of at least \$141,675.71.

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RESPONSE:

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Respectfully submitted,

  
\_\_\_\_\_  
BRUCE W. CLAYCOMBE


State Bar No. 04335500  
MICAHA R. HURT  
State Bar No. 24032451  
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P. O. Box 700248  
Dallas, Texas 75370-0248  
972-931-9901  
972-931-9208 (FAX)

ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

I hereby certify that on this 21<sup>st</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cumiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
MICAH R. HURT



REQUEST FOR PRODUCTION NO. 2:

All Documents used or to which You referred in preparation of Your answers or responses to any of the foregoing Interrogatories and Requests for Admission.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 3:

Any and all Documents referring to, relating to, or evidencing communications between You or Palace Investments, on the one hand, and Stark or Sardaukar, on the other.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 4:

Any and all Documents referring to, relating to, or evidencing communications between You or Palace Investments and the other SEC Defendants.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 5:

Any and all Documents referring to, relating to, or evidencing communications between You or Palace Investments, on the one hand, and any Person who invested money with the SEC Defendants, on the other.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 6:

Any and all Documents referring to, relating to, or evidencing communications between You and any other Person referring or relating to the SEC Defendants.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 7:

All Documents that You intend to offer as exhibits or use as evidence at trial.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 8:

A report from each person whom You expect to call or testify as an expert witness in the trial of this cause, which report shall contain each opinion and/or conclusion, which You expect to prove and rely upon in the trial of this cause, together with a full and complete disclosure of all supporting data upon which each such opinion and conclusion is based.

RESPONSE:

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All Documents relating to, referring to, or evidencing information or other things provided for expert witnesses in connection with their evaluation of the subject facts and/or preparation for giving testimony at or before trial.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 10:

All Documents relating to, referring to, or evidencing any investigation or inquiry on your part relating to these Interrogatories and Requests or the information requested herein.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 11:

All Documents and communications relating or referring to the Maserati automobile referenced in the Receiver's *Complaint* at ¶ 9, including, but not limited to, any current insurance policies on said vehicle.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 12:

All Documents relating to, referring to, or evidencing money or other property that You or Palace Investments received from any of the SEC Defendants.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 13:

Any and all contracts and agreements, whether formal or informal, between You or Palace Investments, on the one hand, and any of the SEC Defendants or Persons who invested money with the SEC Defendants, on the other.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 14:

All documents relating to any work performed, services rendered or obligations incurred by You or Palace Investments (or any other consideration) in exchange for Your and Palace Investments' receipt of any of the funds and/or property referenced in Interrogatories 4-6 and Request for Admission 7.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 15:

All records from Charles Schwab account no. 8936-8058 from July, 2005, to the present.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 16:

All documents relating to or evidencing any transfers of money or property to or from any SEC Defendant or anyone who invested with any SEC Defendant since September 2004.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 17:

All documents relating to or evidencing any transfers of the money or property referenced in Interrogatories 4-6 and Request for Admission 7 to or from any other Person or entity since September 2004.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 18:

All documents relating to or evidencing any of Your "clients" consent to any "commissions" You received, as alleged in paragraph 4 of Defendants' Response to Plaintiffs Motion for Preliminary Injunction.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 19:

All other Documents upon which You intend to rely as a basis for Your defense.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

Respectfully submitted,

  
\_\_\_\_\_  
BRUCE W. CLAYCOMBE

State Bar No. 04335500

MICAH R. HURT

State Bar No. 24032451

GEARY, PORTER & DONOVAN, P.C.

One Bent Tree Tower

16475 Dallas Parkway, Suite 500

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P. O. Box 700248

Dallas, Texas 75370-0248

972-931-9901

972-931-9208 (FAX)

ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

Thereby certify that on this 27<sup>th</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cummiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
\_\_\_\_\_  
MICAH R. HURT

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. § Civil Action No. 3:05-CV-1465-H

HANS TSCHEBAUM and MICHAEL §  
TSCHEBAUM, §  
§  
Defendants. §

**DEFENDANT'S RESPONSE AND OBJECTIONS TO PLAINTIFF'S  
REQUEST FOR PRODUCTION OF DOCUMENTS TO MICHAEL TSCHEBAUM**

TO: Plaintiff, MICHAEL J. QUILLING, RECEIVER FOR SARDAUKAR HOLDINGS, IBC  
and BRADLEY C. STARK, by and through its attorney of record, Michael J. Quilling,  
Michael D. Clark, D. Dee Raibourn, III, Quilling, Selander, Cummiskey & Lownds,  
.P.C., 2001 Bryan St. #1800, Dallas, Texas 75201.

COMES NOW MICHAEL TSCHEBAUM, Defendant herein, and pursuant to the Texas  
Rules of Civil Procedure files this his Response and Objections to Plaintiff's Requests for  
Production of Documents, as follows:

REQUESTS FOR PRODUCTION OF DOCUMENTS

REQUEST FOR PRODUCTION NO. 1:

All Documents described or referred to in Your answers to the foregoing Interrogatories and  
Requests for Admission.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the  
Fifth Amendment to the United States Constitution."

REQUEST FOR PRODUCTION NO. 2:

All Documents used or to which You referred in preparation of Your answers or responses to any of the foregoing Interrogatories and Requests for Admission.

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Any and all Documents referring to, relating to, or evidencing communications between You or Palace Investments and the other SEC Defendants.

RESPONSE:

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Any and all Documents referring to, relating to, or evidencing communications between You or Palace Investments, on the one hand, and any Person who invested money with the SEC Defendants, on the other.

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RESPONSE:

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RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

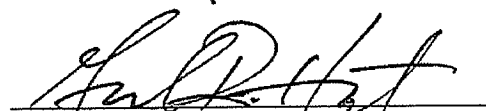
REQUEST FOR PRODUCTION NO. 19:

All other Documents upon which You intend to rely as a basis for Your defense.

RESPONSE:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

Respectfully submitted,



BRUCE W. CLAYCOMBE  
State Bar No. 04335500  
MICAHA R. HURT  
State Bar No. 24032451  
GEARY, PORTER & DONOVAN, P.C.  
One Bent Tree Tower  
16475 Dallas Parkway, Suite 500  
Addison, Texas 75001-6837  
P. O. Box 700248  
Dallas, Texas 75370-0248  
972-931-9901  
972-931-9208 (FAX)

ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

Thereby certify that on this 21<sup>st</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cummiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
MICAHA R. HURT



ANSWER:

Michael H. Artan, Esq.  
One Wilshire Boulevard  
Suite 2200  
Los Angeles, California 90017-3383  
(213) 688-0370

INTERROGATORY NO. 2:

List the full name, business address, and business telephone number of each Person with knowledge of any fact relevant to any claim or defense asserted by any party in this lawsuit and briefly summarize the substance of each such person's knowledge.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 3:

For any contracts or contractual terms that ever existed between You or Palace Investments, on the one hand, and the SEC Defendants, on the other hand, that are not produced in response to the Requests for Production below, state the terms of all such contracts, the dates such contracts were effective, and the names of all individuals who made such contracts or had knowledge of such contracts.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 4:

Fully describe all factual and legal bases for your admission that "one or the other Defendants received funds and possession of the automobile substantially as described in paragraph 9 of the Complaint." See *Original Answer of Defendants* at ¶ 1.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 5:

Describe in full detail the circumstances surrounding any other transfers of property (including, but not limited to, assets like money and automobiles) between Stark or Sardaukar, on the one hand, and You or Palace Investments, on the other.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 6:

Describe in full detail the circumstances surrounding any other transfers of property between You or Palace Investments, on the one hand, and any of the other SEC Defendants, on the other.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 7:

For the property described in Interrogatories Nos. 4-6, describe in full detail the current known or suspected location of that property or its proceeds or, if the funds have been dissipated, the transferees of any such funds.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 8:

For the property described in Interrogatories Nos. 4 - 6, describe in full detail any consideration - be it services performed, work done or obligations incurred - You or Palace Investments gave to any Person or entity in return for receipt of said property and/or the reason(s) the property was transferred to You or Palace Investments.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 9:

Describe in full detail all communications, whether written, oral, electronic or otherwise, between You or Palace Investments, on the one hand, and the SEC Defendants or anyone you believe invested money with the SEC Defendants on the other hand, relating to any of the property referred to in Interrogatories 4-6 above and its transfer to you. Your answer should include, but is not necessarily limited to, the full legal name, address, telephone number, and primary contact of that Person, the names of other Persons who engaged in the communication, the substance of the communication, the date of the communication, and the method of communication (*e.g.*, written correspondence, e-mail, telephone call, or face-to-face conversation).

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 10:

Describe in full detail any information You know or have received about current contact information for or whereabouts of any of the SEC Defendants or any Person who invested money with the SEC Defendants, or who was in possession, even temporarily, of such invested money.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 11:

Describe in full detail any information You know or have received about the current location or whereabouts of assets that were at one time controlled or possessed, even temporarily, by You, Palace Investments or any of the SEC Defendants.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 12:

Describe the relationship (business, personal, professional or otherwise) between You, Palace Investments and any of the SEC Defendants, including how and when You met or formed the relationship and the reasons therefore.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 13:

Describe where the funds in Sardaukar's JPMorgan account (account no. 469-5027377-65) came from and the reason(s) for the funds being deposited in that account.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 14:

State the current balance in Michael Tschebaum's Charles Schwab account (account no. 8936-805 8) and the location, account number and current balance of any other of Your or Palace Investments' money accounts that any funds of the said Charles Schwab account were transferred into or out of at any time, or from where any funds were transferred to any of the SEC Defendants at any time.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 15:

List any Persons or entities to whom You or Palace Investments, since July 1, 2005, have transferred or given funds from any of Your money accounts referenced in Interrogatory no. 14 above, as well as the amount(s), date(s) of and reason(s) for the transfer(s).

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 16:

If You contend that You or Palace Investments were an investor with any of the SEC Defendants, state the total amount of money You and/or Palace Investments invested with any of

them, the source of the funds You or Palace Investments used to invest and the total return on any such investments by dollar amount.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 17:

State the full factual bases for Your contention that "the Maserati . . . was purchased by Stark for the Defendants through money legitimately earned through investments," including, but not limited to, the type of investments, whose money was invested and the rate of return on any such investments.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

INTERROGATORY NO. 18:

State the identities and contact information for any "clients" You referred to Stark and Sardaukar, as alleged in paragraph 4 of Defendants' Response to Plaintiff's Motion for Preliminary Injunction.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

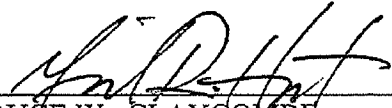
INTERROGATORY NO. 19:

State the amounts and dates of any "commissions" You received for referring "clients" to Stark and Sardaukar, as alleged in paragraph 4 of Defendants' Response to Plaintiff's Motion for Preliminary Injunction.

ANSWER:

"On the advice of counsel, I hereby assert my privilege against self-incrimination under the Fifth Amendment to the United States Constitution."

Respectfully submitted,

  
\_\_\_\_\_  
BRUCE W. CLAYCOMBE  
State Bar No. 04335500  
MICAH R. HURT  
State Bar No. 24032451  
GEARY, PORTER & DONOVAN, P.C.  
One Bent Tree Tower  
16475 Dallas Parkway, Suite 500  
Addison, Texas 75001-6837  
P. O. Box 700248  
Dallas, Texas 75370-0248  
972-931-9901  
972-931-9208 (FAX)

ATTORNEYS FOR DEFENDANTS



CERTIFICATE OF SERVICE

Thereby certify that on this 21<sup>st</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cumiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
\_\_\_\_\_  
MICAH R. HURT



ANSWER:

Glen T. Jonas  
Jonas & Driscoll, LLP  
555 W. Fifth St., 31<sup>st</sup> Floor  
Los Angeles, California 90013  
(213) 683-2033

INTERROGATORY NO. 2:

List the full name, business address, and business telephone number of each Person with knowledge of any fact relevant to any claim or defense asserted by any party in this lawsuit and briefly summarize the substance of each such person's knowledge.

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Fully describe all factual and legal bases for your admission that "one or the other Defendants received funds and possession of the automobile substantially as described in paragraph 9 of the Complaint." See *Original Answer of Defendants* at ¶ 1.

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INTERROGATORY NO. 5:

Describe in full detail the circumstances surrounding any other transfers of property (including, but not limited to, assets like money and automobiles) between Stark or Sardaukar, on the one hand, and You or Palace Investments, on the other.

ANSWER:

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INTERROGATORY NO. 6:

Describe in full detail the circumstances surrounding any other transfers of property between You or Palace Investments, on the one hand, and any of the other SEC Defendants, on the other.

ANSWER:

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For the property described in Interrogatories Nos. 4-6, describe in full detail the current known or suspected location of that property or its proceeds or, if the funds have been dissipated, the transferees of any such funds.

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INTERROGATORY NO. 9:

Describe in full detail all communications, whether written, oral, electronic or otherwise, between You or Palace Investments, on the one hand, and the SEC Defendants or anyone you believe invested money with the SEC Defendants on the other hand, relating to any of the property referred to in Interrogatories 4-6 above and its transfer to you. Your answer should include, but is not necessarily limited to, the full legal name, address, telephone number, and primary contact of that Person, the names of other Persons who engaged in the communication, the substance of the communication, the date of the communication, and the method of communication (*e.g.*, written correspondence, e-mail, telephone call, or face-to-face conversation).

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ANSWER:

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INTERROGATORY NO. 19:

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ANSWER:

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Respectfully submitted,

  
\_\_\_\_\_  
BRUCE W. CLAYCOMBE  
State Bar No. 04335500  
MICAH R. HURT  
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GEARY, PORTER & DONOVAN, P.C.  
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16475 Dallas Parkway, Suite 500  
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ATTORNEYS FOR DEFENDANTS



CERTIFICATE OF SERVICE

Thereby certify that on this 21<sup>st</sup> day of April 2006 the foregoing document was served upon the following counsel of record in accordance with Rule 5(b) of the FEDERAL RULES OF CIVIL PROCEDURE via First Class Mail, postage pre-paid:

Michael J. Quilling, Esq.  
Quilling Selander Cummiskey & Lownds, P.C.  
2001 Bryan Street, Suite 1800  
Dallas, Texas 75201-4240

  
MICAH R. HURT