

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

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:05-CV-1328-(BD)
	§	
MEGAFUND CORPORATION, STANLEY A.	§	
LEITNER, SARDAUKAR HOLDINGS, IBC.,	§	ECF
and BRADLEY C. STARK, CIG, LTD., and	§	Referred to the U.S. Magistrate Judge
JAMES A. RUMPF, Individually and d/b/a	§	
CILAK INTERNATIONAL,	§	
	§	
Defendants,	§	
and	§	
	§	
PAMELA C. STARK,	§	
	§	
Relief Defendant.	§	

RECEIVER'S INTERIM REPORT
(SARDAUKAR HOLDINGS RECEIVERSHIP ESTATE)

TO THE HONORABLE JEFF A. KAPLAN, UNITED STATES MAGISTRATE JUDGE:

Pursuant to the Court's Order of March 27, 2006, the Receiver in these proceedings, Michael J. Quilling, submits this Interim Report incident to his Amended Fourth Interim Fee Application covering the period from October 1, 2006 to January 31, 2007.

DESCRIPTION OF THE ACTIONS TAKEN DURING THIS PERIOD

1. During the period covered by this Application, the Receiver has undertaken the following generally described activities:
 - a. Continuing to prosecute/settle pending lawsuits;
 - b. Continuing to subpoena and analyze documents from third parties, financial institutions and brokerage houses;

- c. Continuing reconstruction/completion of bank account histories;
- d. Cooperating with law enforcement agencies;
- e. Cooperating with and communicating with the SEC regarding case issues;
- f. Reconciling receivership bank accounts;
- g. Paying receivership asset expenses;
- h. Pursuing sales of receivership assets;
- i. Performing website updates;
- j. Communicating with investors;
- k. Preparing a Motion to Make Interim Distribution;
- l. Engaging in formal discovery of key fact witnesses; and
- m. Handling general/administrative matters relating to the estate.

MONEY AND ASSETS RECOVERED DURING THIS PERIOD

2. From October 1, 2006 through January 31, 2007 the Receiver has recovered \$61,431.35 including interest.

TOTAL RECOVERIES TO DATE

3. From inception of the receivership estate through January 31, 2007 the Receiver has recovered \$2,775,928.18 including interest.

ANTICIPATED ACTIONS DURING THE NEXT PERIOD

4. During the next three-month period, the Receiver anticipates undertaking at least the following activities:

- a. Continuing to prosecute/settle pending lawsuits;
- b. Continuing to subpoena and analyze documents from third parties, financial institutions and brokerage houses;

- c. Investigating and filing additional lawsuits to recover receivership assets;
- d. Continuing reconstruction/completion of bank account histories;
- e. Cooperating with law enforcement agencies;
- f. Cooperating with and communicating with the SEC regarding case issues;
- g. Reconciling receivership bank accounts;
- h. Paying receivership asset expenses;
- i. Pursuing sales of receivership assets;
- j. Performing website updates;
- k. Communicating with investors;
- l. Making an interim distribution to investors;
- m. Engaging in formal discovery of key fact witnesses; and
- n. Handling general/administrative matters relating to the estate.

DATED this 8th day of February, 2007.

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)

By: /s/ Michael J. Quilling
Michael J. Quilling
State Bar No. 16432300
Email: mquilling@qsclpc.com

ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

This is to certify that on the 8th day of February, 2007, a true a correct copy of the above and foregoing has been served on the attorneys for the parties in this matter via electronic notice.

This Interim Report will also be posted on the Receiver's website, www.secreceiver.com after filing.

/s/ Michael J. Quilling
