

VICTIM IMPACT STATEMENT AFFIDAVIT

Name: LAWRENCE W. FRANK

Re: **UNITED STATES v. GARY MCDUFF** **4:09-cr-00090-2**

For the attention of: the Honorable Judge Cameron Elliot and the Honorable Judge Richard A. Schell

I was introduced to the investment opportunity by JAMES A. RUMPF, whom I have known for 7 years. He/She is a person that I trust and has proven to me to be honest and truthful. I am confident that he/she did not know the Fund was not actually insured as represented in its printed offering materials. (Gary McDuff did not introduce me to the Megafund, the Lancorp Fund or give me any printed materials about the Megafund, or the Lancorp Fund.)

I have been informed by sworn affidavits of the persons who were close to Mr. Leitner and Mr. Lancaster during the time my money was invested, that neither men actually knew the identity of the trader who was doing the alleged trading. According to their personal knowledge, a man in California by the name of Bradley Stark convinced a man named James Rumpf that he operated a safe investment program, trading highly rated bank products that were protected by special insurance policies issued by Nationwide and ACE insurance companies against capital loss.

A man who worked under James Rumpf has confirmed that he witnessed Mr. Rumpf paying a \$50,000 insurance premium fee to Bradley Stark to purchase specific coverage of the joint venture Mr. Rumpf had with Mr. Stark to protect any money Mr. Rumpf allowed Mr. Stark to conduct trading activities with.

A close friend of Larry Frank, by the name of Gregg Harris learned of this from Mr. Frank, who was working in Mr. Rumpf's office, and asked him to arrange a meeting between Mr. Rumpf and a businessman friend of Mr. Harris by the name of Stan Leitner, who would likely be interested in such a safe investment.

According to Mr. Frank and Mr. Harris, several meetings between Mr. Rumpf and Mr. Leitner took place and culminated in Mr. Rumpf's attorney, Aaron Keiter preparing a joint venture investment agreement between Mr. Rumpf and Mr. Leitner. However, only Mr. Rumpf and a few members of Mr. Rumpf's Board of Advisors knew Mr. Stark's identity. Their contract presumably prohibited Mr. Rumpf from disclosing the identity of the trader, "Bradley Stark", to Mr. Leitner, Mr. Harris, or anyone else.

JWF

With both Mr. Frank and Mr. Harris being the only men with first-hand, eye-witness knowledge of what was said, represented, disclosed, or not disclosed, and ultimately agreed upon, by Mr. Rumpf and Mr. Leitner, their account of the facts eliminates speculation of what was, or was not known by Mr. Leitner at that time.

Both Mr. Frank and Mr. Harris say they were the closest persons to Mr. Rumpf and Mr. Leitner during these negotiations and business activities. They state with absolute certainty that Mr. Rumpf and Mr. Leitner believed there was valid insurance protection insuring against the loss of any money Mr. Leitner invested with Mr. Rumpf.

Once satisfied by Mr. Rumpf's representations that he had evidenced insurance protection, Mr. Leitner formed the Megafund and accepted investors like me into the Megafund. I received the earnings I was told to expect and was pleased with the investment until it was announced that the SEC had closed the Megafund down.

I am aware that Mr. Rumpf has died and that Mr. Stark and Mr. Leitner are now in prison. I am also aware that the largest investor in the Megafund was the investment fund by the name of LANCORP FINANCIAL FUND, which was owned by Mr. Gary Lancaster, and that he and GARY MCDUFF have been, and are now being prosecuted for placing Lancorp Fund money into the Megafund, and losing it the same way my money was lost.

As a victim of the investment fraud which has been proven to have been perpetrated by Bradley Stark fabricating false insurance documents and trading statements, I am satisfied that the guilty person has been properly punished and justice has been done, although that does not replace the money I lost. I do not feel that people who received what they believed to be legitimate profits from the Megafund should be put in prison. That would not serve justice or benefit me at all.

I have been asked to provide this court with this victim impact statement to express my feelings regarding the current prosecution of GARY LYNN MCDUFF regarding these matters.

In light of the facts presented by Mr. Frank, Mr. Harris, and even Mr. Leitner, it seems to be undisputed that Mr. Leitner was convinced that there was insurance protection for all who invested in the Megafund. And, that Mr. Leitner did not even know who Bradley Stark was, or what he was actually doing with investor's money. If Mr. Leitner did not know these things, it was not possible for Mr. Lancaster or Mr. McDuff to know either.

In my view, Mr. Lancaster and Mr. McDuff must have been persuaded the Megafund was a safe investment for the same reasons I was persuaded. According to Mr. Frank, Mr. Harris, Mr. Leitner and others, Mr. Lancaster and Mr. McDuff were no more aware of Mr. Stark's fraudulent activities than I was. According to all the people who were close enough to have first-hand knowledge, it was Bradley Stark who caused everyone to be duped. Based on that fact, I

DO NOT FEEL IT IS APPROPRIATE TO HOLD GARY LYNN MCDUFF CIVILY OR CRIMINALLY LIABLE.

It is my understanding that there already is a civil court order to repay the amount the SEC claims the company he worked for received from the Megafund profit distributions. To assign civil penalties and criminal punishment to GARY LYNN MCDUFF seems abusive and inappropriate.

Facts show that it was Rev. John McDuff who asked his son, Gary McDuff, to see if Mr. Lancaster would investigate the Megafund to determine if it was a good, safe place to invest Rev. and Mrs. John McDuff's retirement funds, that were at that time, being managed by Mr. Lancaster. And, after Lancaster's satisfactory investigation, they gave Lancaster permission to move their money into the Megafund. It was then that all the monies of the Lancorp Fund, placed in the Megafund, were lost due to the elaborate deception of Bradley Stark.. They suffered loss, just as I did. I feel that justifies not punishing Gary McDuff. It makes no logical sense to me to presume that Rev. McDuff's son would knowingly harm his parents by allowing them to invest their retirement money in a Ponzi scheme. The McDuff family is known to help, not harm people. Rev. McDuff would not knowingly introduce his son to anyone, or anything criminal. He would not be a part of something he knew would cause financial harm to others. I am certain that Rev. McDuff was as ignorant of the truth behind the Megafund as I was. I think there is proof that Gary McDuff did not know the actual truth any more than I did.

All the first-hand evidence points to Bradley Stark as the person who defrauded me and caused me to suffer financial harm. It was not Gary McDuff. Court records show that at least 70 people believed the same lie that I believed, and invested their money because of it. Those people were not doing anything criminal. Gary McDuff was simply one among many who were deceived by Stark's lies.

As a victim now, aware of these facts, I respectfully request that you release GARY LYNN MCDUFF from any civil or criminal penalties or liabilities in relation to the Megafund or Lancorp Fund losses caused by Bradley Stark. I feel he should be released and the civil and criminal cases against him be dismissed. If they are not dismissed, he should not be sentenced to any further incarceration time. He should be given time served, or probation.

I make this request because I believe the evidence shows he is innocent of being part of any scheme he knew would cause people like me to lose money. It was Bradley Stark who defrauded me and caused my loss. Gary McDuff, along with many others like myself, simply acted in good faith.

J. L. Stark

Respectfully requested,

Affiant

Lawrence W. Frank
Name

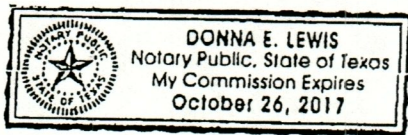
Victim address:

P.O. Box 2793
Denton, Texas 76202-2793

NOTARY CERTIFICATION OF VICTIM IMPACT STATEMENT FOREGOING
AFFIDAVIT

Subscribed and sworn, or affirmed, on this the 8 day of April, 2014 by
Lawrence Frank who appeared before the undersigned notary.

Seal:



Donna E. Lewis
Notary Public