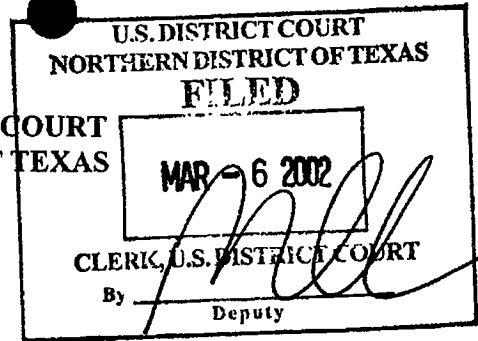


Original

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



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

FUNDING RESOURCE GROUP, a/k/a FRG Trust; et al.,

Defendants,

and

HOWE FINANCIAL TRUST, et al.,

Defendants Solely for Purposes
of Equitable Relief.

Civil Action No.
3:98-CV-2689-M



**AGREED FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER
EQUITABLE RELIEF AGAINST QUENTIN D. HIX**

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint and amendments thereto in this matter, and Defendant Quentin D. Hix ("Hix"), through his Stipulation and Consent ("Consent"), having admitted service of the Summons and of the Complaint, together with amendments thereto, having admitted the jurisdiction of this Court over him and over the subject matter of this action, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having entered into his Consent voluntarily, no threats, promises of immunity or assurances having been made by the Commission or by any of its members, officers, agents or representatives to induce him to enter into his Consent, having consented, without admitting or denying any of the allegations in the

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Commission's Complaint and amendments thereto, except as to jurisdiction as set forth above, to entry without further notice of this Final Judgment of Permanent Injunction and Other Equitable Relief as to Quentin D. Hix ("Final Judgment") enjoining Hix from engaging in transactions, acts, practices and courses of business which constitute and would constitute violations of sections 5(a) and (c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§5(a) and (c) and 77q(a), section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §78j(b), and Commission Rule 10b-5, 17 C.F.R. §240.10b-5; it further appearing that this Court has jurisdiction over Hix and the subject matter of this action and that no further notice of hearing for the entry of this Final Judgment need be given; and the Court being fully advised in the premises:

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED ^{mlh} that Hix and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating section 5(a) and (c) of the Securities Act, 15 U.S.C. §77e(a) and (c), by directly or indirectly

(a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell a security through the use or medium of a prospectus or otherwise; or


(b) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, a security for the purpose of sale or for delivery after sale,

unless a registration statement has been filed and is in effect as to the security.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mlh} that Hix and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with

him who receive actual notice of this order by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating section 17(a) of the Securities Act, 15 U.S.C. §77q(a), in the offer or sale of securities from making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, by directly or indirectly:

- (a) employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or
- (c) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED  that Hix and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating section 10(b) of the Exchange Act, 15 U.S.C. §78j(b) or Commission Rule 10b-5, 17 C.F.R. §240.10b-5, by directly or indirectly, in connection with the purchase or sale of securities from making use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

- (a) using or employing any manipulative or deceptive device, scheme or contrivance;
- (b) employing any artifice to defraud;

(c) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or

(d) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mlc}that Hix shall make full disgorgement to Michael J. Quilling, Esq. ("Quilling"), Quilling, Selander, Cummiskey & Lownds, PC, 2001 Bryan Street, Suite 1800, Dallas, Texas 75201-3730, Telephone: 214/871-2100, Facsimile: 214/871-2111, as temporary receiver, of \$79,500.00, together with prejudgment interest.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mlc}that, based upon Hix's sworn representations in ^{his mll}Sworn Statement of Financial Condition dated August 14, 2001, submitted to the Commission, the Court is waiving payment of disgorgement and prejudgment interest and is not ordering him to pay a civil money penalty pursuant to the provisions of section 20(d) of the Securities Act, 15 U.S.C. §77t(d), and section 21(d)(3) of the Exchange Act, 15 U.S.C. §78u(d)(3).

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mlc}that the determination not to impose a civil penalty and to waive payment of the disgorgement amount and prejudgment interest thereon is expressly contingent upon the accuracy and completeness of Hix's Sworn Statement of Financial Condition dated August 14, 2001, submitted to the Commission and that, if at any time following the entry of this Final Judgment, the Commission obtains information indicating that Hix's representations to the Commission concerning his assets, income, liabilities and/or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to

Hix, petition this Court for an order requiring Hix to pay disgorgement, prejudgment and post-judgment interest thereon, less the amount and value of all disgorgement previously made by Hix, and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Hix was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Hix to turn over funds and assets, directing the forfeiture of any assets and imposing sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Hix may not, by way of defense to such petition, challenge the validity of ^{his mll} ~~the~~ Stipulation and Consent or this Final Judgment, contest the allegations in the Complaint filed by the Commission or the amount of disgorgement and interest or assert that disgorgement or payment of a civil penalty should not be ordered.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mll} ~~that~~ the Stipulation and Consent filed herein be, and the same is hereby, incorporated in this Final Judgment with the same force and effect as if fully set forth herein.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mll} ~~that~~ Hix shall deliver all of his books of account and financial records to Quilling.

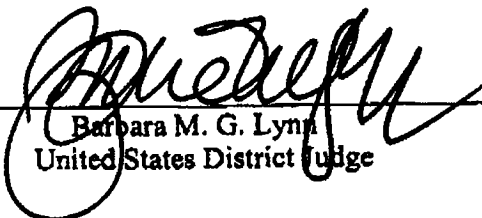
IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mll} ~~that~~ this Court shall retain jurisdiction of this action for all purposes, including for purposes of entertaining any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court, including but not limited to the relief requested by the Commission in its Complaint in this action.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED ^{mll} ~~that~~ this Final Judgment may be served upon Hix in person or by mail either by the United States marshal, by the Clerk of


the Court or by any member of the staff of the Commission.

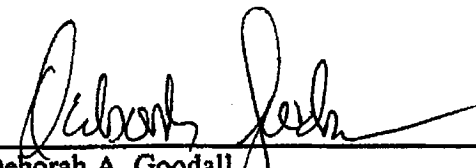
IT IS FINALLY ORDERED ^{That}, based on an express determination that there is no just reason for delay, the Clerk of Court shall enter judgment accordingly.

Dated: 3/6/02


Barbara M. G. Lynn
United States District Judge

Approved As To Form And Content:


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