

CLERK, U. S. DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
FILED
2/17/98
MICHAEL N. MILBY, CLERK
BY DEPUTY

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
IN THE HOUSTON DIVISION

2/18
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
ENTERED

FEB 18 1999

Michael N. Milby, Clerk

UNITED STATES OF AMERICA.

Plaintiff.

vs.

CIVIL ACTION NO. H-97-2625
(Consolidated)

ALL MONIES AND CERTIFICATES
OF DEPOSIT LOCATED AT TEXAS
COASTAL BANK, PASADENA, TEXAS
ON DEPOSIT IN ACCOUNT NOS.
11957 (WINTERHAWK WEST INDIES,
LTD.), 219923 (ROBERT CORD), 20003568
(WINTERHAWK WEST INDIES, LTD.),
20003631 (WINTERHAWK WEST INDIES,
LTD.), 20003680 (WINTERHAWK WEST
INDIES, LTD.), 20003687 (WINTERHAWK
WEST INDIES, LTD.), 20003690
(WINTERHAWK WEST INDIES, LTD.),
012427 (SABER INDUSTRIES, LTD.), ET AL

Defendants.

**ORDER GRANTING RECEIVER'S MOTION TO ORDER
TURNOVER OF ASSETS HELD IN THE CUSTODY OF THE UNITED STATES**

This Action is an *in rem* proceeding pursuant to 18 U.S.C. §981(a)(1)(A) wherein the United States seeks forfeiture of certain real property, personal property and bank accounts belonging to Robert F. Schoonover, Jr. a/k/a Robert Cord. The United States has previously seized, and has in its actual or constructive possession certain of the assets set forth in the caption to this cause (hereinafter the "Seized Assets").

Michael J. Quilling, (the "Receiver") has been appointed receiver by the United States District Court for the Northern District of Texas-Dallas Division, in Civil Action No. 3:98-CV-2689 styled *Securities and Exchange Commission vs. Funding Resource Group, et. al.* (the "SEC Action") and has filed Receiver's Motion for Turnover Order or, in the Alternative, to Dismiss

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and/or Transfer Forfeiture Proceedings (the "Turnover Motion"), seeking, *inter alia*, for this court to order the United States to transfer custody and control of the Seized Assets, to his possession, for administration in the SEC Action. As is set forth in this Court's order of January 28, 1999 setting a hearing on the Turnover Motion, the Turnover Motion is opposed.

A hearing was held on February 10, 1999, on the merits of the Turnover Motion, and all interested parties were given notice of the hearing, and the opportunity to file responses to the Turnover Motion, and to be heard. As a result of said hearing, the Court is of the opinion that the Turnover Motion should be granted. In so doing, the Court determined that the Turnover Motion should be granted by virtue of by two orders, one immediately transferring the assets to the Receiver, and the second transferring the action to the Northern District of Texas for further handling in connection with the SEC Action.

It is accordingly, ORDERED as follows:

1. The United States Marshall, and all parties/claimants or other persons having possession or control of any of the Seized Assets, shall immediately transfer care, custody, and control of the Seized Assets, that are the subject of this action, to the Receiver;
2. In connection with the transfer, the United States, and in particular, Bill Yahner, Assistant United States Attorney and Brett Thomas, Supervisory Deputy U.S. Marshall, shall prepare a bill of all costs and known charges against the Seized Assets, including court costs incurred in the prosecution of this action, and the Receiver shall pay said bill upon receipt;
3. All parties to this action, including, but not limited to, the various claimants and their counsel, shall cooperate with the Receiver in obtaining actual custody of the Seized Assets;

4. The United States and the Receiver shall file any appropriate motions necessary to make all other records in the possession of the United States that relate to Robert Cord, available for review and copying by the Receiver, at the offices of either the Federal Bureau of Investigation or the United States Attorney in Houston, Texas:

5. The Receiver shall cause an omnibus order granting the transfer of this action to the Northern District of Texas for further handling in connection with the SEC Action, in such a manner as to allow counsel for the various claimants who have appeared herein, to have time to review and comment on the proposed order, and to allow this Court to enter said order before March 3, 1999.

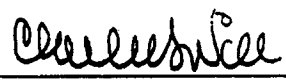
SIGNED the 17th day of February, 1999.



Lee H. Rosenthal
United States District Judge

APPROVED AS TO FORM:

QUILLING, SELANDER, CUMMISKEY,
CLUTTS & LOWNDS, P.C.

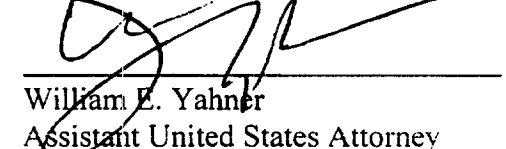
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APPROVED AS TO FORM:

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