

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
COURT
TEXAS
MAY 24 2001
CLERK, U.S. DISTRICT COURT
By _____ Deputy

CIVIL ACTION NO.
3:98-CV-2689-M

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

and

Defendants Solely for Purposes of Equitable Relief.

THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling (“Receiver”) and files this his Unopposed Motion to Establish Procedures Regarding Howe Financial Trust Claims and in support of such would respectfully show unto the Court as follows:

1. On November 13, 1998 the United States and Securities and Exchange Commission (“SEC”) initiated these proceedings and, in connection herewith, requested the appointment of a Receiver as to the Defendants and Equity Relief Defendants named in the Complaint at that time. By Order dated November 13, 1998 Michael J. Quilling was appointed as Receiver and he has continued to function in that capacity since that time.

2. On January 12, 2001 the Receiver filed his Unopposed Motion to Establish Claim Procedures and to Approve Claim Form. On January 17, 2001 the Court entered its Order Regarding Claim Procedures and Claim Form ("Claim Form Order") pursuant to which March 31, 2001 was established as the deadline by which time claimants had to submit a completed Claim Form to the Receiver.

3. On March 9, 2001 the Receiver filed an Unopposed Motion to Designate Receivership Estates. On March 13, 2001 the Court entered its Order Designating Receivership Estates for Purposes of Claims and Distributions pursuant to which the Court established four separate receivership estates, including the Howe Financial Trust receivership estate.

4. Since the Court entered the Claim Form Order the Receiver has sent a claim form to all known possible claimants of the Howe Financial Trust receivership estate and has worked diligently to resolve all Howe Financial Trust claims. Despite such efforts, it is possible that the Receiver may not be able to resolve all Howe Financial Trust claims received. Accordingly, so as to allow the claim resolution process and ultimate distributions to proceed as smoothly and as quickly as possible, the Receiver proposes that the Court enter an order establishing the following deadlines and procedures:

- The Receiver shall file a written statement on or before June 6, 2001 of each individual/entity holding an allowed claim (a claim to which the Receiver does not object) against Howe Financial Trust and shall state the amount of the allowed claim.
- The Receiver shall file his written objections to Howe Financial Trust claims, if any, on or before June 6, 2001.
- The objections to claims shall be served upon the SEC, counsel of record for

the Defendants in these proceedings and the individual/entity (or counsel, if any) to which the objection relates.

- Each individual/entity having a claim challenged by the Receiver shall file with the Court and serve upon the Receiver a written response on or before June 29, 2001.
- A hearing will be held on Friday, July 6, 2001 at 9:00 a.m. at which time the Court shall consider and rule upon the Receiver's objections to Howe Financial Trust claims.

Any individual/entity desiring to present evidence or argument in response to the Receiver's objection must personally appear before the Court at the time of the hearing. If no personal appearance is made then the Court will only consider any written response filed by the June 29, 2001 deadline.

WHEREFORE, PREMISES CONSIDERED, the Receiver prays that upon final hearing and consideration of this matter that the Court enter an Order consistent with the foregoing and consistent with whatever the Court's schedule will allow and for such other and further relief, general or special, at law or in equity, to which the Receiver may show himself justly entitled.

Respectfully submitted,

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

By: 

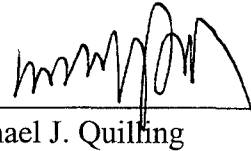
Michael J. Quilling
State Bar No. 16432300

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Dallas, Texas 75201
(214) 871-2100 (Telephone)
(214) 871-2111 (Fax)

ATTORNEYS FOR THE RECEIVER

CERTIFICATE OF CONFERENCE

I certify that prior to filing this Motion I conferred with Bob Brunig of the SEC and he does not oppose the Motion. None of the Defendants represented by counsel are affected by the Motion and it is presumed they do not oppose it. Accordingly, the Motion is presented as unopposed.



Michael J. Quilling

CERTIFICATE OF SERVICE

I hereby certify that on the 24th day of May, 2001 a true and correct copy of the foregoing document was served via first class mail, postage pre-paid, to the following parties:

Robert B. Brunig
Securities & Exchange Commission
801 Cherry Street, 19th Floor
Fort Worth, Texas 76102

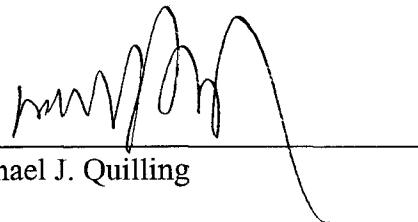
Wendell A. Odom, Jr.
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Houston, Texas

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Goodall & Sooter
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Dallas, Texas 75230

Dan R. Waller
Secore & Waller, LLC
13355 Noel Road, Suite 2290
Dallas, Texas 75240

This Motion will also be posted on the Receiver's website www.receiver.com immediately after filing.



Michael J. Quilling