


U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED

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TEXAS

2001

CLERK, U.S. DISTRICT COURT

By _____
Deputy



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

Defendants Solely for Purposes of Equitable

TO THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling (“Receiver”), and files his Unopposed Motion to Sell Personalty of Raymond Parr Combined with Brief in Support and in support of such would respectfully show unto the Court as follows:

1. On November 13, 1998, the United States Securities and Exchange Commission (“SEC”) initiated these proceedings and, in connection therewith, sought the appointment of a receiver. On November 13, 1998, Michael J. Quilling Receiver was appointed as Receiver (“Receiver”) and he has continued to function in that capacity since that time period.

2. One of the individuals to which the Receivership applies is Raymond Parr. On March 16, 2001, the Receiver filed his Emergency Motion to Compel Turnover of Assets by Parr. Thereafter an agreement was reached with respect to the turnover of the assets which was embodied

in an Order issued by this Court on April 11, 2001. Pursuant to terms of the Agreed Order Parr has turned over certain personalty to the Receiver.

3. 28 U.S.C. § 2004 governs the sale of personalty by a Receiver and provides as follows:

Any personalty sold by any Order or Decree of any Court of the United States shall be sold in accordance with section 2001 of this title, *unless the Court orders otherwise*. (emphasis added).

4. In this instance, the Receiver requests that the Court “order otherwise” with respect to the sale of the personalty and that the Receiver not be required to follow the requirement of 28 U.S.C. § 2001. As the Court is aware, the requirements of section 2001 are both cumbersome and potentially expensive. In this situation, the assets turned over by Parr are of *de minimus* value to begin with and having to follow the requirements of section 2001 will virtually eliminate any net recovery to the estate.

5. Specifically, the Receiver requests that he be allowed to sell the following items by virtue of private sale:

- a. 10 guns of various makes and models;
- b. Loose 2.15 carat pear shaped diamond;
- c. One ounce Krugerrand set with 39 small single cut diamonds;
- d. One ladies diamond waterfall ring containing 33 small round diamonds;
- e. One ladies gold ring with 1/10 ounce gold peso; and
- f. One ladies diamond tennis bracelet (broken).

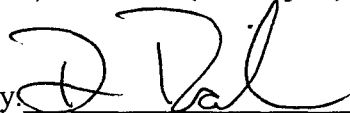
With respect to the guns (item a), the Receiver has checked with various pawn shops and has been advised that because of liability issues, they will not purchase the guns at any price. The guns are old and in relatively poor condition and are simply not worth much money. The Receiver requests that he be allowed to sell the guns for \$200.00 to Brooks Morris, or for such higher cash offer as may be received by the Receiver between the filing of this Motion and the date of any hearing approving the Motion. The Receiver believes that the foregoing sale is the best price that

can be achieved for the guns. The Receiver's only other option is to abandon the items or turn them into the Dallas Police Department for destruction.

With respect to the jewelry (items b-f), the Receiver has obtained several preliminary indications from wholesale jewelers. Because of the fluctuating price of gold and diamonds, the Receiver is unable to obtain a firm commitment on the sales price. In any event, the Receiver expects to receive no more than \$2,000.00 for all of the pieces. The jewelry is of poor quality and in some cases damaged. The Receiver requests that he be allowed to sell the jewelry (items b-f) to Dallas Gold and Silver Exchange, or a similar wholesale jewelry store, at market prices. The Receiver believes that the foregoing sale will result in the best price with the least amount of expense to the receivership estate.

WHEREFORE, PREMISES CONSIDERED, the Receiver respectfully prays that upon final hearing and consideration of this matter that the Court authorize sale of the above referenced personalty in the manner suggested, and for such other and further relief, general or special, at law or in equity, to which the Receiver may show himself to be justly entitled.


Respectfully submitted,
QUILLING, SELANDER, CUMMISKEY
& LOWNDS, P.C.
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By: 
Michael J. Quilling, SBN 16432300
D. Dee Raibourn, III, SBN 24009495

ATTORNEYS FOR RECEIVER

CERTIFICATE OF CONFERENCE

I have conferred with Robert Brunig of the SEC regarding the relief requested in this motion and he does not oppose the relief requested.


D. Dee Raibourn, III

CERTIFICATE OF SERVICE

I certify that on the 1st day of JUNE, 2001, a true and correct copy of the foregoing was served via United States mail, first-class, postage pre-paid, on:

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

Deborah Goodall
Goodall & Sooter
12830 Hillcrest Rd., Suite 111
Dallas, Texas 75230

Wendell A. Odom, Jr.
440 Louisiana, Suite 880
Houston, Texas 77002

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

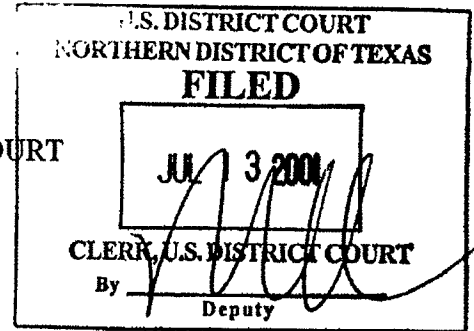
Mr. Raymond Parr
15455 Point NW Blvd., Apt. #507
Houston, Texas 77095



Michael J. Quilling / D. Dee Raibourn, III

ORIGINAL

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



SECURITIES AND EXCHANGE
COMMISSION

Plaintiff,

VS.

FUNDING RESOURCE GROUP
a/k/a FRG TRUST, ET AL.

Defendants.

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NO. 3-98-CV-2689-M



ORDER

Michael J. Quilling, as Receiver for Funding Resource Group and related entities, has filed a motion to sell certain personal property belonging to Raymond G. Parr without complying with the requirements of 28 U.S.C. §§ 2001 & 2004. The property at issue consists of: (1) 10 guns of various makes and models; (2) a loose 2.15 carat pear-shaped diamond; (3) one ounce Kugerrand set with 39 small single cut diamonds; (4) one ladies diamond waterfall ring containing 33 small round diamonds; (5) one ladies gold ring with 1/10-ounce gold peso; and (6) a broken ladies diamond tennis bracelet. The Receiver seeks an order authorizing him to sell the guns to Brooks Morris for \$200 and the jewelry to Dallas Gold and Silver Exchange, or a similar wholesale jewelry store, for the highest price attainable.

The Receiver was ordered to post a copy of this motion on his website with instructions to all interested parties that any objections must be filed by June 29, 2001. No objections have been received by the Receiver or the Court. A hearing was held on July 13, 2001. The Receiver notified all interested parties of this hearing by posting notice on his website. No one appeared

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at the hearing or otherwise objected to the motion. The Securities and Exchange Commission, through its regional counsel, has consented to the sale.

Accordingly, the motion to sell certain personal property belonging to Raymond G. Parr is granted. The Receiver is hereby authorized to sell 10 guns of various makes and models to Brooks Morris for \$200, or a higher price if attainable. The Receiver is further authorized to sell the following items of personal property to Dallas Gold and Silver Exchange, or a similar wholesale jewelry store, for the highest price attainable: (1) a loose 2.15 carat pear-shaped diamond; (2) one ounce Kugerrand set with 39 small single cut diamonds; (3) one ladies diamond waterfall ring containing 33 small round diamonds; (4) one ladies gold ring with 1/10-ounce gold peso; and (5) a broken ladies diamond tennis bracelet. The net proceeds of this sale shall be paid to the Funding Resource Group Estate.

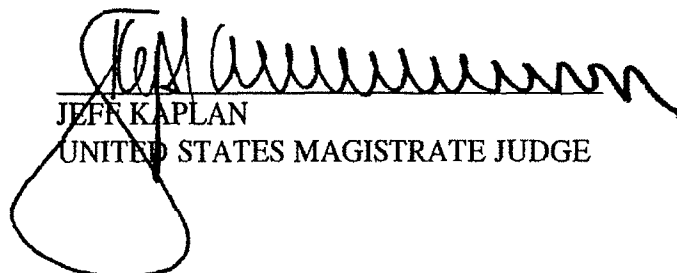
The Court finds it unlikely that the total proceeds realized from this sale will exceed \$2,500. As the Receiver correctly points out, strict adherence to the cumbersome and potentially expensive safeguards of 28 U.S.C. §§ 2001(b) & 2004 would virtually eliminate any net recovery to the Estate.¹ Therefore, the Receiver need not comply with the requirements of these statutes.

¹ These statutes provide, in relevant part:

After a hearing, of which notice to all interested parties shall be given by publication or otherwise as the court directs, the court may order the sale of such [personalty] or interest or any part thereof at private sale for cash or other consideration and upon such terms and conditions as the court approves, if it finds that the best interests of the estate will be conserved thereby. Before confirmation of any private sale, the court shall appoint three disinterested persons to appraise such property or different groups of three appraisers each to appraise properties of different classes or situated in different localities. No private sale shall be confirmed at a price less than two-thirds of the appraised value. Before confirmation of any private sale, the terms thereof shall be published in such newspaper or newspapers of general circulation as the court directs at least ten days before confirmation. The private sale shall not be confirmed if a bona fide offer is made, under conditions prescribed by the court, which guarantees at least a 10 per centum increase over the price offered in the private sale.

SO ORDERED.

DATED: July 13, 2001.



JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE