

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
MAR 20 2003
CLERK, U.S. DISTRICT COURT
By _____ Deputy

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

Defendants,

Defendants Solely for Purposes of Equitable Relief.

TO THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling (“Receiver”) and files this his Motion to Close Case and for Discharge (Howe Financial Receivership Estate) and in support of such would 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. By Order dated November 13, 1998, the Court appointed Michael J. Quilling as Receiver

and he has functioned in that capacity since that time. As set forth in the Receivership Order (“Receivership Order”), the receivership applies to Howe Financial Trust (“Howe Financial”).

2. On March 9, 2001, the Receiver filed his Unopposed Motion to Designate Receivership Estates. By Order entered March 13, 2001, the Court established four different receivership estates with respect to these proceedings. One of those established is the Howe Financial Receivership Estate. It is comprised of the assets and claims with respect to Howe Financial.

3. On January 12, 2001, the Receiver filed his Unopposed Motion to Establish Claim Procedures and to Approve Claim Form. By Order entered January 17, 2001, the Court approved an official claim form to be used in these proceedings and established procedures by which claims would be processed by the Receiver. The deadline for submitting the claim form to the Receiver was established as March 31, 2001.

4. On June 6, 2001, the Receiver filed his Statement of Claims filed against the Howe Financial Receivership Estate and his Objections to Claims (Howe Financial Receivership Estate). After the hearing held on July 13, 2001 to consider the Receiver’s Objections to Claims, on July 13, 2001, Judge Kaplan issued Findings of Fact and Recommendations which were adopted by the Court by Judge Lynn’s Order dated July 25, 2001.

5. On August 15, 2001, the Receiver filed his Interim Report and Interim Distribution Plan. On September 21, 2001, Judge Kaplan issued his Findings and Recommendations pursuant to which he recommended the Report be approved. On October 19, 2001, Judge Lynn issued an Order Accepting the Recommendations with modifications. On October 22, 2001, consistent with the Interim Report, as approved, the Receiver mailed interim distribution checks to each holder of

an allowed claim against the Howe Financial Receivership Estate. Each person received a check equal to 32.9% of their allowed claim.

6. On November 14, 2002, the Receiver filed his Final Report and Proposed Distribution Plan as to the Howe Financial Receivership Estate. After the hearing held on December 20, 2002, Judge Kaplan issued his Findings and Recommendations regarding approval of the Report. On January 15, 2003, Judge Lynn issued an Order Accepting the Findings and Recommendations.

7. On January 17, 2003, consistent with the Final Report as approved, the Receiver mailed final distribution checks to each holder of an allowed claim against the Howe Financial Receivership Estate. Each person received a check equal to 20.72% of their allowed claim. All checks have now been cashed.

7. After all checks have cleared the bank, the Receiver has \$5,000.01 of funds remaining in the Howe Financial Receivership Estate to cover fees and expenses through closure of the case. This reserve fund was established pursuant to paragraph 11 of the Final Report and paragraph B on page 5 of Judge Kaplan's Findings and Recommendations¹.

8. As referenced in paragraph 15 of the Final Report, the Receiver now requests that the Court schedule a hearing to consider entry of an Order which:

- Authorizes the Receiver to abandon and destroy all records relating to the Howe Financial Receivership Estate at such time as the Receiver, in his discretion, deems proper;
- Closes the Howe Financial Receivership Estate to any further proceedings, absent good cause shown;

¹ The reserve requested and approved was \$5,000.00. The additional .01¢ held by the Receiver is attributable to rounding when the final distribution checks were mailed.

- Discharges the Receiver from any further service or responsibility as to the Howe Financial Receivership Estate;
- Releases the Bond posted by the Receiver in these proceedings insofar as it relates to the Howe Financial Receivership Estate; and
- Approves and authorizes payment of the \$5,000.01 to Quilling, Selander, Cummiskey & Lownds, P.C. to cover receiver and attorney fees.

WHEREFORE, PREMISES CONSIDERED, the Receiver prays that upon final hearing and consideration of this Motion that the Court enter an Order consistent with the foregoing 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:



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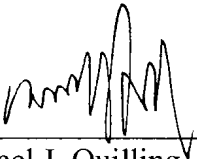
ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of March, 2003, a true and correct copy of the foregoing document was served via first class mail, postage pre-paid, on the persons set forth below.

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

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



Michael J. Quilling