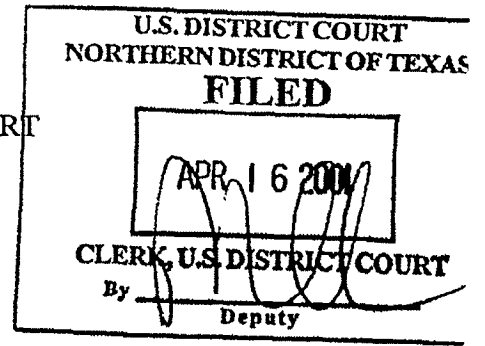


ORIGINAL

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



MICHAEL J. QUILLING, as Receiver §
for Hammersmith Trust, LLC, Hammersmith §
Trust, Ltd., Microfund, LLC, and §
Bridgeport Alliance, LLC §

Plaintiff, §

VS. §

ADAM SHAW, ET AL. §

Defendants. §

NO. 3-00-CV-1405-M



ORDER

Michael J. Quilling, as Receiver for Hammersmith Trust, LLC and related entities, has submitted a litigation budget for this case in the amount of \$237,250.00. The Receiver was ordered to post a copy of this budget on his website with instructions to all interested parties that any objections must be filed by April 6, 2001. No objections have been received by the court.

A hearing was held on April 12, 2001. The purpose of this hearing was to give all interested parties an opportunity to present any objections to the proposed litigation budget. The Receiver posted notice of this hearing on his website as directed by the court. However, no one appeared at the hearing or has otherwise objected to the budget request.

To date, the Receiver has collected \$56,993.65 in settlements with the defendants and obtained default judgments totaling \$361,066.50. The collectability of these judgments is unknown. Nor is the Receiver able to provide a good faith estimate of the amount of money he realistically expects to recover on behalf of investors as a direct result of this lawsuit. Because of this uncertainty, the Court is unable to prospectively approve a \$237,250.00 litigation budget.

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The Court will continue to monitor the legal fees and expenses incurred by the Receiver in prosecuting this case, as well as the amount of money recovered on behalf of investors. The following procedures are hereby established for payment of the Receiver:

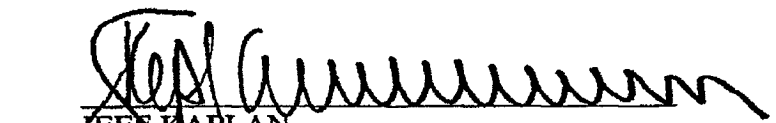
1. The Receiver shall submit quarterly applications specifying the amount of fees and expenses incurred in this case for the preceding 90 days. Fee applications shall be filed with the district clerk on or before the first Monday of September, December, March, and June. The application must be supported by detailed records documenting the time spent, services performed, and expenses incurred in connection with this matter. The hourly rate for each attorney or legal assistant who performed the service shall be listed for each entry. Any out-of-pocket expense item of more than \$500 must be supported by a receipt. A copy of the fee application shall be made available to all interested parties when it is filed with the court.

2. A hearing will be scheduled within 30 days after the Receiver submits his fee application. The Receiver shall notify all interested parties of this hearing date. Written objections to the fee application must be filed at least 10 days prior to the hearing.

3. The Receiver may comply with the notice requirements of this Order by posting a copy of his fee application and this Order on his website, SECRECEIVER.COM. Appropriate links to the court's docket sheet shall also be provided on the website.

SO ORDERED.

DATED: April 13, 2001.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE