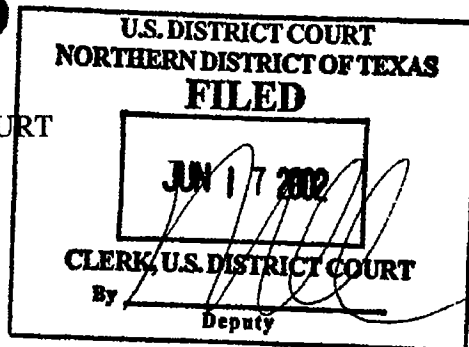


ORIGINAL

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 RESETTING HEARING

Michael J. Quilling, as Receiver for Howe Financial Trust, has filed a motion to sell certain real property at a private sale free and clear of all liens, claims, and encumbrances. The property at issue is located at 1721-1725 South Main Street, Elkhart, Elkhart County, Indiana. North East Real Estate, LLC has offered to purchase this property for \$50,000, which is greater than two-thirds of the appraised value as found by three disinterested persons appointed by the court.¹ The Receiver believes that this offer is fair, reasonable, and in the best interests of the Estate. A hearing on the motion is currently set for June 21, 2002 at 9:00 a.m.

Prior to the hearing, James and Abigail Zayas filed an objection to this proposed sale as equitable owners of the property. The Zayas contend that they purchased the property in good faith from representatives of the Howe Financial Trust in 1997, and have been making payments ever since. By letter dated June 13, 2002, the Receiver requested a postponement of the hearing so he can investigate the matter.

¹ The average amount of the three appraisals is \$64,866.67.

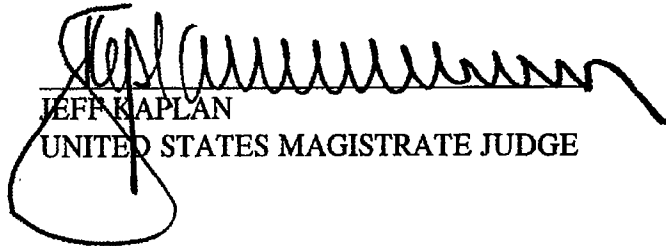
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The hearing currently scheduled for June 21, 2002 at 9:00 a.m. is hereby reset for July 19, 2002 at 9:00 a.m. in the courtroom of U.S. Magistrate Judge Jeff Kaplan, 1100 Commerce Street, 16th Floor, Dallas, Texas. The Receiver shall file a response to the objection of James and Abigail Zayas by July 15, 2002. The Zayases and any other interested person will be given an opportunity to present their objections at the hearing.

The Receiver is ordered to post a copy of this Order on his website, www.secreceiver.com. Appropriate links to the court's docket sheet shall also be provided on the website. The Receiver is also directed to send a copy of this Order to James and Abigail Zayas or their attorney of record.

SO ORDERED.

DATED: June 17, 2002.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE