

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

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
JAN 5 2001
CLERK, U.S. DISTRICT COURT
By _____ Deputy *djd*

ENTERED ON DOCKET
JAN - 8 2001
U.S. DISTRICT CLERK'S OFFICE

ORDER

Michael J. Quilling, as Receiver for Funding Resource Group and related entities, has filed an application for \$174,270.00 in fees and \$39,918.02 in expenses for services performed and costs incurred in this case from September 1, 2000 through November 30, 2000. He also seeks authority to pay law firms in other jurisdictions a total of \$52,236.50 and \$1,657.07 in expenses for legal services performed on behalf of the Receivership Estate. Finally, the Receiver requests \$95,292.50 in fees and \$11,748.96 in expenses for accounting services performed by Litzler, Segner, Shaw, McKinney & Dohmeyer, LLP. The Receiver was ordered to post a copy of these fee applications on his website with instructions to all interested parties that any objections must be filed by December 27, 2000. No objections have been received by the court.

A hearing was held on January 5, 2001. The Receiver advised all interested parties of this hearing by posting notice on his website as directed by the court. No one appeared at the hearing or otherwise objected to the fee applications. The Securities and Exchange Commission, through its regional counsel, previously consented to payment of the amounts requested.

The Court has reviewed the fee applications and exhibits attached thereto, and finds that the time spent, services performed, expenses incurred, and hourly rates charged by the Receiver, outside law firms, and accountants are justified under the factors set forth in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). No upward or downward adjustment is warranted. Accordingly, the fee applications are approved.

The Receiver is authorized to pay the law firm of Quilling, Selander, Cummiskey & Lownds, P.C. the sum of \$174,270.00 in fees and \$39,918.02 in expenses for services performed and costs incurred in this case from September 1, 2000 through November 30, 2000.

The Receiver is further authorized to pay the following outside law firms fees and expenses for services performed and costs incurred in this case:

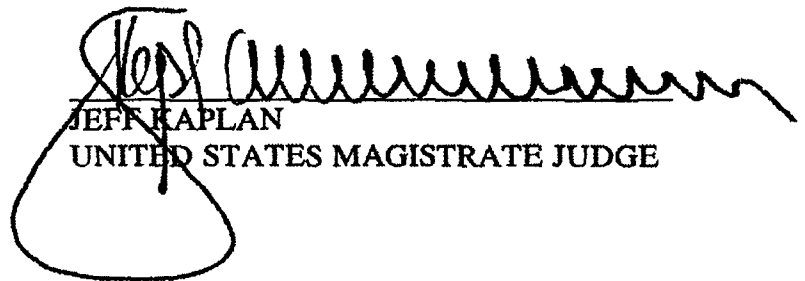
<u>Law Firm</u>	<u>Fees</u>	<u>Expenses</u>
Glenn, Rasmussen, Fogarty & Hooker Tampa, Florida	\$ 3,360.00	\$ 6.74
Spicer, Flynn & Rudstrom Memphis, Tennessee	\$ 5,309.50	\$ 46.29
Borod & Kramer Memphis, Tennessee	\$31,431.75 \$ 8,115.25	\$622.79 \$472.00
Smith, Haughey, Rice & Roegge Grand Rapids, Michigan	\$ 4,020.00	\$509.25

The Receiver is further authorized to pay the accounting firm of Litzler, Senger, Shaw, McKinney & Dohmeyer, LLP the sum of \$95,292.50 in fees and \$11,748.96 in expenses for services performed on behalf of the Receivership Estate from September 1, 2000 through November 30, 2000.

With these payments, the Receiver has exceeded his litigation budget for this case.¹ The Court will not approve any further fee applications until a procedure has been approved for the disbursement of proceeds to defrauded investors and such disbursements have commenced.

SO ORDERED.

DATED: January 5, 2001.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE

¹ The Receiver was paid \$949,907.44 before the Court required him to submit a litigation budget. The Court subsequently approved a \$350,000 budget for the *Funding Resource* case. Since that time, the Receiver has been paid \$346,920.50 in fees and \$97,829.69 in expenses. This does not include more than \$300,000 paid to outside law firms and accounting firms.