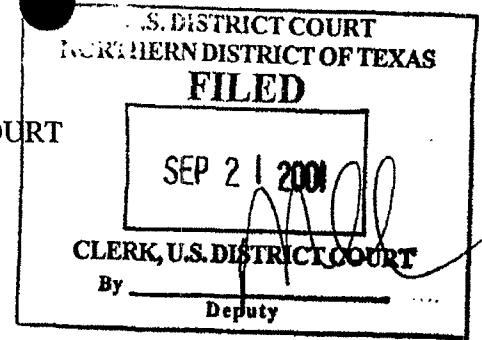


ORIGINAL

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.

NO. 3-98-CV-2689-M



ORDER

Michael J. Quilling, as Receiver for Howe Financial Trust, has filed a motion to treat the \$100,000 claim filed by Nancy Sims in two portions. Sims, who together with Howe Financial Trust owns certain real property located at 1721 South Main Street, Elkhart, Indiana, has agreed to convey her interest in the property to the Receiver. In the event of a sale, all net proceeds up to \$57,000 would be paid to Sims with the remainder paid to the Howe Financial Trust Estate. If the net sales proceeds are less than \$57,000, those proceeds would be paid to Sims in satisfaction of her \$57,000 claim against the Estate. The remaining portion of her \$100,000 claim, or \$43,000, would be treated just like all other investor claims and paid on a *pro rata* basis.

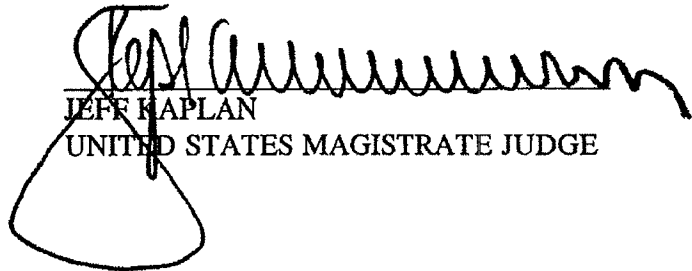
A hearing was held on September 21, 2001. The Receiver was ordered to post a copy of the motion on his website with notice of the hearing and instructions to all interested parties that any objections must be filed by September 11, 2001. No written objections have been received and no one appeared at the hearing or otherwise objected to the motion. The Securities and Exchange Commission, through its regional counsel, has consented to the proposed treatment of the Sims claim.

781

Accordingly, the motion to treat the \$100,000 claim filed by Nancy Sims in two portions is granted. The first portion of the claim, in an amount not to exceed \$57,000, shall be paid to Sims out of the net proceeds of the sale of certain real property located at 1721 South Main Street, Elkhart, Elkhart County, Indiana. All net sales proceeds in excess of \$57,000 shall be retained by the Howe Financial Trust Estate. In the event that the net sales proceeds are less than \$57,000, Sims' claim will be completely extinguished by payment of the net sales price. If the net sales proceeds exceeds \$57,000, the remaining portion of Sims' claim, or \$43,000, will be treated the same as all other investor claims and will be paid on a *pro rata* basis.

SO ORDERED.

DATED: September 21, 2001.

  
JEFF KAPLAN  
UNITED STATES MAGISTRATE JUDGE