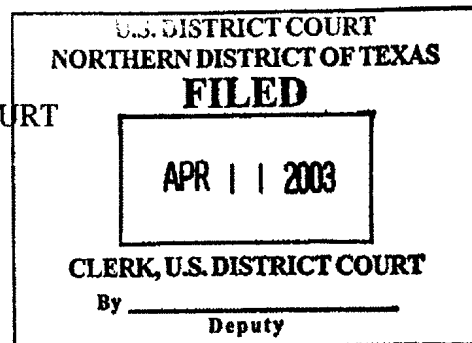


ORIGINAL

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

**FINDINGS AND RECOMMENDATION OF THE
UNITED STATES MAGISTRATE JUDGE**

Michael J. Quilling, as Receiver for Howe Financial Trust and related entities, has filed a motion to close the Howe Financial Trust Estate. According to the Receiver, final distribution checks have been sent to each holder of an allowed claim and all matters relating to the Estate have been concluded.

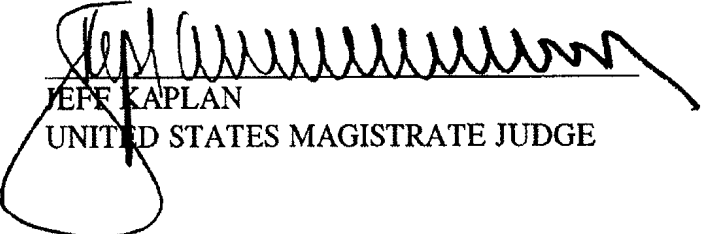
The Receiver was ordered to post a copy of this motion on his website with instructions to all interested parties that any objections must be filed by April 4, 2003. No objections have been received by the Receiver or the court. A hearing was held on April 11, 2003. The Receiver notified all interested parties of this hearing by posting notice on his website. 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 relief sought.

The magistrate judge finds that all matters relating to the Howe Financial Trust Estate have been concluded that this Estate should be closed. Accordingly, the following orders should be entered in this cause:

1. The Howe Financial Trust Estate should be closed to any further proceedings and the Receiver should be discharged from any further service or responsibility to the Estate;
2. The bond posted by the Receiver should be released, but only insofar as it relates to the Howe Financial Trust Estate;
3. The Receiver should be authorized to abandon and destroy all records relating to the Howe Financial Trust Estate; and
4. The Receiver should be authorized to pay \$5,000.01 to the law firm of Quilling, Selander, Cummiskey & Lownds, P.C. to cover legal fees and expenses.

The Receiver is ordered to post a copy of this report and recommendation on his website, www.secreceiver.com. Any claimant or interested party may file written objections to this recommendation by **April 25, 2003**. The failure to file written objections shall bar the aggrieved party from appealing the factual findings and legal conclusions of the magistrate judge that are accepted or adopted by the district court, except upon grounds of plain error or manifest injustice. *See Douglass v. United Services Automobile Ass'n*, 79 F.3d 1415, 1417 (5th Cir. 1996).

DATED: April 11, 2003.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE