

ORIGINAL

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

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
MAR 1 | 2003
CLERK, U.S. DISTRICT COURT
By _____ Deputy

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 SETTING HEARING

Michael J. Quilling, as Receiver for Hammersmith Trust and related entities, has filed a motion to approve a compromise and settlement agreement with David Johnson in Case No. 00-2098-TU, styled *Granite Holdings, et al. v. Johnson*, currently pending in the United States District Court for the Western District of Tennessee ("Johnson Litigation"). Pursuant to this settlement, Johnson has agreed to pay the Receiver \$600,000 in exchange for a release of all claims against him and his law firm. The Receiver also seeks authority to pay: (1) \$11,156.00 in attorney's fees and \$3,134.31 in expenses to the law firm of Quilling, Selander, Cummiskey & Lownds, P.C.; (2) \$34,851.55 in attorney's fees and \$2,046.54 in expenses to the law firm of Borod & Kramer; (3) \$29,225.00 in expert witness fees to Professor Harold Levinson; and (4) \$58,591.35 to various Hammersmith investors for attorney's fees paid to Borod & Kramer before the Receiver assumed control the Johnson Litigation.

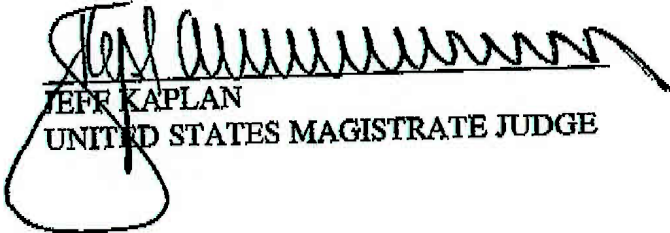
A hearing on the motion is set for April 11, 2003 at 9:00 a.m. in the courtroom of U.S. Magistrate Judge Jeff Kaplan, 1100 Commerce Street, 16th Floor, Dallas, Texas. Written

objections to the motion must be filed by April 4, 2003. Interested parties will be given an opportunity to present their objections at the hearing.

The Receiver is ordered to post a copy of his motion 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: March 11, 2003.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE