

BUDGET - RECEIVER & QSCL

<u>Stage</u>	<u>Total Hours (Estimated)</u>	<u>Attorney Compensation (hourly rate)</u>	<u>Estimated Costs</u>	<u>Total</u>
Preliminary investigation	50	\$250.00	\$5,000.00	\$17,500.00
Legal research	10	\$150.00	\$500.00	\$2,000.00
Pleading preparation	5	\$250.00	-0-	\$1,250.00
Formal discovery	50	\$250.00	\$10,000.00	\$22,500.00
Expert witnesses	None anticipated			
Dispositive motions	20	\$ 250.00	\$ 100.00	\$ 5,100.00
Trial preparation	20	\$ 250.00	\$1,500.00	\$ 6,500.00
Trial	4-5 days	\$2,500.00 /day	\$2,500.00	\$12,500.00
Administrative	30	\$ 250.00	\$ 500.00	\$ 8,000.00
Settlement/mediation	20	\$ 250.00	\$2,500.00	<u>\$ 7,500.00</u>
GRAND TOTAL				\$82,850.00

NATURE OF THE ACTION

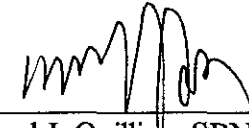
This is a lawsuit by an insurance company for declaratory judgment and rescission of two commercial crime policies (bonds) totaling \$10 million. The bonds were issued to United States Holdings, L.L.C., an entity controlled by Jeffrey Matz, to supposedly protect potential investors in the Hammersmith Trust program. After his conviction in Pensacola, Judge Collier ordered all of United States Holdings, L.L.C.'s interest in the bonds to be turned over to the Receiver. The Receiver has answered the lawsuit and has filed a counterclaim for recovery under the bonds. The

Receiver reasonably and in good faith estimates that he may realistically expect to recover in excess of \$500,000.00 with respect to this case.

DATED this 15th day of October, 2001.

Respectfully submitted,

QUILLING, SELANDER, CUMMISKEY & LOWNDS, P.C.
2001 Bryan St., Suite 1800
Dallas, Texas 75201
(214) 871-2100 (Telephone)
(214) 871-2111 (Telecopier)

By: 
Michael J. Quilling, SBN 16432300

ATTORNEYS FOR RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of October, 2001, a true and correct copy of the foregoing document was served via first class mail, postage pre-paid, on:

Robert B. Brunig
Securities & Exchange Commission
801 Cherry Street, 19th Floor
Fort Worth, Texas 76102

Deborah Goodall
Goodall & Sooter
12830 Hillcrest Rd., Suite 111
Dallas, Texas 75230

Wendell A. Odom, Jr.
440 Louisiana, Suite 800
Houston, Texas 77002

Dan R. Waller
Secore & Waller, LLC
13355 Noel Road, Suite 2290
Dallas, Texas 75240

Michael Holden
Holden & Walker, PLC
2425 East Camelback Road
Suite 800
Phoenix, Arizona 85016


Michael J. Quilling

HOLDEN WALKER PLC LITIGATION BUDGET

<u>Stage</u>	<u>Total Hours (Estimated)</u>	<u>Attorney Comp Hourly Rate</u>	<u>Estimated Costs</u>	<u>Total</u>
Preliminary Investigation	25	\$225.00	\$5,000.00	
	25	\$150.00		\$14,375.00
Legal Research	50	\$150.00	\$2,500.00	\$10,000.00
Pleading Preparation	5	\$225.00	-0-	\$1,125.00
Formal Discovery	50	\$225.00	\$5,000.00	\$16,250.00
Expert witnesses	None anticipated			
Dispositive motions	20	\$225.00	\$500.00	
	20	\$150.00		\$8,000.00
Trial preparation	50	\$225.00	\$2,500.00	\$13,750.00
Trial	4-5 days	\$2,225.00	\$500.00	\$11,625.00
Settlement/mediation	20	\$225.00	-0-	<u>\$4,500.00</u>
GRAND TOTAL				\$79,625.00