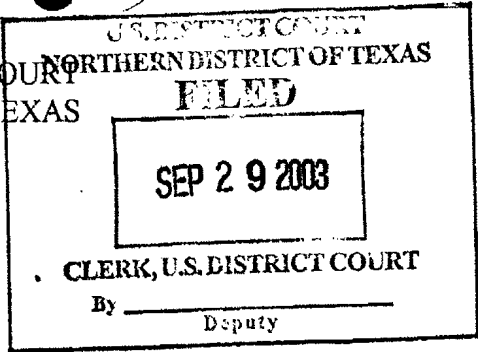


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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

FUNDING RESOURCE GROUP
a/k/a FRG TRUST, et al.,

Defendants.

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Civil Action No. 3:98-CV-2689-M

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

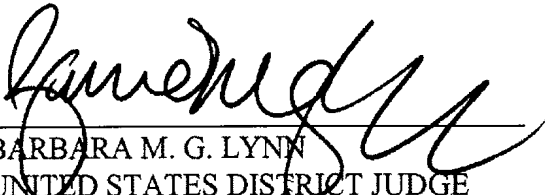
On September 5, 2003, United States Magistrate Judge Jeff Kaplan made Findings and a Recommendation as to the Hammersmith Trust Estate. No objections were filed. The Court thus reviews the Findings and Recommendation for plain error. Finding no plain error, the Court accepts the Findings and Recommendation of the United States Magistrate Judge.

The Receiver's motion to approve a compromise settlement agreement is **GRANTED**. The settlement with National Union Fire Insurance Company of Pittsburgh, Pennsylvania, by which the Hammersmith Trust Estate will receive \$764,400, is approved, and the Receiver is authorized to execute all documents necessary to conclude the National Union litigation and to deposit the settlement proceeds into the Hammersmith Trust Estate for eventual distribution to investors on a *pro rata* basis.

The motion to allow payment of attorney's fees and expenses is **GRANTED**. The Receiver is authorized to pay: (1) \$18,252.50 in attorney's fees and \$3,555.69 in expenses to the law firm of

Quilling, Selander, Cummiskey & Lownds, P.C.; and \$22,292.75 in attorney's fees and \$2,428.42
in expenses to the law firm of Holden Brodman.

SIGNED this 29 day of September, 2003.


BARBARA M. G. LYNN
UNITED STATES DISTRICT JUDGE