

IN THE UNITED STATES DISTRICT COURT U.S. DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION FILED

Michael J. Quilling, Receiver for
Howe Financial Trust, MVP
Network, Inc. d/b/a MVP Trust,
and TREDIS Financial Trust

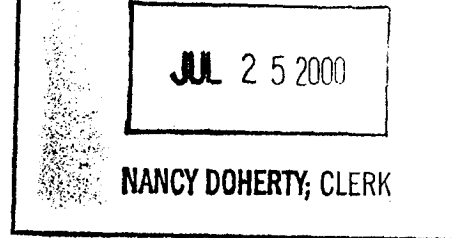
Plaintiff,

v.

James W. Conway, an individual and,
James W. Conway, P.S.C., a Kentucky
Professional Services Corporation

Defendants.

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Civil Action No. ~~3-98-CV-2699-M~~

3:99 CV 2699 M

RECEIVER'S PROPOSED LITIGATION BUDGET

TO THE HONORABLE JEFF KAPLAN, UNITED STATES MAGISTRATE JUDGE:

COMES NOW, Michael J. Quilling ("Receiver") and, pursuant to this Court's Order entered on June 28, 2000, submits this his proposed litigation budget¹:

Nature of Action And Good Faith Recovery Estimate

This is an action by the Receiver against defendant Kentucky lawyer, James Conway with respect to his dealings with receivership defendant Howe Financial Trust. Although the damages sought by the Receiver are in excess of \$1.5 million, any recovery will probably be limited to the \$500,000.00 (less burnoff) malpractice insurance policy maintained by defendant Conway.

¹ This budget is submitted even though your Honor has recommended dismissal to the District Court. If the case is dismissed by the District Court, the Receiver may decide to pursue an appeal. Those fees and costs are not addressed by this budget.

Litigation Budget

<u>Stage</u>	<u>Total Hours (Estimate)</u>	<u>Attorney Compensation (Hourly Rate)</u>	<u>Estimated Costs</u>	<u>Total</u>
Preliminary Investigation	Completed			
Legal Research	65	\$ 150.00	\$ 250.00	\$10,000.00
Pleading Preparation	Completed			
Formal Discovery	100	\$ 250.00	\$25,000.00	\$50,000.00
Expert Witnesses	If the case is not dismissed, then retention of an expert on Kentucky legal practice standards will be necessary. The cost has not yet been investigated nor is it known.			
Dispositive Motions	75	\$ 250.00	\$ 250.00	\$ 9,000.00
Trial Preparation	40	\$ 250.00	\$ 1,000.00	\$11,000.00
Trial	100	\$ 250.00	\$ 5,000.00	\$30,000.00
Total Estimated Fees and Costs:				\$120,000.00

DATED this 25th day of July 2000.

Respectfully submitted,

By: _____

Michael J. Quilling
State Bar No. 16432300

QUILLING, SELANDER, CUMMISKEY, &
LOWNDS, P.C.

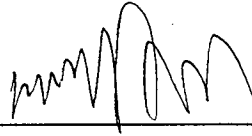
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Dallas, Texas 75201-4240
(214) 871-2100 (Telephone)
(214) 871-2111 (Facsimile)

CERTIFICATE OF SERVICE

A true and correct copy of this document was mailed on July 25, 2000, via first class mail to the following:

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

Gary D. Elliston
Dehay & Elliston, L.L.P.
3500 Bank of America Plaza
901 Main Street
Dallas, Texas 75202-3736



Michael J. Quilling