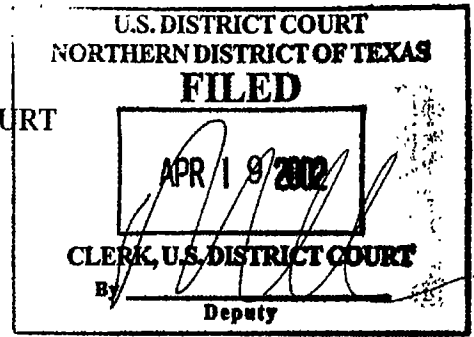


ORIGINAL

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



ORDER

Michael J. Quilling, as Receiver for Funding Resource Group and related entities, has filed an application for \$13,955.00 in fees and \$215.14 in expenses for services performed and costs incurred in prosecuting a claim against the Wolcott Lifetime Trust in the United States District Court for the Southern District of Michigan. *Quilling v. The Wolcott Lifetime Trust*, No. 1-00-CV-826. The Receiver also seeks authority to pay his local counsel, Smith Haughey Rice & Roegge, \$399.00 in attorney's fees and \$10.52 in expenses. The application covers legal services performed and expenses incurred in *The Wolcott Lifetime Trust* litigation from December 1, 2001 through February 28, 2002 as to the Receiver, and from November 1, 2001 through January 31, 2002 as to the Smith Haughey firm.

The Receiver was ordered to post a copy of this fee application on his website with instructions to all interested parties that any objections must be filed by April 9, 2002. No objections have been received by the Receiver or the Court. A hearing was held on April 19, 2002. The Receiver advised all interested parties of this hearing by posting notice on his website.

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No one appeared at the hearing or otherwise objected to the fee application. The Securities and Exchange Commission, through its regional counsel, previously consented to payment of the amount requested.

The Court has reviewed the fee application and exhibits attached thereto, and finds that most of the time spent, services performed, expenses incurred, and hourly rates charged by the Receiver and his local counsel are justified under the factors set forth in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). However, it appears that the Receiver has inadvertently double-billed seven hours of travel time from Dallas to Pensacola, Florida on January 10-11, 2002, for the purpose of obtaining an affidavit from B. David Gilliland.¹ In order to compensate for this overcharge, the Court will reduce the total fee award for the Quilling Selander firm from \$13,955.00 to \$12,070.00.

Accordingly, the fee application is approved as modified. The Receiver is authorized to pay the following law firms fees and expenses for services performed and costs incurred in *The Wolcott Lifetime Trust* litigation:

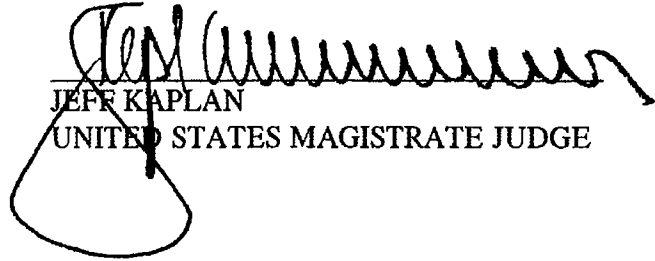
<u>Law Firm</u>	<u>Fees</u>	<u>Expenses</u>
Quilling, Selander, Cummiskey & Lownds, P.C. Dallas, Texas	\$12,070.00	\$ 215.14
Smith Haughey Rice & Roegge Grand Rapids, Michigan	\$ 399.00	\$ 10.12

All payments shall be charged to the Hammersmith Trust Estate.

SO ORDERED.

¹ By separate order this date in another case, the Court has authorized payment to the Quilling Selander firm for seven hours of travel time at one-half the Receiver's customary and usual hourly rate. See *Quilling v. Gilliland*, No. 3-01-CV-1617-BD (N.D. Tex. Apr. 19, 2002).

DATED: April 19, 2002.



JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE