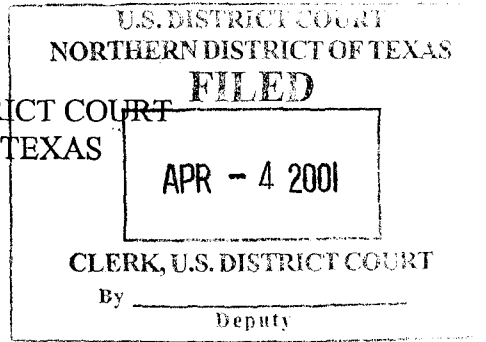


IN THE UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF TEXAS  
 DALLAS DIVISION



SECURITIES AND EXCHANGE §  
 COMMISSION §  
 V. §  
 §  
 FUNDING RESOURCE GROUP §  
 f/k/a FRG TRUST, ET AL. §

No. 3-98-CV-2689-M

**RECEIVER'S BUDGET FOR MICHIGAN LITIGATION**  
**(MICHAEL J. QUILLING V. THE WOLCOTT LIFETIME TRUST, ET AL.)**

TO THE HONORABLE JEFF KAPLAN, U.S. MAGISTRATE JUDGE:

Michael J. Quilling, as Receiver for Funding Resource Group and related entities (the "Receiver"), pursuant to the Court's Order of March 8, 2001, hereby submits his proposed litigation budget pertaining to *Michael J. Quilling v. The Wolcott Lifetime Trust, et al.*, Civil Action No. 1:00CV826, pending in the United States District Court for the Southern District of Michigan. This budget combines anticipated fees for out-of-state counsel (Smith Haughey Rice & Roegge, P.C.) as well as fees of Quilling, Selander, Cummiskey & Lownds, P.C. It is anticipated that the bulk of the work will be performed by Quilling, Selander, Cummiskey & Lownds, P.C.

**BUDGET**

<u>Stage</u>	<u>Total Hours</u> <u>(Estimated)</u>	<u>Attorney</u> <u>Compensation</u> <u>(hourly rate)</u>	<u>Estimated</u> <u>Costs</u>	<u>Total</u>
Preliminary investigation	Completed			
Legal research	40	\$250.00	\$250.00	\$10,250.00
Pleading preparation	10	\$250.00	\$100.00	\$2,600.00

Formal discovery	148	\$250.00	\$20,000.00	\$57,000.00
Expert witnesses	35	\$250.00	\$15,000.00	\$23,750.00
Dispositive motions	50	\$250.00	\$100.00	\$12,600.00
Trial preparation	50	\$250.00	\$1,000.00	\$13,500.00
Trial	100	\$250.00	\$4,000.00	\$29,000.00
Administrative	20	\$250.00	None	\$5,000.00
Settlement/mediation	20	\$250.00	None	<u>\$5,000.00</u>
GRAND TOTAL				<u>\$158,700.00</u>

This budget **excludes** fees and expenses which have already been approved and paid to the Receiver and also **excludes** all fees and expenses for the time period from December 1, 2001 through March 31, 2001. In other words, this budget only includes estimated expenses and costs on a go-forward basis beginning April 1, 2001.

The Receiver reasonably and in good faith estimates that he may realistically expect to recover either the real estate which is the subject of the litigation, or its equivalent fair market value which is approximately \$400,000.00.

DATED this 4<sup>th</sup> day of April, 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  
Arthur F. Selander, SBN 18004300

ATTORNEYS FOR RECEIVER

**CERTIFICATE OF SERVICE**

I hereby certify that on the 4<sup>th</sup> day of April, 2001, a true and correct copy of the foregoing document was served via first class mail, postage pre-paid, on:

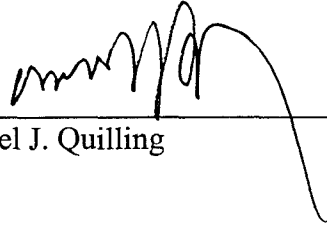
Robert B. Brunig  
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Michael J. Quilling