

ORIGINAL

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

U.S. DISTRICT COURT NORTHERN DISTRICT OF TEXAS FILED
JAN 10 2003
CLERK, U.S. DISTRICT COURT
By _____ Deputy

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 \$1,787.50 in fees and \$48.66 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-CIV-826. The Receiver also seeks authority to pay his local counsel, Smith Haughey Rice & Roegge, \$19.00 in attorney's fees. The application covers legal services performed and expenses incurred in *The Wolcott Lifetime Trust* litigation from September 1, 2002 through November 30, 2002 as to the Receiver, and from August 1, 2002 through October 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 December 31, 2002. No objections have been received by the Receiver or the court. A hearing was held on January 10, 2003. The Receiver advised all interested parties of this hearing by posting notice on his website.

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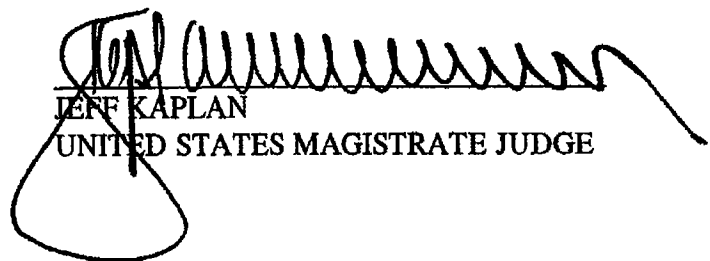
No one appeared at the hearing or otherwise objected to the fee application. The Securities and Exchange Commission, through its regional counsel, previously consented to payment of the amount requested.

After reviewing the fee application and exhibits attached thereto, the court finds that no additional fees and expenses should be paid to the Receiver or his local counsel in this case. Although the Receiver has collected \$150,000 on behalf of defrauded investors through settlement of *The Wolcott Lifetime Trust* litigation, he and his local counsel have been paid \$151,619.07 in fees and expenses to date. Moreover, the services performed by the Receiver and his local counsel as documented in their billing statements are primarily for clerical, not legal, services necessary to conclude this matter. Under these circumstances, the payment of additional fees and expenses are not justified under the factors set forth in *Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974).

For these reasons, the Receiver's final fee application is denied in its entirety.

SO ORDERED.

DATED: January 10, 2003.


JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE