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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

FILED
CHARLOTTE, N.C.

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U.S. DISTRICT COURT
W. DIST. OF N.C.

NO. 3:98mc96-MU

IN RE: ALL FUNDS ON DEPOSIT IN)
ACCOUNT NUMBER 000669829075 IN)
THE NAME OF MM APMC BANQUE DE)
COMMERCE, INC., AT NATIONSBANK,)
N.A., CONSISTING OF \$18,756,420.97,)
MORE OR LESS.)

ORDER

THIS MATTER is before the Court on the motion of the government to appoint a receiver. The government is seeking an interim receiver to hold approximately \$18.7 million plus interest consisting of funds seized by the FBI pursuant to warrants issued on December 3, 1998, and May 8, 1999, in this case (the "Seized Funds") and to determine claims to the Seized Funds, pending the possible appointment of a receiver in a civil enforcement case that may be filed by the Securities and Exchange Commission ("SEC"). If the SEC files such a case in another district, the government may move to have the funds transferred to the receiver in that district. If not, the proposed interim receiver may be authorized to complete his work in this district. It appears that the appointment of an interim receiver is appropriate so as to expedite the identification of claimants and the eventual return of the Seized Funds to those claimants who are entitled to this money.

IT IS THEREFORE ORDERED;

1. Michael J. Quilling, Esq. of Quilling, Selander, Cummiskey & Lownds, P.C., 2001 Bryan Tower, Suite 1800, Dallas, Texas 75201, telephone (214) 871-2100, facsimile (214) 871-2111, is hereby appointed as interim receiver in these proceedings.

2. The interim receiver shall file with the Clerk of this Court a bond in the sum of \$10,000.00, without need for sureties, conditioned that he will well and truly perform the duties of his office and duly account for all assets, monies and properties which may come into his hands and abide by and perform all things which he shall be directed to do by this Court.¹

3. The Marshals Service is hereby directed to transfer the Seized Funds to the interim receiver for safekeeping in an interest-bearing account pending further order of this Court.

4. The interim receiver shall immediately undertake action to begin determination of (1) the identity of all potential claimants to the Seized Funds; (2) the amount of each claim to the Seized Funds; and (3) the priority, if any, of any such claims to the Seized Funds. In that regard, the interim receiver is directed, as soon as reasonably practical, to submit a proposed claim form to the Court for approval to be used in the claims process.

5. The interim receiver is hereby authorized to employ such accountants and attorneys as may be necessary and proper for him to handle the claims process. The interim receiver shall seek and obtain approval of this Court prior to disbursement of professional fees and expenses to the interim receiver or his counsel and/or accounts by presentation of a written application, which applications shall be filed on a not less than ninety (90) day basis. All professional fees, expenses and other costs incurred by the interim receiver shall be paid from the Seized Funds after approval by the Court.

6. The interim receiver is hereby authorized and directed to apply to this Court for such other orders as may be necessary and appropriate in order to carry out the mandate of this Court.

¹The government's motion for an interim receiver is being filed simultaneously in this case and in No. 3:01CV205-McK. One bond shall suffice for both cases.

7. This Order shall remain in force and effect until modified by further order of this Court.

SIGNED THIS 18th DAY OF June, 2001.


~~H. BRENT MCKNIGHT~~
UNITED STATES MAGISTRATE JUDGE