

monies received by investors represent nothing more than transfers of the monies of their fellow investors. On November 16, 2000, the Receiver sent a letter to approximately 139 investors who received Excess Payments from the Heartland Companies. The Receiver's letter sought to induce investors who had received Excess Payments to enter into a settlement agreement with the Receiver by the terms of which the investor would agree to pay to the Receivership eighty-five per cent (85%) of the Excess Payments that they had received. The Receiver's letter provides that any such settlement accepted by the investor is subject to the approval of this court. The Receiver believes that the settlement proposal represents a fair and reasonable offer when weighed against the costs of litigation with each individual investor to recover upon the claims for receipt of the Excess Payments.

The Court, having considered the facts set forth in the Settlement Motion and the Receiver's supporting brief, finds that the terms of the Receiver's proposed settlement are reasonable and should be approved. It is, therefore:

ORDERED: The Receiver is authorized to enter into a settlement agreement with each of the investors who timely accepted the Receiver's offer to settle the claim of the Receivership against such investor for the receipt of Excess Payments, and, to the extent deemed necessary by the Receiver, to grant to each such investor, a general release of all claims of the Receivership against them.

DATED Jan 23, 2000

John Daniel Tinder
John Daniel Tinder, Judge, U.S. District Court

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