

RECEIVED CLERK
FILED

2002 OCT 16 P 4: 37

U.S. DISTRICT COURT
DISTRICT OF UTAH

Robert G. Wing (4445)
PRINCE, YEATES & GELDZAHLER
175 East 400 South, Suite 900
Salt Lake City, Utah 84111
Telephone: (801) 524-1000

Receiver

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

4NEXCHANGE, a Utah limited liability
company, PAUL R. GRANT and
RONALD K. BASSETT,

Defendants.

**MEMORANDUM IN SUPPORT
OF THE RECEIVER'S MOTION
TO ACCEPT PRINCIPAL
WITHOUT INTEREST FROM
VALLEY FORGE
CHRISTIAN COLLEGE**

Case No. 2:02 CV 431 K

Judge: Dale A. Kimball
Magistrate Judge Ronald N. Boyce

Robert G. Wing, as Receiver for 4NExchange, L.L.C. ("the Receiver"), hereby submits the following memorandum in support of his motion authorizing him to accept from Valley Forge Christian College \$1,702,121.96 in satisfaction of all claims against it.

Valley Forge Christian College ("the College") is a small, sectarian college located in Phoenixville, Pennsylvania. It is affiliated with the Assemblies of God denomination.

Each month, 4NExchange sent money to the College. It did so because Donald Storms,

who was instrumental in acquiring investors for 4NExchange, was an alumnus of the College. The amount 4NExchange sent to the College varied proportionately with the amount held in 4NExchange accounts by investors referred to it by Mr. Storms.

The College did not invest any funds in 4NExchange. It received money from 4NExchange believing them to be valid donations to the College. The College spent a substantial portion of the money it received on necessary capital improvements.

After meeting with representatives of the Securities and Exchange Commission, the Commodities Futures Trading Commission, the Federal Bureau of Investigation and the Receiver, and after ascertaining the facts of the transaction, the College volunteered to return the money it had received from 4NExchange. On October 11, 2002, the College wired to the Receivership account \$1,702,121.96. It did so at great hardship.

Because the Receivership estate has been saved the time and expense of litigation and because of the circumstances of the transaction, the Receiver believes it is fair and equitable to waive any claim to interest against the College.

Dated this 16th day of October, 2002

PRINCE, YEATES & GELDZAHLER

By: Robert G. Wing
Robert G. Wing
Receiver for 4NExchange

MAILING CERTIFICATE

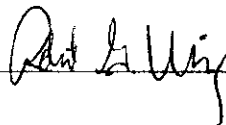
I hereby certify that on the 16th day of October, 2002, I caused a true and correct copy of the foregoing **Memorandum in Support of the Receiver's Motion to Accept Principal Without Interest from Valley Forge Christian College** to be mailed, first-class postage prepaid thereon, to the following:

Thomas M. Melton
Attorney for Securities & Exchange Commission
50 South Main Street, #500
Salt Lake City, Utah 84114

Rodney G. Snow
Clyde, Snow, Sessions & Swenson
201 South Main Street #1300
Salt Lake City, Utah 84111

Bernard J. Barrett
Jay M. Miller
Attorney for Commodity Futures Trading Commission
10900 Wilshire Blvd., Suite 400
Los Angeles, CA 90024

Jeffrey Buckner
Utah Attorney General
Commercial Enforcement Division
160 East 300 South, 5th Floor
P.O. Box 140872
Salt Lake City, Utah 84114-0872



G:\Rgw\ANExchange\ValleyForgeMemorandum.wpd