

CAUSE No. 2019-52133

SUSAN MENG, individually and in right
of PINEY POINT HOMES, LLC,

Plaintiff,

v.

TIE DENG, H-TOWN HOMES, LLC,
and AKD ENGINEERS, LLC,

Defendant.

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

333rd JUDICIAL DISTRICT

**CROSS- & THIRD PARTY PLAINTIFF YONGFU “PAUL” WANG’S
MOTION TO COMPEL AND FOR CONTEMPT**

Cross- and Third Party Plaintiff Yongfu “Paul” Wang was hopeful that a change in Defendant Tie Deng’s counsel would result in a change in approach. Unfortunately, obstruction, gamesmanship, and delay remain Deng’s singular approach to this litigation. More than a year after dragging Mr. Wang into this lawsuit with spurious claims of wrongdoing that Deng has finally admitted are devoid of factual support, Deng continues to refuse discovery while also refusing to get out of the way of Mr. Wang’s efforts to obtain the simple repayment of a loan that Deng concedes is owed. Deng has now thumbed his nose at a court order to answer discovery and is refusing to appear for a deposition while playing hide-the-ball on whether he even speaks English (he does). With trial fewer than 60 days away, Deng should be held in contempt and either ordered to answer discovery and appear for his deposition or be barred from presenting testimony at trial. In further support, Mr. Wang states as follows:

I. Factual Background

A. The Litigation.

1. As has been set forth at length in the many, many prior motions to the Court, this case arises out of the breakdown of the business relationship between Plaintiff Susan Meng and

Defendant Tie Deng, the sole members of Piney Point Homes, LLC. In relevant part, Piney Point intended to construct and sell for profit a high-end single family home. Meng contributed the land, valued at \$600,000; Deng contributed \$150,000 and was to provide his “sweat equity” in overseeing construction. (*See* 1st Am. Pet. (April 9, 2020), at 3; *see also* Def’s 8th Am. Countercl. (March 3, 2023), at 8.)

2. With Piney Point seriously short on funds, Mr. Wang lent hundreds of thousands of dollars to Piney Point to improve the home and pay carrying costs.

3. While the house remained under construction, a dispute arose between Meng and Deng regarding the use and distribution of company funds. Meng filed suit in July 2019 alleging, broadly, financial mismanagement by Deng and seeking the involuntary wind-down and termination of Piney Point. (*See* Orig. Pet. (July 30, 2019).) Deng eventually responded with similar allegations against Meng.

4. Meanwhile, Mr. Wang continued to loan funds to Piney Point to complete and maintain the Piney Point property. The loans were documented in various written and oral agreements between Piney Point and Mr. Wang and were further documented through direct deposits by Mr. Wang to Piney Point’s bank account and his direct payment of construction, property tax, and utility bills that, without question, Piney Point and/or its members did not pay.

5. In 2021, the Court appointed a realtor to sell the residence. Despite that Mr. Wang was not then a party to this lawsuit but had recorded liens on the property, Deng insisted that all proceeds from the sale of the residence be deposited in the registry of the court, depriving Mr. Wang of due process and his valuable security interest.

6. Only after achieving this extraordinary aim did Deng file claims against Mr. Wang. In a vague pleading for which Deng refused to provide discovery, Deng claimed that Mr. Wang,

as early as 2016, orchestrated a scheme of some sort to somehow take the Piney Point property for himself. (*See* Def’s 8th Am. Countercl. (March 3, 2023), at 2.)

7. Mr. Wang responded with claims against Piney Point for repayment of his loans. (*See* Cross- & Third Party Claims (Feb. 14, 2022), at 3–8.)

B. Mr. Wang’s Attempts to Obtain Discovery.

8. Mr. Wang was served with Deng’s Third Party Petition against him on January 20, 2022. (*See* Proof of Service (Jan. 20, 2022).) Deng timely answered and, that same day, served his Requests for Disclosures, First Interrogatories, and First Requests for Production on Deng. (*See* Mot. to Compel (April 26, 2022), at 2–3.) Deng largely refused to answer any discovery and failed to identify the factual bases for his claims against Mr. Wang or any damages he claims to have suffered as a result of any unlawful actions by Mr. Wang. This forced Mr. Wang to file three motions to compel. (*See id.*; 2d Mot. to Compel (June 24, 2022); 3d Mot. to Compel (Aug. 1, 2022).)

9. Mr. Wang’s motions were heard on January 25, 2023, and were granted nearly in their entirety. Deng was given until February 15, 2023, to amend his responses to Mr. Wang’s requests. Deng was admonished that if he “continues to assert any objections to [Mr. Wang’s] requests, such objections must be made and supported in accordance with Texas law.” (*See* Order (Feb. 7, 2023).) Further, “[s]hould the Court later overrule any objections on the basis that they were not made or supported in accordance with Texas law, the Court will award Mr. Wang reasonable and necessary costs and attorneys’ fees incurred in seeking such decision on Mr. Deng’s objections.” (*Id.*)

10. Still, Deng continued to drag his feet. At his request, Mr. Wang granted him an additional 14 days to amend his responses. Yet, with a year to finally support his case, Deng’s

answers remain deficient and his paltry answers remain obscured by unsupported and unsupportable objections.

C. Deng Continues to Resist Discovery.

11. Deng ignored the Court's order that he amend his Rule 194.2 disclosures and provide a damages disclosure. (*See* Exh. A1: Def's 5th Am. Disclosures (March 1, 2023).)

12. He refused to answer several of Mr. Wang's Interrogatories, unilaterally claiming that they are somehow "not related to an allegation by Deng in this litigation"—even where the interrogatories seek the factual bases for Deng's pending contentions. (*See* Exh. A2: Def's Am. Obj. & Resp. to First Interrogs. (March 1, 2023), at Interrog. Nos. 1, 2, 4, 13, 14.) In other cases, Deng continues to refuse to provide facts in support of his claims, instead responding to contention interrogatories with unsupported legal conclusions (e.g., the loan agreement was "procured by fraud"). (*Id.*, at Interrog. Nos. 7, 8, 9, 10, 11, 12, 17.) Despite being ordered to do so, Deng did not amend his responses at all to Interrogatory Nos. 1, 6, 13, 14. (*Id.*) He failed to answer Interrogatory Nos. 2 and 4. (*Id.*) In another instance, Deng proclaimed that he should not have to answer an interrogatory because "[d]iscussions with counsel of Wang are ongoing and continuing in an effort to resolve the disputes between the parties." (*Id.*, at Interrog. No. 11.) Throughout his responses, Deng claims—~~falsely~~—that Mr. Wang is seeking "fraudulent reimbursement" for "electricity usages for WANG's personal residence." (*Id.*, at Interrog. Nos. 2, 4, 5, 7, 8, 9, 10, 12, 15, 17, 19.) Deng has subsequently conceded that this claim is false but has not amended his sworn responses to correct his error.

D. Deng Refuses to be Deposed.

13. Deng has long taken the position that he should be excused from answering written discovery because he can simply be deposed. (*See* Exh. A3: Def's Obj. & Resp. to First Interrogs.

(March 16, 2022), at 3, 4, 7, 8; Exh. A4: Def's Pre-Motion Correspondence to the Court (May 3, 2022), at 2; Exh. A5: Tr. of Hearing before Special Master (Aug. 30, 2022), at 37:2–3.) Yet, in his continuing focus on delay and obstruction, when his deposition was requested, Deng refused to cooperate or appear. (*See* Mot. to Quash (March 14, 2023).)

14. In February 2023, Deng finally admitted what was obvious from the start: That he has no evidence of wrongdoing or damages caused by Mr. Wang and no basis to sustain any causes of action against him. (*See* Notice of Nonsuit (March 14, 2023).) On the contrary, Deng admitted—under oath—that Mr. Wang is owed, at a minimum, more than \$960,000 from Piney Point for unpaid loans made by Mr. Wang to the company to build the Eastgrove property. (*See* Exh. A2: Def's Am. Obj. & Resp. to First Interrogs. (March 1, 2023), at Interrog. No. 19.)

15. However, while giving up his spurious legal claims against Mr. Wang, Deng continues to accuse Mr. Wang of wrongdoing in his eighth amended counterclaim and continues to object to Piney Point's efforts to repay Mr. Wang's loan. (*See* Def's 8th Am. Countercl. (March 3, 2023).)

16. After receiving Deng's still-deficient discovery responses, Mr. Wang requested dates for Deng's deposition in order to proceed with Mr. Wang's claims against Piney Point. (*See* Exh. A6: Email Correspondence (March 2023).) True to form, Deng objected, resisted, and ultimately refused to cooperate. (*Id.*)

17. Mr. Wang noticed the deposition for March 20, 2023, only to receive—of course—another ill-conceived filing by Deng refusing to fulfill his discovery obligations under Texas law. Deng contends that since he non-suited his baseless claims against Mr. Wang, he is no longer a witness in this case at all. This, of course, is false. Mr. Wang has pending claims against Piney Point and is entitled to depose witnesses in support of this claim.

18. Deng further argues that he cannot be deposed because he was previously deposed by Plaintiff Susan Meng—**23 months** before Mr. Wang was even brought into this case. This argument is so absurd as to barely require a response particularly as Deng was already admonished by the Court to keep in mind the “chronology” of this case and the fact that Mr. Wang was not a party when Deng was deposed in 2020. (*See* Exh. A7: Tr. of Motions Hearing (Jan. 25, 2023), at 35:13–36:14.)

19. The trial of this four-year-old case is only 52 days away. Deng’s Motion to Quash finds no support in Texas law and his continued foot-dragging and obstruction of the discovery process are contemptible.

II. Standard of Law

20. The authority of Texas courts to regulate trials and, accordingly, to punish for contempt, is “broad and plenary.” *Ex parte Jacobs*, 664 S.W.2d 360, 363 (Tex. Crim. App. 1984). “[T]he power to punish for contempt is an inherent power of a court and an essential element of judicial independence and authority.” *Ex parte Gorena*, 595 S.W.2d 841, 843 (Tex. 1979). “This power enables courts to persuade parties to obey a prior order or decree of the court so that such prior order will not be rendered ineffectual by recalcitrant litigants.” *Id.*

21. “Contempt of court is broadly defined as disobedience to or disrespect of a court by acting in opposition to its authority.” *Ex parte Chambers*, 898 S.W.2d 257, 259 (Tex. 1995). Contemptible acts are those which are “reasonably calculated to impede, embarrass, or obstruct the court in the discharge of its duties.” *In re Bell*, 894 S.W.2d 119, 127 (Tex. Spec. Ct. Rev. 1995). This includes the failure “to accomplish what was ordered in meaningful respects.” *Id.* Thus, a person who disobeys a valid court order is guilty of contempt.” *See Ex parte Hall*, 854 S.W.2d 656, 658 (Tex. 1993).

III. Argument

22. Mr. Wang has spent 14 months and over \$100,000 dealing with Deng's gamesmanship. With Deng now admitting that his causes of action against Mr. Wang were baseless from the start and that Mr. Wang is, in fact, owed a tremendous amount of money that was lent to Piney Point for Deng's benefit, it is time for Deng to get out of the way and allow Piney Point to resolve Mr. Wang's breach of contract claim against it. Yet, Mr. Wang remains stalled by Deng's brick-wall litigation strategy. Even though Deng had to give up his misguided efforts to sue Mr. Wang directly, Deng continues to lodge outrageous claims of wrongdoing by Mr. Wang in his continuing effort to block the repayment of Mr. Wang's loan.

23. In his current pleading, Deng continues to claim that Mr. Wang "conspired" with Ms. Meng "to use DENG's services" to build Mr. Wang a house. (See Def's 8th Am. Countercl., at 2.) Deng alleges that Mr. Wang committed fraud. (*Id.*, at 6.) Though now asserted only against Ms. Meng, Deng seeks a declaratory judgment that neither he nor Piney Point are obligated to repay Mr. Wang's loan. (*Id.*, at 6.)

24. The Court has already held that Mr. Wang is entitled to discovery in support of these outrageous allegations and that remains the case as long as Mr. Wang remains a party to this litigation. Deng's claims that he is not obligated to answer interrogatories because he has dismissed his claims against Mr. Wang are bogus; the suggestion that any of Mr. Wang's interrogatories seek information irrelevant to these proceedings is entirely unsupported and raised far too late to constitute a valid objection to discovery now.

25. Deng's failure to amend discovery responses in spite of a Court order that he do so and his continued compulsion to offer nothing more than legal conclusions in response to contention interrogatories also find no support in the law. His refusal to be deposed after insisting

that a deposition is the only proper way for Mr. Wang to obtain discovery in his case is detestable.

26. Enough is enough. Deng's contempt for this Court and these proceedings demands a response.

27. The Court previously held that any objections to Mr. Wang's discovery requests "must be made and supported in accordance with Texas law" and that Mr. Wang will be "award[ed] . . . reasonable and necessary costs and attorneys' fees incurred in seeking [a] decision" on any such objections. (*See* Order (Feb. 7, 2023).)

28. Mr. Wang respectfully requests that that Order be enforced now. Mr. Wang's "relevance" objections should be overruled and his failure to otherwise comply with the Court order should be punished as contempt of Court. Mr. Wang requests that he be awarded \$15,820.00 in fees incurred in connection with his discovery efforts.

29. Mr. Wang further requests that Deng be ordered to appear in Houston for an in-person deposition on April 3, 2023—the date offered by Deng in his Motion to Quash—and that if Deng continues to obstruct discovery by refusing to appear and/or answer questions that he be barred from offering testimony at the May 8, 2023, trial of this case.¹ Hopefully, this will be enough to get Deng's attention and force him to quit playing games and—after four years—face

¹ In his motion to quash, Deng seeks to be protected from deposition altogether but also offers to be deposed on April 3, 2023, via Zoom with the assistance of an interpreter (despite that Deng obtained an advanced degree at a U.S. university and communicated with Mr. Wang by text and email in English at all times relevant to this dispute). The Texas Supreme Court's emergency "COVID" orders expired on March 1, 2023. Nothing in Texas law entitles a witness to refuse to appear in person for a deposition; the decision to proceed remotely belongs to the requesting party. *See* TEX. R. CIV. P. 199.1(b). Particularly with Deng claiming limited English proficiency, Mr. Wang intends to proceed with an in-person deposition to avoid any issues with communication, the use of exhibits, or coaching or other inappropriate behavior that has, sadly, become common with remote depositions. Mr. Wang requests that Deng be ordered to appear in Houston for an in-person deposition on April 3, 2023.

Additionally, Deng's claim to need an interpreter appears to be little more than a delay tactic. In order to avoid an additional trip to Court, Mr. Wang requests that he be granted an additional three hours to complete the deposition to accommodate the time taken up by translating all questions and responses.

the consequences of his litigation decisions.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on March 17, 2023, a true and correct copy of the foregoing document was served on all counsel of record via the electronic filing manager utilized to file this document with the Court.

/s/ Shannon A. Lang

Shannon A. Lang

Automated Certificate of eService

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Shannon Lang on behalf of Shannon Lang

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Filing Code Description: Motion for Contempt

Filing Description: Cross-Plaintiff Yongfu "Paul" Wang's Motion to Compel and for Contempt

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