

CAUSE NO. 981454

FAN DISTRIBUTING, LLC

VS.

AMERICAN APPLIANCES
MENASHE MATSLIAH§
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IN THE COUNTY CIVIL COURT

AT LAW NO. 2

HARRIS COUNTY, TEXAS

RULE 11 AGREEMENT

TO THE HONORABLE JUDGE OF SAID COURT

COMES NOW Plaintiff FAN DISTRIBUTING, LLC, in the above-styled and numbered cause, and AMERICAN APPLIANCES, MENASHE MATSLIAH, Defendant, and file this Rule 11 Agreement in the amount of SIXTEEN THOUSAND DOLLARS AND ZERO CENTS (\$16,000.00). The attorney's and party's (or representative's) signatures on this document are evidence of their intent that this document is a Rule 11 Agreement and is enforceable upon filing with the Court pursuant to the Rule 11 of the Texas Rules of Civil Procedure, as follows:

1. Defendant, AMERICAN APPLIANCE, MENASHE MATSLIAH, agrees to make 8 payments in the amount of \$2,000.00 on or before the 23rd of each month beginning November 23, 2016.

(a) If paying by check, the check is to be payable to Donald D. DeGrasse, Trustee for Fan Distributing, LLC, and mailed to The DeGrasse Law Firm, P.C. at 1800 Bering, Suite 1000, Houston, TX 77057.

2. Provided all payments are made as agreed, the parties agree to release, discharge, and forever hold the other harmless from all claims, demands or suits, known or unknown, fixed or contingent, liquidated or unliquidated, based on common or statutory law, whether state or federal, whether asserted or not asserted in this case, as of the date, arising from or related to the events or transactions which are the subject matter of this case. Further, Plaintiff will not execute on the Judgment as long as Defendant is current on this settlement agreement and has not entered default as defined herein. (CJ 035)

3. Both parties agree to accept the terms of this Agreement in consideration for the resolutions recited.

4. This Agreement shall inure to the benefit of and shall be binding upon the heirs, assigns and successors of the parties hereto.

5. Upon default, the full original Judgment balance will be due plus court costs.

6. Default shall mean any breach of this Agreement or any payment which is incomplete or more than thirty (30) days delinquent.

AGREED AND APPROVED:

The DeGrasse Law Firm, P.C.

BY:

Donald D. DeGrasse

SBN: 05641800

ddegasse@degrasselaw.com

Lori M. Davlin

SBN: 24088870

ldavlin@degrasselaw.com

Clint Raney

SBN: 24047734

craney@degrasselaw.com

1800 Bering Drive, Suite 1000

Houston, Texas 77057

Telephone: (713) 840-9111

Facsimile: (713) 840-7263

ATTORNEYS FOR PLAINTIFF

APPROVED AS TO FORM:

The Mastriani Law Firm

BY:

John V. Mastriani

SBN: 13184375

P.O. Box 460174

Telephone: 713/665-1777

Facsimile: 713/665-2777

EMAIL:

ATTORNEYS FOR DEFENDANT

MERASHE MATSLIAH
AMERICAN APPLIANCES

CAUSE NO. 981454

FAN DISTRIBUTING, LLC

VS.

AMERICAN APPLIANCES,
MENASHE MATSLIAH

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IN THE COUNTY CIVIL COURT

AT LAW NO. 2

HARRIS COUNTY, TEXAS

Sub
10-14

ORDER GRANTING TURNOVER AND APPOINTING RECEIVER

On this day came on to be heard the Application for Turnover After Judgment And For Appointment of Receiver of Plaintiff-in-Judgment FAN DISTRIBUTING, LLC, (hereinafter "Applicant"). After the Court's review of the papers herein on file and all testimony and evidence, became of the opinion that Applicant is entitled to collect upon a final, valid and subsisting Judgment against Defendant-in-Judgment, AMERICAN APPLIANCES, MENASHE MATSLIAH, (hereinafter "Respondent").

FINDINGS OF FACT

On or about January 18, 2013, Applicant in this Court under this cause, recovered Judgment against Respondent of which all or part of the judgment amount is unpaid at this time.

There remains a total amount due and owing, including interest, of \$43,556.34, as of September 21, 2016. Said judgment is in all respects, final, valid and subsisting.

Applicant is the owner and holder of said Judgment.

The Court finds the Applicant has prior to filing the Application For Turnover After Judgment And For Appointment of Receiver, served Respondent with post judgment discovery, specifically: by making several attempts to contact the Defendant in order to negotiate a payment agreement, recording an Abstract of Judgment within the Real Property Division of the County the Defendant resides, sending Post-Judgment Discovery in aid of Judgment, including Interrogatories and Requests for Production, which the Defendant failed to answer the Interrogatories or produce any of the requested documentation, and serving a Writ of Execution, which was returned back to Court, August 4, 2016, un-executed, Nulla-Bona.

The Court finds the Respondent has failed to respond to the discovery and has failed to make any attempt to resolve this matter

The Court finds that Applicant has made a good faith effort to collect the judgment but was unsuccessful prior to filing the Application For Turnover After Judgment and For Appointment of Receiver.

The Court finds that Applicant has avoided collection efforts and such failure to cooperate has necessitated the appointment of a Receiver to facilitate the collection of the judgment to which Respondent is legally entitled.

The Court finds that the Applicant has a good faith reason to believe that Respondent owns property including present or future rights to property, that cannot be attached or levied on by ordinary legal process and which is not exempt from attachment, execution, or seizure for the satisfaction of liabilities.

The Court further finds that Applicant is entitled to aid from this Court and it is therefore, ORDERED, ADJUDGED AND DECREED:

1. That LISA White Watkins (Receiver) whose address is TEN: 209 27472; 2
phone: _____, is hereby appointed Receiver in this cause pursuant to the Texas Turnover Statute to serve after posting bond in the sum of \$100.00 and taking the oath of office.
2. That Respondent make a full and complete disclosure to the Receiver of all of Respondent's non-exempt assets and to neither directly nor indirectly interfere or impede the Receiver in his performance of his duties under this order.
3. That Respondent is Ordered to turnover and deliver custody to the Receiver within ten (10) days from Respondent's receipt of a copy of this Order, the documents described in Exhibit "A" attached hereto, together with all other documents and records requested by the Receiver, and to pay the proceeds to the Receiver to the extent required to satisfy the amount owed under the judgment and the receivership.
4. That to the extent owed pursuant to the final judgment and the subject of this turnover and receivership, Respondent turnover to the Receiver at Receiver's address stated above, within ten (10) days of Respondent's receipt of a copy of this Order, all checks, cash, securities (stocks and bonds), promissory notes, documents of title and contracts and is hereby Ordered to continue to turnover to the Receiver at the Receiver's address all of said checks, cash, securities (stocks and bonds), promissory notes, documents of title and contracts within three (3) days from Respondent's receipt and possession of such property, if, as and when Respondent becomes in receipt and possession of any such property.
5. Receiver shall have all the power and authority to take possession of all **non-exempt** property of Respondent that is in the actual or constructive possession or control of Respondent, including but not limited to:

- a. all cash and accounts receivable, including lease payments, notes receivable, promissory notes, drafts and checks, monies on deposit in financial institutions, financial accounts (bank accounts) monies received by the Respondent in the form of checks, cash or credit card payments or receipts;
- b. stocks, bonds, securities, brokerage accounts, certificate of deposits, money market accounts, and accounts held by any third party;
- c. all real property, and deeds to real property;
- d. titles to automobiles or other vehicles, e.g., boats, planes, recreational vehicles, etc.;
- e. all safety deposit boxes or vaults and the contents therein;
- f. any and all causes of action or chooses of action, and contract rights whether present or future;
- g. all furniture, fixtures, equipment, supplies and inventory; and
- h. all documents, books and records related to any of said property (including financial records) that is in the actual or constructive possession or control of Respondent;

6. Receiver is authorized by the Court to obtain credit reports, bank searches and other reports to aid in locating nonexempt property. Receiver may order any Consumer Reporting Agency, as defined by the Fair Credit Reporting Act ("FCRA") Section 16 USC Section 1681b(f) to provide consumer reports on Respondent(s) and witnesses as allowed under FCRA Section 1681b(a)(1).

7. The Receiver is hereby authorized to take all action necessary to gain access to all non-exempt real property, leased premises, storage facilities and safe deposit boxes wherein any real and/or personal property of Respondent may be situated and to seize the contents thereof.

8. The Receiver is hereby authorized to secure control over any and all non-exempt property real or personal, and engage in presale activities in order to secure the highest and best sales price for such property, including but not limited to appraisals, evaluations, listing agreements, advertising agreements, etc. In addition, Receiver is directed to make application to the Court for a finding of the exempt nature of any real property prior to consummating any sales transaction. Receiver must make application to this Court for a specific finding on the exempt status of any real property and any personal property whose exempt status is unclear, and said application is to be filed with and approved by this Court with notice and opportunity for hearing granted for Applicant and Respondent.

9. All sales of real property must be individually approved by this Court with notice and opportunity for hearing granted for Applicant and Respondent.

10. Receiver is authorized but not required to (a) disable or remove any non-exempt property belonging to the Respondent or to place the property into storage; (b) insure any property taken into his possession, and (c) change the locks to premises belonging to the Respondent.

11. Receiver shall have the power to subpoena from Respondent, third parties and witnesses production of documents, things and information including but not limited to matters concerning the existence, location, and/or value of Respondent's assets and Respondent's location.

12. That any constable, deputy constable, sheriff, deputy sheriff or any other peace officer is hereby authorized to accompany Receiver pursuant to a writ to locations designated by Receiver where Receiver believes Respondent's assets may be located, said peace officers being hereby Ordered to prevent any person(s) from interfering with the Receiver from carrying out any duty under this Order or interfering with any property in control of the Receiver, or any property subject to this Order.

13. That any person or any agent of any person, with actual notice of this Order is not to interfere with any property in control of the Receiver or subject to this Order, and is further Ordered not to interfere with the Receiver in the carrying out of any duty under this Order. Third parties are hereby notified that the Receiver, to the exclusion of the Respondent, is the party entitled to possess, sell, liquidate and otherwise deal with Respondent's non-exempt real and personal property and once any third party receives notice of this order, they may be subject to liability should they release any property to Respondent unless directed by the Receiver or the court.

14. That it is hereby ordered that Receiver pay himself as receiver's fees an amount equal to twenty-five percent of all proceeds coming into his possession, which the court finds is fair, reasonable and necessary fee for the Receiver; and is further directed and authorized to pay Applicant's attorney as Trustee for the Applicant the remaining 75% of all proceeds coming into Receiver's possession. No receiver's fee exceeding 25% of all proceeds coming into his possession shall be paid to the Receiver unless an application is filed with and approved by this court with notice and opportunity for hearing granted for Applicant and Respondent. All Receiver's fees will be taxed as costs against the Respondent.

15. Receiver shall file a Release of Judgment with the HARRIS COUNTY Clerk within ten (10) days of collection and satisfaction of the judgment and all costs and fees incurred in collection of said judgment.

16. The Receiver shall file a Final Accounting with the Court within thirty (30) days of the filing of said Release of Judgment.

17. All authority of the Receiver shall terminate thirty (30) days after the filing of said Final Accounting. The Final Accounting is subject to approval by the Court, and Receiver's bond will be released only upon approval by the court of said Final Accounting.

18. ~~Other~~ Special ~~Orders.~~

Notice: An Order of the Court has been entered against you. You have the right to hire an attorney to assist you in compliance with the Turnover Order.

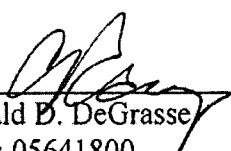
Signed this 24 day of OCTOBER, 2016.


JUDGE PRESIDING

APPROVED:

THE DEGRASSE LAW FIRM, PC

By:


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Tel: (713) 840-9111
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ATTORNEYS FOR PLAINTIFF

2016 OCT 24 PM 4:28

FILED

EXHIBIT "A"
DOCUMENTS TO BE PRODUCED

1. Provide true, correct and complete copies of all personal and business federal income tax returns filed by or prepared for Respondent for the current year and for the last three (3) years prior to the current year, together with all schedules, attachments, W-2 forms, 1099 forms and all similar federal income summary forms for the same years.
2. Provide all statements, canceled checks and deposit slips for all checking accounts, savings accounts, credit union accounts or other depository accounts, held either separately or jointly, for the current calendar year and for the last three (3) years prior to the current calendar year for all accounts in which Respondent's name is on the printed checks, in which Respondent has an interest and/or in which Respondent has signatory authority.
3. Provide true, correct and complete copies of all financial statements prepared by or on behalf of Respondent within the last three (3) years, including but not limited to, all such statements presented to any financial institution and/or any other party for the purpose of guaranteeing, securing or attempting to secure a loan or financial assistance of any kind.
4. All booklets, current and/or annual statements and all other documents evidencing the nature and extent of Respondent's rights under any stock option plan, retirement plan, pension or profit sharing plan, employee stock ownership plan, company savings plan, thrift fund matching plan and all other similar plans prepared or received during the last three (3) years.
5. Provide the most recent statements, deposit confirmation slips, documents evidencing the balance, term and interest rates for each and every amount of money and assets in which Respondent has any interest, whether separately or jointly, invested by or for the Respondent in any cash management funds, certificates of deposit, money market funds, treasury bills, bonds, debentures or any other type investment and acquisition paying or promising to pay a return on Respondent's monies invested during the current year and for the three (3) calendar years prior to the current year.
6. Provide all certificates of stock and/or brokerage house statements evidencing all ownership and every purchase, sale, assignment or transfer of stocks, bonds, debentures and/or other securities (whether in privately held or publicly traded companies or institutions) owned by Respondent or in which Respondent has a beneficial interest.
7. Provide all documents and records of every kind or character showing all business holdings, partnerships (general, limited or otherwise), sole proprietorships, trust, corporations, joint ventures and any other business organizations of every kind in which Respondent is a partner or has an interest and any and all assumed name certificates under which Respondent has done or is doing business.
8. Provide all policies of insurance active and terminated in the current year and two (2) calendar years prior to the current year whether life, health, auto, disability, homeowners, personalty or otherwise of which Respondent is the owner, beneficiary, insured, heir to the proceeds, beneficiary of existing or identified trust funded by insurance proceeds.
9. Provide all deeds, deeds of trust, land installment contracts, contracts for deeds, syndications, real estate investment trusts, partnership agreements, easements, rights of way, leases, rental agreements, documents involving mineral interests, mortgages, notes and closing statements relating to all real property in which Respondent now has or in which Respondent had an interest during the last three (3) years.
10. Provide all certificates of title, current licenses, receipts, bills of sale and loan documents for all motor vehicles and farm equipment, including but not limited to automobiles, trucks, motorcycles, recreational vehicles, boats, trailers, airplanes and other motorized vehicles and equipment owned by Respondent or in which Respondent has and had any interest.

11. For every trust of which Respondent is a trustee, joint trustee, beneficiary, settlor or trustor which conveyed, transferred, assigned, created any options to purchase, or disposed of any interest in real property or personal property in any manner during the last three (3) years, please furnish documents evidencing the manner of disposition and the consideration received or to be received. Also, furnish all documents showing all evaluations of Respondent's interest, share of principal and income and documents showing the principal and income allocated to Respondent whether or not distributed during the last three (3) years.

12. Produce all documents and records of all safe deposit boxes maintained by Respondent and to which Respondent has had access, or has a claim, right or interest in, including all lists of all contents therein. Identify the location of all said safe deposit boxes.

13. Produce all documents constituting and/or describing all accounts receivable of Respondent whether or not collected. Also provide all documents identifying all accounts receivables of all ongoing businesses which Respondent owns and in which Respondent had and has an interest and a copy of all collected, offset, credited, uncollected, discounted, assigned, pledged and exchanged accounts receivables.

14. If any real estate in which Respondent or if applicable, Respondent's present spouse have an interest has been appraised within the past three (3) years, furnish a copy of each appraisal.

15. If any personal property in which Respondent or if applicable, Respondent's present spouse has an interest has been appraised within the past three (3) years, furnish a copy of each appraisal.

16. If an inventory or list of personal property has been made by Respondent or if applicable, Respondent's present spouse within the past three (3) years, furnish a copy of such inventory or list including all estimates of value placed on each item.

17. Produce all documents, notes, bills, statements and invoices evidencing all current indebtedness payable by Respondent or paid off during the last three (3) years and all assignments of promissory notes made by Respondent during the last three (3) years.

18. Produce all lease agreements for personal property and real property executed by Respondent within the last three (3) years and/or which are currently in effect, whether as lessee, lessor, sublessee, sublessor, assignee or assignor, including any mineral interest leases.

19. Produce all records of all travelers checks, cashier's checks, money orders, draft and draws purchased or cashed within the last three (3) years.

20. Provide the names, addresses and telephone numbers of all organizations and persons within Respondent's knowledge who has or may have knowledge of the status of property in which Respondent has and had an interest, whether being community or separate property, the liabilities of Respondent and/or the location and value of any assets of Respondent. Include banks, savings and loan associations, mortgagees, merchants, credit providers, brokers, credit unions, financial institutions, security dealers, people and organizations dealing with mineral interests who have received information from Respondent regarding or including information about Respondent's assets and assets in which Respondent has an interest, Respondent's income and Respondent's liabilities.

21. Provide documents and all records which would indicate the cost basis of assets presently owned by Respondent.

22. Provide a copy of the current inventory and all past inventories, accounts receivable of all ongoing businesses which Respondent owns and in which Respondent had and has an interest and a copy of all collected, offset, credited, uncollected discounted, assigned, pledged and exchanged accounts receivable of all businesses owned by Respondent and in which Respondent has and had an interest.

23. Provide all contracts in which Respondent is a party or in which Respondent has or had a beneficial interest, including but not limited to any earnest money contracts, construction contracts and sales agreements in which Respondent is due a commission or other remuneration. If Respondent is presently under the terms of any written employment contract and/or agreement or is due any remuneration under any past contract or agreement, furnish a true copy of said contract or agreement.

24. Provide minute books, ledgers, corporate records and resolutions pertaining to Respondent or pertaining to any corporation in which Respondent has an interest.

25. Provide documents by which every gift, bailment, loan, gratuitous holding assignment, sale, hypothecation, discounted transfer, transfer into lock box payment and transfer of Respondent's property during the last three (3) years, including, but not limited to, all property described hereinabove and any other property of any nature.

26. Provide documents and records of every kind and character showing all personal property in which Respondent has and had an interest in the State of Texas, the United States of America or any other place.

27. Provide copies of the Articles of Incorporation, partnership agreements and assumed name records of all companies, partnerships, corporations and proprietorships that have owners, employees, officers, directors, shareholders and partners which are or were also owners or employees of Respondent.

28. Provide employment records or pay records to indicate every business for which Respondent was employed, provided services, was an independent contractor, general contractor, superintendent, agent or subcontractor during the last three (3) years.

29. To the extent not already produced in response to the foregoing, produce the following property, documents and records which Respondent owns or has an interest: all checks, cash, securities (stocks and bonds), promissory notes, deeds, deeds of trust, documents of title, contracts, accounts receivable, escrow agreements, retainage agreements, records and all documents that identify all property in which Respondent has an interest and that which is collateral or security for any obligation or contingent obligation of Respondent, along with all documents indicating any interest of the Respondent in rental agreements, royalty agreements, licenses, bailment agreements, filings pursuant to the Uniform Commercial Code, security agreements, assignments, all filed or recorded liens, lis pendens, lawsuits, recorded Mechanics and Materialmen's Lien Affidavits, judgments, abstracts, partnership agreements, employment agreements, as well as all documents indicating Respondent's present and prospective heirship, beneficial interest in trusts, beneficial interest in insurance policies and insurance coverage and right to any insurance policy's cash surrender value or ownership