

Case No. J1234

TJCTC LEGAL LLC ASSIGNEE OF FIRST BANK

In the Justice Court PCT 1

Plaintiff

of

v.

JOHN LACKEY

County, Texas

Defendant(s)

§
§
§
§
§
§
§

ORDER APPOINTING RECEIVER

CAME ON to be heard the Application for Appointment of a Receiver of TJCTCLEGAL, ASSIGNEE OF FIRST BANK (herein "Applicant"); whereupon, the court, after a review of the papers herein on file, became of the opinion that a Receiver should be appointed to take possession of cash on hand and on deposit at any financial institution where the Defendant (herein "Defendant") holds an account. Based on the pleadings, the evidence and the argument of counsel, the Court finds that the defendant owns non-exempt property that cannot be readily attached or levied on by ordinary legal process. Notwithstanding any contrary language herein, this order does not compel turnover of Defendant's homestead, or checks for current wages or other exempt property.

IT IS THEREFORE, ORDERED, ADJUDGED, AND DECREED by this Court that **Bronson Tucker; 1700 Director's Blvd, Austin, TX**, is hereby appointed Receiver in this case pursuant to the Texas Turnover Statue with the power and authority to take possession of all cash on-hand and/or on-deposit at any financial institution where the Defendant holds an account; and that all such property shall be held in custodial egis of said Receiver as of the date of this Order.

Defendant is **ORDERED** to immediately turnover to the Receiver within five (5) days from Defendant's receipt of a copy of this Order: 1)together with all documents and financial records which may be requested by the Receiver; 2) all checks, cash, and deposits at any and all financial institutions owned by or in the name of Defendant;

Defendant is **ORDERED** to continue, until the Judgment in this cause is fully paid, to turnover to the Receiver at the Receiver's address all checks, cash, deposits at any and all financial institutions within three (3) days from the Defendant's receipt and possession of such property, if, as and when Defendant becomes in receipt and possession of any such property. Paychecks for current wages are exempt from this order.

In addition to the powers of the receiver set forth herein, the Receiver shall have the following rights, authority and powers with respect to the Defendant's property, to: obtain from any financial institution, bank, credit union, savings and loan, title company, or any other third party, any deposits or other funds available in the Defendant's account, as well as financial records belonging to or pertaining to the Defendant;

The Receiver is / is not ordered to post bond. If the Court finds that a bond should be posted, that the amount of no more than \$100.00. If the Court, in its judicial discretion, further orders a bond in the amount of \$___ will be posted to this Court and conditioned upon his faithful discharge of his duties in accordance with this Order. The Receiver is directed and authorized to receive fees an amount of \$100.00 upon executing his duties as Receiver. The receiver's fees and expenses are taxed as costs against the Defendant. The Receiver is further ordered to take the oath of his office.

SIGNED this ___ day of _____ 20__.

JUDGE PRESIDING

Court Original

R1: Example B

Cause No. 12345

Penny Pincher Collections, Inc.	§	In The Justice Court
v.	§	Precinct 1
Dolly Defendant	§	Urban County, Texas

Order Appointing Receiver

The court considered Judgment Creditor's Application for Appointment of a Receiver under Texas Civil Practice and Remedies Code § 31.002. After reviewing the evidence and the court's file, the court **FINDS** that the judgment rendered in Cause No. 12345 is valid, final, and fully payable. The judgment awarded was \$5,000.00, including costs, with interest at the rate 8.50% to be compounded annually. On xx/xx/2024 the amount of any credits, payments, and offsets was \$--0--.

The court **FINDS** that the judgment remains unsatisfied; that judgment debtor owns property that is not exempt from attachment, execution, or seizure for the satisfaction of the judgment; and that Judgment Creditor is entitled to the court's aid in reaching judgment debtor's nonexempt property to satisfy the judgment.

The court also **FINDS**:

It is therefore **ORDERED** that the following person ("Receiver") is appointed under Texas Civil Practice and Remedies Code §31.002 with authority to take possession of Judgment Debtor's nonexempt property that is in Judgment Debtor's possession or is subject to Judgment Debtor's control, sell the property, and pay the proceeds to Judgment Creditor to the extent required to satisfy the judgment. Judgment Debtor's nonexempt property may include financial accounts, certificates of deposit, and money-market accounts held by a third party.

Receiver's Information:

Name:	Robert Receiver
Address:	123 Main Street, Anytown, Texas 77123
Email Address:	rreceiver@ppcinc.com
Telephone:	(512) 867-5309
State Bar No.:	24754323

Receiver's Additional Limited Powers: Receiver also has the following limited authority. Receiver may: (1) obtain judgment debtor's credit information and credit reports; (2) obtain judgment debtor's financial information and records from judgment debtor or a third party; (3) certify copies of this order; and (4) negotiate and obtain installment payment agreements with judgment debtor, if Receiver reasonably believes that a payment agreement is the best option to satisfy the judgment and Receiver provides judgment debtor with the Notice of Personal Property Rights approved by the Supreme Court of Texas. Receiver may not reduce the total balance owed under the judgment without judgment creditor's authorization.

Personal Property Rights of Judgment Debtor: Receiver must comply with Texas Rule of Civil Procedure 679b.

Turnover: Judgment debtor and any third party in possession of judgment debtor's property is **ORDERED** to turn

over to the Receiver judgment debtor's nonexempt property within 10 days after receipt of this order.

Time Period: This Receivership terminates 180 days after this order is signed, after notice and hearing (*date, not to exceed 180 days after the date this Order is signed*), unless extended by the court on request of judgment creditor or Receiver and on good cause shown.

Receiver's Fee: Receiver's fee is conditionally set at 25% of the funds collected during the receivership, subject to the judgment debtor's written agreement or later determination of reasonableness based on written agreement of the judgment debtor or proof of the work performed and the results obtained. The court-approved fee will be taxed as costs against judgment debtor, and Receiver may collect that fee from judgment debtor in addition to the amount collected to satisfy the judgment.

Receiver's Oath: Receiver must file an oath to perform the duties faithfully before acting under this order.

Receiver's Bond:

- No bond required; or
- Receiver must execute a good and sufficient \$ _____ bond before acting under this order.

Receiver's Expenses: Receiver must provide an accounting or receipts of reasonable and necessary expenses, including those for storage of any property seized, to the Court. Court-approved expenses will be taxed as costs against judgment debtor, and Receiver may collect those expenses from judgment debtor in addition to the amount collected to satisfy the judgment.

Attorney's Fees: judgment creditor's reasonable attorney's fees will be taxed as costs against judgment debtor.

Receiver to Hold Property: Receiver must not disburse funds to judgment creditor or sell property within 14 days after serving judgment debtor with the Notice of Protected Property Rights, the Instructions for Protected Property Claim Form, and the Protected Property Claim Form approved by the Supreme Court of Texas, or within 17 days if service was by mail. If judgment debtor asserts an exemption, Receiver may only disburse funds to judgment creditor or sell property with judgment debtor's written consent or a court order.

Supplements to the Standard Order, for Good Cause Shown. The standard order is supplemented, for good cause shown, including because the standard approved order does not include language required by many witnesses, this order is supplemented. For example, federal law and several third party witnesses (acting in good faith), many financial institutions require special language and many prefer to communicate by fax instead of e-mail. The Receiver needs additional discovery powers and specificity of the Receiver's powers, and the attached exhibit list helps clarify which sorts of items must be turned over. Appointing a Master will expedite the process and save the Court time, Consequently, the following language is added.

Supplement to Order Requiring Turnover and Appointing Receiver With Attached List of Items to be Turned Over

To the extent this supplement conflicts with the portion of the order before the supplement begins, the supplement prevails.

Defined Terms. As used in this order, the terms below are defined.

Term	Definition
“Plaintiff” refers to:	Penny Pincher Collections, Inc.
“Defendant” refers to:	Dolly Defendant
“Receiver” and “Master” refer to:	Robert Receiver Address: 123 Main Street, Anytown, Texas 77123 Email Address: rreceiver@ppcinc.com Telephone: (512) 867-5309 State Bar No.: 24754323
“Judgment” refers to the judgment in this case	Date: January 14, 2022
	Principal Amount: \$ 5,000.00
	Attorney’s Fees: \$--0-- Approx. Payoff: \$ _____
Bond Amount:	\$200.00

Findings. The Court finds that:

1. Plaintiff owns an unsatisfied final judgment against defendant;
2. Defendant owns property.

Plaintiff has good faith reasons to believe that defendant owns non-exempt rights to present or future property that cannot be readily attached or levied upon by ordinary legal process, like bank accounts that are easily moved and constantly changing in balance. Appointing Receiver to locate, marshal, and administer assets is justified because non-exempt assets exist, as virtually everyone has a bank account or other non-exempt asset, that plaintiff believes that defendant will hide. Plaintiff has met the requirements of Tex. Civil. Prac. & Rem. Code §31.002.

Orders. The Court orders the relief set out below.

3. Appointment. After considering the propriety of receivers whom the Court has appointed in other cases and the plaintiff’s recommendations, the Court appoints Robert Receiver as Receiver over each defendant’s non-exempt assets, under Sec. 31.002 of the Civil Practice and Remedies Code of Texas, to serve after posting the bond and taking the oath of office.
4. The Court assumes jurisdiction over and takes possession of defendant’s non-exempt property (collectively, the “receivership assets”).
5. Except for acts of intentional misconduct, Receiver and persons engaged or employed by him are not liable for loss or damage incurred by any person or entity for acts performed or omitted to be performed by Receiver or those engaged or employed by Receiver for the discharge of their duties and responsibilities for the receivership, including exercising control over receivership assets.
6. Effect of order on defendant and third parties. The unique power of the Receivership derives from the doctrine of *custodia legis*. Once a turnover order containing an appointment of a Receiver is signed, the judgment debtor’s non-exempt property becomes property *in custodia legis*, or “in the custody of the law.” *First Southern*

Properties, Inc. v. Vallone, 533 S.W.2d 339, 343 (Tex. 1976). The judgment debtor's property is in the constructive possession of the court. During the pendency of a receivership, the receiver has exclusive possession and custody of the judgment debtor's property to which the receivership relates. *Id.* No one, not even a lien holder with a prior filed deed of trust, can sell property held in *custodia legis* by a duly appointed receiver without first obtaining approval from the court in which the Receivership is pending, *id.*, at 341; *Huffmeyer v. Mann*, 49 S.W.3d 554, 560 (Tex.Civ.App.—Corpus Christi, 2001). Any unauthorized transfer of property in the custody of a receiver is not merely voidable, it is void. *First Southern Properties*, 533 S.W.2d, at 341. Any conveyance of property in the custody of a receiver without approval by the court has no effect upon the receivership and the accomplishment of its purposes. *T.H. Neel v. W.L. Fuller*, 557 S.W.2d 73, 76 (Tex. 1977). Any attempt by a judgment defendant to transfer any of his non-exempt property after the turnover order has been signed is void and can be called back by Receiver or by Receiver's suit to set aside the transfer.

7. Authorization to release defendant's records to Receiver. This order constitutes defendant's written consent and authorization as may be required by any law, including the federal Fair Debt Collection Practices Act, or entity to release information, records, and documents to Receiver.

8. Upon request, third parties must provide Receiver with direct telephone numbers, fax numbers, and e-mail addresses for the departments, including legal departments, that control the records.

9. Defendant is enjoined from selling non-exempt property and must report to Receiver all sales and transfers of property, exempt or not, within 5 days.

10. The Receivership owns all non-exempt assets of all defendants, regardless of whether Receiver takes actual possession. This includes accounts in financial institutions and banks.

11. Definition and purpose of the Receivership. Receiver and Master is the agent of this Court (not the attorney for any party) and must be treated with the same courtesy accorded to the Court.

Once an individual is cloaked with derived judicial immunity because of a particular function being performed for a court, every action taken with regard to that function—whether good or bad, honest or dishonest, well-intentioned or not—is immune from suit. Once applied to the function, the cloak of immunity covers all acts, both good and bad.” *Davis v. Radoff*, 317 S.W.3d 301, (Tex.App-Hou 1st 2009), (citing *Ramirez v. Burnside & Risheberger, L.L.C.*, No. 04-04-00160-CV, 2005 WL 1812595 (Tex. App.-San Antonio Aug. 3, 2005, no pet.) (mem. op.)).

12. Defendant's Responsibilities to Receiver and the Court. Each defendant is ordered, within the time periods set out in this order to:

a. Deliver to Receiver, at the address provided by Receiver, all documents and records requested by Receiver, within ten days, then from time to time, in the time periods, manners, and formats requested;

b. A request by Receiver is a request by the Court and is to be treated as a Court order;

c. Turnover to Receiver all non-exempt funds to the extent required to satisfy the judgment. No defendant may spend non-exempt funds, or sell, transfer, or encumber non-exempt assets without Receiver's prior written consent;

d. Completely disclose to Receiver all assets of each defendant, and neither directly nor indirectly interfere with or impede Receiver in the performance of his duties. Defendant must disclose all exempt and non-exempt assets so the exempt status of every asset can be determined. Defendant's disclosure must provide sufficient specificity to permit a constable to identify and levy on the assets;

e. Supplement, without being prompted, all responses to every order and plaintiff's and Receiver's discovery or requests for information, within ten days of learning of this order and within ten days of learning that the responses are no longer accurate or complete. The changes must be clearly indicated.

f. Organize and collate the disclosed information and documents in the formats and manners required by Receiver. The disclosures must be indexed and refer to the request to which it is responding. Responses like, "See response number so and so." are prohibited;

g. Deliver to Receiver all passwords, user identification, login and other credentials used to access websites, owned, controlled, or managed by each defendant and on-line accounts that allow the control of assets (e.g. financial accounts, webhosting accounts, and other accounts that are used to control assets)

h. Defendant may not dispute a check that Receiver seizes and deposits, without first obtaining the Court's permission.

13. Receiver's Powers. Receiver may:

a. Take possession of Defendant's non-exempt property in defendant's actual or constructive possession, custody, or control. This includes the accounts in banks, stock brokerage firms, and entities like E-Trade Clearing, LLC. Receiver may cancel or extend a defendant's contracts if doing so appears to be in the best interest of the receivership;

b. Require the attendance of third parties, issue and serve subpoenas and notices to appear to third parties and those who may possess knowledge or information concerning a defendant's non-exempt assets. A subpoena is not required to compel attendance. Receiver may require the attendance of and issue subpoenas to any defendant, third party, or witness, to deliver receivership assets and information about receivership assets, including employment records from the Texas Workforce Commission, for the production of documents, things, and information, including matters about the employment or location of any defendant or witness, the existence, location, or value of defendant's assets. Receiver may schedule and issue notices for stenographic or non-stenographic examinations of anyone who may know of facts about a defendant's assets;

c. Obtain credit reports, financial institution statements, and other reports to aid in locating assets. Receiver may order Consumer Reporting Agencies, as defined by the Fair Credit Reporting Act ("FCRA") 16 USC §1681b(f) to provide consumer reports on defendants and witnesses as allowed under FCRA 16 USC §1681b(a)(1);

d. Upon Receiver's request, third parties must provide Receiver with each defendant's complete account numbers and records with institutions with whom they do business, including financial institutions, lessors, lenders, merchant service providers, businesses like Zelle and PayPal, and credit card issuers. This includes entities like Zelle, PayPal, VenMo, and Cash App. Upon request, the witnesses must provide explanations of the data, like what the headings and abbreviations stand for and what they mean.

e. Upon request, third parties must provide Receiver with direct telephone numbers, fax numbers, and e-mail addresses for the departments, including legal departments, that control the records.

f. Order providers of utilities, telecommunications, telephone, cell phone, cable, internet, data services, internet website hosts, email hosts, iCANN providers, satellite television services, and similar services (including ComCast, AT&T, Verizon, Sprint, and Direct TV), and financial institutions to turnover information that Receiver believes may prove or lead to the discovery of the existence or location of a defendant's whereabouts or non-

exempt assets, including account information, telephone numbers, names, service addresses, telephone numbers, payment records, and bank and credit card information.

- i. The orders must be directed to the entity from which the information is sought and specifically describe the information requested with the dates for which the information is required, which may not be more than one year before issuing Receiver's request, unless specifically stated in the request. This order specifically defines Receiver as a state official, acting in an official capacity, as defined in section 182.054(1) of the Texas Utility Code.
 - ii. This order specifically serves as the court order required by 47 USC § 551, and Tex. Fin. Code §59.001, and satisfies all obligations of the responding party to obtain or receive a court order before contained personally identifiable information of the subscribers or customers;
 - iii. Disclosing information under this order does not violate PUC Substantive Rule 25.272. This order satisfies the law, regulation, or legal process exception to the Proprietary Customer Information Safeguards found in PUC Substantive Rule 25.272 (g)(1);
- g. Take all actions to gain access to and enter real property, leased premises, storage facilities, and safe deposit boxes where non-exempt property, or records of a defendant may be situated, and to seize the contents;
- h. Secure control over all non-exempt property and engage in presale activities, including appraisals, evaluations, listing and advertising agreements. Receiver may transfer title into the receivership or place a hold on the title of personal and intangible property, including patents, trademarks, service marks, copyrights, websites, and domain names;
- i. Prosecute, settle, or control all causes of action;
- j. Redirect, read, and copy defendant's mail, whether electronic, paper, or facsimile, or otherwise, and whether sent to a street address, telephone line, post office box, or via the internet, before and exclusive of receipt. Establish procedures for allowing defendants to retrieve the mail, or copies;
- k. Disable or remove non-exempt property belonging to a defendant or place the property into storage; insure any property taken into his possession; obtain such writs as Receiver deems necessary to obtain possession; and change the locks to premises belonging to the defendant. Receiver has no duty to take these actions, or to maintain, guard, or insure property taken into *custodia legis*, or to maintain or pay any lease, nor shall Receiver be required to pay any mortgage, lien or assessment, defend against any lawsuit, pay any tax or fee, file tax returns, maintain any insurance coverage, or have any obligation except as specifically ordered;
- l. Hire any person, firm or company to further remedies available to Receiver, including hiring persons to: change locks to premises belonging to defendant; exclude persons from interfering with Receiver's custody of the premises; moving or storing defendant's property; collect accounts receivable; or sell defendant's non-exempt property;
- m. Endorse and cash checks and negotiable instruments payable to defendant, except paychecks for current wages;
- n. Assume that property is not exempt, until the person claiming the exemption files a statement that claims the exemption, cites the legal and factual grounds for the exemption, and describes the property with sufficient specificity that a constable can levy upon it. If there be any dispute whether an asset is exempt or belongs to a defendant, Receiver may take custody of the asset until the Court determines the rights of those claiming an interest

in the asset;

o. Certify copies;

p. Serve defendants by placing the documents to be served in the defendant's mailbox, taping them to the defendant's door, or delivering them to the receptionist at the defendant's residence or place of business;

q. Serve non-natural entities by placing the documents to be served in the registered agents for the entities' mailbox, taping them to the registered agent for the entities' door, or delivering them to the receptionist of the registered agent for an entity's place of business.

r. Obtain defendant's and witness' driver's license records from the Texas Department of Public Safety, and all similarly named entities. Those entities are ordered to release defendant's records to Receiver and Master, including defendant's photograph;

s. Propound discovery, under the rules of civil procedure. Receiver may shorten the time periods;

t. File reports. Objections must be filed within 20 days, state each disputed ground, the reasons for each dispute, and attach the documents supporting each objection. Unopposed facts will be conclusively admitted.

14. Charging Order. This proceeding is governed by Civil Practice & Remedies Code §31.002, and this order. Provisions of Texas CPRC §64 limiting Receiver's authority or imposing additional duties or restrictions on the Receiver do not apply to this receivership. This order is also a charging order when delivered to any person or, entity.

15. Conduct and Disposition of Entities. If defendant is an individual, all legal right, title and ownership of any limited partnership interest, partnership interest, stock, or membership interest it has in any entity and business entity of that defendant is divested from the individual and placed *in custodia legis* with the Receiver. *Chitex Communication v. Kramer*, 168 B.R. 587, 590 (S.D. Tex. 1994) ("the president of an insolvent corporation had no authority to affect the corporation's property interests once a state court had placed it into receivership") if the debtor is the sole owner of that entity or business, all management authority is vested in the Receiver as if Receiver were the Receiver over that entity. If the Respondent is a business entity, all authority and power of the defendant in the management of the entity is vested in the Receiver and no decision may be made or carried out without the express approval of the Receiver. *Id.* ("Texas law asserts that Receiver has the full rights that the corporation had."). This order supersedes the authority of any officers, directors, or managers of the business entity debtor.

16. File a report that will be conclusive unless defendant denies each finding, explains why, and files supporting documentation. Unopposed findings will be deemed conclusive.

17. Notice of Intended Abandonment or Sale. Notice of abandonment of receivership assets must be provided:

a. At least ten days before any abandonment, Receiver must file a notice of the intended sale or abandonment that describes the property to be abandoned, its sale price, and how it will be sold or abandoned;

b. By first class mail to defendant and every person who has filed a request for notice;

18. Objection to Abandonment or Sale. Objections to the proposed abandonment or sale must state the grounds and be filed within five days after Receiver's service of the notice.

a. If no objection is timely filed, Receiver may abandon the property as described in the notice, without further order.

b. If an objection is timely filed, the proposed abandonment or sale must not be completed until the

Court has decided the objection.

19. Duties of Peace Officers. Every constable, deputy constable, sheriff, deputy sheriff, and other peace officer may accompany Receiver to locations designated by Receiver where Receiver believes that a defendant's assets or records may be located. The peace officers are ordered to prevent interference with Receiver's carrying out any duty under this order or interference with property in Receiver's control or subject to this order.

20. Duties of Third Parties. Every person with actual notice of this order is ordered not to interfere with property in Receiver's control or subject to this order and is ordered not to interfere with Receiver in the performance of Receiver's duties. Third parties are notified that Receiver, not defendant, is the party entitled to possess, sell, liquidate, and otherwise deal with defendant's non-exempt property and once any third party receives notice of this order, the third party may be subject to liability if the third party releases property, unless directed by Receiver or the Court.

a. All third parties who hold a defendant's property or records are ordered to immediately notify Receiver and to deliver the property within ten working days of Receiver's demand.

b. All third parties knowing of this order must immediately notify Receiver if they discover the existence of a defendant's property, or of facts that might lead to the discovery of property in which any defendant has any interest.

c. Anyone resisting Receiver's order or request, based on legal or other advice, must give the full name, address, fax number, e-mail address, cell phone number, and direct telephone number for each person giving that advice and to instruct those persons to immediately contact Receiver. Doing so waives no attorney-client communication privilege.

21. Receiver is entitled to a fee equal to 25% (twenty-five percent) of all liquidation or sales of assets that come into his actual, constructive, or legal possession, and all recoveries and credits against the judgment, not to exceed 25% of the balance due on the judgment, including post-judgment attorney's fees, Receiver's fees and expenses (including attorney's fees), which the Court finds is a fair, reasonable, customary, and necessary fee for Receiver. A contingency fee is the only way that plaintiff can afford a receiver. Defendant has not tried to pay the judgment. The costs of proving an hourly fee are prohibitive. Competent and experienced receivers are rare and the time and effort required by a receiver to keep time, apply for fees and the lag between filing for fees and being paid and that the fees earned would be at an ordinary rate but not be paid at the time of or shortly after rendering of services would inhibit the recruitment of experienced receivers. Given the chances of no recovery, contingent fees are the most economical fee schedule. The costs of proving an hourly fee could easily exceed the original judgment. Receiver is directed to pay plaintiff's attorney, as plaintiff's trustee, the remaining 75% of all funds coming into Receiver's possession, after deducting Receiver's costs and payment of liens or set offs as Receiver deems reasonable. A receiver's fee exceeding 25% of all funds coming into Receiver's possession may be awarded after notice and opportunity for hearing to all parties. If the defendant files bankruptcy, Receiver's fee shall be equal to 25 percent of the debt owed when the bankruptcy is filed. Receiver's fees are taxed as costs and must be added to the cost docket of this Court.

22. Receiver may sell every defendant's non-exempt real property, showing the seller as, "Robert Receiver, Court Appointed Receiver," and may retain a licensed broker to do so.

23. All real property sales must be individually ordered after notice and hearing.

24. Time for objections to the order. All objections to (i) this order, (ii) the bond, including its sufficiency,

(iii) all affidavits that support or relate to this order, (iv) Receiver's qualifications, and (v) every issue relating to this order, are waived if they are not filed within twenty days of the service on or notice of this order to defendant or his counsel.

25. Writs of turnover issued under this order, must not be limited in time or have an expiration date. Those serving the writs must return them to Receiver, not the clerk, unless otherwise instructed. More than one writ of turnover may be issued and outstanding at the same time. The clerk is ordered to issue writs on an expedited basis, upon request.

26. Receiver may collect all unclaimed funds belonging to defendant, including from the Texas Comptroller's Office, and may collect, sell, or assign defendant's rights to air miles and rewards programs.

27. Attorney's fees. The Court takes judicial notice of the time that is reasonable and necessary for obtaining this order, and Dolly Defendant is ordered to pay Penny Pincher Collections, Inc. \$750 in attorney's fees for obtaining this order. Additional fees may be awarded, after notice and hearing.

28. Retention of counsel. Receiver may employ counsel, at \$350 per hour, for representation and assistance in the prosecution of this order. Because the fees are contingent upon collection, the fee is set at \$450 per hour unless adjusted after notice and hearing.

29. Receiver does not have to defend or prosecute any litigation regarding the defendant.

30. Receiver may serve discovery under the rules of civil procedure and may shorten the time periods. He is not required to employ the discovery rules and may obtain discovery by requesting the information or documents from defendant and third parties. Upon request, defendant must provide documents to Receiver and plaintiff in WordPerfect, Microsoft Word, Microsoft Excel, Rich Text Format, JPEG, Adobe, or other format acceptable to Receiver, with indices. All responses must be e-filed.

31. All parties must serve Receiver with copies of all motions, notices, discovery responses, correspondence, and communications between them.

32. Special Master. Robert Receiver is appointed as Special Master in Chancery. The appointment is justified to perform duties that a sitting court cannot undertake, like traveling to locate and inspect assets, delivering property to sales lots for inspection and valuation, and advertising for and locating prospective buyers and appraisers. Master will conserve the Court's resources on post judgment matters, including locating and liquidating property. The Defendant's right to object to Master's report cures any concern that Master may be biased. Because the Court cannot order a witness to travel over 150 miles, Master is needed to travel to interview witnesses.

Master's appointment will lower attorneys' fees, reduce the need for hearings, and will protect the economic interests of both the debtor and creditor.

Master can immediately issue orders, rather than incurring the delays required for the opportunity to be heard in open court. Property, evidence, and witnesses can easily disappear before a hearing can be held. This is an exceptional case due to the complexity of locating assets and the intensity and spontaneity needed to enforce the judgment. Good cause exists to appoint Master. Master should be familiar with post judgment enforcement and is.

Use of the terms, "Receiver," and "Master," include the other term, as allowed by law.

33. The Special Master in Chancery may:

a. Require the attendance of third parties, issue, and serve subpoenas to third parties, or those who may possess knowledge or information about defendant's assets, and whether they are exempt. A subpoena is not required to compel attendance. Master may require the attendance of and issue subpoenas to defendants, third

parties, and witnesses. The Master may schedule and issue notices for stenographic or non-stenographic examinations of anyone who may know of facts about a defendant's non-exempt assets; *Ex Parte Odom*, 271 S.W. 2d 796 (Tex. 1954);

b. Serve discovery under the rules of civil procedure and shorten the time periods. Master required by the discovery rules, and may obtain discovery by requesting the information or documents;

c. Submit reports of the facts discovered. If defendants do not object, the facts in the report are binding. This procedure saves the Court a great deal of time by limiting factual disputes.

34. Master's duties are limited to locating non-exempt assets and the records that determine the assets' ownership, their value, with the liens against the assets, and reporting his findings to the Court;

35. Time Periods. It is assumed that good cause exists for not terminating this order unless a motion to terminate is filed and a hearing held, unless waived.

Persons seeking protection must set the matter for the earliest possible hearing date, after giving Receiver notice and attempting to resolve the issues. (This does not mean merely sending a fax or e-mail.)

SIGNED this _____ day of _____, 2024.

Judge Presiding

R1: Example C

Cause No. 12345

Penny Pincher Collections, Inc.	§	In The Justice Court
v.	§	Precinct 1
Dolly Defendant	§	Urban County, Texas

Order Appointing Receiver

The court considered Judgment Creditor's Application for Appointment of a Receiver under Texas Civil Practice and Remedies Code § 31.002. After reviewing the evidence and the court's file, the court **FINDS** that the judgment rendered in Cause No. 12345 is valid, final, and fully payable. The judgment awarded was \$5,000.00, including costs, with interest at the rate 8.50% to be compounded annually. On xx/xx/2024 the amount of any credits, payments, and offsets was \$--0--.

The court **FINDS** that the judgment remains unsatisfied; that judgment debtor owns property that is not exempt from attachment, execution, or seizure for the satisfaction of the judgment; and that Judgment Creditor is entitled to the court's aid in reaching judgment debtor's nonexempt property to satisfy the judgment.

The court also **FINDS**:

It is therefore **ORDERED** that the following person ("Receiver") is appointed under Texas Civil Practice and Remedies Code §31.002 with authority to take possession of Judgment Debtor's nonexempt property that is in Judgment Debtor's possession or is subject to Judgment Debtor's control, sell the property, and pay the proceeds to Judgment Creditor to the extent required to satisfy the judgment. Judgment Debtor's nonexempt property may include financial accounts, certificates of deposit, and money-market accounts held by a third party.

Receiver's Information:

Name:	Robert Receiver
Address:	123 Main Street, Anytown, Texas 77123
Email Address:	rreceiver@ppcinc.com
Telephone:	(512) 867-5309
State Bar No.:	24754323

Receiver's Additional Limited Powers: Receiver also has the following limited authority. Receiver may: (1) obtain judgment debtor's credit information and credit reports; (2) obtain judgment debtor's financial information and records from judgment debtor or a third party; (3) certify copies of this order; and (4) negotiate and obtain installment payment agreements with judgment debtor, if Receiver reasonably believes that a payment agreement is the best option to satisfy the judgment and Receiver provides judgment debtor with the Notice of Personal Property Rights approved by the Supreme Court of Texas. Receiver may not reduce the total balance owed under the judgment without judgment creditor's authorization.

Personal Property Rights of Judgment Debtor: Receiver must comply with Texas Rule of Civil Procedure 679b.

Turnover: Judgment debtor and any third party in possession of judgment debtor's property is **ORDERED** to turn

over to the Receiver judgment debtor's nonexempt property within _____ days after receipt of this order.

Time Period: This Receivership terminates 180 days after this order is signed, after notice and hearing (*date, not to exceed 180 days after the date this Order is signed*), unless extended by the court on request of judgment creditor or Receiver and on good cause shown.

Receiver's Fee: Receiver's fee is conditionally set at 25% of the funds collected during the receivership, subject to the judgment debtor's written agreement or later determination of reasonableness based on written agreement of the judgment debtor or proof of the work performed and the results obtained. The court-approved fee will be taxed as costs against judgment debtor, and Receiver may collect that fee from judgment debtor in addition to the amount collected to satisfy the judgment.

Receiver's Oath: Receiver must file an oath to perform the duties faithfully before acting under this order.

Receiver's Bond:

- No bond required; or
- Receiver must execute a good and sufficient \$ _____ bond before acting under this order.

Receiver's Expenses: Receiver must provide an accounting or receipts of reasonable and necessary expenses, including those for storage of any property seized, to the Court. Court-approved expenses will be taxed as costs against judgment debtor, and Receiver may collect those expenses from judgment debtor in addition to the amount collected to satisfy the judgment.

Attorney's Fees: judgment creditor's reasonable attorney's fees will be taxed as costs against judgment debtor.

Receiver to Hold Property: Receiver must not disburse funds to judgment creditor or sell property within 14 days after serving judgment debtor with the Notice of Protected Property Rights, the Instructions for Protected Property Claim Form, and the Protected Property Claim Form approved by the Supreme Court of Texas, or within 17 days if service was by mail. If judgment debtor asserts an exemption, Receiver may only disburse funds to judgment creditor or sell property with judgment debtor's written consent or a court order.

SIGNED this _____ day of _____, 20_____.

JUDGE PRESIDING