



appear before the Trustee and parties in interest, and invocation of the Fifth Amendment privilege against self-incrimination. Despite the Debtor's misstatements under oath to the Trustee and his incorrect Schedules and Statement of Financial Affairs, the Trustee has been able to partially reconstruct the Debtor's transfers related to and disposition of the sum of \$225,100. The Defendants enumerated below as "Parties" received, directly and indirectly, significant transfers of this sum during the three months preceding and two months after the Debtor filed for bankruptcy.

## **II. Jurisdiction and Venue**

1. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. § 1334 and 28 U.S.C. § 157.
2. This is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (E), (F), & (O).
3. Venue is proper under 28 U.S.C. § 1409.

## **III. Parties**

4. Ronald J. Sommers, Trustee in the above-referenced chapter 7 bankruptcy case, is the Plaintiff herein.
5. Jimmy Sissom is a Defendant herein and the Debtor in the above-referenced bankruptcy case ("Defendant" or "Debtor" or "Mr. Sissom"). Mr. Sissom may be served with process in accordance with Bankruptcy Rule 7004(b)(9) by mailing a copy of the summons and Amended Complaint to the Debtor at the addresses shown in the petition or statement of affairs at 106 Eight Oaks Drive, Bastrop, Texas 78602-3577 and/or 1911 Trixie Lane, Houston, Texas 77042-2631 and to his counsel, Mr. J. Craig Cowgill, at the attorney's post-office address at 2211 Norfolk, Suite 1190, Houston, Texas 77098.
6. Susan P. Sissom is the wife of Jimmy Sissom and a Defendant herein ("Defendant"

or “Mrs. Sissom” or “Susan Sissom”). Mrs. Sissom may be served with process in accordance with Bankruptcy Rule 7004(b)(1) by mailing a copy of the summons and Amended Complaint to the Defendant’s dwelling house or usual place of abode at 106 Eight Oaks Drive, Bastrop, Texas 78602, by first class mail postage prepaid.

7. Upon information and belief, Kristine Garbo is a business associate of Susan P. Sissom and a Defendant herein (“Defendant” or “Mrs. Garbo” or “Kristine Garbo”). Mrs. Garbo may also be the Debtor’s mother in law and/or Mrs. Sissom’s mother. Mrs. Garbo may be served with process in accordance with Bankruptcy Rule 7004(b)(1) by mailing a copy of the summons and Amended Complaint to the Defendant’s dwelling house or usual place of abode at 18100 San Luis Pass Road #N, Galveston, Texas 77554 and/or to the place where the Defendant regularly conducts a business or profession at Seaside Bistro, 11128 FM 3005, Galveston, TX 77554 and/or to P.O. Box 5223, Galveston, Texas 77554, by first class mail postage prepaid.

8. Dealer’s Management Group Inc. is a Texas corporation and a Defendant herein (“Defendant” or “DMG”). DMG may be served with process in accordance with Bankruptcy Rule 7004(b)(3) by mailing a copy of the summons and Amended Complaint to the attention of its registered agent, Corporation Service Company dba CSC - Lawyers Incorporating Service Company, 701 Brazos, Suite 1050, Austin, Texas 78701, by first class mail postage prepaid. Upon information and belief, the Debtor has an ownership interest in DMG. Columbus J. Collet is a Director of DMG. Upon information and belief, Columbus J. Collet is also known as Columbus J. Collett, C. Joseph Collet, and Joe Collet.

9. Buttross Holdings, Inc. is a Texas corporation and a Defendant herein (“Defendant” or “Buttross”). Buttross may be served with process in accordance with Bankruptcy Rule 7004(b)(3)

by mailing a copy of the summons and Amended Complaint to the attention of its registered agent, Albert J. Heinrich, 408 West 18th St., Austin, Texas 78701, and/or to its attorney Robert W. Swanson, von Kreisler & Swanson, P.C., 610 West Lynn, Austin, Texas 78703, by first class mail postage prepaid.

10. Columbus J. Collet is a business associate and friend of Mr. Sissom and a Defendant herein (“Mr. Collet” or “Defendant”). Mr. Collet may be served with process in accordance with Bankruptcy Rule 7004(b)(1) by mailing a copy of the summons and Amended Complaint to the Defendant’s dwelling house or usual place of abode at 1911 Trixie Lane, Houston, Texas 77042-2631, by first class mail postage prepaid.

#### **IV. Factual Background**

11. On May 3, 2006, the Debtor filed a voluntary petition under Chapter 7 of the Bankruptcy Code (“Bankruptcy”). Ronald J. Sommers was subsequently appointed Chapter 7 Trustee and continues to act in such capacity.

12. Mrs. Sissom did not file a voluntary petition under any chapter of the Bankruptcy Code. No involuntary case has been commenced under any chapter of the Bankruptcy Code against Mrs. Sissom.

13. The Debtor and Mrs. Sissom were married on October 28, 1994. A true and correct copy of a printout from the Harris County Marriage License Inquiry System is attached hereto as **Exhibit A** and incorporated herein by reference. Upon information and belief, the Debtor and Mrs. Sissom have been married at all times relevant to this Amended Complaint.

#### **A. The Debtor’s First “Story”**

14. The Debtor filed his original schedules on May 3, 2006 (“Original Schedules”) and his original statement of financial affairs on May 3, 2006 (“Original SOFA”). [Docket No. 1] In his Original Schedule B, the Debtor disclosed the following assets:

- a. \$10,000 (designated as remaining proceeds from sale of homestead) in Mrs. Sissom’s Account (defined below);
- b. stock in F & S Ventures, Inc. (“F & S”) valued at \$900,000;
- c. 1997 BMW valued at \$15,000 (community property); and
- d. 2002 Suburban valued \$20,000 (community property).

The Debtor sought to exempt the \$10,000 designated as remaining proceeds from sale of homestead, the 1997 BMW, and the 2002 Suburban. In his Original SOFA the Debtor disclosed that:

- a. he received \$45,000 in proceeds from loan secured by stock;
- b. he pledged his stock in F & S to Crown Financial, LLC (“Crown Financial”) as collateral for a \$250,000 loan; and
- c. he used the proceeds from the sale of his homestead at 4315 Waterlily Court, Missouri City, Texas 77459 (“Missouri City Home”), excluding the \$10,000 remaining in Mrs. Sissom’s Account (defined below), to pay off all liens and taxes, for living expenses, and to purchase two automobiles.

15. At the first meeting of creditors on May 24, 2006 at 10:30 a.m. (“First Meeting of Creditors”), the Debtor appeared and testified under oath. The meeting was not concluded and was reset several times thereafter. The Debtor testified, *inter alia*, that:

- a. his name is Jimmy Glenn Sissom;
- b. he had listed on his Original Schedules all of his wife’s assets and all of his assets;
- c. his wife did not have any separate property;
- d. he sold his Missouri City Home and used a portion of the proceeds to purchase a Suburban and a '97 BMW (the Debtor’s counsel provided the information regarding the BMW);

- e. he owned 100% of the stock of DMG;
- f. he either pledged his stock in F & S or sold his stock in F & S with an option to repurchase and received \$250,000, and after fees, received the net sum of \$225,000 or \$222,000;
- g. on the same day that he pledged or sold his stock in F & S, he took the \$225,000 or \$222,000 to Sterling Bank and converted the sum into four different cashier's checks ("Cashier's Checks");
- h. the Cashier's Checks were all in his name;
- i. he used the Cashier's Checks to pay off his debt; and
- j. he provided an itemization of the disposition of the proceeds from the sale of the Missouri City Home and the Cashier's Checks.

A true and correct copy of the transcript of the First Meeting of Creditors is attached hereto as **Exhibit B** and incorporated herein by reference ("Transcript").

16. At or prior to the First Meeting of Creditors, the Debtor provided a document to the Trustee entitled "Itemization of Crown Fi[n]ancial Loan: \$250,000." The Debtor listed various expenses paid with the proceeds from the sale of his stock in F & S including:

- a. \$15,000 to Kristine Garbo as "repay for expenses the family owed from 2005";
- b. house repairs (\$7,500);
- c. miscellaneous family expenses (\$10,000);
- d. expenses for January through March (\$21,000);
- e. various credit card payments;
- f. auto (\$995.02) and health (\$834) insurance; and
- g. taxes (totaling \$4,936.40).

A true and correct copy of the document entitled "Itemization of Crown Fi[n]ancial Loan: \$250,000," is attached hereto as **Exhibit C** and is incorporated herein by reference.

17. At or prior to the First Meeting of Creditors, the Debtor provided a document to the Trustee entitled "Expenses." The Debtor listed various expenses paid with the proceeds from the sale of the Missouri City home including:

- a. Susan Vehicle (\$20,000);
- b. Jimmy Vehicle (\$15,000);
- c. living expenses for April through June (\$22,500);
- d. house repairs (\$5,000);
- e. homeowners (\$585), health (\$858), and auto (\$1,100) insurance;
- f. eye surgery (\$4,900) and tonsils (\$2,800); and
- g. April house payment (\$2,155).

A true and correct copy of the document entitled "Expenses," is attached hereto as **Exhibit D** and is incorporated herein by reference.

18. The Debtor also provided documents pertaining to the sale of his stock in F & S to the Trustee. As set forth in these documents, on January 31, 2006, the Debtor entered into an agreement with Crown Financial wherein Crown Financial would purchase the Debtor's shares of stock in F & S for \$250,000. The Debtor had an option to repurchase the stock in F & S. A true and correct copy of a letter dated January 31, 2006 from Richard D. Tribe to Jimmy Sissom is attached hereto as **Exhibit E** and is incorporated herein by reference.

19. The Trustee requested the production of certain documents by the Debtor to verify the information given to him, but was left with the impression that the Debtor was attempting to be cooperative and organized in his presentation.

#### **B. The Debtor's Second "Story"**

20. The Debtor amended his Original Schedule B and his Original SOFA on August 17, 2006 (“August 17<sup>th</sup> Amendment”). [Docket Nos. 24 and 26] The Debtor clarified that, on January 31, 2006, he sold his stock in F & S to Crown Financial for \$250,000 with an option to repurchase.

**C. The Debtor’s Failure to Appear and Produce Documents**

21. Following the First Meeting of Creditors, the Debtor failed to appear at the meeting of creditors scheduled for June 21, 2006 at 9:30 a.m., the meeting of creditors scheduled for August 16, 2006 at 9:30 a.m., and the 2004 Examination scheduled for August 10, 2006 and by Royal Oaks Bank.

22. The Trustee and Royal Oaks Bank, a creditor and party in interest, were forced to file pleadings asking this Court to order the Debtor to appear at the meeting of creditors to be held on August 30, 2006 at 9:30 a.m., to produce documents, and to appear and testify at the Bankruptcy Rule 2004 Examination to be held on September 7, 2006 at 9:30 a.m.

23. The Court ordered the Debtor to appear at the hearing on the Emergency Motion to Compel Attendance at Meeting of Creditors and Bankruptcy Rule 2004 Examination and Require Production of Documents (“Emergency Motion”) on August 25, 2006. The Debtor appeared at the hearing and the Court entered an Agreed Order granting the Emergency Motion. At the hearing on the Emergency Motion, the Court also allowed Barbara M. Rogers to withdraw and substituted J. Craig Cowgill as counsel for the Debtor.

**D. The Debtor’s Third “Story”**

24. On August 24, 2006, the Debtor produced documents, including those described



herein, to the Trustee.

25. The Debtor produced a Settlement Statement, which reflects that Susan P. Sissom purchased a home, in her name alone<sup>1</sup>, on April 21, 2006. The home is located at 106 Eight Oaks Drive, Bastrop, Texas 78602 (“Bastrop Home”). A true and correct copy of the Settlement Statement is attached hereto as **Exhibit F** and is incorporated herein by reference.

26. The Debtor produced account statements for Susan P. Sissom’s account located at JPMorgan Chase Bank, N.A., account number 637889346 (“Account”). The Account statement for the period of April 6, 2006 through May 3, 2006 reflects the following transactions:

- a. a deposit of \$50,000 on April 13, 2006;
- b. a deposit of \$75,426.78 on April 24, 2006;
- c. a withdrawal of \$50,000 on April 18, 2006;
- d. a withdrawal of \$70,426.78 on April 26, 2006.

A true and correct copy of the Account statement for the period of April 6, 2006 through May 3, 2006 is attached hereto as **Exhibit G** and is incorporated herein by reference.

27. The Account statement for the time period of May 4, 2006 through June 5, 2006 reflects that on the date the Bankruptcy was filed, Mrs. Sissom had in her Account the sum of \$5,227.95. A true and correct copy of the Account statement for the period of May 4, 2006 through June 5, 2006 is attached hereto as **Exhibit H** and is incorporated herein by reference.

28. The Debtor produced a spreadsheet purporting to detail the payments made from Mrs. Sissom’s Account (“Account Spreadsheet”) including:

- a. a house down payment in the amount of \$67,143.64;

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<sup>1</sup> At the first meeting of creditors, the Debtor testified that his wife had no separate property.

- b. a payoff of an Escalade in the amount of \$12,500;
- c. a payoff of a 2002 Suburban Z71 in the amount of \$20,000;
- d. taxes in the total amount of \$7,377.77;
- e. eye surgery in the amount of \$4,200;
- f. Ryan tonsils in the amount of \$2,000;
- g. cash to Kristine Garbo in the amount of \$15,000;
- h. cash receipts totaling \$5,460.52; and
- i. house repairs totaling \$7,500.

A true and correct copy of the Account Spreadsheet is attached hereto as **Exhibit I** and is incorporated herein by reference.

29. The Debtor produced a second spreadsheet providing what appears to be an overview of the transactions pertaining to Mrs. Sissom's Account ("Second Account Spreadsheet"). A true and correct copy of the Second Account Spreadsheet is attached hereto as **Exhibit J** and is incorporated herein by reference.

30. The Debtor produced spreadsheets describing the disposition of the proceeds from the sale of his F & S stock. The Debtor attached signed receipts to the document entitled "Itemization of Crown Fi[n]ancial Loan: \$250,000" and dated August 19, 2006, one of which stated that Mr. Collet received \$14,000 in late February 2006 from Mr. Sissom as repayment for a previous loan in November 2005. A copy of the document entitled "Itemization of Crown Fi[n]ancial Loan: \$250,000" and dated August 19, 2006 is attached hereto as **Exhibit K** and is incorporated herein by reference. Also included in **Exhibit K** is a copy of a spreadsheet entitled "Itemization of Crown Financial Loan."

31. On August 29, 2006, the Debtor filed a complete set of amended schedules and statement of financial affairs ("August 29<sup>th</sup> Amendments"). [Docket No. 40] The August 29<sup>th</sup> Amendments disclose:

- a. a homestead located at 106 Eight Oak Drive, Bastrop, Texas 78602;
- b. the sum of \$5,227.95 in Mrs. Sissom's Account;
- c. 50% ownership in F & S Ventures valued at \$2.8 million;
- d. 1997 BMW 540 Demo valued at \$0; and
- e. 2002 Chevy Suburban valued at \$20,000.

The Debtor sought to exempt the 2002 Chevy Suburban valued at \$20,000. The August 29<sup>th</sup> Amendments also disclose the following income:

- a. 2006: \$20,000 gross income from DMG;
- b. 2005: \$0 gross income and \$29,321 gross income for Susan Shimaitis (alimony)
- c. 2004: \$5,132,183 gross income from various businesses
- d. 2003: \$1,344,174 gross sales from F & S

The August 29<sup>th</sup> Amendments also represent that the Debtor transferred stock valued at \$250,000 to Crown Financial and that the Debtor continues to own F & S. These statements would on their face appear inconsistent unless the Debtor owns Crown Financial.

32. The Trustee questioned the Debtor regarding these revelations at the reset of the meeting of creditors held on August 30, 2006 at 9:30 a.m. The Debtor testified, *inter alia*, that:

- a. he and Mrs. Sissom sold their Missouri City Home and used all of the proceeds from the sale of the home, approximately \$75,000, to make a downpayment on the Bastrop Home, in the amount of approximately \$67,000, and to pay taxes on the Missouri City Home;
- b. he did not own the 1997 BMW; he had written a draft on the vehicle but had not paid

- for it; the vehicle was returned or sold to an undisclosed individual;
- c. Kristine Garbo is his mother-in-law and that he gave her \$15,000 in cash;
  - d. no stock was issued for DMG;
  - e. he broke up the cashier's check from Sterling Bank in the amount of approximately \$189,000 into four cashier's checks in the amounts of \$50,000, \$50,000, \$50,000, and \$39,000;
  - f. all four cashier's checks were payable to Susan Sissom;
  - g. he deposited two cashier's checks in the total amount of \$100,000 into DMG;
  - h. he gave one cashier's check in the amount of \$50,000 to Susan Sissom on April 13, 2006, this amount was withdrawn on April 18, 2006 and used to pay bills and repair the "house"<sup>2</sup>; and
  - i. he believed he deposited the cashier's check in the amount of \$39,000 into DMG.

**E. The Debtor Invokes his Fifth Amendment Right Against Self-Incrimination**

33. On or about September 6, 2006, Royal Oaks Bank, a party in interest, obtained business records from Sterling Bank related to the Debtor's disposition of the proceeds of the sale of his stock in F & S. A true and correct copy of the records produced by Sterling Bank is attached hereto as **Exhibit L** and incorporated herein by reference.

34. At the Bankruptcy Rule 2004 Examination on September 7, 2006, Counsel for Royal Oaks Bank attempted to question the Debtor regarding the records produced by Sterling Bank. The Debtor invoked his Fifth Amendment privilege against self-incrimination.

**F. The Debtor's Fourth "Story"**

35. On September 8, 2006, the Debtor filed amendments to his schedules A, B, C, D and F, as well as an amended statement of financial affairs [Docket Nos. 50 and 49 respectively]

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<sup>2</sup> It is unclear to which "house" the Debtor is making reference.

("September 8<sup>th</sup> Amendments"). A true and correct copy of the September 8<sup>th</sup> Amendments is attached hereto as **Exhibit M** and incorporated herein by reference.

36. In his September 8<sup>th</sup> Amendments, the Debtor listed as property that he owned on the petition date, *inter alia*, the following assets:

- a. a cashier's check in the amount of \$50,000, which was made into three different cashier's checks on May 18, 2006 (post-petition): one \$20,000 check and two \$15,000 checks (one of the \$15,000 checks was reissued on May 25, 2006);
- b. a cashier's check in the amount of \$50,000, which Susan Sissom deposited into her Account on April 13, 2006; and
- c. a 1997 BMW valued at \$0, which the Debtor never owned.

The Debtor also swore under penalty of perjury that he sold his shares of stock in F & S to Crown Financial for the purchase price of approximately \$225,000. The Debtor attached an exhibit to his September 8<sup>th</sup> Amendments entitled "Explanation on the Funds Received from Crown Financial on Sale of My ½ Interest in F & S Ventures, Inc." The Debtor testified:

- a. On February 13, 2006, he received two cashier's checks in the amounts of \$189,740 and 35,360 from Crown Financial for the sale of his ½ interest in F & S Ventures, Inc.;
- b. he deposited the cashier's check in the amount of \$35,360 into the account of DMG;
- c. he received four cashier's checks totaling \$189,740 and in the following amounts: check no. 1261[0]86 (\$50,000), check no. 1261087 (\$50,000), check no. 12[6]1088 (\$50,000), and check no. 1261089 (\$39,740);
- d. the Debtor's wife deposited check no. 12[6]1087 (\$50,000) into her Account on April 13, 2006;
- e. check no. 1261089 (\$39,740) was deposited into the DMG account at Laredo National Bank;
- f. the Debtor's wife cashed check no. 1261[0]86 (\$50,000) on May 18, 2006 and received three new cashier's checks: check no. 1263013 (\$20,000), check no. 1263014 (\$15,000), and check no. 127328 (\$15,000);

- g. the Debtor's wife used check no. 12[6]3013 (\$20,000) to purchase her Suburban from Carz N More;
- h. the Debtor's wife cashed check no. 1263014 (\$15,000) and spent the money; and
- i. the Debtor's wife deposited check no. 1273049 (\$15,000) in her mother's account in Belize.

According to the Debtor, this explanation accounts for the \$225,100 he received from the sale of his F & S stock.

**G. The Facts, as Discerned by the Trustee**

**1. The Cashier's Checks**

37. On January 31, 2006, the Debtor entered into an agreement with Crown Financial wherein Crown Financial would purchase the Debtor's shares of stock in F & S for \$250,000. The Debtor had an option to repurchase the stock in F & S. Upon information and belief, the Debtor did not exercise this option. A true and correct copy of a letter dated January 31, 2006 from Richard D. Tribe to Jimmy Sissom is attached hereto as **Exhibit E** and is incorporated herein by reference.

38. On February 13, 2006, Crown Financial remitted two cashier's checks totaling \$225,100. Cashier's check no. 1264970 was payable to Jimmy Sissom in the amount of \$189,740. Cashier's check no. 1264971 was payable to DMG in the amount of \$35,360.

39. Cashier's check no. 1264971, payable to DMG in the amount of \$35,360, was endorsed on or about March 3, 2006. Upon information and belief, cashier's check no. 1264971 was deposited into the DMG account at The Laredo National Bank.

40. On February 13, 2006, the Debtor split cashier's check no. 1264970, payable to Jimmy Sissom in the amount of \$189,740, into the following four cashier's checks payable to his

wife, Susan Sissom:

- a. Cashier's check no. 1261086, in the amount of \$50,000;
- b. Cashier's check no. 1261087, in the amount of \$50,000;
- c. Cashier's check no. 1261088, in the amount of \$50,000; and
- d. Cashier's check no. 1261089, in the amount of \$39,740.

41. On or about March 10, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261089 (in the amount of \$39,740) to DMG.

42. On or about March 24, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261088 (in the amount of \$50,000) to DMG.

43. On or about April 13, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261087 (in the amount of \$50,000) for deposit in her Account. On April 18, 2006, Susan Sissom withdrew \$50,000 in cash from her Account. A true and correct copy of the Account statement for the period of April 6, 2006 through May 3, 2006 is attached hereto as **Exhibit G** and is incorporated herein by reference.

44. On or about May 18, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261086 (in the amount of \$50,000) to the order of Carz N More. Cashier's check no. 1261086 was split into three new cashier's checks:

- a. Cashier's check no. 1273013 was payable to Carz N More in the amount of \$20,000;
- b. Cashier's check no. 1273014 was payable to Susan Sissom in the amount of \$15,000; and
- c. Cashier's check no. 1273015 was payable to Susan Sissom in the amount of \$15,000.

45. Upon information and belief, on or about May 19, 2006, Carz N More LLC endorsed cashier's check no. 1273013 (in the amount of \$20,000).

46. On or about May 22, 2006, Susan Sissom purportedly endorsed cashier's check no. 1273014 (in the amount of \$15,000). On the same day, Sterling Bank issued cashier's check no. 1273028, payable to Buttross Properties (in the amount of \$15,000). The remitter of cashier's check no. 1273028 is "C. J. Collet Inv." Upon information and belief, cashier's check no. 1273028 was endorsed by Buttross on or about May 24, 2006.

47. On or about May 25, 2006, Susan Sissom purportedly endorsed cashier's check no. 1273015 (in the amount of \$15,000). On the same day, Sterling Bank issued cashier's check no. 1273049, payable to Susan Sissom (in the amount of \$15,000). The remitter of cashier's check no. 1273049 is Kristine Garbo. Cashier's check no. 1273049 was purportedly endorsed by Susan P. Sissom on or about July 14, 2006.

48. Upon information and belief, the final recipients of the proceeds from the Debtor's sale of the stock of F & S, totaling \$225,100, are:

- a. DMG: cashier's check nos. 1264971 (\$35,360), 1261089 (\$39,740), and 1261088 (\$50,000);
- b. Susan Sissom: cashier's check no. 1261087 (\$50,000);
- c. Susan Sissom and/or Kristine Garbo: cashier's check no. 1273049 (\$15,000);
- d. Carz N More: cashier's check no. 1273013 (\$20,000); and
- e. Buttross: cashier's check no. 1273028 (\$15,000).

49. A true and correct copy of the records produced by Sterling Bank is attached hereto as **Exhibit L** and incorporated herein by reference. Also attached hereto as **Exhibit O** is a demonstrative exhibit created by the Trustee, which demonstrates the Trustee's understanding of the disposition of the proceeds from the Debtor's sale of his shares of F & S.

## **2. Commercial Property in Bastrop County**



50. On or about May 20, 2006, Buttross V, Inc. entered into a contract to sell 1.199 acres of commercial property located in Bastrop County to CJ Collet, Inv. Mrs. Sissom and Mr. Collet signed the real estate contract. In connection with the contract, the cash portion of the purchase was tendered to the seller in the form of cashier's check no. 1273028, payable to Buttross Properties, Inc. in the amount of \$15,000.

51. On or about May 25, 2006, Buttross V, Inc. deeded the property to Mr. Collet, d/b/a CJ Collet Investments. On or about May 25, 2006, Mr. Collet d/b/a CJ Collet Investments signed a Real Estate Lien Note in the amount of \$145,000 and in favor of Buttross V, Inc. Mrs. Sissom guaranteed the payment of the Real Estate Lien Note by signing a Guaranty on May 25, 2006. Both Mr. Collet and Mrs. Sissom signed the Disclosure Agreement and Waiver of Liability on May 25, 2006.

52. A true and correct copy of the Affidavit of David A. Buttross, Custodian of Records for Buttross V, Inc. is attached hereto as **Exhibit P**. A true and correct copy of a letter received from Robert W. Swanson, counsel for Buttross, dated September 22, 2006 is attached hereto as **Exhibit Q**.

### **3. Additional Transfers of Sums**

53. The Debtor used proceeds from the sale of his stock in F & S Ventures, Inc. to repay Kristine Garbo the sum of \$15,000 for expenses his family owed from 2005. This payment was made between February 13, 2006, the date when the Debtor received the proceeds from the sale of his stock in F & S, and May 31, 2006. The Debtor testified that Kristine Garbo was his mother-in-law.

54. Mr. Collet received \$14,000 in late February 2006 as repayment of a loan made in

November 2005.

#### **4. The Homes**

55. On or about April 21, 2006, Mrs. Sissom purchased a home, in her name alone, located at 106 Eight Oaks Drive, Bastrop, Texas 78602 (previously defined as "Bastrop Home"). The price of the Bastrop Home was \$302,240. Mrs. Sissom made a payment of \$65,040.99 on the Bastrop Home at closing. A true and correct copy of the Settlement Statement is attached hereto as **Exhibit F** and is incorporated herein by reference.

56. On or about April 23, 2006, the Debtor and Mrs. Sissom sold their home at 4315 Waterlily Court, Missouri City, Texas 77459 to Jose A. Perez and Sondra S. Perez. Upon information and belief, the Debtor and Mrs. Sissom received \$250,000 from the sale of the Missouri City Home. A true and correct, uncertified, copy of the Warranty Deed with Vendor's Lien is attached hereto as **Exhibit N** and is incorporated herein by reference.

57. On April 24, 2006, a deposit was made into Mrs. Sissom's Account in the amount of \$75,426.78. Upon information and belief, this sum represented the proceeds of the sale of the Missouri City Home. A true and correct copy of the Account statement for the period of April 6, 2006 through May 3, 2006 is attached hereto as **Exhibit G** and is incorporated herein by reference.

58. On April 26, 2006, \$70,426.78 was withdrawn from Mrs. Sissom's Account. A portion of the proceeds from the sale of the Missouri City Home may have remained in the possession of Mrs. Sissom and/or the Debtor.

#### **5. The Sum of \$5,227.95 in Mrs. Sissom's Account**

59. As of the date of filing, Mrs. Sissom's Account contained the sum of \$5,227.95. A true and correct copy of the Account statement for the period of May 4, 2006 through June 5, 2006

is attached hereto as **Exhibit H** and is incorporated herein by reference. Upon information and belief, the Account has been in existence for 10 years.

60. By letter dated August 31, 2006, the Trustee demanded that Mrs. Sissom turn over the sum of \$5,227.95 to the Trustee. Upon information and belief, however, the sum of \$5,227.95 remains in the possession of Mrs. Sissom. The sum of \$5,227.95 has not been turned over to the Trustee.

#### **6. Consumer Goods**

61. In the months preceding the filing of the Bankruptcy, Mr. Sissom and/or Mrs. Sissom used Mr. Sissom's Chase credit card to purchase item(s) from:

Fry's on April 15, 2006 in the amount of \$4,073.53;

Best Buy on April 23, 2006 in the amount of \$1,731.98;

Target on April 26, 2006 in the aggregate amount of \$1,090.43; and from

Furniturebuzz.com on March 20, 2006 in the amount of \$1,266.00

(collectively, "Consumer Goods").

Copies of redacted Chase credit card statements are attached hereto as **Exhibit R**.

62. Upon information and belief, the Debtor had a legal or equitable interest in the Consumer Goods as of the commencement of the case. Upon information and belief, as of the commencement of the case, the Consumer Goods were community property under the sole, equal, or joint management and control of the Debtor.

63. Upon information and belief, the Debtor did not disclose some or all of the Consumer Goods on his Schedules or Statement of Financial Affairs.

#### **V. Relief Sought Against Mrs. Sissom**

64. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

65. The Trustee seeks the recovery of at least \$194,967.95 plus turnover of the Community Funds and Consumer Goods, from Mrs. Sissom.

**A. Recovery of Fraudulent Transfers in the Total Amount of \$189,740**

66. The Trustee seeks the recovery of transfers totaling \$189,740 made by the Debtor to Mrs. Sissom, pursuant to 11 U.S.C. §§ 548, 544, and 550 and the Texas Uniform Fraudulent Transfer Act.

67. On February 13, 2006, the Debtor split cashier's check no. 1264970, payable to Jimmy Sissom in the amount of \$189,740, into the following four cashier's checks payable to his wife, Susan Sissom:

- a. Cashier's check no. 1261086, in the amount of \$50,000;
- b. Cashier's check no. 1261087, in the amount of \$50,000;
- c. Cashier's check no. 1261088, in the amount of \$50,000; and
- d. Cashier's check no. 1261089, in the amount of \$39,740.

68. Upon information and belief, these checks were in the possession, custody or control of Mrs. Sissom on and after February 13, 2006.

**1. Fraudulent Transfers Under 11 U.S.C. § 548**

69. The transfers totaling \$189,740 are avoidable under 11 U.S.C. § 548(a)(1). The Debtor transferred four cashier's checks in the total amount of \$189,740 to Mrs. Sissom on February 13, 2006, which is within two years before the date of the filing of the petition.

70. The transfers totaling \$189,740 are avoidable under 11 U.S.C. § 548(a)(1)(A). The

Debtor made such transfer with actual intent to hinder, delay, or defraud the creditors of the Debtor.

71. The transfers totaling \$189,740 are avoidable under 11 U.S.C. § 548(a)(1)(B). The Debtor received less than a reasonably equivalent value in exchange for such transfer of obligation. Upon information and belief, Mrs. Sissom gave no value in exchange for the \$189,740 she received from the Debtor. The Debtor was insolvent on the date that such transfer was made or became insolvent as a result of such transfer.

**2. Fraudulent Transfers Under Texas Uniform Fraudulent Transfer Act and 11 U.S.C. § 544**

72. Under 11 U.S.C. § 544(b)(1), the Trustee may avoid any transfer of an interest of the Debtor in property or any obligation incurred by the Debtor that is voidable under applicable law. Pursuant to the Texas Uniform Fraudulent Transfer Act, Tex. Bus. & Com. Code §§ 24.001, *et seq.*, the Trustee asserts his right to set aside any and all transfers of assets from the Debtor in the four years preceding the filing of the Bankruptcy.

73. The transfers totaling \$189,740 are fraudulent under Tex. Bus. & Com. Code § 24.005. Upon information and belief, the Debtor made the transfers with the actual intent to hinder, delay, or defraud creditors of the Debtor.

74. The transfers totaling \$189,740 are fraudulent under Tex. Bus. & Com. Code § 24.006. The Debtor transferred \$189,740 to Mrs. Sissom without receiving a reasonably equivalent value in exchange for the transfer or obligation. Upon information and belief, Mrs. Sissom gave no value in exchange for the \$189,740 she received from the Debtor. The Debtor was insolvent at that time or the Debtor became insolvent as a result of the transfer.

**3. Recovery of Fraudulent Transfers Under 11 U.S.C. § 550**

75. The Trustee may recover the transfers in the amount of \$189,740 from Mrs. Sissom

for the benefit of the estate, pursuant to 11 U.S.C. § 550(a)(1). The Trustee seeks to avoid the transfer under 11 U.S.C. §§ 548 and 544. Mrs. Sissom is the initial transferee of the transfers totaling \$189,740. In the alternative, Mrs. Sissom is the immediate or mediate transferee of any initial transferee. Mrs. Sissom did not receive the transfers in the amount of \$189,740 for value, in good faith, or without knowledge of the voidability of the transfers.

**B. Turnover of the Sum of \$5,227.95**

76. The Trustee seeks turnover of the sum of \$5,227.95 in Mrs. Sissom's Account and any proceeds from the sale of the Missouri City Home in her possession or control on the date the Debtor filed for bankruptcy ("Community Funds"), pursuant to 11 U.S.C. § 542(a).

77. As of the date of filing, Mrs. Sissom's Account contained the sum of \$5,227.95. Upon information and belief, the Account has been in existence for 10 years. The Debtor and Mrs. Sissom were married on October 28, 1994. A portion of the proceeds from the sale of the Missouri City Home may have been in Mrs. Sissom's possession or control at the time the Debtor filed for bankruptcy.

78. The Community Funds are the property of the Bankruptcy estate ("Estate"), pursuant to 11 U.S.C. § 541(a)(2). The Community Funds are community property under Tex. Fam. Code § 3.002. The Community Funds were acquired by Mrs. Sissom during marriage and are not separate property. The Community Funds were in existence as of the commencement of the Bankruptcy. The Community Funds are under the sole, equal, or joint management and control of the Debtor.

79. The Trustee is entitled to recover from Mrs. Sissom the Community Funds, by virtue of 11 U.S.C. § 542(a). The Community Funds are not of inconsequential value or benefit to the Estate. The Community Funds are property that the Trustee may use, sell, or lease under section 363

of this title, or that the Debtor may exempt under section 522 of this title. Mrs. Sissom is an entity, other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Community Funds. Mrs. Sissom, therefore, shall deliver to the Trustee, and account for, the Community Funds or the value of such property.

### **C. Turnover of the Consumer Goods**

80. The Trustee seeks turnover of the Consumer Goods pursuant to 11 U.S.C. § 542(a).

81. Upon information and belief, on the date of filing, Mrs. Sissom had, within her possession, custody, or control, the Consumer Goods purchased from the following locations, on the following dates, and in the following total amounts:

Fry's on April 15, 2006 in the amount of \$4,073.53;

Best Buy on April 23, 2006 in the amount of \$1,731.98;

Target on April 26, 2006 in the aggregate amount of \$1,090.43; and

Furniturebuzz.com on March 20, 2006 in the amount of \$1,266.00.

82. The Consumer Goods are the property of the Bankruptcy estate ("Estate"), pursuant to 11 U.S.C. § 541(a)(2). The Consumer Goods are community property under Tex. Fam. Code § 3.002. The Consumer Goods were acquired by Mrs. Sissom during marriage and are not separate property. The Consumer Goods were in existence as of the commencement of the Bankruptcy. The Consumer Goods are under the sole, equal, or joint management and control of the Debtor.

83. The Trustee is entitled to recover from Mrs. Sissom the Consumer Goods, by virtue of 11 U.S.C. § 542(a). The Consumer Goods are not of inconsequential value or benefit to the Estate. The Consumer Goods are property that the Trustee may use, sell, or lease under section 363 of this title, or that the Debtor may exempt under section 522 of this title. Mrs. Sissom is an entity,

other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Consumer Goods. Mrs. Sissom, therefore, shall deliver to the Trustee, and account for, the Consumer Goods or the value of such property.

## **VI. Relief Sought Against Mrs. Garbo**

84. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

85. The Trustee seeks turnover of the sum of at least \$30,000 from Mrs. Garbo.

### **A. Recovery of \$15,000 Transferred Postpetition**

86. The Trustee seeks the recovery, pursuant to 11 U.S.C. §§ 549 and 550, of a postpetition transfer of property of the Estate, specifically \$15,000 transferred from Mrs. Sissom to Mrs. Garbo on July 14, 2006.

87. The sum of \$15,000 can be found in whole or in part in:

- a. Cashier's check no. 1264970 (payable to the Debtor in the amount of \$189,740), which became
- b. Cashier's check no. 1261086 (payable to Susan Sissom in the amount of \$50,000), which became
- c. Cashier's check no. 1273015 (payable to Susan Sissom in the amount of \$15,000), which became
- d. Cashier's check no. 1273049 (payable to Susan Sissom in the amount of \$15,000).

Upon information and belief, the sum of \$15,000 (in the final form of cashier's check no. 1273049) was transferred from Mrs. Sissom to Mrs. Garbo on July 14, 2006.

88. The transfer of the sum of \$15,000 may be avoided pursuant to 11 U.S.C. § 549(a). The sum of \$15,000 is the property of the estate, pursuant to 11 U.S.C. § 541(a)(2). The sum of



\$15,000 is community property under Tex. Fam. Code § 3.002. The sum of \$15,000 was acquired by Mrs. Sissom during marriage and is not separate property. The sum of \$15,000 was in existence as of the commencement of the Bankruptcy. The sum of \$15,000 and any cashier's checks representing this sum were under the sole, equal, or joint management and control of the Debtor.

89. The sum of \$15,000 (in the final form of cashier's check no. 1273049) was transferred from Mrs. Sissom to Mrs. Garbo on July 14, 2006, after the commencement of this Bankruptcy case. This postpetition transfer was not authorized under the Bankruptcy Code or by the Court.

90. The Trustee may recover the postpetition transfer in the amount of \$15,000 pursuant to 11 U.S.C. § 550(a). The Trustee seeks to avoid the transfer under 11 U.S.C. § 549. Mrs. Garbo is an immediate or mediate transferee. Mrs. Garbo did not receive the postpetition transfer in the amount of \$15,000 for value, in good faith, and/or without knowledge of the voidability of the transfer.

#### **B. Recovery of \$15,000 Transferred Prepetition**

91. The Trustee seeks the recovery of a transfer in the amount of \$15,000 made by the Debtor to Mrs. Garbo, pursuant to 11 U.S.C. §§ 550 and 547 or 548 or 544 or 549.

92. The Debtor testified that he used proceeds from the purported sale of his stock in F & S Ventures, Inc. to repay Mrs. Garbo the sum of \$15,000 for expenses his family owed from 2005. This payment was made between February 13, 2006 and May 31, 2006.

##### **1. Preference Under 11 U.S.C. § 547**

93. If the Debtor's transfer of the sum of \$15,000 in order to repay prepetition debts from 2005 was made prepetition, the transfer of the sum of \$15,000 may be avoided pursuant to 11 U.S.C.

§ 547(b).

94. The transfer of \$15,000 was made to a creditor. Mrs. Garbo is a “creditor” as defined in 11 U.S.C. § 101(10). Mrs. Garbo has a claim against the Debtor that arose before the Debtor filed for Bankruptcy.

95. The transfer was for or on account of an antecedent debt owed by the Debtor and was made while the Debtor was insolvent. If the transfer was made prepetition, it was made no earlier than February 13, 2006, the date when the Debtor received the proceeds from the sale of his stock in F & S Ventures, Inc. Thus, the transfer was made within 90 days before the date of the filing of the petition. The transfer enabled Mrs. Garbo<sup>3</sup> to receive more than she would receive in a liquidation of the Debtor under chapter 7 of the Bankruptcy Code.

## **2. Fraudulent Transfer Under 11 U.S.C. § 548**

96. Alternatively, if the Debtor’s transfer of the sum of \$15,000 in order to repay debts from 2005 was made prepetition, the transfer of may be avoided under 11 U.S.C. § 548(a)(1). The Debtor transferred \$15,000 to Mrs. Garbo no earlier than February 13, 2006, which is within two years before the date of the filing of the petition.

97. The transfer of \$15,000 is avoidable under 11 U.S.C. § 548(a)(1)(A). The Debtor made such transfer with actual intent to hinder, delay, or defraud the creditors of the Debtor.

98. The Debtor was insolvent on the date that such transfer was made or became insolvent as a result of such transfer.

## **3. Fraudulent Transfer Under Texas Uniform Fraudulent Transfer Act and 11 U.S.C. § 544**

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<sup>3</sup> It is unclear whether Kristine Garbo is an insider.

99. Alternatively, if the Debtor's transfer of the sum of \$15,000 in order to repay debts from 2005 was made prepetition, the transfer of may be avoided under 11 U.S.C. § 544 and the Texas Uniform Fraudulent Transfer Act.

100. Under 11 U.S.C. § 544(b)(1), the Trustee may avoid any transfer of an interest of the Debtor in property or any obligation incurred by the Debtor that is voidable under applicable law. Pursuant to the Texas Uniform Fraudulent Transfer Act, Tex. Bus. & Com. Code §§ 24.001, *et seq.*, the Trustee asserts his right to set aside any and all transfers of assets from the Debtor in the four years preceding the filing of the Bankruptcy.

101. The transfer of \$15,000 is fraudulent under Tex. Bus. & Com. Code § 24.005. The Debtor made the transfer with the actual intent to hinder, delay, or defraud creditors of the Debtor.

102. The Debtor was insolvent at that time or the Debtor became insolvent as a result of the transfer.

#### **4. Postpetition Transfer Under 11 U.S.C. § 549**

103. Alternatively, if the transfer of the sum of \$15,000 was made postpetition, it may be avoided pursuant to 11 U.S.C. § 549(a). The sum of \$15,000 is the property of the Estate, pursuant to 11 U.S.C. § 541(a)(1). The sum of \$15,000 represents a portion of the proceeds of the purported sale of the Debtor's stock in F & S Ventures, Inc. The Debtor had an interest in the sum of \$15,000 as of the commencement of the Bankruptcy.

104. The sum of \$15,000, which is property of the estate, was transferred from the Debtor to Mrs. Garbo after the commencement of this Bankruptcy case. This postpetition transfer was not authorized under the Bankruptcy Code or by the Court.

#### **5. Recovery Under 11 U.S.C. § 550**

105. The Trustee may recover the postpetition transfer in the amount of \$15,000 pursuant to 11 U.S.C. § 550(a). The Trustee seeks to avoid the transfer under 11 U.S.C. §§ 547 or 548 or 544 or 549. Mrs. Garbo is the initial transferee of the transfer of \$15,000. In the alternative, Mrs. Garbo is the immediate or mediate transferee of any initial transferee. Mrs. Garbo did not receive the transfer of \$15,000 for value, in good faith, or without knowledge of the voidability of the transfer.

## **VII. Relief Sought Against The Debtor**

106. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Complaint with the same force and effect as though fully set forth at length herein.

107. The Trustee seeks turnover of the sum of at least \$105,227.95, the Community Funds, and the Consumer Goods from the Debtor, pursuant to 11 U.S.C. § 542(a).

108. Upon information and belief, on the date that the petition was filed, the personal property of the Debtor included:

- a. a cashier's check payable to Susan Sissom in the amount of \$50,000 that was negotiated post-petition on May 18, 2006;
- b. \$50,000 cash that was withdrawn from Mrs. Sissom's Account on April 18, 2006;
- c. the sum of \$5,227.95 and, potentially, proceeds from the sale of the Missouri City Home remaining in Mrs. Sissom's Account on May 3, 2006; and
- d. the Consumer Goods (further described below).

### **A. Turnover of the Cashier's Check or the Proceeds Thereof**

109. The cashier's check payable to Susan Sissom in the amount of \$50,000 that was negotiated post-petition on May 18, 2006 and any proceeds thereof (collectively, "Cashier's Check") are the property of the Estate pursuant to 11 U.S.C. § 541(a)(2). The Cashier's Check is community property under Tex. Fam. Code § 3.002. The Cashier's Check was acquired by Mrs. Sissom during

marriage and is not separate property. The Cashier's Check was in existence as of the commencement of the Bankruptcy. The Cashier's Check is under the sole, equal, or joint management and control of the Debtor.

110. The Trustee is entitled to recover from the Debtor the Cashier's Check, by virtue of 11 U.S.C. § 542(a). The Cashier's Check is not of inconsequential value or benefit to the Estate. The Cashier's Check is property that the Trustee may use, sell, or lease under section 363 of this title, or that the Debtor may exempt under section 522 of this title. The Debtor is an entity, other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Cashier's Check. The Debtor, therefore, shall deliver to the Trustee, and account for, the Cashier's Check or the value of such property.

**B. Turnover of \$50,000 Cash**

111. The \$50,000 cash that was withdrawn from Mrs. Sissom's Account on April 18, 2006 ("Cash") is the property of the Estate pursuant to 11 U.S.C. § 541(a)(2). The Cash is community property under Tex. Fam. Code § 3.002. The Cash was acquired by Mrs. Sissom during marriage and is not separate property. The Cash was in existence as of the commencement of the Bankruptcy. The Cash is under the sole, equal, or joint management and control of the Debtor.

112. The Trustee is entitled to recover from the Debtor the sum of \$50,000, by virtue of 11 U.S.C. § 542(a). The Cash is not of inconsequential value or benefit to the Estate. The Cash is property that the Trustee may use, sell, or lease under section 363 of this title, or that the Debtor may exempt under section 522 of this title. The Debtor is an entity, other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Cash. The Debtor, therefore, shall deliver to the Trustee, and account for, the Cash.

**C. Turnover of the Sum of \$5,227.95**

113. The sum of \$5,227.95 and any proceeds from the sale of the Missouri City Home in Mr. or Mrs. Sissom's possession or control on May 3, 2006 ("Community Funds") are the property of the Estate, pursuant to 11 U.S.C. § 541(a)(2).

114. As of the date of filing, Mrs. Sissom's Account contained the sum of \$5,227.95. Upon information and belief, the Account has been in existence for 10 years. The Debtor and Mrs. Sissom were married on October 28, 1994. A portion of the proceeds from the sale of the Missouri City Home may have been in the possession or control of Mr. or Mrs. Sissom at the time the Debtor filed for bankruptcy.

115. The Community Funds are community property under Tex. Fam. Code § 3.002. The Community Funds were acquired by Mrs. Sissom during marriage and are not separate property. The Community Funds were in existence as of the commencement of the Bankruptcy. The Community Funds are under the sole, equal, or joint management and control of the Debtor.

116. The Trustee is entitled to recover from the Debtor the Community Funds, by virtue of 11 U.S.C. § 542(a). The Community Funds are not of inconsequential value or benefit to the Estate. The Community Funds are property that the Trustee may use, sell, or lease under section 363 of this title, or that the Debtor may exempt under section 522 of this title. The Debtor is an entity, other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Community Funds. The Debtor, therefore, shall deliver to the Trustee, and account for, the Community Funds or the value of such property.

**D. Turnover of the Consumer Goods**

117. The Consumer Goods are the property of the Estate, pursuant to 11 U.S.C. § 541(a).

On the date of filing, the Debtor had a legal or equitable interest in the Consumer Goods purchased from the following locations, on the following dates, and in the following total amounts:

Fry's on April 15, 2006 in the amount of \$4,073.53;

Best Buy on April 23, 2006 in the amount of \$1,731.98;

Target on April 26, 2006 in the aggregate amount of \$1,090.43; and

Furniturebuzz.com on March 20, 2006 in the amount of \$1,266.00.

In the alternative, as of the commencement of the case, the Consumer Goods were community property under the sole, equal, or joint management and control of the Debtor.

118. The Trustee is entitled to recover from the Debtor the Consumer Goods, by virtue of 11 U.S.C. § 542(a). The Consumer Goods are not of inconsequential value or benefit to the Estate. The Consumer Goods are property that the Trustee may use, sell, or lease under section 363 of this title, or that the Debtor may exempt under section 522 of this title. The Debtor is an entity, other than a custodian, in possession, custody, or control, during the Bankruptcy, of the Consumer Goods. The Debtor, therefore, shall deliver to the Trustee, and account for, the Consumer Goods or the value thereof.

### **IX. Relief Sought Against DMG**

119. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

120. The Trustee seeks turnover of the sum of at least \$125,100 from DMG.

#### **A. Recovery of Fraudulent Transfers in the Total Amount of \$125,100**

121. The Trustee seeks the recovery of transfers totaling \$125,100 made by the Debtor to DMG, pursuant to 11 U.S.C. §§ 548, 544, and 550 and the Texas Uniform Fraudulent Transfer Act.

122. DMG received cashier's check nos. 1264971 (\$35,360), 1261089 (\$39,740), and 1261088 (\$50,000) from the Debtor.

- a. Cashier's check no. 1264971, payable to DMG in the amount of \$35,360, was endorsed on or about March 3, 2006. Upon information and belief, cashier's check no. 1264971 was deposited into the DMG account at The Laredo National Bank.
- b. On or about March 10, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261089 (in the amount of \$39,740) to DMG.
- c. On or about March 24, 2006, Susan Sissom purportedly endorsed cashier's check no. 1261088 (in the amount of \$50,000) to DMG.

### **1. Fraudulent Transfers Under 11 U.S.C. § 548**

123. The transfers totaling \$125,100 are avoidable under 11 U.S.C. § 548(a)(1). The cashier's checks were transferred to DMG at the Debtor's instruction by Mrs. Sissom and Crown Financial in March 2006, which is within two years before the date of the filing of the petition.

124. The transfers totaling \$125,100 are avoidable under 11 U.S.C. § 548(a)(1)(A). The Debtor made such transfer with actual intent to hinder, delay, or defraud the creditors of the Debtor.

125. The transfers totaling \$125,100 are avoidable under 11 U.S.C. § 548(a)(1)(B). The Debtor received less than a reasonably equivalent value in exchange for such transfer of obligation. Upon information and belief, DMG gave no value in exchange for the \$125,100 it received from the Debtor. The Debtor was insolvent on the date that such transfer was made or became insolvent as a result of such transfer.

### **2. Fraudulent Transfers Under Texas Uniform Fraudulent Transfer Act and 11 U.S.C. § 544**

126. Under 11 U.S.C. § 544(b)(1), the Trustee may avoid any transfer of an interest of the Debtor in property or any obligation incurred by the Debtor that is voidable under applicable law. Pursuant to the Texas Uniform Fraudulent Transfer Act, Tex. Bus. & Com. Code §§ 24.001,



*et seq.*, the Trustee asserts his right to set aside any and all transfers of assets from the Debtor in the four years preceding the filing of the Bankruptcy.

127. The transfers totaling \$125,100 are fraudulent under Tex. Bus. & Com. Code § 24.005. Upon information and belief, the Debtor made the transfers with the actual intent to hinder, delay, or defraud creditors of the Debtor.

128. The transfers totaling \$125,100 are fraudulent under Tex. Bus. & Com. Code § 24.006. The Debtor transferred \$125,100 to DMG without receiving a reasonably equivalent value in exchange for the transfer or obligation. Upon information and belief, DMG gave no value in exchange for the \$125,100 it received from the Debtor. The Debtor was insolvent at that time or the Debtor became insolvent as a result of the transfer.

### **3. Recovery of Fraudulent Transfers Under 11 U.S.C. § 550**

129. The Trustee may recover the transfers in the amount of \$125,100 from DMG, pursuant to 11 U.S.C. § 550(a)(1). The Trustee seeks to avoid the transfer under 11 U.S.C. §§ 548 and 544. DMG is the initial transferee of the transfers totaling \$125,100. In the alternative, DMG is the immediate or mediate transferee of any initial transferee. DMG did not receive the transfers in the amount of \$125,100 for value, in good faith, or without knowledge of the voidability of the transfers.

### **IX. Relief Sought Against Buttross**

130. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

131. The Trustee seeks turnover of the sum of at least \$15,000 from Buttross.

#### **A. Recovery of \$15,000 Transferred Postpetition**

132. The Trustee seeks the recovery, pursuant to 11 U.S.C. §§ 549 and 550, of a postpetition transfer of property of the Estate, specifically \$15,000 transferred from Mrs. Sissom to Buttross on May 26, 2006.

133. On or about May 22, 2006, Susan Sissom endorsed cashier's check no. 1273014 (in the amount of \$15,000). On the same day, Sterling Bank issued cashier's check no. 1273028, payable to Buttross Properties (in the amount of \$15,000). The remitter of cashier's check no. 1273028 is C. J. Collet Inv. Cashier's check no. 1273028 was endorsed by Buttross on or about May 24, 2006.

134. The transfer of the sum of \$15,000 may be avoided pursuant to 11 U.S.C. § 549(a). The sum of \$15,000 is the property of the estate, pursuant to 11 U.S.C. § 541(a)(2). The sum of \$15,000 is community property under Tex. Fam. Code § 3.002. The sum of \$15,000 was acquired by Mrs. Sissom during marriage and is not separate property. The sum of \$15,000 was in existence as of the commencement of the Bankruptcy. The sum of \$15,000 and any cashier's checks representing this sum were under the sole, equal, or joint management and control of the Debtor. The sum of \$15,000 was transferred after the commencement of this Bankruptcy case. This postpetition transfer was not authorized under the Bankruptcy Code or by the Court.

135. The Trustee may recover the postpetition transfer in the amount of \$15,000 pursuant to 11 U.S.C. § 550(a). The Trustee seeks to avoid the transfer under 11 U.S.C. § 549. Buttross is the immediate or mediate transferee of Mrs. Sissom. Buttross did not receive the postpetition transfer in the amount of \$15,000 for value, in good faith, and/or without knowledge of the voidability of the transfer.

#### **X. Relief Sought Against Mr. Collet**

136. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

137. The Trustee seeks turnover of the sum of at least \$29,000 from Mr. Collet. Cashier's check no. 1273028, payable to Buttross Properties, Inc. in the amount of \$15,000, was used by Mr. Collet and Mrs. Sissom to purchase commercial property in Bastrop County, which was deeded by Buttross V, Inc. to Mr. Collet, d/b/a CJ Collet Investments on or about May 25, 2006. Mr. Collet also received \$14,000 in late February 2006 as repayment of a loan made in November 2005.

**A. Recovery of \$15,000 Transferred Postpetition**

138. The Trustee seeks the recovery, pursuant to 11 U.S.C. §§ 549 and 550, of a postpetition transfer of property of the Estate, specifically, \$15,000 in the form of cashier's check no. 1273028, which was used by Mr. Collet and Mrs. Sissom to purchase commercial property in Bastrop County for Mr. Collet, d/b/a CJ Collet Investments.

139. The transfer of the sum of \$15,000 may be avoided pursuant to 11 U.S.C. § 549(a). The sum of \$15,000 is the property of the estate, pursuant to 11 U.S.C. § 541(a)(2). The Debtor had a legal or equitable interest in the sum of \$15,000 as of the commencement of the case. In the alternative, the sum of \$15,000 is community property under Tex. Fam. Code § 3.002. The sum of \$15,000 was acquired by Mrs. Sissom during marriage and is not separate property. The sum of \$15,000 was in existence as of the commencement of the Bankruptcy. The sum of \$15,000 and any cashier's checks representing this sum were under the sole, equal, or joint management and control of the Debtor.

140. The sum of \$15,000 (in the form of cashier's check no. 1273028) was used by Mr. Collet and Mrs. Sissom to purchase commercial property in Bastrop County, which was deeded by

Buttross V, Inc. to Mr. Collet, d/b/a CJ Collet Investments on or about May 25, 2006. This postpetition transfer was not authorized under the Bankruptcy Code or by the Court.

141. The Trustee may recover the postpetition transfer in the amount of \$15,000 pursuant to 11 U.S.C. § 550(a). The Trustee seeks to avoid the transfer under 11 U.S.C. § 549. Mr. Collet is an immediate or mediate transferee. Mr. Collet did not receive the postpetition transfer in the amount of \$15,000 for value, in good faith, and/or without knowledge of the voidability of the transfer.

### **B. Recovery of \$14,000 Transferred Prepetition**

142. The Trustee seeks the recovery of a transfer in the amount of \$14,000 made by the Debtor to Mr. Collet, pursuant to 11 U.S.C. §§ 550 and 547 or 548 or 544. Mr. Collet acknowledged that he received \$14,000 from the Debtor in late February 2006 as repayment of a loan made in November 2005.

#### **1. Preference Under 11 U.S.C. § 547**

143. The transfer of the sum of \$14,000 may be avoided pursuant to 11 U.S.C. § 547(b). The transfer of \$14,000 was made to a creditor. Mr. Collet is a “creditor” as defined in 11 U.S.C. § 101(10). Mr. Collet had a claim against the Debtor that arose before the Debtor filed for Bankruptcy. The transfer was for or on account of an antecedent debt owed by the Debtor and was made while the Debtor was insolvent. The transfer was made within 90 days before the date of the filing of the petition. The Transfer enabled Mr. Collet to receive more than he would receive in a liquidation of the Debtor under chapter 7 of the Bankruptcy Code.

#### **2. Fraudulent Transfer Under 11 U.S.C. § 548**

144. The transfer of \$14,000 is avoidable under 11 U.S.C. § 548(a)(1)(A). The Debtor transferred \$14,000 to Mr. Collet in late February 2006, which is within two years before the date of the filing of the petition. The Debtor made such transfer with actual intent to hinder, delay, or defraud the creditors of the Debtor. The Debtor was insolvent on the date that such transfer was made or became insolvent as a result of such transfer.

**3. Fraudulent Transfer Under Texas Uniform Fraudulent Transfer Act and 11 U.S.C. § 544**

145. The transfer may also be avoided under 11 U.S.C. § 544 and the Texas Uniform Fraudulent Transfer Act.

146. Under 11 U.S.C. § 544(b)(1), the Trustee may avoid any transfer of an interest of the Debtor in property or any obligation incurred by the Debtor that is voidable under applicable law. Pursuant to the Texas Uniform Fraudulent Transfer Act, Tex. Bus. & Com. Code §§ 24.001, *et seq.*, the Trustee asserts his right to set aside any and all transfers of assets from the Debtor in the four years preceding the filing of the Bankruptcy.

147. The transfer of \$14,000 is fraudulent under Tex. Bus. & Com. Code § 24.005. The Debtor made the transfer with the actual intent to hinder, delay, or defraud creditors of the Debtor. The Debtor was insolvent at that time or the Debtor became insolvent as a result of the transfer.

**4. Recovery Under 11 U.S.C. § 550**

148. The Trustee may recover the postpetition transfer in the amount of \$14,000 pursuant to 11 U.S.C. § 550(a). The Trustee seeks to avoid the transfer under 11 U.S.C. §§ 547 or 548 or 544. Mr. Collet is the initial transferee of the transfer of \$14,000. In the alternative, Mr. Collet is the immediate or mediate transferee of any initial transferee. Mr. Collet did not receive the transfer of \$14,000 for value, in good faith, or without knowledge of the voidability of the transfer.

## **XI. Relief Sought Against All Defendants**

149. The Trustee realleges each and every allegation contained in the foregoing paragraphs of the Amended Complaint with the same force and effect as though fully set forth at length herein.

### **A. Damages Based Upon Civil Conspiracy**

150. The Debtor, Mrs. Sissom, Mrs. Garbo, DMG, Buttross, and Mr. Collet (collectively, the “Defendants”) engaged in civil conspiracy. *See Tri v. J.T.T.*, 162 S.W.3d 552, 556 (Tex. 2005). The Defendants are two or more persons. The Defendants sought to transfer, hide, or otherwise dispose of assets of the Estate in the months prior to or after the filing of the petition for relief. A meeting of the minds occurred between the Defendants on this course of action. The Defendants acted in concert and in furtherance of the conspiracy to transfer, receive, hide, or dispose of assets of the Estate in violation of the Bankruptcy Code and the Texas Uniform Fraudulent Transfer Act. The Defendants did transfer, receive, hide, or dispose of assets of the Estate in violation of the Bankruptcy Code and the Texas Uniform Fraudulent Transfer Act. The Estate and the creditors of the Debtor have suffered actual damages as a proximate result of the civil conspiracy.

151. The Trustee may recover actual damages and exemplary damages against the Defendants. The Estate and the creditors of the Debtor have suffered actual damages. The harm with respect to which the Trustee seeks recovery of exemplary damages resulted from fraud or malice committed by the Defendants. The Defendants are jointly and severally liable for all damages resulting from any acts committed in furtherance of the conspiracy.

### **B. Injunctive Relief**

152. Upon information and belief, the Defendants possess or control significant sums that are the property of the Estate. As asserted in greater detail in the Trustee’s Application for

Preliminary and Permanent Injunction [Adv. Docket No. 2], the Trustee asserts that irreparable harm and loss will result unless a preliminary injunction and permanent injunction, are entered restraining and enjoining the Defendants, and their agents, employees, assigns, and successors, as well as those in active concert and participation with them from using, disposing of, selling, assigning, pledging, hypothecating or otherwise transferring the property transferred to them directly or indirectly by the Debtor, including, without limitation, the property described herein, and/or any property in their individual or collective possession or control that is property of the Estate. The Defendants should also be required to account for the property described herein.

**C. Constructive Trust**

153. The Court should impose a constructive trust over the property described in this Amended Complaint. *See Hubbard v. Shankle*, 138 S.W.3d 474, 485 (Tex.App.-Fort Worth 2004). The Defendants have committed actual fraud. The Defendants have been unjustly enriched by their receipt or retention of the property described herein. The property described in this Amended Complaint and the proceeds thereof may be traced to an identifiable res.

WHEREFORE, the Trustee prays that the court enter injunctive relief against the Defendants, impose a constructive trust over the property described in this Amended Complaint, and enter judgment against:

- a. Mrs. Sissom for the amount of \$194,967.95, plus turnover of the Consumer Goods;
- b. Mrs. Garbo for the amount of \$30,000;
- c. The Debtor for the amount of \$105,227.95, plus turnover of the Consumer Goods;
- d. DMG for the amount of \$125,100;
- e. Buttross in the amount of \$15,000;

- f. Mr. Collet for the amount of \$29,000;
- g. The Defendants, jointly and severally, for exemplary damages;
- h. The Defendants, jointly and severally, for pre-judgment and post-judgment interest;
- i. The Defendants, jointly and severally, for costs incurred herein;
- j. The Defendants, jointly and severally, for attorneys' fees incurred in filing the Original and Amended Complaint; and
- k. The Defendants, jointly and severally, for such other and further relief in law or in equity to which the Trustee may show himself justly entitled including, but not limited to, a preliminary and permanent injunction and the imposition of a constructive trust.

Respectfully submitted,

By: /s/ Original signed by Jennifer L. Haluptzok

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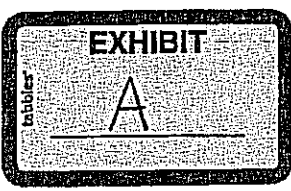
Office of Beverly B. Kaufman, County Clerk, Harris County, Texas  
Marriage License Inquiry System

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		X.C.		X.C.	AG.	AG.	ISSUE		
C0035102	SISSOM JIMMY WAYNE NASSAU BAY TX INSTR TOM PACE III	M	SHIMAITIS SUSAN PATRICIA NASSAU BAY TX INSTR MINISTER	F			10-28-1994	11-05-1994 ENTERED 11-09-1994	490200179

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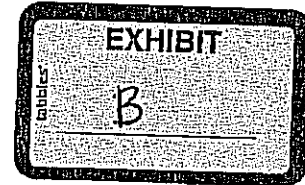
TRANSCRIPTION OF CD  
341 CREDITORS' MEETING  
HELD MAY 24, 2006

BANKRUPTCY CASE NO. 06-31917-H4-7; JIMMY SISSOM,  
DEBTOR; IN THE UNITED STATES BANKRUPTCY COURT FOR  
THE SOUTHERN DISTRICT OF TEXAS - HOUSTON DIVISION

\*\*\*\*\*

PREPARED BY:  
Carrie Maggard, Certified Shorthand Reporter

NOTE: Please note that this transcription  
may have slight inaccuracies due to  
the quality of the audio and the  
interpretation of the transcriptionist.



1 BARBARA: Do you have a copy of those  
2 Sterling Bank account checks?

3 RON: Do you understand my question? How  
4 do I figure out who you paid 225,000 to? You  
5 don't have an account at Sterling.

6 JIMMY SISSOM: I just --

7 RON: (Inaudible) you got cashier's  
8 checks.

9 JIMMY SISSOM: Because that's where they  
10 were bought.

11 RON: But how am I going to know who got  
12 the cashier's checks?

13 BARBARA: Do you have any records where  
14 you can provide us with that information?

15 RON: Okay. That's imperative.

16 JIMMY SISSOM: Okay.

17 RON: Okay? I'm demanding.

18 JIMMY SISSOM: Okay.

19 RON: Not a problem.

20 JIMMY SISSOM: Okay.

21 RON: Okay?

22 JIMMY SISSOM: That's not a problem.

23 RON: Okay. It's 10:30, we're going to go  
24 on the record. Okay. Why don't you go outside  
25 and call all these other cases (inaudible)?

1 SPEAKER: Anyone here for the 10:30 docket  
2 can come up. 10:30?

3 RON: Okay. Let's get to it. The first  
4 case for 10:30 is Jimmy Sissom.

5 Mr. Sissom, raise your right hand. Do you  
6 swear to tell the truth, the whole truth and  
7 nothing but the truth? State your name.

8 JIMMY SISSOM: Jimmy Glenn Sissom.

9 RON: Are you single or married?

10 JIMMY SISSOM: Married.

11 RON: All right. Your wife is not filing  
12 bankruptcy; correct?

13 JIMMY SISSOM: No, sir.

14 RON: Did you review your schedules before  
15 you signed them?

16 JIMMY SISSOM: Yes, sir.

17 RON: Did you sign your schedules?

18 JIMMY SISSOM: Yes, sir.

19 RON: Did you review (inaudible)?

20 BARBARA: Yeah, that was the initial stuff  
21 for the 342 notice that I gave you initially  
22 and you signed it and I signed it, the first  
23 time you came to my office.

24 JIMMY SISSOM: Okay, yes.

25 RON: Have you ever filed bankruptcy

1 before?

2 JIMMY SISSOM: No, sir.

3 RON: Have you listed on your schedules  
4 all of your wife's assets and all of your  
5 assets?

6 JIMMY SISSOM: Yes, sir.

7 RON: Your wife does not have any separate  
8 property at this time?

9 JIMMY SISSOM: No, sir.

10 RON: What is your occupation today?

11 JIMMY SISSOM: Still buying some wholesale  
12 cars. That's what I'm planning on starting  
13 doing here again shortly.

14 RON: What is your wife's occupation?

15 JIMMY SISSOM: She's just a mother.

16 RON: Okay. You received a \$250,000 loan  
17 from a company called Crown Financial and it  
18 says in your schedules on statement of  
19 financial affairs number ten on January 31st,  
20 2006 you placed the stock in a company called  
21 F&S Venture, Inc. Do you own any percent of  
22 that stock?

23 JIMMY SISSOM: No, sir. I own 50 percent.

24 RON: Who owns the other 50 percent?

25 JIMMY SISSOM: That would be John Parker

1 and Chris -- or John Spence and Chris Parker.

2 RON: Okay. And you pledged your  
3 50 percent interest in the F&S Venture to Crown  
4 Financial; is that correct?

5 JIMMY SISSOM: That's correct.

6 RON: And what was the purpose of that?

7 JIMMY SISSOM: At the time it was to get a  
8 refinance from the bank and refinance it.

9 RON: And the name of the other co-owners  
10 of the stock are John --

11 JIMMY SISSOM: John Spence.

12 RON: And Chris --

13 JIMMY SISSOM: Parker.

14 RON: Are these friends of yours?

15 JIMMY SISSOM: I've known John for three  
16 or four years and Chris I met when we went  
17 through school about a year and a half ago.

18 RON: And what is that this F&S Venture,  
19 Inc. own?

20 JIMMY SISSOM: A storage facility in Katy,  
21 Texas.

22 RON: And how much did F&S Venture, Inc.  
23 pay for that facility?

24 JIMMY SISSOM: Initially, it was I believe  
25 \$767,000.

1 RON: Okay. When did it purchase it?

2 JIMMY SISSOM: March of 2002, I believe.

3 RON: Okay. And is there a bid on that  
4 property?

5 JIMMY SISSOM: Yes, there is.

6 RON: Who holds the rent?

7 JIMMY SISSOM: Royal Oaks Bank.

8 RON: How much are they owed on that?

9 JIMMY SISSOM: I believe right at 1.1  
10 million.

11 RON: If that particular facility, the  
12 Katy storage facility was sold in the next  
13 three months, six months, how much, in your  
14 opinion, would have been as received from the  
15 sale?

16 JIMMY SISSOM: Net or total gross?

17 RON: Gross.

18 JIMMY SISSOM: Probably between two and  
19 2.5 million.

20 RON: Is the indebtedness with Royal Oaks  
21 Bank current on the F&S note?

22 JIMMY SISSOM: As far as I know it is,  
23 yes, sir.

24 RON: Who keeps the books on F&S?

25 JIMMY SISSOM: John Spence does.

1           RON: And what is -- do you know his  
2           contact information or is that something you  
3           could provide to me by Friday?

4           JIMMY SISSOM: Yes, sir, that's no  
5           problem.

6           RON: And I'll need the contact  
7           information for Mr. Spence. I also need the  
8           contact information on Mr. Parker. Who is the  
9           CPA for F&S?

10          JIMMY SISSOM: It was Bernice Bensky  
11          (phonetic) last year.

12          RON: And this year?

13          JIMMY SISSOM: This year I'm not sure who  
14          they ended up getting.

15          RON: If you'll find out who the CPA is.  
16          The F&S Venture, Inc., is that a C corporation.

17          JIMMY SISSOM: It's a C corp.

18          RON: And do you have copies of the '04  
19          and '05 tax returns?

20          JIMMY SISSOM: They're at John Spence's,  
21          yes, sir.

22          RON: I'd like to have copies of those,  
23          please. Do you have a balance sheet and a P&L  
24          statement for F&S --

25          JIMMY SISSOM: Yes, sir.



1 RON: -- current?  
2 JIMMY SISSOM: Not current.  
3 RON: What's (inaudible)? End of the  
4 year?  
5 JIMMY SISSOM: Yes, I have end of the  
6 year.  
7 RON: (Inaudible).  
8 JIMMY SISSOM: Yes.  
9 RON: I'd like to see that.  
10 JIMMY SISSOM: Okay.  
11 RON: Could you also contact John or Chris  
12 and ask them if they do have any more current  
13 financial statements and P&L and balance sheet  
14 on it because I'd like to see that, too.  
15 JIMMY SISSOM: Okay.  
16 RON: Do you know if John or Chris pledged  
17 their 50 percent interest in the stock?  
18 JIMMY SISSOM: No, sir, they didn't, not  
19 that I know of.  
20 RON: So, you believe that if the facility  
21 was sold, two to 2.5 million would be the gross  
22 proceeds. In front of that you have to pay off  
23 Royal Bank 1.1 million.  
24 JIMMY SISSOM: Correct.  
25 RON: Are there any other creditors that

1 are significant creditors that are owed money  
2 by F&S that you can recall?

3 JIMMY SISSOM: Well, my credit card debt  
4 was resolved related to F&S Ventures.

5 RON: Okay. Anything else?

6 JIMMY SISSOM: Nothing else.

7 RON: All right. Do you feel like F&S is  
8 pretty much current on making their payments  
9 whether it's to Royal Oaks or any other  
10 creditor?

11 JIMMY SISSOM: I believe. I think they  
12 are.

13 RON: Who is the manager or managing  
14 person? Is it John, Chris or you?

15 JIMMY SISSOM: John.

16 RON: Do you receive any distributions  
17 from F&S?

18 JIMMY SISSOM: No, sir.

19 RON: You don't do any work for F&S. It's  
20 purely an investment. Is that correct?

21 JIMMY SISSOM: At the time I -- yes, it  
22 was an investment. I did a lot of work, but I  
23 never received any proceeds at all.

24 RON: Okay. And you were not entitled to  
25 anything in the way you did work?

1 JIMMY SISSOM: Two and a half years of  
2 work I would think I was entitled to something,  
3 but there was nothing in the paper that  
4 entitled me to anything.

5 RON: All right. Well, oftentimes people  
6 do things in a group and they do sweat equity  
7 or they contribute their time in labor.

8 JIMMY SISSOM: My blood, sweat equity and  
9 time and labor and the amount of money I put in  
10 it, yeah, there was some.

11 RON: How much is your investment in this?

12 JIMMY SISSOM: Originally, I believe I had  
13 476,000 in it. Four-fifty-six, 476, right  
14 around there.

15 RON: Okay. And then how much of an  
16 investment did Mr. Spence and Parker make? Did  
17 you own a hundred percent at one time and sell  
18 the other 50 percent?

19 JIMMY SISSOM: No, the Frys owned  
20 50 percent and I owned 50 percent.

21 RON: And then the Frys sold their  
22 one-half interest to John and Chris?

23 JIMMY SISSOM: Correct.

24 RON: Okay. And that's how you ended up  
25 with them as partners?

1 JIMMY SISSOM: Correct.

2 RON: Did the Frys make any equity  
3 contribution into this?

4 JIMMY SISSOM: No.

5 RON: Why did you make the effort in  
6 contribution and they did not?

7 JIMMY SISSOM: Once I'd already started  
8 the company -- I didn't know they didn't have  
9 any money when we started the company. So,  
10 basically, we went in as 50/50 partners and  
11 then I found out that -- we were in the middle  
12 of the construction phase and they didn't have  
13 any money so there wasn't -- it wasn't  
14 something I felt like I could hold together  
15 myself. (Inaudible).

16 RON: You posted in your bankruptcy  
17 schedules a claim against Mike and (inaudible)  
18 Fry for 300,000. What's the basis of that  
19 claim?

20 JIMMY SISSOM: That was basically what  
21 they owe me back from --

22 RON: What is the evidence to that? Do  
23 you have any acknowledgement from them that  
24 they owe it?

25 JIMMY SISSOM: I paid some -- I paid

1 lawyer fees for them. I paid --

2 RON: Okay. So, these are funds that you  
3 advanced. But is there anything in writing  
4 like a promissory note that they signed saying,  
5 "Yes, we owe you 300"? Anything like a letter  
6 saying, "We acknowledge that you advanced  
7 money"?

8 JIMMY SISSOM: Nothing like that, other  
9 than just the fact that if we're partners, I  
10 wouldn't have put up all the money. They would  
11 have -- they would have done that. They should  
12 have (inaudible).

13 RON: What is the evidence that you have  
14 that shows that, in fact, you advanced \$300,000  
15 for their benefit?

16 JIMMY SISSOM: Just all the expenses that  
17 I've spent.

18 RON: Would that be cancelled checks?

19 JIMMY SISSOM: Oh, absolutely, yes.

20 RON: Would it be invoices?

21 JIMMY SISSOM: Just cancelled checks.

22 RON: Well, the cancelled checks have to  
23 be tied to something, don't they?

24 JIMMY SISSOM: Well, they be tied to --  
25 some of them for their lawyers, some of them

1 for money that they've received, some of them  
2 for the money for F&S Ventures.

3 RON: All right. I'd like you to put  
4 together a damage (inaudible) with  
5 documentation.

6 JIMMY SISSOM: Okay.

7 RON: And send the documentation in his  
8 absence (inaudible) as to why you still feel  
9 like they owe you something.

10 JIMMY SISSOM: Okay.

11 RON: And then I'll need the contact  
12 information for Mike and (inaudible) Fry, the  
13 fax, home address, business address, all that  
14 kind of stuff.

15 JIMMY SISSOM: Okay.

16 RON: Are they employed, to your  
17 knowledge?

18 JIMMY SISSOM: I don't know if they are.

19 RON: Do they live in Houston?

20 JIMMY SISSOM: I don't know if they do.  
21 They sold their property in Katy, and I don't  
22 know if they moved or not.

23 RON: Do you think John and Chris might  
24 know?

25 JIMMY SISSOM: Oh, I'm sure we can find

1 this. That's not a problem.

2 RON: Okay, thank you. How were you  
3 introduced to the Frys?

4 JIMMY SISSOM: They had come by my office  
5 and done some work for me for several years.  
6 And then when I bought a property over on  
7 Schumacher, they had come by one day and they  
8 made an offer to me, said they wanted to go  
9 into the storage business.

10 RON: Have you made any payments to Crown  
11 Financial?

12 JIMMY SISSOM: Just one payment was made.

13 RON: How much?

14 JIMMY SISSOM: For 750.

15 RON: Seven hundred --

16 JIMMY SISSOM: \$750.

17 RON: Okay. When is your next payment  
18 due?

19 JIMMY SISSOM: It was due I believe May  
20 1st.

21 RON: Nobody is here for Crown Financial.  
22 Who gave you the documentation that you have on  
23 what we'll call your Crown Financial \$250,000  
24 loan to you from (inaudible)? Show me your  
25 cancelled checks, really the cashier's checks

1 that you sent out at the end of January,  
2 beginning of February to (inaudible). Then I  
3 would like to know if those are checks that  
4 are -- were your personal (inaudible) or  
5 somebody else's (inaudible).

6 JIMMY SISSOM: Okay.

7 RON: Will you be able to tell me that?

8 JIMMY SISSOM: Yes.

9 RON: And then to the extent that you have  
10 documentation that shows why you're giving  
11 5,000 to Mr. X and 10,000 to his wife, I need  
12 to understand why you're doing that.

13 JIMMY SISSOM: Okay.

14 RON: If you have the invoices or copies  
15 of something in writing that can tie into, that  
16 would be great and make it so obvious that when  
17 I look at it that I'll understand it. If you  
18 don't have documentation (inaudible) say Mr. X  
19 got 5,000 in cause (inaudible).

20 JIMMY SISSOM: Okay.

21 RON: And let me understand why it is that  
22 you feel like, A, you owe the money,  
23 (inaudible), why didn't you feel it was  
24 necessary to pay that particular person in your  
25 financial circumstances. When did you make up



1 your mind to file bankruptcy? (Inaudible).

2 JIMMY SISSOM: I believe right after I got  
3 the money from -- probably two weeks after the  
4 bank --

5 RON: You got the money from Crown.

6 JIMMY SISSOM: From Crown and the bank  
7 wasn't going to -- I was going to do a deal  
8 with Nick (inaudible) at Crown Financial. I  
9 was going to have to pay in for a couple of  
10 months. And then at that time it was my  
11 understanding the bank was going to try to  
12 refinance me somehow and then that was off the  
13 table --

14 RON: Okay.

15 JIMMY SISSOM: -- almost immediately after  
16 I got funds.

17 RON: Okay. And then on -- Barbara, as to  
18 you on payments to creditors, number three --

19 BARBARA: Yeah.

20 RON: -- to the extent that that needs to  
21 be handled --

22 BARBARA: Sure.

23 RON: -- please do so. How much time do  
24 you think you need to get me all this  
25 information?

1 BARBARA: It's going to be kind of hard  
2 for us to do it by Friday.

3 RON: I agree.

4 BARBARA: If we could have until next  
5 Friday.

6 RON: That's perfect. Will that give you  
7 enough time?

8 JIMMY SISSOM: That's fine, yes, sir.

9 RON: Okay. Next Friday. And what I'll  
10 do is I'm going to tentatively reset your  
11 meeting for June the 7th at 9:20 in the  
12 morning.

13 Barbara, if you'll check in with me and  
14 tell me sometime before June 7th. If I've got  
15 everything I need and understand it and I don't  
16 have any questions, then there will not be a  
17 need for me to come and Barbara (inaudible).

18 CRAIG DENUM: Ron, could you reset it for  
19 some other day other than June the 7th because  
20 I'll be out of the country, if it's needed.

21 RON: We will reset it for June the 21st.

22 CRAIG DENUM: That will work. Thank you.

23 RON: Okay. So, let's see. Let's go  
24 back. Okay. And for the record, after you  
25 sold your home, it's my understanding that you

1 took a portion of the proceeds and you bought  
2 two vehicles, one for your wife and  
3 (inaudible).

4 JIMMY SISSOM: A suburban.

5 RON: A suburban and then you bought a --

6 BARBARA: '97 BMW.

7 RON: '97 BMW.

8 BARBARA: Because the -- they had been  
9 driving dealership cars.

10 RON: I understand.

11 BARBARA: And the dealership wasn't there  
12 anymore.

13 RON: I understand. How did you come up  
14 with a \$900,000 value on F&S Ventures, Inc?  
15 Where does that come from? Is that you taking  
16 2 million and subtracting 1.1?

17 JIMMY SISSOM: I think what I had done  
18 is -- yes, sir, that's what I had done, yes.

19 BARBARA: And it should be half of that.

20 RON: Yeah.

21 JIMMY SISSOM: Yeah.

22 RON: I'm going to ask that you amend  
23 number 14 to show that the debtor only owns an  
24 undivided 50 percent interest in F&S.

25 BARBARA: Sure.

1           RON: And that his equity is -- it should  
2 say 450 instead of 900.

3           BARBARA: Yep.

4           RON: Do you agree?

5           JIMMY SISSOM: Yes, sir.

6           RON: Okay. And then if you would also  
7 put on number 13 subject to company stock.

8           BARBARA: Sure.

9           RON: So that we see it altogether. And  
10 everything is being claimed as exempt, if I  
11 understand it, other than the stock in the  
12 different entities, some of which we have  
13 (inaudible) and the previous to Frys.

14          BARBARA: That is correct.

15          RON: Everything else is being claimed as  
16 exempt?

17          BARBARA: Yes.

18          RON: And I think somewhere on the  
19 schedules I read that your wife had a trust,  
20 but that the trust, the proceeds or (inaudible)  
21 from that trust is gone because it's all been  
22 spent.

23          JIMMY SISSOM: Yes, sir.

24          RON: What kind of trust was this? Is  
25 that a trust set up for her livelihood?

1 JIMMY SISSOM: Just from her father -- or  
2 excuse me, her grandfather.

3 RON: Her grandfather. And is her  
4 grandfather deceased?

5 JIMMY SISSOM: Yes, sir.

6 RON: And, so, the trust is empty.

7 JIMMY SISSOM: Yes, sir.

8 BARBARA: That's in the SOFA when we talk  
9 about the income.

10 RON: Uh-huh, I saw it. Okay. I'm going  
11 to open up for questions.

12 CRAIG DENUM: Mr. Sissom, my name is Craig  
13 Denum. I represent Royal Oaks Bank. Just so I  
14 have an understanding -- and your attorney and  
15 I have already spoken and we've agreed that  
16 we're going to do a 2004 examination, so I'll  
17 try to keep these brief.

18 RON: And if you'd give me notice of your  
19 2004 --

20 CRAIG DENUM: Absolutely.

21 You stated earlier that you received --  
22 and I'm a little confused. You sold your stock  
23 in F&S Ventures?

24 RON: No, he pledged it.

25 BARBARA: He was confused. He gave it up.

1 JIMMY SISSOM: I'm a little confused how  
2 it happened, too.

3 RON: He misstated that.

4 BARBARA: He took it to Crown Financial  
5 and handed it to them.

6 CRAIG DENUM: Okay.

7 BARBARA: They hold it because they did  
8 their collateral.

9 CRAIG DENUM: It wasn't sold?

10 JIMMY SISSOM: No, sir.

11 CRAIG DENUM: Could that be -- could you  
12 be mistaken about that now?

13 JIMMY SISSOM: Could I be mistaken about  
14 what?

15 CRAIG DENUM: It being sold.

16 JIMMY SISSOM: I don't know. I went over  
17 there with -- Mr. McGuire had sent me over  
18 there and I don't know exactly how it was all  
19 set up. Basically we had given the stock up  
20 for a loan.

21 CRAIG DENUM: Is it possible you sold the  
22 stock and had an option to purchase it back?

23 JIMMY SISSOM: Yes, sir, that's true.

24 RON: Okay. Do you have any of the  
25 documentation?

1 CRAIG DENUM: I may. I'll get you what I  
2 have.

3 RON: If you do, send it to me.

4 CRAIG DENUM: Absolutely.

5 BARBARA: Yeah, we need to sort that out.

6 RON: Yeah, Barbara (inaudible) send it to  
7 me.

8 BARBARA: Sure.

9 RON: I'd like to see it.

10 CRAIG DENUM: Sure.

11 But more importantly, I guess my question  
12 is, is for that option, as I understand it, you  
13 received two-hundred -- \$250,000?

14 JIMMY SISSOM: After fees I believe it was  
15 225 or 222.

16 CRAIG DENUM: Okay. And then you took  
17 that money over to Sterling Bank the same day.

18 JIMMY SISSOM: Correct.

19 CRAIG DENUM: And you converted it to  
20 cashier's checks.

21 JIMMY SISSOM: Correct.

22 CRAIG DENUM: And the payees on these  
23 cashier's checks would be the folks that you  
24 owed money to.

25 JIMMY SISSOM: Not at the time. I just

1 got cashier's checks to put them in my name at  
2 the time.

3 CRAIG DENUM: Okay. So, the cashier's  
4 checks that you received from Sterling were all  
5 in the name -- your name, Mr. Sissom?

6 JIMMY SISSOM: Correct.

7 CRAIG DENUM: Okay. And then what  
8 happened to those cashier's checks?

9 JIMMY SISSOM: I paid off all my debt with  
10 them.

11 BARBARA: Yeah, but how did you do that?

12 JIMMY SISSOM: I just -- I'm sorry. Go  
13 ahead.

14 RON: Okay. What I'm hearing is that you  
15 went to Sterling, you got a cashier's check in  
16 your name --

17 JIMMY SISSOM: Yes, sir.

18 RON: -- for 225,000.

19 JIMMY SISSOM: I believe I got -- yes,  
20 sir.

21 RON: One check.

22 JIMMY SISSOM: No, sir, I got I believe  
23 four different checks.

24 RON: Four. And then if you added them  
25 up, that would be 225.



1 JIMMY SISSOM: Yes, sir.

2 RON: And then what Craig just asked you  
3 was what happened to those four checks.

4 JIMMY SISSOM: I paid off debt with all of  
5 them.

6 RON: Okay. Who got the money?

7 CRAIG DENUM: Who got the money and how do  
8 we prove that they got the money? What's the  
9 paper trail?

10 JIMMY SISSOM: I think I told you earlier  
11 I'd itemized everything for you that I had. I  
12 know some of it went back to the bank.

13 RON: I'll share it with you.

14 CRAIG DENUM: Okay.

15 RON: Just so you know.

16 CRAIG DENUM: Okay.

17 BARBARA: Will I get a copy?

18 RON: So, when you make a copy for me,  
19 send a copy to Craig. And if there's anybody  
20 else at the table that would like to see it,  
21 just let me know.

22 CRAIG DENUM: Just one quick question  
23 about that. When you paid these entities or  
24 individuals that you owed money to, did you pay  
25 them with cash? Did you pay them with a check?

1 Did you have another cashier's check issued?  
2 How did you pay them?

3 JIMMY SISSOM: They may have been some  
4 cashier's checks, some cash. But I need to  
5 look at the --

6 CRAIG DENUM: And where would you have  
7 gotten those cashier's checks issued?

8 JIMMY SISSOM: I couldn't answer that at  
9 this time.

10 RON: Do you think you went back to  
11 Sterling Bank?

12 JIMMY SISSOM: I may have. I'll get them  
13 all to you.

14 RON: Well, it's real important for all of  
15 us that are sitting at the table that you take  
16 your time and give us the details.

17 JIMMY SISSOM: I understand.

18 RON: Because as you can probably imagine,  
19 what you did is a little bit out of the  
20 ordinary.

21 JIMMY SISSOM: What is that?

22 RON: Taking 225, getting a check in your  
23 name for 225, making out a cashier's check when  
24 we have what we'll call as zone of insolvency  
25 that you're in. It's not like you took the 225

1 and put it in a bank account.

2 JIMMY SISSOM: At the time, though, I  
3 wasn't --

4 RON: I'm not asking you for an  
5 explanation. I'm just telling you it's a  
6 little bit out of the usual.

7 JIMMY SISSOM: I didn't try to --

8 RON: (Inaudible).

9 JIMMY SISSOM: (Inaudible) what I was  
10 doing. I understand.

11 RON: Nobody is saying you've done  
12 anything wrong. I'm just saying we need to see  
13 some documentation. That's all.

14 JIMMY SISSOM: Yes, sir.

15 RON: So, help us.

16 CRAIG DENUM: Mr. Sissom, you owned a  
17 company, a hundred percent stock owners, I  
18 understand, of Dealer's Management Group, Inc.  
19 Is that correct?

20 JIMMY SISSOM: Correct.

21 CRAIG DENUM: Since you also filed in  
22 connection with this an affidavit saying that  
23 you have not made any income since the past six  
24 months -- I guess that's October of 2005 --  
25 from these entities. Is that correct?

1 JIMMY SISSOM: The past two -- about two  
2 years, actually.

3 CRAIG DENUM: Okay. Have you collected  
4 any monies on behalf of Dealer's Management  
5 Group, Inc. since November of 2005?

6 JIMMY SISSOM: Yes, sir. I believe we've  
7 collected through March, I believe.

8 CRAIG DENUM: Okay. And who is in  
9 possession of those monies?

10 JIMMY SISSOM: The money that was  
11 collected was spent on expenses. We weren't --  
12 we weren't sure we were out of business until  
13 February of '05.

14 CRAIG DENUM: Okay. And who has an  
15 accounting of those monies collected and the  
16 expenses?

17 BARBARA: Would those monies have all gone  
18 into the bank account?

19 JIMMY SISSOM: Yes, ma'am.

20 BARBARA: I can get you copies of the bank  
21 statements. I've already furnished them to Mr.  
22 Summers.

23 CRAIG DENUM: Okay. Have you repossessed  
24 any cars since November on behalf of Dealer's  
25 Management Group, Inc.?

1 JIMMY SISSOM: Yes, sir.

2 CRAIG DENUM: Okay. And what was the  
3 result of those repossessions? Where are those  
4 cars now?

5 JIMMY SISSOM: We ended up -- the ones  
6 that -- if you're referring to the problem we  
7 just had recently, the repo companies were told  
8 not to pick up anything even though some of  
9 those repossessions have been out for over a  
10 year.

11 BARBARA: Okay. What happened to the ones  
12 that were repoed?

13 JIMMY SISSOM: We gave them back to the  
14 customer.

15 CRAIG DENUM: So, all of the cars that you  
16 repossessed since November of 2005 --

17 JIMMY SISSOM: Well, not all the cars, no,  
18 sir.

19 CRAIG DENUM: Okay. Where --

20 JIMMY SISSOM: Some of them are sold to  
21 some other customers or resold.

22 CRAIG DENUM: Okay. Can I get a list of  
23 cars that were repossessed and then resold and  
24 copies of the contracts that relate to those  
25 sales? And where are the monies that were

1 received from those contracts?

2 JIMMY SISSOM: They've paid expenses.  
3 It's about \$30,000 a month to keep the company  
4 running.

5 CRAIG DENUM: Okay. Who currently has the  
6 Dealer's Management Group, Inc.'s computer?

7 JIMMY SISSOM: Maybe -- I think Joe or  
8 myself has it. Maybe -- I don't know, sir.  
9 I'll have to check.

10 CRAIG DENUM: Okay. Would you advise your  
11 lawyer -- when you say "Joe," who --

12 JIMMY SISSOM: When we left, I don't know  
13 who got everything.

14 CRAIG DENUM: Who is Joe?

15 JIMMY SISSOM: Joe is one of the guys that  
16 worked with me.

17 CRAIG DENUM: What's his last name?

18 JIMMY SISSOM: Colette (phonetic).

19 CRAIG DENUM: Okay. So, either Joe  
20 Colette or you have the computer. But you'll  
21 get with your attorney --

22 JIMMY SISSOM: I don't know that for sure.  
23 I'll have to check.

24 CRAIG DENUM: Okay. But you can find --  
25 you'll know -- somebody has your computer, is

1 that correct -- or the Dealer's Management  
2 Group, Inc.'s computer?

3 JIMMY SISSOM: I'm sure. I'm sure.

4 CRAIG DENUM: Who is Mark Schiff?

5 JIMMY SISSOM: I have no idea. Never  
6 heard the name.

7 CRAIG DENUM: You've never heard the name  
8 Mark Schiff? Have you ever heard the name Cars  
9 & More, L.L.C.?

10 JIMMY SISSOM: Yes, sir.

11 CRAIG DENUM: Okay. What is Cars & More,  
12 L.L.C.?

13 JIMMY SISSOM: That's one of the companies  
14 I do some buying for.

15 CRAIG DENUM: Okay. Do you do any  
16 collecting for Cars & More, L.L.C.?

17 JIMMY SISSOM: No, sir.

18 CRAIG DENUM: Okay. So, you've never  
19 since January 1st of 2006 done any collection  
20 on behalf of Cars & More, L.L.C.?

21 JIMMY SISSOM: Since 2006, no, sir.

22 CRAIG DENUM: And you've never told  
23 anybody that you were collecting anything on  
24 behalf of Cars & More, L.L.C.?

25 JIMMY SISSOM: No, sir.

1 CRAIG DENUM: Okay. Does Cars & More,  
2 L.L.C. have any of the contracts that resulted  
3 from the sale of the repossessed vehicles?

4 JIMMY SISSOM: No, sir.

5 CRAIG DENUM: I'll pass the witness. I'll  
6 just reserve my questions.

7 RON: Sir --

8 CRAIG DENUM: This is the president of  
9 Royal Oaks Bank. He's with me.

10 MICHAEL NEVEL: Okay. For the record, my  
11 name is Michael Nevel (phonetic). I represent  
12 Chase Bank.

13 My client's record show approximately  
14 \$12,000 in credit card charges since April 15th  
15 of --

16 RON: Of this year?

17 MICHAEL NEVEL: Correct.

18 Were you the person using the Chase credit  
19 card since April the 15th of this year, between  
20 you and your spouse?

21 JIMMY SISSOM: What is the -- what is  
22 the --

23 MICHAEL NEVEL: Well, April 15th, 2006  
24 somebody spent \$4,073 at Fry's Electronics.

25 JIMMY SISSOM: That may have been me and



1 my wife. I'm not sure.

2 MICHAEL NEVEL: Okay. What would you have  
3 purchased for that amount of money?

4 JIMMY SISSOM: I'll have to check with her  
5 and see.

6 MICHAEL NEVEL: Do you remember any of  
7 your uses of the credit card? Do you remember  
8 anything you bought with the credit card?

9 JIMMY SISSOM: No, sir, I'd have to look  
10 at it and see.

11 MICHAEL NEVEL: Okay. According to my  
12 client's records, after you filed for  
13 bankruptcy someone charged your credit card for  
14 it looks like a vacation at the Schlitterbahn  
15 in New Braunfels. Did your family vacation  
16 there?

17 JIMMY SISSOM: My wife may have.

18 MICHAEL NEVEL: Okay. Would she have made  
19 those credit card charges at the Gruene River  
20 Grill, the Schlitterbahn resort?

21 JIMMY SISSOM: She may have. I don't --

22 BARBARA: It's Gruene.

23 MICHAEL NEVEL: Gruene. I apologize. I'm  
24 from upstate New York.

25 BARBARA: That's okay. I called it

1 Gruene, too, the first time I saw it.

2 (Inaudible)

3 MICHAEL NEVEL: Well, it's pronounced  
4 differently from where I'm from.

5 (Inaudible)

6 MICHAEL NEVEL: Anyway, I want to ask you  
7 a couple questions about your -- the sale of  
8 your house. You sold 4315 Waterlily Court in  
9 Missouri City; correct?

10 JIMMY SISSOM: Correct.

11 MICHAEL NEVEL: Now, on your schedules,  
12 your mailing address is --

13 BARBARA: That's my office's mistake.

14 MICHAEL NEVEL: Okay. That --

15 BARBARA: The mailing address is correct.  
16 The other address is one digit off because  
17 somebody's fingers got a little too close to  
18 the four instead of the five.

19 MICHAEL NEVEL: All right.

20 BARBARA: And I didn't know that myself  
21 until a couple days ago.

22 MICHAEL NEVEL: Okay. Just looking at the  
23 warranty deed for the sale, it's from you and  
24 your wife to a gentleman named Mr. Perez. Do  
25 you have any association with Mr. Perez prior

1 to this sale?

2 JIMMY SISSOM: No, sir.

3 MICHAEL NEVEL: Okay. Your wife notarized  
4 your signature and her signature on this deed.  
5 I assume you didn't close at a title company.  
6 Is that correct?

7 JIMMY SISSOM: No, sir.

8 MICHAEL NEVEL: Okay. The deed says that  
9 a somebody named Larry Smith financed Mr.  
10 Perez' sale of the property for \$250,000. Is  
11 Mr. Smith either related to you or your wife or  
12 someone with whom you or your wife has had any  
13 prior business dealings?

14 JIMMY SISSOM: No, sir.

15 MICHAEL NEVEL: Do you know Mr. Smith?

16 JIMMY SISSOM: No, sir.

17 MICHAEL NEVEL: When you closed the sale  
18 of this house, could you describe generally the  
19 flow of funds? Mr. Smith apparently financed  
20 this sale. Where did the money go to?

21 JIMMY SISSOM: I think I gave an  
22 itemization of everything.

23 BARBARA: Yeah.

24 MICHAEL NEVEL: Pardon?

25 JIMMY SISSOM: I gave an itemization.

1           MICHAEL NEVEL: I understand. But when he  
2           financed the sale, did he give you a check and  
3           then you paid off the lien?

4           JIMMY SISSOM: Yes, sir.

5           MICHAEL NEVEL: Okay. So, he gave you a  
6           check for a quarter-million dollars?

7           BARBARA: Huh-huh.

8           JIMMY SISSOM: No, he gave me a check  
9           for --

10          BARBARA: He paid off the Chase loan and  
11          also the other loan.

12          MICHAEL NEVEL: He paid them directly?

13          BARBARA: Yes.

14          JIMMY SISSOM: Correct.

15          RON: Did Chase not get paid?

16          MICHAEL NEVEL: My credit card company?

17          BARBARA: No, no, no. We're talking  
18          about --

19          MICHAEL NEVEL: Are you talking about the  
20          home finance -- I don't know if they did. I'm  
21          not here on that.

22          BARBARA: But I can cut this short by  
23          telling you that we will pay the credit card  
24          debt, if you'll just give me a chance to talk  
25          to you out here.

1           MICHAEL NEVEL: Okay. But I had just a  
2 couple questions --

3           BARBARA: Because it's obviously  
4 nondischargeable, I mean, you know -- I'll just  
5 state that on the record.

6           MICHAEL NEVEL: Okay. One thing about the  
7 claim against the Frys. What is -- you made  
8 some disproportionate partnership contribution  
9 for expenses; correct?

10          JIMMY SISSOM: For which --

11          MICHAEL NEVEL: Your claim against the  
12 Frys.

13          JIMMY SISSOM: Yes, sir.

14          MICHAEL NEVEL: Basically you claim you  
15 overpaid your percentage interest. How old are  
16 those overpayments? Did this happen two years  
17 ago, three years ago?

18          JIMMY SISSOM: I started in March of '02.

19          MICHAEL NEVEL: Okay. And where -- when  
20 was the last of your overpayments? How old is  
21 that?

22          JIMMY SISSOM: Probably October of 2005.

23          MICHAEL NEVEL: Okay. I don't have any  
24 more.

25          RON: Okay. Anybody else? Okay. So,

1 this case is reset tentatively for June --

2 BARBARA: 21st --

3 RON: -- 21st at 9:20.

4 BARBARA: -- at 9:20.

5 RON: And if I get all the documents and I  
6 have everything answered to my satisfaction  
7 then you won't have to appear. Okay? And I  
8 will conclude the 341 meeting without anybody  
9 here.

10 CRAIG DENUM: And I'll send you the  
11 documents you requested and give you notice of  
12 the 2004. I'll call you to make sure you're  
13 available.

14 RON: That's great. Anybody else before  
15 we --

16 (Transcription concluded)

17

18

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23

24

25

TRANSCRIPTION OF CD

2  
3  
4 I, the undersigned Certified Shorthand  
5 Reporter, and for the State of Texas, certify that  
6 the Jimmy Sisson 341 Creditors' Meeting was  
7 transcribed to the best of my ability.

8 I further certify that I am neither  
9 attorney or counsel for, related to, nor employed by  
10 any parties to the action in which this testimony is  
11 taken and, further, that I am not a relative or  
12 employee of any counsel employed by the parties  
13 hereto or financially interested in the action.

14 SUBSCRIBED AND SWORN TO under my hand and  
15 seal of office on this 6th day of July, 2006.

*AUTHENTIC COPY  
The original certified E-Transcript  
file was electronically signed  
using RealLegal technology*

---

18 CARRIE MAGGARD, CSR  
19 Texas CSR 7729  
Expiration: 12/31/06  
20 ESQUIRE DEPOSITION SERVICES  
3401 Louisiana, Suite 300  
21 Houston, Texas 77002  
Firm Registration No. 03

JIMMY SISSOM

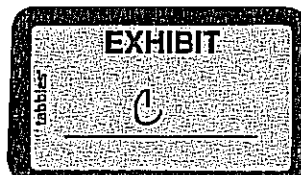
4315 WATERLILY CT  
MISSOURI CITY, TX. 77459  
281-261-8166

2

May 31, 2006

ITEMIZATION OF CROWN FIANCIAL LOAN: \$250,000

1. ROYAL OAKS	\$14,600	DAVID MCGUIRE SET UP THE LOAN AND DECIDED ON THE AMOUNT HE WANTED THE BANK TO GET
2. CROWN FINANCIAL	\$40	UCC FILING
3. CROWN FINANCIAL	\$40	UCC FILING DMG
4. CROWN FINANCIAL	\$220	F & S TITLE SEARCH
5. CROWN FINANCIAL	\$10000	OPTIONAL FEE THAT THE ROYAL OAKS BANK AND CROWN FINANCIAL HAD PUT TOGETHER
6. JOHN ROBERTS	\$35,000	SEE ATTACHED CKS REMAINING BALANCE IN CASH
7. SONIC GROUP	\$12,500	00 ESCALADE FROM 11/05 CAR WAS TRADED AND DMG RECEIVED SOLD MONEY AND DID NOT PAY FOR TITLE DUE TO LACK OF FUNDS (IT WAS PAID SEVERAL MONTHS LATER
8. LAREDO NATIONAL	\$2592.56	FEB, MARCH SVC CHG
9. HOUSE REPAIRS	\$7500	PAINT, REPLACE BLINDS, BROKEN GATE, SOLAR SCREEN REPAIRS POOL PUMPS REPLACED, SHEET ROCK REPAIR
10. CASH RECEIPTS	\$29540	UNPAID REIMBURSEMENTS AND MAKE READY TO SELL INVENTORY OFF
11. ROYAL OAKS	\$14000	REIMBURSE FROM ROYAL OAKS INTEREST EXPENSE DEC 05 THAT SUPPOSED TO GET ME A NEW LY



000080



		STRUCTURED LOAN (JOE COLLET)
12. AUTO BELL	\$12000	BACK RENT, ELECTRIC, PHONE, WATER AND MECHANIC REPAIRS
13. JOHN BOGLANI	\$38,000	LOAN FOR 6/12/05 - 26000 7/6/2005 - 7000 PLUS INTEREST \$5000- DIRT WORK
14. JOHN SPENCE	\$5000	INTEREST OWED ON \$45000 AT 12%
15. KRISTINE GARBO	\$15000	REPAY FOR EXPENSES THE FAMILY OWED FROM 2005
16. FAMILY MISC	\$10000	BASEBALL, KARATE, CHESS CLUB ART, GROCERIES ETC.
17. JANUARY EXPENSES	\$7000	BILLS AND MORTGAGE
18. FEBRUARY EXPENSES	\$7000	BILLS AND MORTGAGE
19. MARCH	\$7000	BILLS AND MORTGAGE
20. AMERICAN EXPRESS	\$11404.88	LIVING AND SOME BUSINESS EXP
21. DEALER BOND	\$200	LICENSE RENEWAL
22. AT & T	\$632.92	PHONE
23. BANK AMERICA	\$1246.83	CREDIT CARDS
24. BARBARA ROGERS	\$150.00	ATTORNEY FEES
25. LOCKSMITH	\$525	HOMEOWNERS FEE
26. CHASE	\$445.89	CREDIT CARDS
27. CITI BUSINESS	\$640.17	CREDIT CARDS
28. DILLARDS	\$621.19	CREDIT CARD
29. CRYO CELL	\$50	HEALTH
30. DISCOVER	\$403.88	CREDIT CARDS
31. EXPRESS	\$402.36	CREDIT CARDS
32. FOLEYS	\$505.11	CREDIT CARDS
33. MACYS	\$146.31	CREDIT CARDS

000081

34. METHODIST DAY SCHOOL	\$460.00	CREDIT CARDS
35. INSURANCE	\$995.02	AUTO INSURANCE
36. ROBERT PICKELNER	\$2000	ATTORNEY FEES
37. SBC	\$850.00	TELEPHONE
38. STATE COMPTROLLER	\$4586.40	TAXES
39. SUGARLAND ELECTRIC	\$147.71	LIGHTS
40. TMOBILE	\$1130.90	PHONE
41. TARGET	\$858.93	CREDIT CARD
42. UNICARE	\$834	HEALTH INSURANCE
43. EXTRA RECEIPTS	\$511.15	CASH EXP
44. TAXES FILED	\$350	2005 PERSONAL

000082

**JIMMY SISSOM**

4315 WATERLILY CT  
MISSOURI CITY, TX. 77459  
281-261-8166

May 23, 2006

**EXPENSES**

SALE PRICE	\$243,000.00
PAYOFF	<\$165,795.22>
LEASE BACK	<\$1746.73>
TAXES 2005	<\$7200.00>
TAXES 2006	<\$3500.00>
HOUSING PAYOFF SHORTAGE	<\$1122.00>
APRIL LIVING EXPENSES	<\$7500.00>
MAY LIVING EXPENSES	<\$7500.00>
JUNE LIVING EXPENSES	<\$7500.00>
HOUSING REPAIRS-CEILING, PAINT A/C WORK, TILE REPAIR	<\$5000.00>
HOMEOWNERS	<\$585.00>
HONOR ROLL APRIL & MAY	<\$1600.00>
METHODIST	<\$370.00>
SUSAN VEHICLE	<\$20,000.00>
EYE SURGERY	<\$4900.00>



000083

RYAN TONSILS	<\$2800.00>
JIMMY VEHICLE	<\$15,000.00>
HEALTH INSURANCE	<\$858.00>
HOUSE PAYMENT APRIL	<\$2155.00>
MORTGAGE PAYOFF SHORTAGE	<\$1800.00>
BANK ONE EQUITY LOAN PAYOFF	<\$19300.00>
AUTO INSURANCE	<\$1100.00>
CLOSING COST	<\$2500.00>
REALTOR @ FLAT FEE	<\$5000.00>

000084

**Crown Financial, LLC**  
16420 Park Ten Place, Suite 125 Houston, Texas 77084  
(281) 646-2905 (281) 646-2909 fax

January 31, 2006

Mr. Jimmy Sissom  
F & S Ventures, Inc.  
Via email - fax 832.358.8102

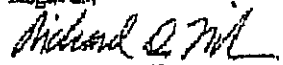
Dear Mr. Sissom,


We have been discussing entering into a transaction whereas Crown Financial, LLC ("Crown") would provide you with \$250,000 in working capital needed for your car wholesale business. After reviewing the information that you provided, I am pleased to offer you the following proposal:

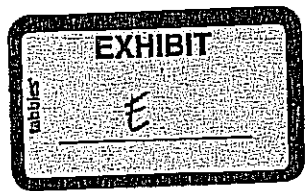
1. Crown would purchase your 500 shares of stock in F & S Ventures, Inc. for \$200,000
  - a) Sissom's attorney to provide signed resignation of Sissom as President
  - b) Sissom's attorney to provide signed resolution naming Richard Tribe as President
  - c) Sissom's attorney to provide a spousal consent for the sale of stock
  - d) Sissom's attorney to provide a 90-day management agreement whereas Sissom will agree to manage the F & S property at no charge. This agreement also needs to have Sissom represent that there will be no loans placed on the property and that no disbursements will be made during this management period, other than those in the normal course of business, without Tribe's written consent.
2. Crown would loan \$50,000 Dealer's Management Group, Inc.
  - a) Interest rate 1.5% per month, payable interest only, (\$750) monthly
  - b) Personal guarantee of Jimmy Sissom
  - c) 2<sup>nd</sup> lien UCC filing behind Royal Oaks Bank
3. Crown to give Sissom an option to purchase the 500 shares of F & S Ventures stock
  - a) Option term - 90-days
  - b) Option payment - \$10,000 per month, in advance
  - c) Exercise price - \$200,000 provided that at least two option payments have been made, the option agreement is not in default, and all of the principal and interest has been paid on the Dealer's Management Group \$50,000 note
  - d) Richard Tribe will resign as President when stock is purchased

The only remaining due diligence will be to run a title report on the F & S property and a UCC search on Dealer's Management Group, Inc. This should not take longer than three business days and closing would be immediate.

If you find this proposal acceptable, then please sign where indicated below and return to Crown's office with a deposit of \$500. Any portion of the deposit not documented for the purpose of the title report and UCC search will be refunded to you at closing. Upon receipt of the signed agreement, Crown's attorney will begin preparing the note, stock power, and option agreement.

Regards,  
  
Richard D. Tribe  
Manager

Agreed:   
Date: 1/31/06



000085

**A. Settlement Statement**

U.S. Department of Housing  
and Urban Development

OMB No. 2502-0265

**B. Type of Loan**

1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input checked="" type="checkbox"/> Conv Units	6. File Number 6601343-ARJ	7. Loan Number 12602902	8. Mortgage Ins Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv Ins.	6. <input type="checkbox"/> Seller Finance			

**C. Notes** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "In.c.a." were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

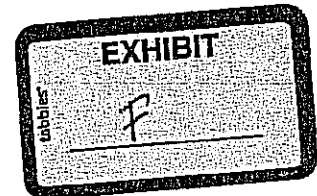
<b>D. Name &amp; Address of Borrower</b> Susan P. Sloman 4315 Waterlily Missouri City, TX 77459	<b>E. Name &amp; Address of Seller</b> Westley Homes, L.P.	<b>F. Name &amp; Address of Lender</b> America's Wholesale Lender 7600 E Capital of TX Hwy. N. #350 Austin, TX 78731
--	---	---

<b>G. Property Location</b> The Colony, Lot 1, Blk F, Sec. 2, Bastrop County, TX 166 Eight Oaks Drive Bastrop, TX 78602	<b>H. Settlement Agent Name</b> Independence Title Company 9442 Capital of Texas Hwy. Bldg. 1, Suite 250 Austin, TX 78759 Tax ID:	<b>I. Settlement Date</b> 4/21/2006 Fund: 4/21/2006
	<b>Place of Settlement</b> Independence Title Company 9442 Capital of Texas Hwy, Bldg. 1, Suite 100 Austin, TX 78759	

<b>J. Summary of Borrower's Transaction</b>		<b>K. Summary of Seller's Transaction</b>	
100. Gross Amount Due From Borrower		400. Gross Amount Due to Seller	
101. Contract Sales Price	\$302,240.00	401. Contract Sales Price	\$302,240.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$6,258.00	403.	
104.		404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. Property taxes		406. Property taxes	
107. City property taxes		407. City property taxes	
108. County property taxes		408. County property taxes	
109. School property taxes		409. School property taxes	
110. HOMEOWNERS DUES 04/21/06 to 01/01/07	\$436.64	410. HOMEOWNERS DUES 04/21/06 to 01/01/07	\$436.64
111. MUD Taxes		411. MUD Taxes	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower	\$308,935.64	420. Gross Amount Due to Seller	\$302,676.64
200. Amounts Paid By Or in Behalf Of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money		501. Excess Deposit	
202. Principal amount of new loan(s)	\$241,792.00	502. Settlement Charges to Seller (line 1400)	\$11,311.90
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207. EM W/ SELLER	\$3,500.00	507. EM W/ SELLER	\$3,500.00
208. Advance deposit by borrower	\$61,540.99	508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
310. Property taxes 01/01/06 to 04/21/06	\$2,232.79	510. Property taxes 01/01/06 to 04/21/06	\$2,232.79
311. City property taxes		511. City property taxes	
312. County property taxes		512. County property taxes	
313. School property taxes		513. School property taxes	
314. HOMEOWNERS DUES		514. HOMEOWNERS DUES	
315. MUD Taxes		515. MUD Taxes	
316.		516.	
317.		517.	
318.		518.	
319.		519.	
220. Total Paid By/For Borrower	\$309,065.78	520. Total Reduction Amount Due Seller	\$17,044.69
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross Amount due from borrower (line 120)	\$308,935.64	601. Gross Amount due to seller (line 420)	\$302,676.64
302. Less amounts paid by/for borrower (line 200)	\$309,065.78	602. Less reductions in amt. due seller (line 520)	\$17,044.69
303. Cash To Borrower	\$130.14	603. Cash To Seller	\$285,631.95

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(e) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information requested does not lend itself to confidentiality.



000086



JPMorgan Chase Bank, N.A.  
Texas Market  
P O Box 260180  
Baton Rouge, LA 70826-0180

April 06, 2006 through May 03 2006

Account Number:

**CUSTOMER SERVICE INFORMATION**

WebSite: www.Chase.com  
Service Center: 1-800-935-9935  
Hearing Impaired: 1-800-732-5518  
Para Espanol: 1-877-312-4273  
International Calls: 1-713-262-1679

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SUSAN P SISSOM  
4315 WATERLILY CT  
MISSOURI CITY TX 77459-1654



**CHECKING SUMMARY** Value Checking

	AMOUNT
Beginning Balance	\$520.67
Deposits and Additions	141,343.50
Checks Paid	- 11,237.90
ATM & Debit Card Withdrawals	- 792.51
Electronic Withdrawals	- 1,626.04
Other Withdrawals, Fees & Charges	- 122,979.77
<b>Ending Balance</b>	<b>\$5,227.95</b>



Your monthly service fee was waived because you maintained an average checking balance of \$5,000.00 or more during the statement period.

**DEPOSITS AND ADDITIONS**

DATE	DESCRIPTION	AMOUNT
04/06	Deposit	\$5,500.00
04/12	Deposit	3,000.00
04/13	Deposit	50,000.00
04/24	Fed Wire Credit Via: U.S. Bank National Association/091000022 B/O: Edward Jones Sending Funds Forford TX 77477 Ref: Chase Nyc/Ctr/Bbk=Susan P Sissom Missouri City, TX 77459/Ac-000000006378 Bnf=Susan P Sissom//	75,426.78
04/28	Card Purchase Return 04/27 Victoria Secret 800-888-1500 OH Card 4509	1.06
05/01	Deposit	7,377.77
05/03	Card Purchase Return 05/02 Victoria Secret 800-888-1500 OH Card 4509	37.89
<b>Total Deposits and Additions</b>		<b>\$141,343.50</b>



April 06, 2006 through May 03, 2006

Account Number:

**CHECKS PAID**

CHECK NUMBER	DATE PAID	AMOUNT	CHECK NUMBER	DATE PAID	AMOUNT
2907	04/06	\$21.00	2932 *	04/17	41.57
2912 *	04/06	74.83	2933	04/17	138.34
2914 *	04/12	800.00	2934	04/17	50.00
2915	04/12	22.63	2935	04/20	43.18
2916	04/13	2,155.56	2936	04/21	45.47
2918 *	04/11	36.70	2937	04/24	30.31
2919	04/12	30.40	2939 *	04/24	42.62
2920	04/12	484.38	2941 *	04/25	190.15
2921	04/12	93.32	2942	04/25	60.00
2924 *	04/12	30.00	2943	04/26	1,746.73
2926 *	04/18	63.38	2944	04/26	14.02
2929 *	04/13	45.00	2945	05/02	3,830.97
2930	04/20	28.00	2947 *	05/03	1,119.34
				<b>Total Checks Paid</b>	<b>\$11,237.90</b>



\* Checks may not appear on your bank statement because they have not yet cleared, appeared on a previous statement, or cleared as an electronic withdrawal and will be listed under the "electronic withdrawals" section of your statement. Some Online Bill Payment transactions are assigned six-digit check numbers and appear under "checks paid" causing non-sequential check numbers.

**ATM & DEBIT CARD WITHDRAWALS**

DATE	DESCRIPTION	AMOUNT
04/07	Card Purchase 04/06 Petsmart 00006312 Sugarland TX Card 3224	\$12.42
04/07	Card Purchase With Pin 04/06 Cns Academy Ltd 260 Sugarland TX Card 3224	11.50
04/10	Card Purchase 04/06 Michaels #1124 Sugarland TX Card 3224	5.48
04/11	Card Purchase 04/10 Ap9*Vshome 888-681-7214 CT Card 3224	99.95
04/12	Card Purchase With Pin 04/11 Dointree 1988 Sugarland TX Card 3224	46.55
04/12	Card Purchase With Pin 04/11 Kroger 6200 Hwy 6 So Missouri CI TX Card 3224	13.98
04/12	Card Purchase 04/10 Chevron 00208164 Sugar Land TX Card 3224	10.00
04/13	Card Purchase 04/11 Pei Wei Asian Diner-00 Sugarland TX Card 3224	9.74
04/17	Card Purchase 04/13 Newport News Holding 800-828-267 VA Card 3224	211.19
04/17	Card Purchase With Pin 04/14 Spec's Liquors #03 Sugarland TX Card 3224	35.93
04/17	Card Purchase 04/13 Newport News Holding 800-828-267 VA Card 3224	25.00
04/17	Card Purchase With Pin 04/14 Wal-Mart Super Cente Missouri CI TX Card 3224	8.61
04/27	Card Purchase 04/26 Victoria Secret 800-888-1500 OH Card 3224	2.16
05/03	Card Purchase 05/02 Bluebonnet Electric CO Giddings TX Card 3224	300.00
<b>Total ATM &amp; Debit Card Withdrawals</b>		<b>\$792.51</b>





April 06, 2006 through May 03, 2006

Account Number:

**ELECTRONIC WITHDRAWALS**

DATE	DESCRIPTION	AMOUNT
04/06	Check # 2911 Walmart 7 Eca Purchase Misstx POP	\$131.18
04/11	Check # 2917 Walmart 7 Eca Purchase Misstx POP	95.17
04/12	Check # 2923 Verizon West Arc Verizontx Arc	72.95
04/13	Check # 2927 Walmart 7 Eca Purchase Misstx POP	177.11
04/14	Check # 2922 Directv Checkpaymt Arc	220.82
04/18	Check # 2931 Walmart 7 Eca Purchase Misstx POP	182.29
04/19	Chase Home Fin icpayment PPD	330.68
04/19	Check # 2925 Scholastic Payment Arc	45.00
04/21	Check # 2938 Walmart 7 Eca Purchase Misstx POP	178.07
04/24	American Expresselec Remit PPD	10.54
05/02	HFC 8008467510 Tel	182.23
Total Electronic Withdrawals		\$1,626.04

**OTHER WITHDRAWALS, FEES & CHARGES**

DATE	DESCRIPTION	AMOUNT
04/18	Withdrawal	\$50,000.00
04/19	Withdrawal	2,540.99
04/24	Incoming Domestic Wire Fee	12.00
04/26	Withdrawal	70,426.78
Total Other Withdrawals, Fees & Charges		\$122,979.77



JPMorgan Chase Bank, N.A.  
 Texas Market  
 P O Box 260180  
 Baton Rouge, LA 70826-0180

May 04, 2006 thru Jun 05, 2006

Account Number:

**CUSTOMER SERVICE INFORMATION**

WebSite: [www.Chase.com](http://www.Chase.com)  
 Service Center: 1-800-935-9935  
 Hearing Impaired: 1-800-732-5518  
 Para Espanol: 1-877-312-4273  
 International Calls: 1-713-262-1679



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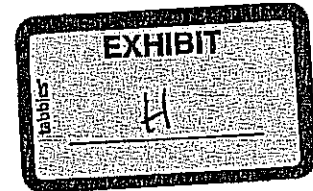
SUSAN P SISSOM  
 4315 WATERLILY CT  
 MISSOURI CITY TX 77459-1654



**CHECKING SUMMARY**

Value Checking

	AMOUNT
Beginning Balance	\$5,227.95
Deposits and Additions	15,979.95
Checks Paid	- 4,490.42
ATM & Debit Card Withdrawals	- 151.46
Electronic Withdrawals	- 2,434.00
Other Withdrawals, Fees & Charges	- 32.00
<b>Ending Balance</b>	<b>\$14,100.02</b>



You waived your monthly service fee because you kept at least \$500 in your Value Checking account, OR had at least \$2,500 in qualifying checking and savings accounts, OR had at least \$7,500 in qualifying checking, savings, credit, securities, or mortgage loan accounts.

**DEPOSITS AND ADDITIONS**

DATE	DESCRIPTION	AMOUNT
05/05	Card Purchase Return 05/04 Ap9*Vshome 888-681-7214 CT Card 3224	\$99.95
05/17	Deposit	5,000.00
05/17	Deposit	5,000.00
05/19	Deposit	2,500.00
05/23	Deposit	1,000.00
05/30	Deposit	1,000.00
05/30	Deposit	180.00
06/05	Deposit	1,200.00
<b>Total Deposits and Additions</b>		<b>\$15,979.95</b>



May 04, 2006 through June 05, 2006

Account Number:

**CHECKS PAID**

CHECK NUMBER	DATE PAID	AMOUNT	CHECK NUMBER	DATE PAID	AMOUNT
2940	05/15	\$15.00	2959	05/23	40.00
2946 *	05/09	2,427.46	2962 *	05/23	45.00
2949 *	05/04	30.00	2963	05/26	16.00
2951 *	05/11	23.00	2964	05/23	90.00
2952	05/08	67.00	2965	05/25	92.47
2954 *	05/10	170.00	2967 *	05/22	54.42
2955	05/09	1,126.29	2972 *	05/31	25.00
2956	05/05	30.00	2973	05/30	180.00
2958 *	05/12	58.78			
<b>Total Checks Paid</b>					<b>\$4,490.42</b>



\* Checks may not appear on your bank statement because they have not yet cleared, appeared on a previous statement, or cleared as an electronic withdrawal and will be listed under the "electronic withdrawals" section of your statement. Some Online Bill Payment transactions are assigned six-digit check numbers and appear under "checks paid" causing non-sequential check numbers.

**ATM & DEBIT CARD WITHDRAWALS**

DATE	DESCRIPTION	AMOUNT
05/12	Card Purchase 05/11 Houston Chronicle -C 713-220-721 TX Card 3224	\$51.00
05/17	Card Purchase 05/15 Aqua Water Supply CO 512-303-394 TX Card 3224	25.00
05/18	Card Purchase W/Cash 05/17 Target T1359 Missouri Missouri CI TX Card 3224 Purchase \$18.90 Cash Back \$20.00	38.90
05/18	Card Purchase 05/17 Hcn Classified 2816681100 TX Card 3224	15.00
05/22	Card Purchase 05/20 Cvs Pharmacy #4474 Q Missouri CI TX Card 3224	10.00
05/25	Card Purchase 05/24 Kolache Factory-1 Col Sugar Land TX Card 3224	11.56
<b>Total ATM &amp; Debit Card Withdrawals</b>		<b>\$151.46</b>

**ELECTRONIC WITHDRAWALS**

DATE	DESCRIPTION	AMOUNT
05/04	Check # 2953 Walmart 7 Eca Purchase Misstx POP	\$152.60
05/05	Easy Pay PPD	99.00
05/19	Bk of Am Crd Achpaybyphone PPD	100.00
05/22	Bk of Am Crd Achpaybyphone PPD	365.93
05/23	Reliant Energy 0121D 0 Tel	489.20
05/23	Check # 2966 Directv Checkpaymt Arc	109.38
05/23	Check # 2969 Verizon West Arc Verizontx Arc	52.40
05/23	Check # 2968 Allied Waste Svc Checkpaymt Arc	45.72
06/05	Capital One Phone Pymt Tel	1,019.77
<b>Total Electronic Withdrawals</b>		<b>\$2,434.00</b>



May 04, 2006 through June 05, 2006

Account Number

**OTHER WITHDRAWALS, FEES & CHARGES**

DATE	DESCRIPTION	AMOUNT
05/19	Returned Item Fee	\$32.00
Total Other Withdrawals, Fees & Charges		\$32.00

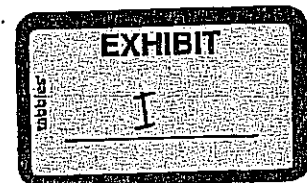
A Return Item fee was charged on 05/19 due to insufficient funds in your account.

000092

CHASE BANK  
ITEMIZED PAYMENTS

HOUSE DN PAYMENT		\$67,143.64
ESCALADE PAYOFF		\$12,500.00
2002 SUBURBAN Z71		\$20,000.00
TAXES	FBI/SD	\$3,830.97
TAXES	FT BEND TAX ASS	\$2,427.46
TAXES	FT BEND MUD	\$1,119.34
CASH	EYE SURGERY	\$4,200.00
CASH	RYAN TONSILS	\$2,000.00
CASH	KRISTINE GARBO	\$15,000.00
CASH RECEIPTS	MISC	\$5,460.52
CASH	HOUSE REPAIRS	\$7,500.00

TOTAL \$141,181.93



000093

*SUSAN'S BANK account showing all credits & debits  
as reflected on Attached statements.*

CHASE BANK ACCOUNT

February 2006

DESCRIPTION	AMOUNT	DEPOSIT
CHECKS PAID	\$6,972.25	\$7,880.68
ATM	\$381.71	
ELEC WITH	\$2,274.08	
FEES	\$27.40	
TOTAL	\$9,655.44	

March 2006

DESCRIPTION	AMOUNT	DEPOSIT
CHECKS PAID	\$5,726.23	\$7,682.89
ATM	\$517.76	
ELEC WITH	\$1,286.75	
FEES	\$10.00	
TOTAL	\$7,540.74	

DESCRIPTION  
April 2006

DESCRIPTION	AMOUNT	DEPOSIT
CHECKS PAID	\$11,237.90	\$141,343.50
ATM	\$792.51	
ELEC WITH	\$1,626.04	
FEES	\$122,979.77	

TOTAL \$136,636.22

GROSS \$153,832.44 \$156,907.07

NET \$3,074.63



000094

**JIMMY SISSOM**

4315 WATERLILY CT  
 MISSOURI CITY, TX. 77489  
 281-261-8166

August 19, 2006

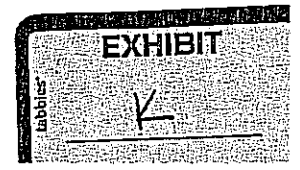
**ITEMIZATION OF CROWN FINANCIAL LOAN: \$250,000**

1.	ROYAL OAKS	\$14,600	DAVID MCGUIRE SET UP THE LOAN AND DECIDED ON THE AMOUNT HE WANTED THE BANK TO GET	
2.	CROWN FINANCIAL	\$40	UCC FILING	
3.	CROWN FINANCIAL	\$40	UCC FILING DMG	
4.	CROWN FINANCIAL	\$220	F & S TITLE SEARCH	
5.	CROWN FINANCIAL	\$10000	OPTIONAL FEE THAT THE ROYAL OAKS BANK AND CROWN FINANCIAL HAD PUT TOGETHER	
<i>10,000</i>	<i>CASH</i> 6.	JOHN ROBERTS	\$35,000	SEE ATTACHED CKS REMAINING BALANCE IN CASH
	7.	SONIC GROUP	\$12,500	00 ESCALADE FROM 11/05 CAR WAS TRADED AND DMG RECEIVED SOLD MONEY AND DID NOT PAY FOR TITLE DUE TO LACK OF FUNDS (IT WAS PAID SEVERAL MONTHS LATER
	8.	LAREDO NATIONAL	\$2592.56	FEB, MARCH SVC CHG
	9.	HOUSE REPAIRS	\$7500	PAINT, REPLACE BLINDS, BROKEN GATE, SOLAR SCREEN REPAIRS POOL PUMPS REPLACED, SHEET ROCK REPAIR
	10.	CASH RECEIPTS	\$29540	UNPAID REIMBURSEMENTS AND MAKE READY TO SELL INVENTORY OFF
<i>CASH</i>	11.	ROYAL OAKS	\$14000	REIMBURSE FROM ROYAL OAKS INTEREST EXPENSE DEC 05 THAT SUPPOSED TO GET ME A NEW LY

*CASH - ACLE*

*4800*

*JOE GULLOT*



000095

## STRUCTURED LOAN (JOE COLLET)

12. AUTO BELL	\$12000	BACK RENT, ELECTRIC, PHONE, WATER AND MECHANIC REPAIRS
<i>Case</i> → 13. JOHN BOGLANI	\$38,000	LOAN FOR 6/12/05 - 26000 7/6/2005 - 7000 PLUS INTEREST \$5000- DIRT WORK
14. JOHN SPENCE	\$5000	INTEREST OWED ON \$45000 AT 12%
<i>Case</i> ⇒ 15. KRISTINE GARBO	\$15000	REPAY FOR EXPENSES THE FAMILY OWED FROM 2005
16. FAMILY MISC	\$10000	BASEBALL, KARATE, CHESS CLUB ART, GROCERIES ETC.
17. JANUARY EXPENSES	\$7000	BILLS AND MORTGAGE
18. FEBRUARY EXPENSES	\$7000	BILLS AND MORTGAGE
19. MARCH	\$7000	BILLS AND MORTGAGE
20. AMERICAN EXPRESS	\$11404.88	LIVING AND SOME BUSINESS EXP
21. DEALER BOND	\$200	LICENSE RENEWAL
22. AT & T	\$632.92	PHONE
23. BANK AMERICA	\$1246.83	CREDIT CARDS
24. BARBARA ROGERS	\$150.00	ATTORNEY FEES
25. LOCKSMITH	\$525	HOMEOWNERS FEE
26. CHASE	\$445.89	CREDIT CARDS
27. CITI BUSINESS	\$640.17	CREDIT CARDS
28. DILLARDS	\$621.19	CREDIT CARD
29. CRYO CELL	\$50	HEALTH
30. DISCOVER	\$403.88	CREDIT CARDS
31. EXPRESS	\$402.36	CREDIT CARDS
32. FOLEYS	\$505.11	CREDIT CARDS
33. MACYS	\$146.31	CREDIT CARDS

000096

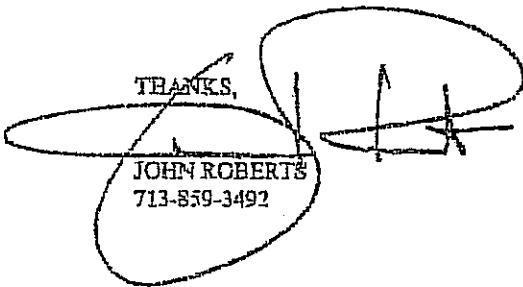


34. METHODIST DAY SCHOOL	\$460.00	CREDIT CARDS
35. INSURANCE	\$995.02	AUTO INSURANCE
36. ROBERT PICKELNER	\$2000	ATTORNEY FEES
37. SBC	\$850.00	TELEPHONE
38. STATE COMPTROLLER	\$4586.40	TAXES
39. SUGARLAND ELECTRIC	\$147.71	LIGHTS
40. TMOBILE	\$1130.90	PHONE
41. TARGET	\$858.93	CREDIT CARD
42. UNICARE	\$834	HEALTH INSURANCE
43. EXTRA RECEIPTS	\$511.15	CASH EXP
44. TAXES FILED	\$350	2005 PERSONAL

000097

August 15, 2006

IN A SERIES OF CHECKS TOTALLING \$15,000 AND \$10,000 IN CASH A LOAN WAS REPAYD THAT WAS OVERDUE. THE TRANSACTION HAPPENED PARTIALLY IN FEBRUARY AND EARLY MARCH 2006.

THANKS,  
  
JOHN ROBERTS  
713-859-3492

August 15, 2006

I JOE COLLET ACKNOWLEDGE \$14,000 PAID IN LATE FEBRUARY 2006 FROM JIMMY SISSOM  
TO REPAY A PREVIOUS LOAN IN NOVEMBER 2005.

THANKS,



JOE COLLET  
713-309-5171

000099

JIMMY SISSOM

---

8939 LONGPOINT  
HOUSTON, TX. 77055

February 17, 2006

\$12000.00 PAID IN FULL - COMMISSIONS AND UTILITIES

RUSSELL SOLTANI  
8939 LONGPOINT RD  
HOUSTON, TX. 77055  
713-365-9710

*RSO*

000100

Jimmy Sissom		
Itemization of Crown Financial Loan		
Name	Amount	Detail
Royal Oaks	\$14,600.00	David McGuire set up the Loan and Decided on the Amount He Wanted the bank to get
Crown Financial	\$40.00	UCC Filing
Crown Financial	\$40.00	UCC Filing DMG
Crown Financial	\$220.00	F&S Title Search
Crown Financial	\$10,000.00	Optional Fee that the Royal Oaks Bank and Crown Financial Had Put Together
John Roberts	\$35,000.00	See Attached Cks Remaining Balance in Cash (\$10,000.00
Sonic Group	\$12,500.00	00 Escalade From 11/05 Car was traded and DMG Received Sold Money and did not pay for title due to lack of Funds (It was paid several Months Later)
Laredo National	\$2,592.56	FEB, March Service Charge
House Repairs	\$7,500.00	Paint, Replace Blinds, Broken Gate, Solar Screen Repairs Pool Pumps Replaced, Sheet Rock Repair
Royal Oaks	\$14,000.00	Reimburse From Royal Oaks Interest Expense Dec 05 that supposed to get me a new Ly Structured Loan (Joe Collet- Cash)
Auto Bell	\$12,000.00	Back Rent, Electric, Phone, Water and Mechanic Repairs
John Boglani	\$38,000.00	Loan For 06/12/05-26000 7/6/05 7000 Plus Interest 5000.00 - Dirt Work (Cash)
John Spence	\$5,000.00	Interest Owed on 45000.00 At 12%
Kristine Garbo	\$15,000.00	RePay for Expenses the Family owed from 2005
Family Misc	\$10,000.00	Baseball, karate, Chess Club, Art, groceries, Etc
January Expenses	\$7,000.00	Bills & Mortgage
February Expenses	\$7,000.00	Bills & Mortgage
March Expenses	\$7,000.00	Bills & Mortgage
American Express	\$11,404.88	Living & Some Business Expenses
Dealer Bond	\$200.00	License Renewal
AT & T	\$632.92	Phone
Bank of America	\$1,246.83	Credit Cards
Barbara Rogers	\$150.00	Attorney Fee's
Locksmith	\$600.52	Homeowner's Fee
Chase	\$445.89	Credit Cards
Citi Business	\$640.17	Credit Cards
Dillards	\$621.19	Credit Cards
Cryo Cell	\$50.00	Health
Discover	\$403.88	Credit Cards
Express	\$402.36	Credit Cards
Foley's	\$505.11	Credit Cards
Macy's	\$146.31	Credit Cards
Methodist Day School	\$460.00	Credit Cards
Insurance	\$1,873.00	Auto Insurance
Robert Pickelner	\$2,000.00	Attorney Fee's
SBC	\$850.00	Telephone
State Comptroller	\$4,586.40	Taxes
Sugarland Electric	\$147.71	Lights

000101

T-Mobile	\$1,130.90	Phone
Target	\$858.93	Credit Cards
Unicare	\$834.00	Health Insurance
Extra Reciepts	\$3,432.10	Cash Exp
Taxes Filed	\$350.00	2005 Personal
Medical	\$728.41	Doctor's, Prescriptions, Dentist
Auto	\$5,332.96	Expenses
Credit Cards	\$8,387.00	Credit Cards
Utilities	\$476.24	February
Misc	\$9,748.14	Misc Expenses For Feb
Cash	\$4,487.91	February
Misc Expenses for March	\$18,990.91	
Credit Cards	\$6,612.85	Credit Cards
Telephone	\$173.51	SBC, AT&T
Telephone	\$316.57	T-Mobile
Utilities	\$305.32	
Auto	\$4,546.00	Expenses
Insurance	\$8,100.00	
Taxes	\$4,560.74	
Cash	\$41,920.42	Cash for March
Loan	\$15,000.00	Loan to Stockholders
Loan	\$182,322.07	Loan to Stockholders


000102

BUSINESS RECORDS AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Janet Groue known to me, who, being by me duly sworn, deposed as follows:

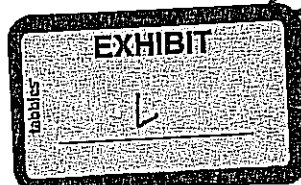
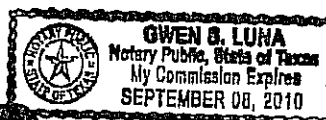
My name is Janet Groue. I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated.

I am the registered agent of the records of Sterling Bank. Attached hereto are twenty-two (22) pages of records from Sterling Bank. These said twenty-two (22) pages of records are kept by Sterling Bank in the regular course of business, and it was the regular course of business of Sterling Bank's for an employee or representative of Sterling Bank, with knowledge of the act, event, condition, opinion, service or function, recorded to make the record or to transmit information thereof to be included in such record: and the record was made at or near the time or reasonably soon thereafter. The records attached hereto are the original or exact duplicates of the original.

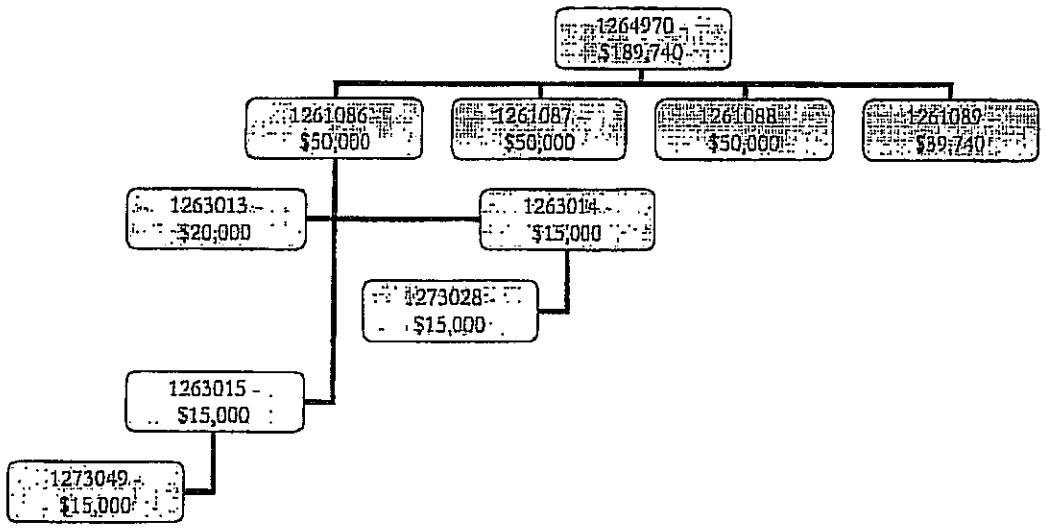
  
\_\_\_\_\_  
Janet Groue  
Senior Vice President and  
Associate General Counsel

SWORN TO AND SUBSCRIBED BEFORE ME on this the 5 day of September 2006.

  
\_\_\_\_\_  
Notary Public, State of Texas



000103





**Sterling Bank**

TRAIL 182011-668  
ACCOUNT NUMBER

DATE 2/13/06 D

WE CHARGE YOUR ACCOUNT FOR ITEMS LISTED HEREON		
2 Cashier Check	189,740	=
	37,360	=

MAIL TO: Crown Financial

TOTAL \$ 225,100.00

[Signature]

TS  
MADE BY

80-1009 EPB B-02

APPROVED

⑆⑆⑆3005549⑆

⑆54

Serial 1 Amount 225100.00 Date 02-14-2006

STERLING ⑆⑆⑆3005549⑆

0017 000R 02/14/06 14:50:00

00031 3104 02/14/06 14:50:00

ACCT: 0171013174 AMT: 225100.00

**\*Sterling Bank\***

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-8900

Cashier's Check  
**--CREDIT--**

No. 1264970

Date: 02/13/2006

Operator: 3184 Tamara Gajewski  
Katy HO West

To:  
Jimmy Slssom

Purchaser:  
Crown Financial

Offset: On Us Check  
Waiver: 8 - Officer Waived

Fee: .00

Amount: \*\$189,740.00

Remarks:

\*1264970\* ⑆113005549⑆ ⑈010022004⑈ 120 ⑈0018974000⑈

Serial 1264970 Amount 189740.00 Date 02-14-2006

STERLING ⑆113005549⑆  
02/14/2006  
9811273910

000106

**❖ Sterling Bank ❖**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-486-8300

Cashier's Check  
**--CREDIT--**

No. 1264971

Date: 02/13/2006

Operator: 3104 Tamara Gajewski  
City 110 West

To:  
Dealer Management Group, Inc.

Purchaser:  
Crown Financial

Offset: On Us Check  
Waiver: 8 - Officer Waived

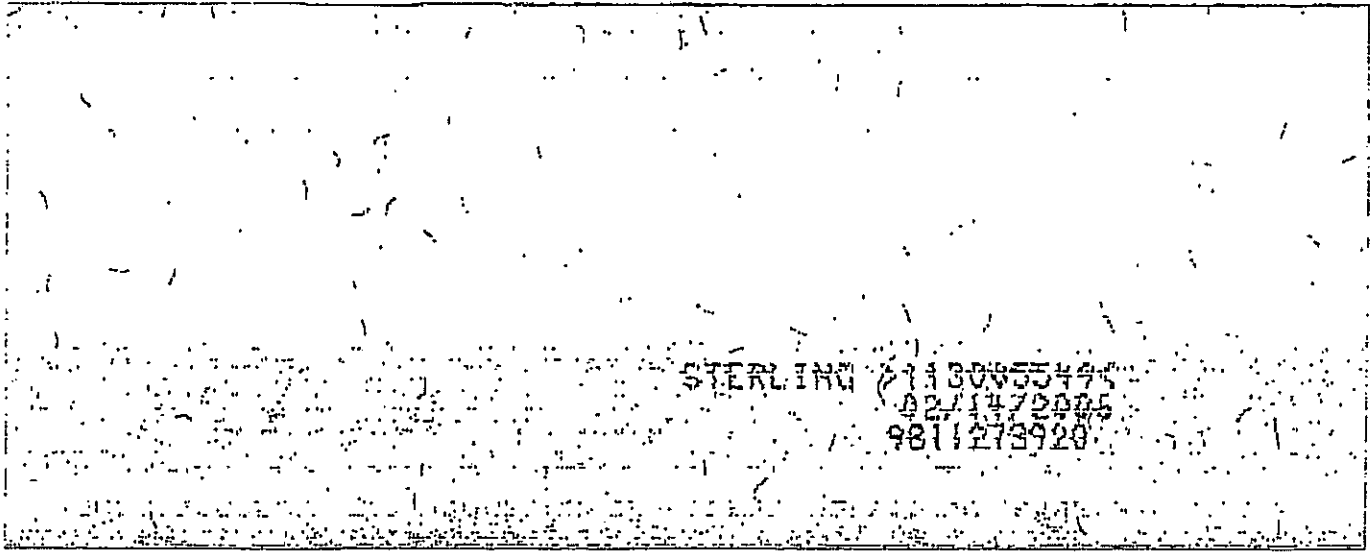
Fee: .00

Amount: \*\*\$35,360.00

Remarks:

⑈1264971⑈ ⑆13005549⑆ ⑈00022004⑈ 120 ⑈0003536000⑈

Serial 1264971 Amount 35360.00 Date 02-14-2006



THE FACE OF THIS DOCUMENT HAS A BLUE CHECK BACK (ROUND OR WHITE PAPER)

**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-0300

Cashier's Check

No. 1264970

3104 Tamara Gajewski  
Rely 110 West

Pay Exactly 189,740 DOLLARS AND 00 CENTS

11036073

02/13/2006

\$189,740.00

PAY TO THE ORDER OF Jimmy Sissom

Remitter: Crown Financial

CHECKS OVER \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT

*James Montgomery*  
PRESIDENT

ALLIANCE SIGNATURE

Must be negotiated within six months from the date of issuance.

⑆1264970⑆ ⑆113005549⑆ ⑆010022004⑆

Serial 1264970 Amount 189740.00 Date 02-14-2006

**FD**  
This security features the prominent Federal Reserve emblem, the Federal Reserve seal, and uniform watermark. Authenticity of these features may be easily ascertained.

FEDERAL RESERVE BANK EMULATION 02

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
RESERVED FOR FINANCIAL INSTITUTION USE

ENDORSE HERE  
*Handwritten signature*

STERLING ⑆113005549⑆  
02/14/2006  
9810053670

000108

**❖ Sterling Bank ❖**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-464-8300

Cashier's Check  
**--CREDIT--**

No. 1261086

Date: 02/13/2006

Operator: 0025 Rosa Monroe  
Westheimer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check  
Waiver: 7 - Non-Customer

**BANK COPY**

Fee: 10.00

Amount: \*\*\$50,000.00

Remarks:

⑈1261086⑈ ⑆113005549⑆ ⑈010022004⑈ 120 ⑆0005000000⑆

Serial 1261086 Amount 50000.00 Date 02-14-2006

STERLING 2113005549  
02/14/2006  
9810853520

000109

**\*Sterling Bank\***

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-8300

Cashier's Check  
**--CREDIT--**

No. 1261087 <sup>(2)</sup>

Date: 02/13/2006

Operator: 0025 Rosa Monroe  
Westheimer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check  
Waiver: 7 - Non-Customer

**BANK COPY**

Fee: 10.00

Amount: \*\*\$50,000.00

Remarks:

⑆ 1261087 ⑆ ⑆ 113005549⑆ ⑆ 010022004⑆ 120 ⑆ 0005000000⑆

Serial 1261087 Amount 50000.00 Date 02-14-2006

STERLING > 113005549⑆  
02/14/2006  
9810853600

000110

**❖ Sterling Bank ❖**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-8300

**Cashier's Check  
--CREDIT--**

No. 1261088

Date: 02/13/2006

Operator: 0025 Rosa Monroe

Westheimer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check

Waiver: 7 - Non-Customer

Fee: 10.00

Amount: \*\*\$50,000.00

Remarks:

⑈ 1261088 ⑈ ⑈ 13005549⑈ ⑈ 010022004 ⑈ ⑈ 0005000000 ⑈

Serial 1261088 Amount 50000.00 Date 02-14-2006

STERLING ⑈ 13005549⑈  
02/14/2006  
9810253588

000111

**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-400-0300

Cashier's Check  
--CREDIT--

No. 1261089

Date: 02/13/2006

Operator: 0025 Rosa Monra  
Woolholmer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check

Waiver: 7 - Non-Customer

Remarks:

Fee: 10.00

Amount: \*\*539,740.00

⑈1261089⑈ ⑆13005549⑆ ⑈010022004⑈ 120 ⑈0003974000⑈

Serial 1261089 Amount 39740.00 Date 02-14-2006

STERLING >13005549<  
02/14/2006  
9810853560

000112









**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-5300

Cashier's Check

No. 1261087  
0025 Ross Marjoe  
Wustheimer Office

Pay Exactly 50,000 DOLLARS AND 00 CENTS

02/18/2006 \*\*\$50,000.00

PAY TO THE ORDER OF SUSAN SISSOM

Remitter: JIMMY SISSOM

*[Signature]*  
CHECKS OVER \$10,000.00 MUST BE CO-SIGNATURED  
PRESIDENT  
*[Signature]*  
AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑈ 1 26 108 7 ⑈ ⑆ 1 300 554 9 ⑆ ⑆ 0 100 2 200 4 ⑆ ⑆ 000 500000 ⑆

⑆ 1 300 554 9 ⑆ ⑆ 000 500000 ⑆

Serial 1261087 Amount 50000.00 Date 04-18-2006

<p>THE STATE OF TEXAS COUNTY OF HARRIS JIMMY SISSOM P.O. BOX 40333 HOUSTON, TEXAS 77240-0333</p>	<p>04/18/2006 111900057 0000000007889346 598438</p>	<p>MORGAN CHASE BANK, N.A. ASSUMED 04/18/2006 59800731793 5151 0000000007889346 598438</p> <p>04/18/2006 9835737410</p>	<p>ENDORSE HERE <i>[Signature]</i> J. A. G. 637 55 9316</p> <p>DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE. PREPARED FOR NATIONAL USE</p>
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000116



**❖ Sterling Bank ❖**

P.O. Box 40333  
Houston, Texas 77244-0333  
Phone 713-460-0300

Cashier's Check  
**--CREDIT--**

No. 1273013  
Date: 05/18/2006  
Operator: 1703 Abran Rodriguez  
Fort Bend Office

To:  
Carz N More

Purchaser:  
Susan Sissom

Offset: Cash Customer  
Waiver: 0 - Waive

Fee: .00

Amount: \*\*\$20,000.00

Remarks:

⑆1273013⑆ ⑆113005549⑆ ⑆01002004⑆ 120 ⑆0002000000⑆

Serial 1273013 Amount 20000.00 Date 05-18-2006

STERLING > 113005549C  
05/18/2006  
9812513570

000118

**❖ Sterling Bank ❖**

P.O. Box 40933  
Houston, Texas 77240-0333  
Phone 713-466-8300

Cashier's Check  
**--CREDIT--**

No. 1273014  
Date: 05/18/2006  
Operator: 1703 Abran Rodriguez  
Fort Bend Office

To:  
Susan Sissom

Purchaser:  
Susan Sissom

Offset: Cash Customer  
Waiver: 0 - Waive

Fee: .00

Amount: \*\*\$15,000.00

Remarks:

⑈1273014⑈ ⑈113005549⑈ ⑈010022004⑈ ⑈20 ⑈0001500000⑈

Serial 1273014 Amount 15000.00 Date 05-18-2006

STERLING >113005549<  
05/18/2006  
9812513580

000119

**❖ Sterling Bank ❖**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-8300

Cashier's Check  
--CREDIT--

No. 1273015  
Date: 05/18/2006  
Operator: 1703 Abran Rodriguez  
Fort Bend Office

To:  
Susan Sissom

Purchaser:  
Susan Sissom

Offset: Cash Customer  
Waiver: 0 - Waive

Fee: .00

Remarks:

Amount: \*\*\$15,000.00

⑈1273015⑈ ⑆113005549⑆ ⑈010022004⑈ 120 ⑈0001500000⑈

Serial 1273015 Amount 15000.00 Date 05-18-2006

STERLING >113005549<  
05/18/2006  
9812513590

000120



# Sterling Bank

P.O. Box 49333  
Houston, Texas 77240-0333  
Phone 713-466-3308

## Cashier's Check

No. 1273013  
1703 Abren Rodriguez  
Fort Bend Office

Pay **Exactly** 20,000 DOLLARS AND 00 CENTS

05/18/2006 \$20,000.00

PAY TO THE ORDER OF **Curz N More**

Remitter: **Susan Blasco**


CHECKS OVER \$10,000.00 MUST BE COURT-SIGNED  
**PRESIDENT**

AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑈ 1273013 ⑆ ⑆ 13005549 ⑆ ⑆ 06022004 ⑆ ⑆ ⑈0002000000⑈

Serial 1273013 Amount 20000.00 Date 05-19-2006

  
The symbol follows the payment instruction & should not be  
displayed. Symbols will appear on the front  
of the check & should not be used for  
validation.

1. SERIAL NUMBER (REVERSE SIDE)

JUN 19 2006  
0001 96697  
⑈0002000000⑈  
⑈13005549⑈  
⑈06022004⑈  
⑈1273013⑈

PAID TO THE ORDER OF  
WACHOVIA BANK N.A.  
11018180  
FOR DEPOSIT ONLY  
CURZ N MORE LLC  
2005283832  
DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
RESERVED FOR FINANCIAL INSTITUTION USE

000121

THIS CHECK OR THIS DOCUMENT HAS A CLAIR CHECK BACKGROUND ON WHITE PAPER

# Sterling Bank

P.O. Box 49333  
Houston, Texas 77240-0333  
Phone 713-460-8300

## Cashier's Check

No. 1273014  
1703 Abram Rodriguez  
Fort Bend Office

# 09910324  
05-18-2006

Pay Exactly 15,000 DOLLARS AND 00 CENTS

05/18/2006 \$15,000.00

PAY TO THE ORDER OF Susan Sissom

Remitter Susan Sissom

Valid over \$15,000.00  
*[Signature]*  
CHECKS OVER \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT  
*[Signature]*  
AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑆ 273014 ⑆ ⑆ 13005549⑆ ⑆ 000200⑆

Serial 1273014 Amount 15000.00 Date 05-22-2006



The security features on this document include a MicroPrinted Security System, and digital signatures. Advice of these features may be obtained from the Federal Reserve.

FEDERAL RESERVE NOTE SERIAL NUMBER

STERLING ⑆ 13005549⑆  
0106 ST 05/22/06 1230  
00017 1705 A 05/22/06 05/22/2006  
START SPLIT .. AMT 15,000.00 0633200  
C/I: .00

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE.  
PRESENTED FOR FINANCIAL INSTITUTION USE

ENDORSE LINE  
X

*[Signature]*

000122

# 09910324 9-12-07

**Sterling Bank**

P.O. BOX 40333  
HOUSTON, TEXAS 77240-0333  
Phone 713-466-0300

Cashier's Check  
--CREDIT--

No. 1273028

Date: 05/22/2006

Operator: 1706 Rucker  
Fort Bend Office

To:  
Butross Properties

Purchaser:  
C J Collet Inv.

Offset: On Us Check

Waiver: 0 - Waive

BANK COPY

Fee: .00

Amount: \*\*\$15,000.00

Remarks:

⑈ 1273028 ⑈ ⑆ 13005549⑆ ⑈ 0 10022004 ⑈ 120 ⑈ 0001500000 ⑈

Serial 1273028 Amount 15000.00 Date 05-22-2006

STERLING >113005549⑆  
05/22/2006  
98106331190

000123

**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-9300

No. 1273016  
1703 Arnan Rodriguez  
Fort Bend Office

Cashier's Check

Not Used For Purposes  
Intended

Pay Exactly 15,000 DOLLARS AND 00 CENTS

05/18/2008 \$15,000.00

PAY TO THE ORDER OF Susan Siesom

Cashier's Check #  
Issued in lieu of this item

Valid over \$10,000.00

Remitter Susan Siesom

CHECKS OVER \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT

*[Signature]*  
AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑈1273015⑈ ⑆113005549⑆ ⑈0020022004⑈

Serial 1273015 Amount 15000.00 Date 05-25-2008

**FD-1**  
The money shown on this document is from the Federal Reserve System, and unless otherwise indicated, it is not redeemable for cash at the bank of issue.  
Absence of these markings may indicate a counterfeit.

FEDERAL RESERVE BANK REGULATIONS APPLY

0014 ST SP 05/25/08 11:22 AM  
00017 1702 4 05/25/08  
51887 58117 15,000.00

Issued in lieu of this item

STERLING ⑆113005549⑆  
05/25/2008  
⑈1273015⑈

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE  
PROHIBITED FOR FINANCIAL INSTITUTION USE

ENDORSE HERE  
*[Signature]*

000124

**\*Sterling Bank\***

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-3500

Cashier's Check  
**--CREDIT--**

No. 1273049

Date: 05/25/2006

Operator: 1707 Chito Galamez  
Fort Bend Office

To:  
SUSSAN SISSOM

Purchaser:  
KRISTINE GARBO

Offset: On Us Check  
Waiver: 0 - Waive

Fee: .00

Amount: \*\*\$15,000.00

Remarks:

⑈1273049⑈ ⑆13005549⑆ ⑆010022004⑆ 120 ⑆0001500000⑆

Serial 1273049 Amount 15000.00 Date 05-25-2006

STERLING > 13005549X  
05/25/2006  
981267550

000125





Southern District of Texas

IN RE:

Case No. 06-31917

Sissom, Jimmy Wayne

Chapter 7

Debtor(s)

AMENDED SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors also must complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

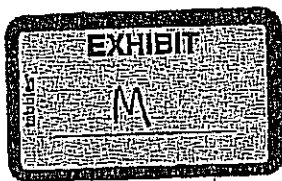
1099-2006 EZ-Filing, Inc. 1-800-955-2424 - Form 6-06/06 Only

NAME OF SCHEDULE	ATTACHED (YES/NO)	NUMBER OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	\$ 369,383.64		
B - Personal Property	Yes	4	\$ 629,577.95		
C - Property Claimed as Exempt	Yes	1			
D - Creditors Holding Secured Claims	Yes	1		\$ 564,131.49	
E - Creditors Holding Unsecured Priority Claims	Yes	1		\$ 0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	2		\$ 810,159.09	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	Yes	1			\$ 0.00
J - Current Expenditures of Individual Debtor(s)	Yes	1			\$ 4,241.67
<b>TOTAL</b>		<b>14</b>	<b>\$ 998,961.59</b>	<b>\$ 1,374,290.58</b>	

United States Courts  
Southern District of Texas  
FILED

SEP 08 2006

Michael N. Milby, Clerk



AMENDED SUMMARY OF SCHEDULES



United States Bankruptcy Court  
Southern District of Texas

IN RE:

Case No. 06-31917

Slssom, Jimmy Wayne

Debtor(s)

Chapter 7

AMENDED STATISTICAL SUMMARY OF CERTAIN LIABILITIES (28 U.S.C. § 159)  
[Individual Debtors Only]

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	
Claims for Death or Personal Injury While Debtor was Intoxicated (from Schedule E)	
Student Loan Obligations (from Schedule F)	
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	
<b>TOTAL</b>	<b>0.00</b>

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Debtor(s)

**AMENDED SCHEDULE A - REAL PROPERTY**

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, or both own the property by placing an "H" for Husband, "W" for Wife, "J" for Joint or "C" for Community in the column labeled "EWIC." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim."

If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

DESCRIPTION AND LOCATION OF PROPERTY	NATURE OF DEBTOR'S INTEREST IN PROPERTY	H W J C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION	AMOUNT OF SECURED CLAIM
106 Elght Oak Drive Bastrop Texas 78602	homestead	C	369,383.64	302,240.00

TOTAL 369,383.64

(Report also on Summary of Schedules)



**AMENDED SCHEDULE B - PERSONAL PROPERTY**  
(Continuation Sheet)

TYPE OF PROPERTY	N O N B	DESCRIPTION AND LOCATION OF PROPERTY	H W I C	CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.	X			
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) in customer lists or similar compilations provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers, and other vehicles and accessories.		1997 BMW 540 Demo (This car was never owned by me. The 1997 BMW was one of the cars purchased by Russel Soltani at a Dealer's Auction. Russel allowed me to drive the 1997 BMW for approximately 1 month at which time I returned the vehicle to Russel Soltani which to my understanding he returned to the auction. I did not purchase or pay any money to Russel Soltani for the 1997 BMW.		0.00
		2002 Chevy Suburban	W	20,000.00
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment, and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			
<b>TOTAL</b>				<b>629,577.95</b>

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0 continuation sheets attached  
AMENDED SCHEDULE B - PERSONAL PROPERTY

(Include amounts from any continuation sheets attached.  
Report total also on Summary of Schedules.)

000132

Debtor(s)

**AMENDED SCHEDULE B - PERSONAL PROPERTY**  
(Continuation Sheet)

TYPE OF PROPERTY	N O N E	DESCRIPTION AND LOCATION OF PROPERTY	H W J C  CURRENT VALUE OF DEBTOR'S INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
<p>4. Household goods and furnishings, include audio, video, and computer equipment.</p>		<p>Bedroom 1 Lamp = \$25.00 Bed = \$150.00 TV = \$200.00 2 Chairs = \$100.00 1 couch = \$100.00 Bedroom 2 Bed = \$100.00 TV = \$100.00 Bedroom 3 Bed = \$100.00 Nightstand = \$50.00 Bookshelf = \$50.00 Bedroom 4 Bed = \$100.00 2 chairs = \$100.00 lamp = \$10.00 Living Room: sofa = \$100.00 2 chairs = \$100.00 lamp = \$50.00 Nightstand = \$25.00 Desk = \$25.00 TV = \$50.00 Dinning Room : table w/6 Chairs = \$350.00 hutch = \$150.00 2 lamps = \$50.00 2 vases = \$20.00 Kitchen: table = \$100.00 3 barstools = \$100.00 computer = \$100.00 TV = \$100.00</p>	<p align="right">2,780.00</p>
<p>5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.</p>		<p>Books, pictures and misc family pictures, cd's, tapes etc</p>	<p align="right">470.00</p>
<p>6. Wearing apparel.</p>		<p>mens wearing apparel</p>	<p align="right">500.00</p>
<p>7. Furs and jewelry.</p>		<p>costume jewelry (wife's)</p>	<p align="right">200.00</p>
<p>8. Firearms and sports, photographic, and other hobby equipment.</p>		<p>Digital Camera and Video Camera, golf clubs, fishing equipment</p>	<p align="right">400.00</p>
<p>9. Interest in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.</p>		<p>Farmers New World Life Insurance Co. Policy #006126328 Term</p>	<p align="right">250,000.00</p>
<p>10. Annuities. Itemize and name each issue.</p>	X		

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AMENDED SCHEDULE B - PERSONAL PROPERTY

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Debtor(s)

AMENDED SCHEDULE B - PERSONAL PROPERTY  
(Continuation Sheet)

TYPE OF PROPERTY	NONE	DESCRIPTION AND LOCATION OF PROPERTY	H W J C	CURRENT VALUE OF DEBTORS INTEREST IN PROPERTY WITHOUT DEDUCTING ANY SECURED CLAIM OR EXEMPTION
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(3). If U.S.C. § 521(c); Rule 1007(b)).	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Itemize.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.		Dealer Management Group Inc. owns 33% Ceased Operation in 2006		0.00
		River Oak Motor Cars Inc. 100% Ownership Sold in October 1999 \$175,000 - \$200,000		0.00
		Roberts Enterprises Operation from June 2003 through June 2004 then became dba of Dealers Management Inc.		0.00
		Sissom Enterprise Inc. dba S&S Financial Investments 50% Ownership Ceased Operating in 2003		0.00
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and non-negotiable instruments.	X			
16. Accounts receivable.		Loan to DMG		0.00
		Mike Fry and Warren Fry (claim against them for monies owed related to expenses of F&S Ventures)		300,000.00
17. Alimony, maintenance, support, and property settlements in which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owing debtor including tax refunds. Give particulars.	X			
19. Equitable or future interest, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule of Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.		Possible Cause of Action Against Barbara Rogers Possible Cause of Action Against Royal Oaks Bank		unknown unknown

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AMENDED SCHEDULE B - PERSONAL PROPERTY

Debtor(s)

**AMENDED SCHEDULE C - PROPERTY CLAIMED AS EXEMPT**

Debtor elects the exemptions to which debtor is entitled under:  
(Check one box)

Check if debtor claims a homestead exemption that exceeds \$125,000.

- 11 U.S.C. § 522(b)(2)
- 11 U.S.C. § 522(b)(3)

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DESCRIPTION OF PROPERTY	SPECIFY LAW PROVIDING EACH EXEMPTION	VALUE OF CLAIMED EXEMPTION	CURRENT VALUE OF PROPERTY WITHOUT DEDUCTING EXEMPTIONS
<b>SCHEDULE A - REAL PROPERTY</b>			
106 Eight Oak Drive Bastrop Texas 78802	Art. 16, §§ 50,51 Code §§ 41.001, 41.002	369,383.64	369,383.64
<b>SCHEDULE B - PERSONAL PROPERTY</b>			
Bedroom 1 Lamp = \$25.00 Bed = \$150.00 TV = \$200.00 2 Chairs = \$100.00 1 couch = \$100.00	Property Code § 42.002(a)(1)-(5), (7)-(10)	2,780.00	2,780.00
Bedroom 2 Bed = \$100.00 TV = \$100.00 Bedroom 3 Bed = \$100.00 Nightstand = \$50.00 Bookshelf = \$50.00 Bedroom 4 Bed = \$100.00 2 chairs = \$100.00 lamp = \$10.00 Living Room: sofa = \$100.00 2 chairs = \$100.00 lamp = \$50.00 Nightstand = \$25.00 Desk = \$25.00 TV = \$50.00 Dinning Room : table w/6 Chairs = \$350.00 hutch = \$150.00 2 lamps = \$50.00 2 vases = \$20.00 Kitchen: table = \$100.00 3 barstools = \$100.00 computer = \$100.00 TV = \$100.00			
Books, pictures and misc family pictures, cd's, tapes etc	Property Code § 42.002(a)(1)-(5), (7)-(10)	470.00	470.00
mens wearing apparel	Property Code §§ 42.001(a), 42.002(a)(5)	500.00	500.00
costume jewelry (wife's)	Property Code § 42.002(a)(6)	200.00	200.00
Digital Camera and Video Camera, golf clubs, fishing equipment	Property Code §§ 42.001(a), 42.002(a)(8)	400.00	400.00
Farmers New World Life Insurance Co. Policy #006126328 Term	Property Code §§42.001(a), 42.002(a)(12)	250,000.00	250,000.00

AMENDED SCHEDULE C - PROPERTY CLAIMED AS EXEMPT

Debtor(s)

**AMENDED SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, indicate that by stating "a minor child," and do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule E - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "HWJC."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

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CREDITORS NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER. (See instructions above.)	C O D E B T O R	H W J C	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL
							UNSECURED PORTION, IF ANY
Account No. 136029708 Americas Wholesale Lender 7600 B Capital Of Texas Hwy North #360 Austin, TX 78731			Value \$ 369,383.64				302,240.00
Account No. 6745 Chase Bank USA NA C/O Michael Neville 2040 North Loop W Ste 102 Houston, TX 77018-8109			Judgment Value \$				11,891.49 11,891.49
Account No. Crown Financial 18420 Park Ten Place Houston, TX 77084			50% Stock in F&S Ventures Value \$				250,000.00 250,000.00
Account No.			Value \$				
Subtotal (Total of this page)							564,131.49
(Use only on last page of the completed Schedule D) TOTAL							564,131.49
(Report total also on Summary of Schedules)							

continuation sheets attached



Debtor(s)

**AMENDED SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, indicate that by stating "a minor child" and do not disclose the child's name. See 11 U.S.C. § 112; Fed.R.Bankr.P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "C" in the column labeled "Contingent." If the claim is unliquidated, place an "U" in the column labeled "Unliquidated." If the claim is disputed, place an "D" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Check this box if debtor has no creditors holding unsecured nonpriority claims to report on this Schedule F.

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CREDITORS NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above)	C O D E B T O R	H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No. 0010 Advanta P.O. Box 30715 Salt Lake City, UT 84130			Goods and Services				5,459.09
Account No. 0502 Capital One P.O. Box 30285 Salt Lake City, UT 84130			Goods and Services				5,700.00
Account No. 3088 Chase PO Box 15192 Wilmington, DE 19850-5298			Goods and Services				5,000.00
Account No. 1777 Citibusiness P.O. Box 44230 Jacksonville, FL 32231			Goods and Services				11,000.00
Account No. 8920 Discover PO Box 15192 Wilmington, DE 19850-5192			Goods and Services				10,000.00
Subtotal (Total of this page)							37,159.09

1 continuation sheets attached

(Use only on last page of the completed Schedule F) **TOTAL**  
(Report total also on Summary of Schedules)

Debtor(s)

**AMENDED SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS**  
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See Instructions.)	U N D E R R O T	H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM IF CLAIM IS SUBJECT TO SETOFF, SD STATE	U N D E R R O T	U N D E R R O T	D I S P U T E D	AMOUNT OF CLAIM
Account No. 0267 Hess Visa P.O. Box 15192 Wilmington, DE 19850			Goods and Services				5,000.00
Account No. 9026 HSBC P.O. Box 80026 Salinas, CA 93912			Goods and Services				5,000.00
Account No. John Spence 21 St. Christopher Sugar Land, TX 77479			Loan				65,000.00
Account No. 6688 Mastercard HSBC P.O. Box 80026 Salinas, CA 93912			Goods and Services				2,000.00
Account No. 6415 Royal Oaks Bank 12000 Westheimer Houston, TX 77042	X					X	696,000.00
Account No.							
Account No.							

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Sheet no. 1 of 1 sheets attached to Schedule of  
Creditors Holding Unsecured Nonpriority Claims

Subtotal  
(Total of this page) **773,000.00**

(Complete only on last sheet of Schedule F) **TOTAL 810,159.09**  
(Report total also on Summary of Schedules)

IN RE Sissom, Jimmy Wayne

Case No. 06-31917

Debtor(s)

**AMENDED DECLARATION CONCERNING DEBTOR'S SCHEDULES**

**DECLARATION UNDER PENALTY OF PERJURY BY INDIVIDUAL DEBTOR**

I declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 15 sheets, and that they are true and correct to the best of my knowledge, information, and belief. (Total sheets on summary page plus 1)

Date: September 7, 2006 Signature: *Jimmy Wayne Sissom*  
Jimmy Wayne Sissom Debtor

Date: \_\_\_\_\_ Signature: \_\_\_\_\_  
(Joint Debtor, if any)  
[If joint case, both spouses must sign.]

**DECLARATION AND SIGNATURE OF NON-ATTORNEY BANKRUPTCY PETITION PREPARER (See 11 U.S.C. § 110)**

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342 (b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required by that section.

Printed or Typed Name and Title, if any, of Bankruptcy Petition Preparer \_\_\_\_\_ Social Security No. (Required by 11 U.S.C. § 110.)  
*If the bankruptcy petition preparer is not an individual, state the name, title (if any), address, and social security number of the officer, principal, responsible person, or partner who signs the document.*

Address \_\_\_\_\_

Signature of Bankruptcy Petition Preparer \_\_\_\_\_ Date \_\_\_\_\_

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document, unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional signed sheets conforming to the appropriate Official Form for each person.

*A bankruptcy petition preparer's failure to comply with the provision of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.*

**DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP**

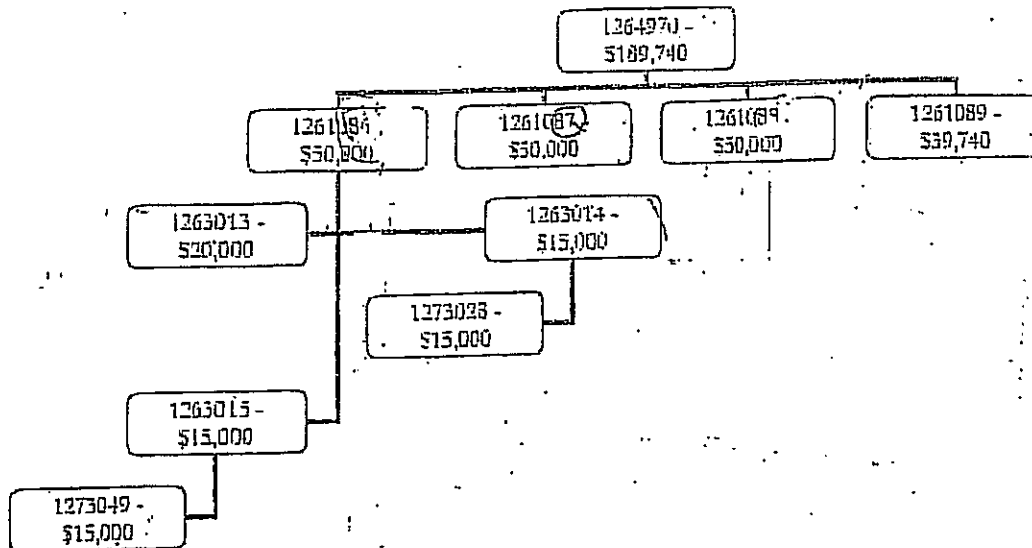
I, the \_\_\_\_\_ (the president or other officer or an authorized agent of the corporation or a member or an authorized agent of the partnership) of the \_\_\_\_\_ (corporation or partnership) named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of \_\_\_\_\_ sheets, and that they are true and correct to the best of my knowledge, information, and belief. (Total sheets on summary page plus 1)

Date: \_\_\_\_\_ Signature: \_\_\_\_\_  
(Print or type name of individual signing on behalf of debtor)

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement or concealing property. Fine of up to \$500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

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**EXPLANATION ON THE FUNDS RECEIVED FROM CROWN FINANCIAL ON SALE OF MY 1/2 INTEREST IN F&S VENTURES, INC.**

On 2/13/06 I received 2 cashiers checks (\$189,740.00 and \$35,360.00) from Crown Financial for the sale of my 1/2 interest in F&S Ventures, Inc. My understanding was this was a "gap loan" and Royal Oaks Bank was going to give my company Dealers Management Group, Inc.(DMG) a new line of credit and I could redeem my stock from Crown for what I was given. I had 90 days to redeem my stock. The new line of credit never materialized, so I could not redeem.

I deposited the \$35,300.00 into the account of DMG. I got 4 cashiers checks in the following amounts:

1. Check # 1261086 - \$50,000.00
2. Check # 1261087 - \$50,000.00
3. Check # 121088 - \$50,000.00
4. Check # 1261089 - \$39,740.00

All of these cashiers checks were issued in the name of my wife, Susan Slissom. At this time my wife and I were having marital problems.

My wife deposited # 1261087 into her account on 4/13/06. My wife cashed #1261086 on 5/18/06 and received 3 new cashiers checks: #1263013-\$20,000.00, #1263014-\$15,000.00 and #127328-\$15,000.00.

The remaining check #4 above was deposited into DMG's account at Laredo National Bank.

My wife used check #1273013 to purchase her Suburban from Carz n moore.

She cashed check #1273014 (15,000.00) and spent the money. My wife deposited check #1273049 in her mothers' account in Belize.

This accounts for the \$189,740.00 I received from my sale. See copies of all cashiers checks attached.

000140

P.O. Box 20333  
Houston, Texas 77248-0333  
Phone 713-456-9300

Cashier's Check *John*  
*Chick*

No. 1264970  
3104 Tamara Caldwell  
Rt 110 West

Pay *11036043*  
Exactly 189,740 DOLLARS AND 00 CENTS  
02/13/2006 \$189,740.00

PAY TO THE ORDER OF Jimmy Sissom  
Remit: Crown Financial

*David M. Williams*  
CHECKS OVER \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT  
AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑈ 1264970 ⑈ ⑆ 13005549 ⑆ ⑈ 010022004 ⑈

Serial 1264970 Amount 189740.00 Date 02-14-2006

ENDORSE HERE

*Handwritten signature*

DO NOT WRITE ABOVE OR BELOW THIS LINE  
RECOMMENDED FOR FINANCIAL INSTITUTION USE

STERLING 113005549  
02/14/2006  
010022004

VERBODEN TOEGEFERD WORDEN

The money orders on this document include a Micro-Film backup,  
Security Service, and digital watermark.  
Advance address labels may be used for identification.

**\*Sterling Bank\***

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-468-2000

Cashier's Check  
--CREDIT--

No. 1264970

Date: 02/13/2006

Operator: 3104 Tamara Gajewski  
Katy Hill West

To:  
Jimmy Sisson

Purchaser:  
Crown Financial

Offset: On Us Check  
Waiver: 8 - Officer Waived

Fee: .00

Amount: \*\$189,740.00

Remarks:

\*1264970\* ⑆ 13005549⑆ ⑆010022004⑆ 120 ⑆0018974000⑆

Serial 1264970 Amount 189740.00 Date 02-14-2006

STERLING ⑆13005549⑆  
02/14/2006  
9811273910

000142

P.O. Box 40323  
Houston, Texas 77240-0323  
Phone 713-455-9100

Cashier's Check

No. 1261086  
0025 Ross Manna  
Wealthier Office

Pay ~~1261086~~ 09910324 967  
Exactly 50,000 DOLLARS AND 00 CENTS

02/13/2006 \*\*\$50,000.00

PAY TO THE ORDER OF SUSAN SISSOM

Remitter: JIMMY SISSOM

*[Signature]*  
CHECKS OVER \$10,000 MUST BE COUNTER-SIGNED  
PRESIDENT  
*[Signature]*  
ATTORNEYS AT LAW

Must be negotiated within six months from the date of issuance.

⑆ 1261086 ⑆ ⑆ 13005549⑆ ⑆ 0022004⑆

Serial 1261086 Amount 50000.00 Date 05-18-2006

The security features on this document include a MicroPrint border, security fibers, and micro-validation. Absence of these features may indicate alteration.

AMT 50,000.00  
START SPLIT  
END 02/13/06

STERLING BANK  
02/13/06  
START SPLIT  
AMT 50,000.00

ENDORSE HERE  
X  
*[Signature]*  
CAR. R. S. S. S.  
200032650372-1  
DO NOT WRITE, STAMP OR SIGN BEYOND THIS LINE.  
PRESENTED FOR FINANCIAL INSTITUTION USE

**Sterling Bank**

P.O. Box 40211  
Houston, Texas 77240-0211  
Phone 713-408-8300

Cashier's Check  
--CREDIT--

No. 1261086  
Date: 02/13/2006  
Operator: 0028 Rosa Morae  
Weathermer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check

Waiver: 7 - Non-Customer

Remarks:

BANK COPY

Fee: 10.00

Amount: \*\*\$50,000.00

⑈1261086⑈ ⑆1113005547⑆ ⑈010022004⑈ 120 ⑆0005000000⑆

Serial 1261086 Amount 50000.00 Date 02-14-2006

STERLING 1130055474  
02/14/2006  
9310863610

000144






**\*Sterling Bank\***

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-456-0300

Cashier's Check  
--CREDIT--

No. 1261087   
Date: 02/13/2006  
Operator: 0025 Rosa Monroe  
Westholmer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check  
Waiver: 7 - Non-Customer

**BANK COPY**

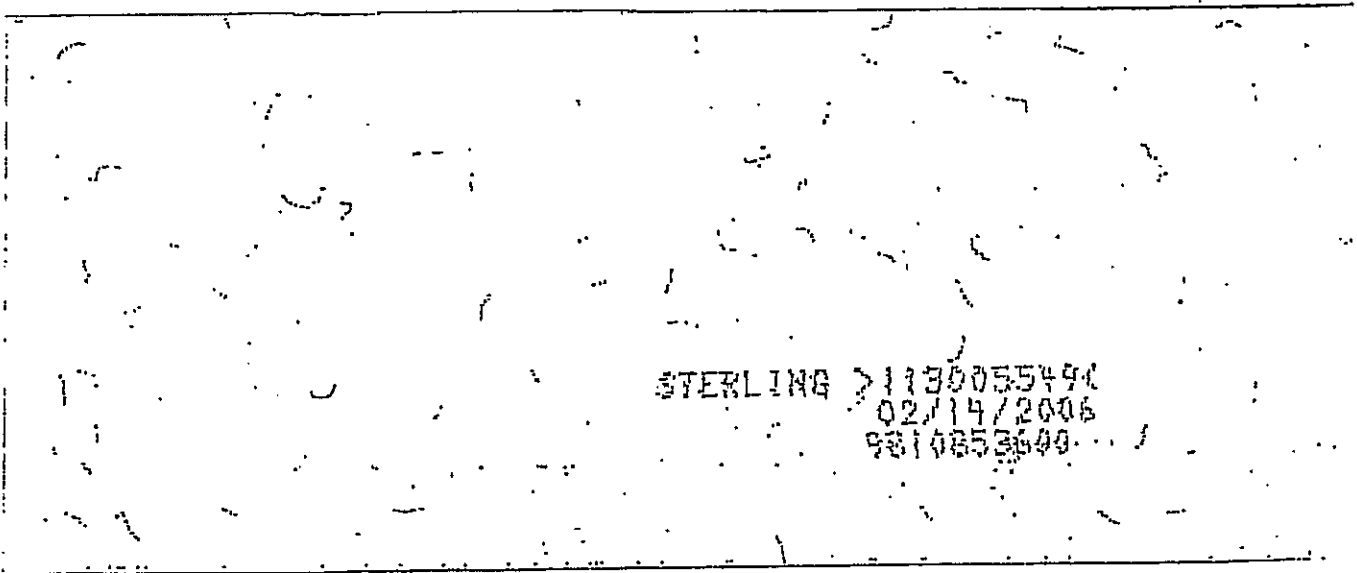
Fee: 10.00

Amount: \*\*\$50,000.00

Remarks:

⑆ 1 26 1087 ⑆ 1113005549⑆ ⑆ 0 10022004⑆ 120 ⑆ 0005000000 ⑆

Serial 1261067 Amount 60000.00 Date 02-14-2006



STERLING > 1130055490  
02/14/2006  
9810853600



**Sterling Bank**

P.O. Box 48333  
Houston, Texas 77248-0333  
Phone 713-466-8300

Cashier's Check  
--CREDIT--

No. 1261088  
Date: 02/13/2006  
Operator: 0025 Rosa Monran  
Westheimer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On Us Check

Waiver: 7 - Non-Customer

Fee: 10.00

Amount: \*\*\$50,000.00

Remarks:

⑆1261088⑆ ⑆13005549⑆ ⑆010022004⑆ 120 ⑆0005000000⑆

Serial 1261088 Amount 50000.00 Date 02-14-2006

STERLING ⑆13005549⑆  
02/14/2006  
9810253560

000148

**STERLING BANK**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-463-8300

**Cashier's Check**

No. 1261089

0025 Rose Manor  
Wastheimer Office

Pay **39,740 DOLLARS AND 00 CENTS**  
Exactly

02/13/2006 \*\*\$39,740.00

PAY TO THE ORDER OF **SUSAN SISSOM**

Remitted **JIMMY SISSOM**

*[Signature]*  
CHECKS ON US \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT

*[Signature]*  
AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑆1261089⑆ ⑆171900500617⑆ ⑆10022004⑆ ⑆0004768000⑆

Serial 1261089 Amount 39740.00 Date 03-10-2006

THE COMPLETE LISTING OF THE BANKS AND BANKERS OF THE UNITED STATES IS PUBLISHED BY THE FEDERAL RESERVE SYSTEM. SEE THE LISTING FOR THE NAME AND ADDRESS OF THE BANK OR BANKERS TO WHOM THIS CHECK IS TO BE DEPOSITED.

UNITED STATES FEDERAL RESERVE SYSTEM

03092006 03092006

414000174  
UNITED STATES FEDERAL RESERVE SYSTEM  
FEB 13 2006  
FEDERAL RESERVE BANK OF HOUSTON  
HOUSTON, TEXAS 77002

3001 50023

AMOUNT PAID  
PAY TO THE ORDER OF  
LAREDO NATIONAL BANK  
FOR DEPOSIT ONLY  
DEALER'S MANAGEMENT GROUP, INC.  
10000000  
*[Signature]* *[Signature]* PAY TO PAID  
DO NOT WRITE BEYOND THIS LINE  
THIS CHECK IS VOID WITHOUT SIGNATURE LINE

**\*Sterling Bank\***

P.O. Box 48333  
Houston, Texas 77248-0333  
Phone 713-869-8300

Cashier's Check

--CREDIT--

No. 1261089

Date: 02/13/2006

- Operator: 0025 Rosa Morris  
Westholmer Office

To:  
SUSAN SISSOM

Purchaser:  
JIMMY SISSOM

Offset: On-Us Check

Waiver: 7 - Non-Customer

Remarks:

Fees: 10.00

Amount: \*\*\$39,740.00

⑈1261089⑈ ⑆13005549⑆ ⑈010022004⑈ 120 ⑈0003974000⑈

Serial 1261089 Amount 39740.00 Date 02-14-2006

STERLING ⑆13005549⑆  
02/14/2006  
12610893360

000150



# \*Sterling Bank\*

P.O. Box 49339  
Houston, Texas 77248-0339  
Phone 713-506-6300

Cashier's Check  
--CREDIT--

No. 1273013

Date: 05/18/2006

Operator: 1703 Abran Rodriguez

Fort Bend Office

To:

Carz N More

Purchaser:

Susan Sissom

Offset: Cash Customer

Waiver: 0 - Waive

Remarks:

Fee: .00

Amount: \*\*\$20,000.00

⑆1273013⑆ ⑆13005549⑆ ⑆010022004⑆ ⑆20 ⑆0002000000⑆

Serial 1273013 Amount 20000.00 Date 05-18-2006

STERLING >113005549<  
05/18/2006  
9802513570

000152



**STERLING BANK** Cashier's Check No. 1273014  
 P.O. Box 40300 Houston, Texas 77240-0300 Phone 713-465-8300  
 1703 Abram Rodriguez Fort Bend, Office

409910324  
 5-12-06

Pay **15,000 DOLLARS AND 00 CENTS** -05/18/2006 \$15,000.00  
 Exactly

PAY TO THE ORDER OF **Susan Sissom**

Remitter **Susan Sissom**

*[Signature]*  
 PRESIDENT

CHECKS OVER \$10,000 MUST BE DEPOSITED

Must be negotiated within six months from the date of issuance.

⑆1273014⑆ ⑆130055496⑆ ⑆040022004⑆

Serial 1273014 Amount 15000.00 Date 05-22-2006

CHRONIC ITEM

*Susan Sissom*

NO POSTAL SERVICE REQUIRED FOR THIS LINE. PRESENTED FOR FINANCIAL INSTITUTION USE.

STERLING BANK 130055496  
 05/22/06 12:50  
 05/22/06 05/22/2006  
 0020933200  
 .00

OLDB ST ST 05/22/06 12:50  
 CG017 1705 .A 05/22/06  
 START SPLIT .ATT 15,000.00  
 C/I: .00

The Security Features on this instrument require a Micro-TYPE Security Society Stamp, and additional watermark. Absence of these features may indicate a counterfeit.

000153

**\*Sterling Bank\***

P.O. Box 40380  
Houston, Texas 77240-0383  
Phone 713-466-8300

Cashier's Check  
--CREDIT--

No. 1273014  
Date: 05/18/2006  
Operator: 1703 Abnan Rodriguez  
Fort Bend Office

To:  
Susan Sissom

Purchaser:  
Susan Sissom

Offset: Cash Customer  
Waiver: 0 - Waive

BANK COPY

Fee: .00

Amount: \*\*\$15,000.00

Remarks:

⑈1273014⑈ ⑆113005549⑆ ⑈010022004⑈ 120 ⑈0001500000⑈

Serial 1273014 Amount 15000,00 Date 05-18-2006

STERLING 113005549C  
05/18/2006  
9812513580

000154



UT 170524 4-12-02  
**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-466-8300

Cashier's Check  
--CREDIT--

No. 1273028  
Date: 05/22/2006  
Operator: 1705 Reeler  
Fort Bend Office

To:  
Bulross Properties

Purchaser:  
C J Collet Inv.

Offset: On Us Check  
Waiver: 0 - Waive

BANK COPY

Fee: .00

Amount: \*\*\$15,000.00

Remarks:

⑈ 1273028 ⑈ ⑆ 113005549 ⑆ ⑈ 010022004 ⑈ 120 ⑈ 000150000 ⑈

Serial 1273028 Amount 15000.00 Date 05-22-2006

STERLING 113005549  
05/22/2006  
9810633190

000156

STERLING DAILY

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-465-9300

Cashier's Check

No. 1273016

1703 Adrian Rodriguez  
Fort Bend Office

NOT USED FOR PURPOSES  
Intended

Pay Exactly 15,000 DOLLARS AND 00 CENTS

05/18/2008

\$15,000.00

PAY TO THE ORDER OF Susan Stinson

Cashier's Check  
Issued in lieu of this item

Valid over \$10,000.00

Remitter: Susan Stinson

CHECKS OVER \$10,000.00 MUST BE COUNTERSIGNED  
PRESIDENT

AUTHORIZED SIGNATURE

Must be negotiated within six months from the date of issuance.

⑈1273016⑈ ⑈113005549⑈ ⑈040022004⑈

Serial 1273015 Amount 15000.00 Date 05-25-2008

<p>THIS COPY REMAINS ON THE DOCUMENT UNTIL THE ORIGINAL IS DESTROYED. SECURITY FEATURES AND SERIAL NUMBER. Absence of these features may indicate a counterfeit.</p>	<p>05/25/08 11:22 AM 05/25/08 11:22 AM 05/25/08 11:22 AM 05/25/08 11:22 AM 05/25/08 11:22 AM</p> <p>STERLING ⑈113005549⑈ ⑈05/25/2008⑈ ⑈1273016⑈</p>	<p>ENCLOSURE HERE</p> <p>DO NOT WRITE, STAMP OR SEAL BEHIND THIS CHECK. IT IS RESERVED FOR FINANCIAL INSTITUTION USE ONLY.</p> <p><i>[Signature]</i></p>
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000157

**\*Sterling Bank\***

P.O. Box 48333  
Houston, Texas 77240-0333  
Phone 713-488-8300

Cashier's Check  
--CREDIT--

No. 1273015  
Date: 05/18/2006  
Operator: 1703 Abran Rodriguez  
Fort Bend Office

To:  
Susan Sissom

Purchaser:  
Susan Sissom

Offset: Cash Customer  
Waiver: 0 - Waive

Fee: .00

Amount: \*\*\$16,000.00

Remarks:

⑈1273015⑈ ⑆113005549⑆ ⑈010022004⑈ 120 ⑈0001500000⑈

Serial 1273015 Amount 16000.00 Date 05-18-2006

STERLING ⑆113005549⑆  
05/18/2006  
9812513590

000158



# ✪ Sterling Bank ✪

P.O. Box 48333  
Houston, Texas 77248-0333  
Phone 713-460-3300

Cashier's Check  
--CREDIT--

No. 1273049  
Date: 05/25/2006  
Operator: 1707 Chita Galamez  
Fort Bend Office

To:  
SUSSAN SISSOM

Purchaser:  
KRISTINE GARBO

Offset: On-Us Check

Fee: .00

Waiver: 0 - Waive

Amount: \*\*\$15,000.00

Remarks:

⑈1273049⑈ ⑆113005549⑆ ⑈00022004⑈ 120 ⑈0001500000⑈

Serial 1273049 Amount 15000.00 Date 05-25-2006

STERLING > 113005549  
05/25/2006  
981287550

000160



**Sterling Bank**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-465-9300

Cashier's Check

No. 1264971

3104 Tappan Galewood  
Rd. Houston, Texas

Pay **35,360 DOLLARS AND 00 CENTS**  
Exactly

02/13/2006

\$35,360.00

PAY TO THE ORDER OF Dealer Management Group, Inc.

Remitter: Crown Financial

Value over \$10,000.00  
*Opportunity*  
OFFICERS OVER \$10,000.00 MUST BE COMPLETED  
PRESIDENT  
*[Signature]*

Must be negotiated within six months from the date of issuance.

⑆ 254971 ⑆ ⑆ 130065491 ⑆ ⑆ 030022004 ⑆

⑆ 0003556000 ⑆

Serial 1264971 Amount 35360.00 Date 03-03-2006

<p>The entity liable on this document is a Member of the Federal Reserve System and is subject to the supervision of the Federal Reserve Board.</p>	<p>⑆ 1400000003 ⑆ ⑆ 030022004 ⑆</p>	<p>⑆ 030022004 ⑆</p>	<p>⑆ 030022004 ⑆</p>	<p>⑆ 030022004 ⑆</p>
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000161

**• Sterling Bank •**

P.O. Box 40333  
Houston, Texas 77240-0333  
Phone 713-486-5300

Cashier's Check  
--CREDIT--

No. 1264971

Date: 02/13/2006

Operator: 316 Tamara Galawala  
Katy HO West

To:  
Dealer Management Group, Inc.

Purchaser:  
Crown Financial

Offset: On Us Check  
Waiver: 8 - Officer Waived

Fee: .00

Amount: \*\*\$35,360.00

Remarks:

⑈ 1264971 ⑆ 13005549 ⑆ ⑈ 010022004 ⑆ 120 ⑆ 0003536000 ⑆

Serial 1264971 Amount 35360.00 Date 02-14-2006

STERLING 130055495  
02/14/2006  
981278920

000162

TRAIL 182011-148  
ACCOUNT NUMBER

171013174

WE CHARGE YOUR ACCOUNT FOR ITEMS LISTED HEREON	
2 Cashier Check	184,740
	39,310

MAIL TO: Crown Financial

TOTAL \$ 225,100.00

[Signature]

TS  
MAKER

BB-400 EPS 3/02

APPROVED

⑆⑆⑆3005549⑆

154

Serial 1 Amount 225100.00 Date 02-14-2006

STERLING ⑆⑆⑆3005549⑆  
 0017 0000 02/14/06 14 490 018 0  
 0031 3104 02/14/06 14 490 018 0  
 ACCT: 0171013174 AMT: 225,100.00

000163



DEED

2006048002

PGS  
3

### Warranty Deed with Vendor's Lien

#### NOTICE OF CONFIDENTIALITY RIGHTS:

IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

Date: April 12, 2006

Grantor: Jimmy Sissom and wife Susan Sissom

Grantee: Jose A Perez and wife Sondra S. Perez  
Grantee's Mailing Address:

4315 Waterlily Court  
Missouri City, Texas 77459

#### Consideration:

A first lien note of even date executed by Grantee and payable to the order of LARRY D. SMITH IN THE principal amount of Two Hundred-Fifty Thousand DOLLARS (\$ 250,000.00). The note is secured by a first and superior vendor's lien and superior Title retained in this deed in favor of Larry D. Smith, and by a first lien deed of trust of even date from Grantee to TRUSTEE\*, Trustee.

#### Property (Including any improvements):

Lot Nineteen (19), Block one (1) Section Two (2) in a subdivision Lakeside Meadow at Brightwater , a Subdivision in Fort Bend, Texas according to the map or plat thereof recorded in the Map Records, Fort Bend County , Texas.  
Also known as : 4315 Waterlily Ct, Missouri City, Texas 77459

#### Reservations from Conveyance:

None

#### Exceptions to Conveyance and Warranty:

This conveyance is made and accepted to the following matters, but only to the extent that the same are in effect at this time: any and all restrictions, mineral interests and easements, if any, relating to the above described property that are of record; and to all zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any, but only to the extent that they are in effect.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.



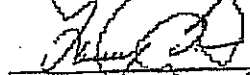
The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its term, at which time this deed will become absolute.

LARRY D. SMITH, at Grantee's request, has paid in cash to Grantor that portion of the purchase price of the Property that is evidenced by the note. The first and superior vendor's lien against and superior title to the Property are retained for the benefit of LARRY D. SMITH, and are transferred to LARRY D. SMITH, without recourse against Grantor.

When the context requires, singular nouns and pronouns include the plural.

GRANTOR:  
Larry D. Smith

By:


  
Jimmy Sissom

  
Susan Sissom

STATE OF TEXAS

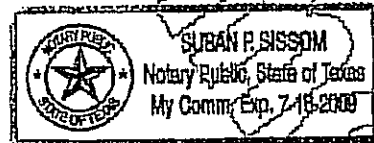
COUNTY OF HARRIS

This instrument was acknowledged before NOTARY PUBLIC STATE OF TEXAS on this 23<sup>rd</sup> day of April, 2005 by Jimmy Sissom and Susan Sissom

  
NOTARY PUBLIC, STATE OF TEXAS

Susan P. Sissom  
Name of Notary Typed or Printed

My Commission Expires:  
7-16-09



000165

RETURNED AT COUNTER TO:

Joe Perez  
31201 Waples Ave #4202  
Stafford, TX 77477

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Dr. Dianne Wilson*

2006 Apr 28 04:10 PM

LJ \$13.00

2006048002

Dianne Wilson, Ph.D. COUNTY CLERK  
FT BEND COUNTY TEXAS

UNOFFICIAL DOCUMENT

000166

Amount: \$225,100  
2 cashier's checks in the amounts of \$189,740 and \$35,360  
Mail to: Crown Financial

Check No. 1264970  
Amount: \$189,740  
Date: 2/13/06  
Payee: Jimmy Sissom  
Remitter: Crown Financial  
Endorsed by: Sterling Bank on 2/14/06

Check No. 1264971  
Amount: \$35,360.00  
Date: 2/13/06  
Payee: DMG  
Remitter: Crown Financial  
Endorsed by: DMG on 3/3/06

Check No. 1261086  
Amount: \$50,000  
Date: 2/13/06  
Payee: Susan Sissom  
Remitter: Jimmy Sissom  
Endorsed by: Carz-n-More on 5/18/06

Check No. 1261089  
Amount: \$39,740  
Date: 2/13/06  
Payee: Susan Sissom  
Remitter: Jimmy Sissom  
Endorsed by: DMG on 3/10/06

Check No. 1261090  
Amount: \$50,000  
Date: 2/13/06  
Payee: Susan Sissom  
Remitter: Jimmy Sissom  
Endorsed by: DMG on 3/24/06

Check No. 1261087  
Amount: \$50,000  
Date: 2/13/06  
Payee: Susan Sissom  
Remitter: Jimmy Sissom  
Endorsed by: Susan P. Sissom (to Chase bank account) on 4/13/06

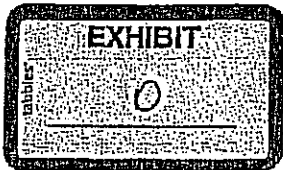
Check No. 1273013  
Amount: \$20,000  
Date: 5/18/06  
Payee: Carz-n-More  
Remitter: Susan Sissom  
Endorsed by: Carz-n-More on 5/19/06

Check No. 1273015  
Amount: \$15,000  
Date: 5/18/06  
Payee: Susan Sissom  
Remitter: Susan Sissom  
Endorsed by: Susan Sissom on 5/25/06

Check No. 1273014  
Amount: \$15,000  
Date: 5/18/06  
Payee: Susan Sissom  
Remitter: Susan Sissom  
Endorsed by: Susan P. Sissom on 5/22/06

Check No. 1273049  
Amount: \$15,000  
Date: 5/25/06  
Payee: Susan Sissom  
Remitter: Kristine Garbo  
Endorsed by: Susan Sissom on 7/14/06

Check No. 1273028  
Amount: \$15,000  
Date: 5/22/06  
Payee: Butrass Properties  
Remitter: C. J. Collette  
Endorsed by: Butrass Holdings on 5/26/06



IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

---

IN RE: § CASE NO. 06-31917-H4-7  
JIMMY SISSOM §  
DEBTOR. § CHAPTER 7

---

RONALD J. SOMMERS, TRUSTEE, )  
PLAINTIFF, )  
 )  
v. )  
 )  
JIMMY SISSOM, ) ADVERSARY NO. 06-03565  
SUSAN SISSOM, )  
KRISTINE GARBO, )  
DEALERS MANAGEMENT )  
GROUP, INC )  
BUTTROSS HOLDINGS, INC. )  
DEFENDANT )

AFFIDAVIT OF DAVID A. BUTTROSS  
CUSTODIAN OF RECORDS FOR BUTTROSS V, INC.

THE STATE OF TEXAS §  
§  
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, a Notary Public for the State of Texas, on this day personally appeared David A. Buttross, who being known to me and duly sworn, upon oath stated:

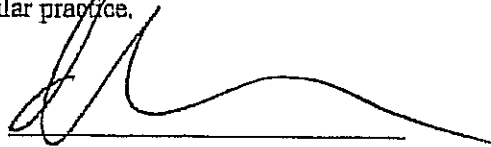
1. My name is David A. Buttross. I am the President and custodian of the records of Buttross Holdings V, Inc. and I am familiar with the means and methods used by Buttross V, Inc. in recording and maintaining its records in the regular course of conducting its business activity. I am a person of sound mind, over the age of twenty-one (21) years and have never been convicted of a crime. I am capable of making this affidavit and have personal knowledge of all facts stated herein and they are true and correct.
2. I, as custodian of records for Buttross V, Inc., have produced 34 pages of records (the "Records"). A true and correct duplicate of the original set of the





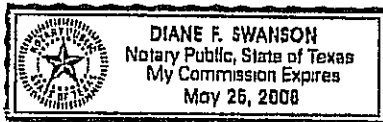
Records is attached hereto as Exhibit A and incorporated herein by reference. The Records are maintained in the regular course of business of Buttross V, Inc. and were made at or near the time of the occurrence of the matters set forth by, or from information transmitted by, a person with knowledge of the act, event, condition or opinion recorded. Further, the Records were kept in the course of regularly conducted business activity of Buttross V, Inc. and were made in the course of regularly conducted business activity as a regular practice.

Further Affiant sayeth not.



David A. Buttross, Custodian of Records for  
Buttross V, Inc.

This instrument was subscribed, sworn to and acknowledged before me on  
the 29<sup>th</sup> day of September, 2006, by David A. Buttross, custodian of records for Buttross V, Inc.



By: Diane F. Swanson  
Notary Public in and for the State of Texas



### TEXAS ASSOCIATION OF REALTORS® COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS IS NOT AUTHORIZED.  
©Texas Association of REALTORS, Inc. 1998

1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Bullross & Co. Inc  
 Address: \_\_\_\_\_  
 Phone: 325-0888 Fax: 512-708-1141  
 E-mail: \_\_\_\_\_  
 Buyer: CJ COLLET INV.  
 Address: 8939 LONG POINT HWY TX 77055  
 Phone: 713-309-5171 / 800-496-8921 Fax: 832-358-8102  
 E-mail: WILL CARTNEY

2. **PROPERTY:**

A. "Property" means that real property situated in Bastrop County, Texas at 716 Ponderosa 78602 (address) and that is legally described on the attached Exhibit \_\_\_\_\_ or as follows:

1. 1.99 Acres out of A.M. High Smith Survey, Abstract 39, Bastrop county

B. Seller will sell and convey the Property together with:

- (1) all buildings, improvements, and fixtures;
- (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
- (4) Seller's interest in all licenses and permits related to the Property;
- (5) Seller's interest in all third party warranties or guarantees, if transferable, relating to the Property or any fixtures;
- (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
- (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except:

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)  
(If the Property is a condominium, attach condominium addendum.)

3. **SALES PRICE:** At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing .....	\$ <u>150,000</u>
B. Sum of all financing described in Paragraph 4 .....	\$ <u>145,000</u>
C. Sales price (sum of 3A and 3B) .....	\$ <u>160,000</u>

(TAR-1804) 10-18-05

Initiated for Identification by Buyer [Signature] and Seller [Signature]

Page 1 of 18

Bullross P.O. Box 5196, Austin TX 78763

Phone: (512) 320-0888

Fax: (512) 708-1141

David Bullross

Produced with 210Form™ by RE FormsNet, LLC

http://www.reformsnet.com

post@formsnet.com



No. 8350 P. 1

May 23, 2006 3:46PM

Commercial Contract - Improved Property concerning 116 Ponderosa

4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$ \_\_\_\_\_ This contract:
  - (1) is not contingent upon Buyer obtaining third party financing.
  - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum.
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum, Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ \_\_\_\_\_.
- C. Seller Financing: The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum in the amount of \$ 145,000.

5. EARNEST MONEY:

- A. Not later than 3 days after the effective date, Buyer must deposit \$ 0 as earnest money with John Clark 322-2024 (escrow agent) at \_\_\_\_\_ (address). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract by providing written notice to Buyer before Buyer deposits the earnest money and may exercise Seller's remedies under Paragraph 15.
- B. Buyer will deposit an additional amount of \$ \_\_\_\_\_ with the escrow agent to be made part of the earnest money on or before:
  - (i) \_\_\_\_\_ days after Buyer's right to terminate under Paragraph 7B expires; or
  - (ii) \_\_\_\_\_
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the escrow agent to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY, SURVEY, AND UCC SEARCH:

A. Title Policy:

- NA*
- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by \_\_\_\_\_ (title company) in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
    - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
    - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
  - (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
    - (a) will not be amended or deleted from the title policy.
    - (b) will be amended to read "shortages in areas" at the expense of  Buyer  Seller.
  - (3) Buyer may object to any restrictive covenants on the Property within the time required under Paragraph 6D.
  - (4) Within \_\_\_\_\_ days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

(TAR-1801) 10-18-05

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B. Survey: Within \_\_\_\_\_ days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's existing survey of the Property dated \_\_\_\_\_ along with an affidavit required by the title company for approval of the survey. If the survey is not acceptable to the title company, Seller, at Seller's expense, will obtain a survey acceptable to the title company and deliver the acceptable survey to the buyer and the title company within 15 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 15 days if necessary for Seller to deliver an acceptable survey within the time required.

C. UCC Search:

- (1) Within \_\_\_\_\_ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

- (1) Within \_\_\_\_\_ days after Buyer receives the commitment, copies of the documents evidencing title exceptions, any required survey, and any required UCC search, Buyer may object to matters disclosed in the items if: (a) the matters disclosed constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.
- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: AS IS

Commercial Contract - Improved Property concerning \_\_\_\_\_

B. Feasibility Period: Buyer may terminate this contract for any reason within 5 days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

(1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less right to terminate. Buyer has tendered the independent consideration for Buyer's unrestricted amount specified in Paragraph 5A to the escrow agent. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to timely deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Not later than 3 days after the effective date, Buyer must pay Seller \$ 15000.00 as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to timely pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 1 days after the effective date, Seller will deliver to Buyer:

- (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
- (b) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;

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- (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (e) copies of all current service, maintenance, and management agreements relating to the ownership and operation of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider;
- (g) copies of all current warranties and guarantees relating to all or part of the Property;
- (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
- (i) copies of all leasing or commission agreements that currently relate to all or part of the Property;
- (j) a copy of the "as-built" plans and specifications and plat of the Property;
- (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
- (l) a copy of Seller's income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;
- (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (n) real & personal property tax statements for the Property for the previous 2 calendar years; and
- (o) \_\_\_\_\_

(2) **Return of Property Information:** If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer and all copies that Buyer made of those items; and (b) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed. This Paragraph 7D(2) survives termination of this contract.

**E. Contracts Affecting Operations:** Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

**B. LEASES:**

**A. Each written lease** Seller is to assign to Buyer under this contract must be in full force and effect according to its terms without amendment or modification that is not disclosed to Buyer in writing. Seller must disclose, in writing, to Buyer if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any modifications, amendments, or default by landlord or tenant under the leases;
- (2) any failure by Seller to comply with Seller's obligations under the leases;
- (3) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (4) any non-occupancy of the leased premises by a tenant;
- (5) any advance sums paid by a tenant under any lease;
- (6) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (7) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

**B. Estoppel Certificates:** Within \_\_\_\_\_ days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than \_\_\_\_\_ by each tenant that leases space in the Property. The estoppel certificates must state:

NA

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- (1) that no default exists under the lease by the landlord or tenant as of the date the estoppel certificate is signed;
- (2) the amount of the scheduled rents to be paid through the end of the lease and any rental payments that have been paid in advance;
- (3) the amount of any security deposit;
- (4) the amount of any offsets tenant is entitled against rent;
- (5) the expiration date of the lease;
- (6) a description of any renewal options; and
- (7) \_\_\_\_\_

9. BROKERS:

A. The brokers to this sale are:

Cooperating Broker	License No.	Principal Broker	License No.
Address		Address	
Phone	Fax	Phone	Fax
E-mail		E-mail	

Cooperating Broker represents: buyer.

Principal Broker: (Check only one box)

represents Seller only.

represents Buyer only.

is an intermediary between Seller and Buyer.

B. Fees: (Check only one box.)

- (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.
- (2) At the closing of this sale, Seller will pay:

Cooperating Broker a total cash fee of:	Principal Broker a total cash fee of:
<input type="checkbox"/> _____ % of the sales price.	<input type="checkbox"/> _____ % of the sales price.

The cash fees will be paid in \_\_\_\_\_ County, Texas. Seller authorizes escrow agent to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 82, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The closing of the sale will be on or before 5-25-06

\_\_\_\_\_ or within 7 days after objections made under Paragraph 8D have been cured or waived, whichever date is later (the closing date).

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- B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 16.
  - C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a  general  special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 8 or other provisions of this contract. Seller must convey the Property:
    - (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
    - (2) without any assumed loans in default; and
    - (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.
  - D. At closing, Seller, at Seller's expense, will also deliver to Buyer:
    - (1) tax statements showing no delinquent taxes on the Property;
    - (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
    - (3) an assignment of all leases to or on the Property;
    - (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
      - (a) licenses and permits;
      - (b) maintenance, management, and other contracts; and
      - (c) warranties and guarantees;
    - (5) a rent roll current on the day of the closing certified by Seller as true and correct;
    - (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
    - (7) an affidavit acceptable to the escrow agent stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the escrow agent to: (i) withhold from Seller's proceeds an amount sufficient to comply applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
    - (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.
  - E. At closing, Buyer will:
    - (1) pay the sales price in good funds acceptable to the escrow agent;
    - (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
    - (3) sign and send to each tenant in the Property a written statement that:
      - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
      - (b) specifies the exact dollar amount of the security deposit;
    - (4) sign an assumption of all leases then in effect; and
    - (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.
  - F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.
11. **POSSESSION:** Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

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12. SPECIAL PROVISIONS: (Identify exhibit if special provisions are contained in an attachment.)

- ① Seller is a licensed real estate broker in the state of Texas.
- ② Buyer to do a \$5,000 principle reduction in first year
- ③ Interest rate 8% Year 1 9% year 2 & 3 Prime plus 2 for years 4-10, based on a 30 year Am.

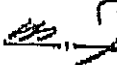

13. SALES EXPENSES:

- A. Seller's Expenses: Seller will pay for the following at or before closing:
  - (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
  - (2) release of Seller's loan liability, if applicable;
  - (3) tax statements or certificates;
  - (4) preparation of the deed and any bill of sale;
  - (5) one-half of any escrow fee;
  - (6) costs to record any documents to cure title objections that Seller must cure; and
  - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
  - (1) all loan expenses and fees;
  - (2) preparation fees of any deed of trust;
  - (3) recording fees for the deed and any deed of trust;
  - (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
  - (5) one-half of any escrow fee; and
  - (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

- A. Prorations:
  - (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
  - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the proration when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
  - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other

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charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller changes the use of the Property before closing or if a denial of a special valuation on the Property claimed by Seller results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

**15. DEFAULT:**

A. If Buyer fails to comply with this contract, Buyer is in default and Seller may:  
(1) terminate this contract and receive the earnest money as liquidated damages, thereby releasing the parties from this contract; or  
(2) enforce specific performance, or seek other relief as may be provided by law, or both.

B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:  
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as the sole remedy; or  
(2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:  
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages, thereby releasing the parties from this contract; or  
(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

**16. CASUALTY LOSS AND CONDEMNATION:**

A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:  
(1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;  
(2) extend the time for performance up to 15 days and closing will be extended as necessary; or  
(3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.

B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:  
(1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or  
(2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

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17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or any escrow agent is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer.
- B. If both parties make written demand for the earnest money, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties.
- C. If one party makes written demand for the earnest money, escrow agent will give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 15 days after the date escrow agent sent the demand to the other party, escrow agent may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors.
- D. Escrow agent will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- E. If escrow agent complies with this Paragraph 18, each party hereby releases escrow agent from all claims related to the disbursement of the earnest money.
- F. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to escrow agent are effective upon receipt by escrow agent.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: (Check only one box.)

- A. Seller is not aware of any material defects to the Property except as stated in the attached Property Condition Statement.
- B. Except as otherwise provided in this contract, Seller is not aware of:
  - (1) any subsurface structures, pits, waste, springs, or improvements;
  - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
  - (3) any environmental hazards or conditions that materially affect the Property;
  - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
  - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
  - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
  - (7) any threatened or endangered species or their habitat on the Property;
  - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
  - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
  - (10) any material physical defects in the improvements on the Property; or
  - (11) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)

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20. **NOTICES:** All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties' addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.

B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. **DISPUTE RESOLUTION:** The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. **AGREEMENT OF THE PARTIES:**

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns.
- B. This contract is to be construed in accordance with the laws of the State of Texas.
- C. This contract contains the entire agreement of the parties and may not be changed except in writing.
- D. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- E. Addenda which are part of this contract are: *(Check all that apply.)*
  - (1) Property Description Exhibit Identified in Paragraph 2;
  - (2) Commercial Contract Condominium Addendum;
  - (3) Commercial Contract Financing Addendum;
  - (4) Commercial Property Condition Statement;
  - (5) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards;
  - (6) Notice to Purchaser of Real Property in a Water District (MUD);
  - (7) Addendum for Coastal Area Property;
  - (8) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway; and
  - (9)

*(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)*

F. Buyer  may  may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer's obligations under this contract.

23. **TIME:** Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. **EFFECTIVE DATE:** The effective date of this contract for the purpose of performance of all obligations is the date the escrow agent receives this contract after all parties execute this contract.

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25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract.
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract.
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract.
- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers.

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on 5-27-06 the offer will lapse and become null and void.

(TAR-1801) 10-18-05

Initialed for Identification by Buyer

*[Handwritten initials]* and Seller *[Handwritten initials]*

Page 12 of 13

Produced with ZipForm™ by RE FormNet, LLC 18025 Fifteen Mile Road, Clinton Township, Michigan 48035 [www.zipform.com](http://www.zipform.com)

pdfcross.zfc

No. 8950 P. 12

May 23, 2006 3:48PM

000181

Commercial Contract - Improved Property concerning \_\_\_\_\_

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

Buyer: Susan P Sisson Seller: \_\_\_\_\_

By: \_\_\_\_\_ By: \_\_\_\_\_

Printed Name: SUSAN P SISSON Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

Buyer: [Signature] Seller: [Signature]

By: \_\_\_\_\_ By: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

**AGREEMENT BETWEEN BROKERS**

Principal Broker agrees to pay \_\_\_\_\_ (Cooperating Broker) a fee of \$ \_\_\_\_\_ or \_\_\_\_\_ % of the sales price when the Principal Broker's fee is received. Escrow agent is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Cooperating Broker By: \_\_\_\_\_ Principal Broker By: \_\_\_\_\_

**ATTORNEYS**

Buyer's attorney is: Name: \_\_\_\_\_ Address: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Seller's attorney is: Name: \_\_\_\_\_ Address: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

Buyer's attorney requests copies of documents, notices, and other information:  
 the title company sends to Buyer.  
 Seller sends to Buyer.  
Seller's attorney requests copies of documents, notices, and other information:  
 the title company sends to Seller.  
 Buyer sends to Seller.

**ESCROW RECEIPT**

Escrow agent acknowledges receipt of:  
 A. the contract on this day \_\_\_\_\_ (effective date);  
 B. earnest money in the amount of \$ \_\_\_\_\_ in the form of \_\_\_\_\_ on \_\_\_\_\_

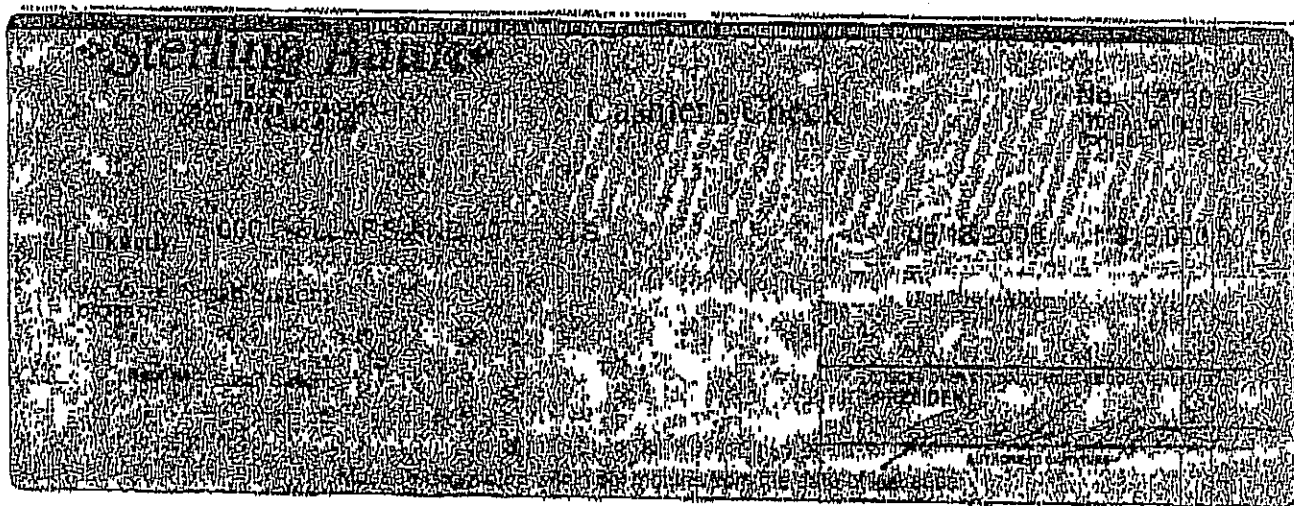
Escrow Agent: \_\_\_\_\_ Address: \_\_\_\_\_  
By: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_



00/20/2006 13:04 01/23/2006

PINE POINT INN

PAGE 01



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No. 8950 P. 14

May. 23. 2006 3:49PM

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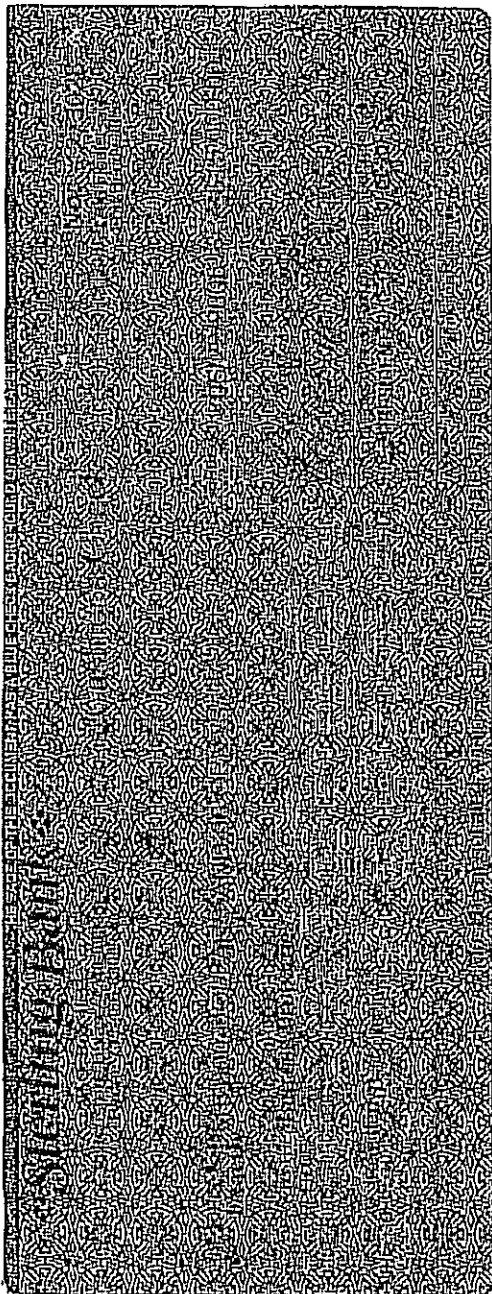
May. 23. 2006 2:43PM.

*For deposit*

11002200701

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4820E221M



No. 8346 P. 1



**A. Settlement Statement**

U.S. Department of Housing and Urban Development

OMB No. 2507-0265 (Page 1)

B. Type of Loan			6. File Number	7. Loan Number	8. Mortgage Case Number
1. S FHA 4. G VA	2. G FHA 3. G Conv Ltr.	3. G Conv Units	060301		

C. Note: This form is completed to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "T.O.S." were paid outside the closing they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrower COLUBRUS JOHANN COLLET, DBA C J COLLET INVESTMENTS 1511 LONG POINT HOUSTON, TX 77058	E. Name, Address, and Tax ID Number of Seller PUTTROSS V, INC. P.O. BOX 6376 AUSTIN, TX 78763 Tax ID #28046183	F. Name and Address of Lender PUTTROSS V, INC. P.O. BOX 6376 AUSTIN, TX 78763
---	--	--

G. Property Location (Complete address, including legal description, if necessary) 1.159 Acres, Bastrop County, A.M. HIGHWORTH ABSTRACT 19 116 PENDEROSA BASTROP, TX 77802	H. Settlement Agent Name, Address and Tax ID Number ALBERT J. STEINRICH, JR., P.C. 1106 RIO GRANDE AUSTIN, TX 78703 Tax ID: 74-1542766
---	---

**WE HEREBY CERTIFY THIS TO BE A TRUE AND CORRECT COPY OF THE FOREGOING INSTRUMENT**  
ALBERT J. STEINRICH, JR., P.C.

I. Date of Settlement 5/15/06	J. Settlement Date 5/15/06
----------------------------------	-------------------------------

K. Summary of Borrower's Transaction		L. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower	101. Contract Sales Price	400. Gross Amount Due to Seller	401. Contract Sales Price
102. Prepaid Property	103. Supplemental Charges to borrower	402. Prepaid Property	403. Supplemental Charges to Seller
104.	105.	404.	405.
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City property taxes thru	107. County property taxes thru	406. City property taxes thru	407. County property taxes thru
108. Annual assessments thru	109. School property taxes thru	408. Annual assessments thru	409. School property taxes thru
110. MUD taxes thru	111. Other taxes thru	410. MUD taxes thru	411. Other taxes thru
112.	113.	412.	413.
114.	115.	414.	415.
116.	117.	416.	417.
120. Gross Amount Due From Borrower	121. Gross Amount Due to Seller	420. Gross Amount Due to Seller	421. Gross Amount Due to Seller
200. Amounts Paid By Or In Behalf Of Borrower	201. Deposits or earnest money	500. Amounts Paid In Account With Seller	501. Earnest money held by seller
202. Principal amount of new loan(s)	203. Existing loan(s) taken subject to	502. Discounted Charges to Seller (Line 400)	503. Existing Loan(s) Taken Subject to
204. Commissions fee	205.	504. Prepaid First Mortgages Loan	505. Seller Retained Note
206.	207.	506.	507.
208.	209.	508.	509.
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
310. City property taxes thru	311. County property taxes thru	610. City property taxes thru	611. County property taxes thru
312. Annual assessments thru	313. School property taxes thru	612. Annual assessments thru	613. School property taxes thru
314. MUD taxes thru	315. Other taxes thru	614. MUD taxes thru	615. Other taxes thru
316. Deposit	317. Rent \$2300 to 6/1/06	616. Deposit	617. Rent \$2300 to 6/1/06
318.	319.	618.	619.
320. Total Paid By/For Borrower	321. Total Reproduction Amount Due Seller	620. Total Reproduction Amount Due Seller	621. Total Reproduction Amount Due Seller
300. Cash At Settlement From/To Borrower	301. Gross Amount Due From Borrower (Line 120)	600. Cash At Settlement To/From Seller	601. Gross Amount Due to Seller (Line 420)
302. Loan amount paid by/for borrower (Line 220)	303. Cash To Borrower	602. Loan amount due to seller (Line 420)	603. Loan amount due to seller (Line 420)
		604. Cash From Seller	605. Cash From Seller

Previous Edition is Obsolete

Printed at 10:29 AM, June 7, 2005 HEDM-1 (0405)

L. Settlement Charges							
100. Total Sales/Broker's Commission based on price						\$160,000.00	@ 1%
Division of Commission (line 700) as follows:							
						Paid From Buyer's Funds at Settlement	Paid From Seller's Funds at Settlement
700.	\$0.00	to					
702.	\$0.00	to					
703. Commission Paid at Settlement							
800. Items Payable in Connection with Loan							
801.	Loan Origination Fee	to					
802.	Loan Discount	to					
803.	Appraisal Fee	to					
804.	Credit Report	to					
805.	Lender's Inspection Fee	to					\$15.00
806.	Mortgage Insurance Application	to					
807.	Assessment Fee	to					
808.	Placed Cost	to					
809.	Processing Fee	to					
810.	Tax Service Fee	to					\$30.00
811.	Administrative Fee	to					
812.	Underwriting Fee	to					
813.	Counter Fee	to					
900. Items Required by Lender To Be Paid in Advance							
901.	Interest from 8/28/06 to 8/10/06	to	\$31,784.00	day			\$372.46
902.	Mortgage Insurance Premium for month	to					
903.	Harvest Insurance Premium for 1 year	to					
1000. Reserves Deposited With Lender							
1001.	Interest Reserves	1	month @		per month		
1002.	Mortgage Insurance		month @		per month		
1003.	City property taxes		month @		per month		
1004.	County property taxes	6	month @ \$55.83		per month		
1005.	Annual assessments		month @		per month		\$324.40
1006.	School property taxes	4	month @ \$184.41		per month		
1007.	MHO taxes		month @		per month		\$738.46
1008.	Other taxes		month @		per month		
1011.	Agreement Adjustment						
1100. Title Charges							
1101.	Refunding existing fee	to	ALBERT J. HEINRICH, JR., P.C.				
1102.	Abstract of title search	to				\$160.00	\$100.00
1103.	Title examination	to					
1104.	Title insurance binder	to					
1105.	Document preparation	to	ALBERT J. HEINRICH, JR., P.C.				
1106.	Notary fee	to				\$650.00	\$75.00
1107.	Attorney's fee	to					
(includes above items numbers)							
1108.	Title insurance	to					
(includes above items numbers)							
1109.	Lender's coverage		\$0.00/\$0.00				
1110.	Owner's coverage		\$0.00/\$0.00				
1111.	County fee	to	ALBERT J. HEINRICH, JR., P.C.				
1112.	Overnight Express fee	to	ALBERT J. HEINRICH, JR., P.C.			\$37.00	\$10.00
1113.	Rate of Texas Policy Guaranty Fee	to	ALBERT J. HEINRICH, JR., P.C.			\$1.00	
1200. Government Necessity and Transfer Charges							
1201.	Assessing Fee	Deed \$20.00	Mortgage \$24.00	1	Release		
1202.	Chicot County stamp	Deed	Mortgage	to		\$52.00	
1203.	State seal/stamp	Deed	Mortgage	to			
1204.	The word Capita	to	ALBERT J. HEINRICH, JR., P.C.				
1205.	Recording of Release	to					\$35.00
1206.		to					
1300. Additional Settlement Charges							
1301.	Survey	to					
1302.	Post Inspection	to					
1303.		to					
1304.		to					
1400. Total Settlement Charges (minor on lines 100, Section J and 502, Section L)						\$7,477.46	\$255.00

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

COLLECT INVESTMENTS by:  
CONSUMERS LEGAL COLLECT  
[Signature]

OUTREACH, INC. by:  
[Signature]  
DAVID A. BOUTROS, PRESIDENT

**SETTLEMENT AGENT CERTIFICATION**  
The HUD-1 Settlement Statement which I have prepared is a true and accurate statement of this transaction. I have advised the Agent in its disclosure in accordance with this statement.

[Signature] Date 9-30-06  
Settlement Agent  
Working in the United States or any other country (including the United States and its territories). For details see Title 16 U.S. Code Section 1001 and Section 1002.

Settler's Taxpayer Identification Number Declaration and Certification  
You are required by law to provide the Settlement Agent named above with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under Penalty of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

Settler's Signature \_\_\_\_\_ Date \_\_\_\_\_

Previous Edition Obsolete

STATE OF TEXAS

COUNTY OF BASTROP

2006

GENERAL WARRANTY DEED  
WITH VENDOR'S LIEN

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Date: May 25, 2006.

Grantor: Buttross V, Inc.

Grantor's Mailing Address (including county):

P.O. Box 5396  
Austin, Texas 78763

WE HEREBY CERTIFY THIS TO BE A TRUE AND CORRECT COPY OF THE FOREGOING INSTRUMENT  
ALBERT J. HEINRICH, JR., FC.

*Albert J. Heinrich, Jr.*

Grantee: Columbus Joseph Collet, d/b/a CJ Collet Investments.

Grantee's Mailing Address (including county):

8939 Long Point  
Houston, Texas 72055

Consideration:

Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and a note of even date that is in the original principal amount of \$145,000.00 and is executed by Grantee and payable to the order of Grantor. It is secured by a vendor's lien retained in this deed and by a deed of trust of even date from Grantee to Albert J. Heinrich, Jr., Trustee.

Property (including any improvements):

APPROXIMATELY 1.199 acres of land out of the A. M. HIGHSMITH SURVEY, ABSTRACT NO. 39, in Bastrop County, Texas, and being the same property more particularly described by metes and bounds in the Deed recorded in Volume 1619, Page 491, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

Reservations from and Exceptions to Conveyance and Warranty:

Easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded instruments, other than liens and conveyances, that affect the property; taxes for 2006, the payment of which Grantee assumes; and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it unto Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to conveyance and warranty.

The vendor's lien against and superior title to the property are retained until each note described is fully paid according to

its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

Buttross V, Inc.

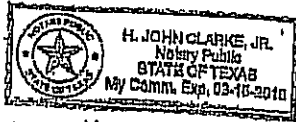
By:

David A. Buttross  
Its: President

(Acknowledgment)

STATE OF TEXAS \_\_\_\_\_ §  
COUNTY OF TRAVIS \_\_\_\_\_ §

This instrument was acknowledged before me on this 31 day of May, 2006, by David A. Buttross, as President of Buttross V, Inc., on behalf of said entity.



H. John Clarke, Jr.  
Notary Public, State of \_\_\_\_\_

After recording, please return to:

Albert J. Heinrich, Jr., P. C.  
Attn: H. John Clarke, Jr.  
GP# 060381  
1306 Rio Grande Street  
Austin, Texas 78701

EXHIBIT "A"

APPROXIMATELY 1.188 acres of land out of the A.M. HIGHSMITH SURVEY, ABSTRACT NO. 39, in Bastrop County, Texas, and being the same property more particularly described by metas and bounds in the Deed recorded in Volume 1819, Page 491, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

EXHIBIT "A-1"

LEGAL DESCRIPTION: BEING 1.188 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE A.M. HIGHSMITH SURVEY, ABSTRACT 39, IN BASTROP COUNTY, TEXAS AND BEING ALL OF THAT SAME 1.188 ACRE TRACT OF LAND CONVEYED TO CHARLES AND SHELLEY MATHEWS BY DEED RECORDED IN VOLUME 986, PAGE 638 OF THE OFFICIAL RECORDS OF BASTROP COUNTY, TEXAS; SAID 1.188 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. SARON & ASSOCIATES IN JULY, 2000:

BEGINNING at an iron rod found in the west line of County Road 193, Ponderosa Road, for the southeast corner of that certain 0.6304 acre tract conveyed to Bluff Springs Food Mart, Inc. by deed recorded in Volume 986, Page 468 of said official records and the northeast corner hereof and from which an iron rod found at the intersection of the west line of said county road and the south r-o-w line of State Highway 71 for the northeast corner of said 0.6304 acre tract bears North  $18^{\circ}41'13''$  East a distance of 148.73 feet along the west line of said county road,

THENCE South  $18^{\circ}40'00''$  West a distance of 285.48 feet along the west line of said county road to an iron rod found for the northeast corner of that certain 0.2821 acre tract conveyed to Kenneth Ashbrenner by deed recorded in Volume 703, Page 234 of said official records and the southeast corner hereof;

THENCE North  $70^{\circ}26'11''$  West a distance of 102.77 feet along the north line of said 0.2821 acre tract to an iron rod found in the east line of that certain 17.5 acre tract conveyed to Lockett L. McArthur by deed recorded in Volume 126, Page 256 of the Deed Records of Bastrop County, Texas for the northwest corner of said 0.2821 acre tract and the southwest corner hereof;

THENCE North  $16^{\circ}38'00''$  East a distance of 286.39 feet along the east line of said 17.5 acre tract to an iron rod found for the southwest corner of said 0.6304 acre tract and the northwest corner hereof,

THENCE South  $73^{\circ}21'16''$  East a distance of 182.94 feet along the south line of said 0.6304 acre tract to the POINT OF BEGINNING and containing 1.188 acres of land, more or less, and as shown on map of survey prepared herewith.

EXHIBIT "A"

APPROXIMATELY 1.199 acres of land out of the A.M. HIGHSMITH SURVEY, ABSTRACT NO. 39, in Bastrop County, Texas, and being the same property more particularly described by metes and bounds in the Deed recorded in Volume 181B, Page 491, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

EXHIBIT "A-1"

LEGAL DESCRIPTION: BEING 1 199 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE A.M. HIGHSMITH SURVEY, ABSTRACT 39, IN BASTROP COUNTY, TEXAS AND BEING ALL OF THAT SAME 1 199 ACRE TRACT OF LAND CONVEYED TO CHARLES AND SHELLEY MATHEWS BY DEED RECORDED IN VOLUME 996, PAGE 838 OF THE OFFICIAL RECORDS OF BASTROP COUNTY, TEXAS; SAID 1.199 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARON & ASSOCIATES IN JULY, 2000:

BEGINNING at an iron rod found in the west line of County Road 199, Ponderosa Road, for the southeast corner of that certain 0.8304 acre tract conveyed to Bluff Springs Food Mart, Inc. by deed recorded in Volume 966, Page 405 of said official records and the northeast corner hereof and from which an iron rod found at the intersection of the west line of said county road and the south E-W line of State Highway 71 for the northeast corner of said 0.9304 acre tract bears North  $19^{\circ}41'13''$  East a distance of 149.78 feet along the west line of said county road.

THENCE South  $10^{\circ}40'00''$  West a distance of 285.48 feet along the west line of said county road to an iron rod found for the northeast corner of that certain 0.2521 acre tract conveyed to Kenneth Ashbranner by deed recorded in Volume 703, Page 234 of said official records and the southeast corner hereof;

THENCE North  $70^{\circ}29'11''$  West a distance of 182.77 feet along the north line of said 0.2521 acre tract to an iron rod found in the east line of that certain 17.5 acre tract conveyed to Luskett L. McArthur by deed recorded in Volume 126, Page 286 of the Deed Records of Bastrop County, Texas for the northwest corner of said 0.2521 acre tract and the southwest corner hereof;

THENCE North  $10^{\circ}30'00''$  East a distance of 285.89 feet along the east line of said 17.5 acre tract to an iron rod found for the southwest corner of said 0.8304 acre tract and the northwest corner hereof,

THENCE South  $73^{\circ}21'16''$  East a distance of 182.84 feet along the south line of said 0.8304 acre tract to the POINT OF BEGINNING and containing 1.199 acres of land, more or less, and as shown on map of survey prepared herewith

REAL ESTATE LIEN NOTE

Date: May 25, 2006.  
Maker: Columbus Joseph Collet, a/b/a CJ Collet Investments.  
Maker's Mailing Address (including county):  
8939 Long Point  
Houston, Texas 72055  
Payee: Buttross V, Inc.  
Place for Payment (including county):  
P.O. Box 5396  
Austin, Texas 78763  
Principal Amount:  
One Hundred Forty Five Thousand and No/100 Dollars  
(\$145,000.00).

Annual Interest Rate on Unpaid Principal from Date:

Eight percent (8.0%) per annum from and after the date of this note until one (1) year after the date of this note, at which time the annual interest rate shall increase to nine percent (9.0%) per annum until three (3) years after the date of this note, at which time the annual interest rate may be changed annually thereafter (the change date). Changes in the interest rate shall be determined by adding two percent (2.0%) to the Wall Street Journal published prime rate; both principal and interest payable in Austin, Travis County, Texas, or at such other place as designated by the holder hereof.

Annual Interest Rate on Matured, Unpaid Amounts:

Eighteen percent (18.0%) per annum.

Date of Final Maturity: June 1, 2016.

Terms of Payment (principal and interest):

This note is payable on demand, or if not demand is made, the principal and interest of this note shall be due and payable in monthly installments of \$1,063.96 beginning on the first day of July, 2006, and continuing regularly thereafter until one (1) year after the date of this note, at which time the monthly installment shall increase to \$1,164.92, and continue regularly thereafter until three (3) years after the date of this note, at which time the monthly installment shall be adjusted as provided for above and continue regularly until ten (10) years after the date of this note, at which time all unpaid amounts, including principal and interest, shall be due and payable in full. On June 1, 2009, (the change date) if the interest rate as determined above increases, the next monthly installment will increase. Likewise, if the interest rate as determined above decreases, the next monthly installment will decrease accordingly. Thereafter, the interest rate determined on each successive change date may change the following year's installment. The amount of the monthly installment will always be sufficient to pay this loan in full in equal installments as if the loan were amortized over a thirty (30) year term. In setting the monthly payment amount on each change date the note holder will assume that the note interest rate will not change again prior to the final payment date. From said monthly installments above described, all monies represented by the same shall be



first applied to interest due hereon, and balance shall be applied to principal. Notwithstanding anything to the contrary herein, this note may be prepaid in whole or in part at any time without penalty. Prepayments shall be applied to installments on principal in the inverse order of maturity so that they will pay the last maturing principal installments first, and these prepayments will not reduce the amount or time of payment of the remaining installments.

THIS LOAN IS PAYABLE IN FULL JUNE 1, 2016. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE BANK IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL THEREFORE BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WHICH MAY BE THE BANK YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME BANK.

**Late Charge:**

If any installment becomes overdue for more than ten (10) days, at Payee's option FIVE PERCENT (5.0%) may be charged for each dollar overdue in order to defray the expense of handling the delinquent payment.

**Security for Payment:**

A deed of trust of even date to Albert J. Heinrich, Jr., Trustee, which covers the following described real property:

APPROXIMATELY 1.199 acres of land out of the A. M. HIGHSMITH SURVEY, ABSTRACT NO. 33, in Bastrop County, Texas, and being the same property more particularly described by metes and bounds in the Deed recorded in Volume 1619, Page 491, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

Maker promises to pay to the order of Payee at the place of payment and according to the terms of payment, the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

IF Maker defaults in the payment of this note or in the performance of any obligation in any instrument securing or collateral to it, and the default continues after Payee gives written notice of default and the time within which it must be cured, as may be required by law or by written agreement, then Payee may declare the unpaid principal balance and earned interest on this note immediately due. Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payments, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest, to the extent permitted by law.

Interest on the debt evidenced by this note shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

Each Maker is responsible for all obligations represented by the note.

When the context requires, singular nouns and pronouns include the plural.

Maker may prepay the principal amount outstanding in whole or in part. Payee may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied to the principal amount outstanding and shall not postpone the due date of any subsequent monthly installment or change the amount of such installment, unless the Payee shall otherwise agree in writing.

If this note or any instrument securing or collateral to it is brought for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due. Reasonable attorney's fees shall be ten percent (10.0%) of all amounts due unless either party pleads otherwise.

Any notice provided for in this Note shall be given by mailing such notice by certified mail return receipt requested addressed to Maker at the address referred to above or at such other address as Maker designates to the Payee. Any notice to the Payee shall be given by mailing such notice by certified mail, return receipt requested to Payee at the address stated in this Note, or at such address as may have been designated by notice to Maker.

The indebtedness represented by this Note may not be assumed without the express written consent of the Payee.

Maker agrees to provide, upon reasonable request, any financial statements which Payee may deem necessary. Maker warrants that all financial statements and information provided by Maker will be true, correct and complete.

NOTICE

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

  
Columbus Joseph Collet, d/b/a  
CJ Collet Investments

**EXHIBIT "A"**

APPROXIMATELY 1.100 acres of land out of the A.M. HIGHSMITH SURVEY, ABSTRACT NO. 38, in Bastrop County, Texas, and being the same property more particularly described by maps and bounds in the Deed recorded in Volume 1619, Page 481, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

**EXHIBIT "A-1"**

**LEGAL DESCRIPTION: BEING 1.100 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE A.M. HIGHSMITH SURVEY, ABSTRACT NO. 38, IN BASTROP COUNTY, TEXAS AND BEING ALL OF THAT SAME 1.100 ACRE TRACT OF LAND CONVEYED TO CHARLES AND BHELLEY MATHEWS BY DEED RECORDED IN VOLUME 895, PAGE 838 OF THE OFFICIAL RECORDS OF BASTROP COUNTY, TEXAS; SAID 1.100 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARN & ASSOCIATES IN JULY, 2000:**

**BEGINNING** at an iron rod found in the west line of County Road 109, Ponderosa Road, for the southeast corner of that certain 0.8304 acre tract conveyed to Bluff Springs Food Mart, Inc. by deed recorded in Volume 926, Page 488 of said official records and the northeast corner hereof and from which an iron rod found at the intersection of the west line of said county road and the south 10-0-00 line of State Highway 71 for the northeast corner of said 0.8304 acre tract bears North 18°41'13" West a distance of 149.78 feet along the west line of said county road,

**THENCE** South 18°40'00" West a distance of 265.48 feet along the west line of said county road to an iron rod found for the northeast corner of that certain 0.2821 acre tract conveyed to Kenneth Ashbranner by deed recorded in Volume 703, Page 234 of said official records and the southeast corner hereof;

**THENCE** North 70°28'11" West a distance of 182.77 feet along the north line of said 0.2821 acre tract to an iron rod found in the west line of that certain 17.9 acre tract conveyed to Luckell L. McArthur by deed recorded in Volume 126, Page 289 of the Deed Records of Bastrop County, Texas for the northwest corner of said 0.2821 acre tract and the southwest corner hereof;

**THENCE** North 18°38'00" East a distance of 268.88 feet along the east line of said 17.9 acre tract to an iron rod found for the southwest corner of said 0.8204 acre tract and the northeast corner hereof,

**THENCE** South 70°21'16" East a distance of 182.04 feet along the south line of said 0.8204 acre tract to the POINT OF BEGINNING and containing 1.100 acres of land, more or less, and as shown on map of survey prepared herewith

GUARANTY

WHEREAS, Columbus Joseph Collet, d/b/a CJ Collet Investments ("Borrower", whether one or more) is or may become indebted to Buttross V, Inc. ("Creditor");

NOW THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned ("Guarantor", whether one or more) hereby guarantees to Creditor the prompt payment at maturity, and at all times thereafter, of the Guaranteed Indebtedness (hereinafter defined), this guaranty being upon the following terms and conditions:

1. The term "Guaranteed Indebtedness", as used herein, includes: (a) all indebtedness of every kind and character, without limit as to amount, whether now existing or hereafter arising, of Borrower to Creditor, regardless of whether evidenced by notes, drafts, acceptances, discounts, overdrafts, or otherwise, and whether such indebtedness be fixed, contingent, joint, several, or joint and several, including, but not limited to, Real Estate Line Note dated May 25, 2006, in the original principal amount of \$145,000.00 made and executed by Columbus Joseph Collet, d/b/a CJ Collet Investments, and payable to the order of Buttross V, Inc.; (b) interest on any of the indebtedness described in (a) preceding; (c) any and all costs, attorney's fees, and expenses suffered by Creditor by reason of Borrower's default in payment of any of the foregoing indebtedness; and (d) any renewal or extension of the indebtedness, costs, or expenses described in (a) through (c) preceding, or any part thereof.

2. This instrument shall be an absolute and continuing guaranty, and the circumstances that at any time or from time to time the Guaranteed Indebtedness may be paid in full shall not affect the obligation of Guarantor with respect to indebtedness of Borrower to Creditor thereafter incurred, provided that Guarantor may give written notice that Guarantor will not be liable hereunder for any indebtedness of Borrower incurred after the giving of such notice (which notice shall not be deemed to have been given until actually received by Creditor), and in such event Guarantor shall remain liable on his or its obligations hereunder until the payment in full of (a) the Guaranteed Indebtedness as it exists at the date of the giving of such notice, and (b) loans and advances made to or for the account of Borrower after such notice pursuant to the obligation of Creditor under a commitment or agreement made to or with Borrower prior to the giving of such notice.

3. If Guarantor becomes liable for any indebtedness owing by Borrower or Creditor, by indorsement or otherwise, other than under this guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Creditor hereunder shall be cumulative of any and all other rights that Creditor may ever have against Guarantor. The exercise by Creditor of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

4. In the event of default by Borrower in payment of the Guaranteed Indebtedness, or any part thereof, when such indebtedness becomes due, either by its terms or as the result of the exercise of any power to accelerate, Guarantor shall, on demand and without further notice of dishonor, without any notice having been given to Guarantor previous to such demand of the acceptance by Creditor of this guaranty and without any notice having been given to Guarantor previous to such demand of the creating or incurring of such indebtedness, pay the amount due thereon to Creditor, and it shall not be necessary for Creditor, in order to enforce such payment by Guarantor, first to institute suit or exhaust its remedies against Borrower or others liable on such indebtedness, or to enforce its or his rights against any security which shall ever have been given to secure such indebtedness.

5. Guarantor hereby agrees that its or his obligations under

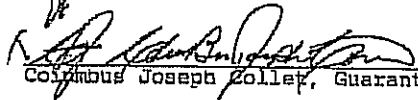
the terms of this guaranty shall not be released, diminished, impaired, reduced, or affected by the occurrence of any one or more of the following events: (a) the taking or accepting of any other security or guaranty for any or all of the Guaranteed Indebtedness; (b) any release, surrender, exchange, subordination, or loss of any security at any time existing in connection with any or all of the Guaranteed Indebtedness; (c) any partial release of the liability of Guarantor hereunder, or, if there is more than one person and/or entity signing this guaranty, the release of any one or more of them, hereunder; (d) the death, insolvency, bankruptcy, disability, or lack of corporate power of Borrower, any of the undersigned, or any party at any time liable for the payment of any or all of the Guaranteed Indebtedness, whether now existing or hereafter occurring; (e) any renewal, extension and/or rearrangement of the payment of any or all of the Guaranteed Indebtedness, either with or without notice to or consent of Guarantor, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Creditor to Borrower or Guarantor; (f) any neglect, delay, omission, failure, or refusal of Creditor to take or prosecute any action for the collection of any of the Guaranteed Indebtedness or to foreclose or take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of the Guaranteed Indebtedness; (g) any failure of Creditor to notify Guarantor of any renewal, extension, or assignment of the Guaranteed Indebtedness or any part thereof, or the release of any security or of any other action taken or refrained from being taken by Creditor against Borrower or any new agreement between Creditor and Borrower, it being understood that Creditor shall not be required to give Guarantor any notice of any kind under any circumstances whatsoever with respect to or in connection with the Guaranteed Indebtedness; (h) in the event that Borrower is a corporation, joint stock association, or partnership, or is hereafter incorporated, the unenforceability of all or any part of the Guaranteed Indebtedness against Borrower by reason of the fact that the Guaranteed Indebtedness exceeds the amount permitted by law, the act of creating the Guaranteed Indebtedness, or any part thereof, is ultra vires, or the officers creating same acting in excess of their authority; or (i) any payment by Borrower to Creditor is held to constitute a preference under the bankruptcy laws or if for any other reason Creditor is required to refund such payment or pay the amount thereof to someone else.

6. This guaranty is for the benefit of Creditor and Creditor's heirs, personal representatives, successors and assigns, and in the event of an assignment of the Guaranteed Indebtedness, or any part thereof, the rights and benefits hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This guaranty is binding not only on Guarantor, but on Guarantor's heirs, personal representatives, successors and assigns, and, if this guaranty is signed by more than one person and/or entity, then all of the obligations of Guarantor arising herein shall be jointly and severally binding on each of the undersigned, and their respective heirs, personal representatives, successors and assigns.

7. Guarantor represents that he or it is the owner of a direct or indirect interest in Borrower and that Guarantor will receive a direct and material benefit from the proceeds of any of the Guaranteed Indebtedness.

8. This guaranty is executed and delivered as an incident to a lending transaction negotiated, consummated and performable in Travis County, Texas, and shall be construed according to the laws of the State of Texas.

EXECUTED this the 25 day of May, 2006.

  
Columbus Joseph Zollet, Guarantor

GUARANTY

WHEREAS, Columbus Joseph Collet, d/b/a CJ Collet Investments ("Borrower", whether one or more) is or may become indebted to Buttross V, Inc. ("Creditor");

NOW THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned ("Guarantor", whether one or more) hereby guarantees to Creditor the prompt payment at maturity, and at all times thereafter, of the Guaranteed Indebtedness (hereinafter defined), this guaranty being upon the following terms and conditions:

1. The term "Guaranteed Indebtedness", as used herein, includes: (a) all indebtedness of every kind and character, without limit as to amount, whether now existing or hereafter arising, of Borrower to Creditor, regardless of whether evidenced by notes, drafts, acceptances, discounts, overdrafts, or otherwise, and whether such indebtedness be fixed, contingent, joint, several, or joint and several, including, but not limited to, Real Estate Line Note dated May 25, 2006, in the original principal amount of \$145,000.00 made and executed by Columbus Joseph Collet, d/b/a CJ Collet Investments, and payable to the order of Buttross V, Inc.; (b) interest on any of the indebtedness described in (a) preceding; (c) any and all costs, attorney's fees, and expenses suffered by Creditor by reason of Borrower's default in payment of any of the foregoing indebtedness; and (d) any renewal or extension of the indebtedness, costs, or expenses described in (a) through (c) preceding, or any part thereof.

2. This instrument shall be an absolute and continuing guaranty, and the circumstances that at any time or from time to time the Guaranteed Indebtedness may be paid in full shall not affect the obligation of Guarantor with respect to indebtedness of Borrower to Creditor thereafter incurred, provided that Guarantor may give written notice that Guarantor will not be liable hereunder for any indebtedness of Borrower incurred after the giving of such notice (which notice shall not be deemed to have been given until actually received by Creditor), and in such event Guarantor shall remain liable on his or its obligations hereunder until the payment in full of (a) the Guaranteed Indebtedness as it exists at the date of the giving of such notice, and (b) loans and advances made to or for the account of Borrower after such notice pursuant to the obligation of Creditor under a commitment or agreement made to or with Borrower prior to the giving of such notice.

3. If Guarantor becomes liable for any indebtedness owing by Borrower or Creditor, by indorsement or otherwise, other than under this guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Creditor hereunder shall be cumulative of any and all other rights that Creditor may ever have against Guarantor. The exercise by Creditor of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

4. In the event of default by Borrower in payment of the Guaranteed Indebtedness, or any part thereof, when such indebtedness becomes due, either by its terms or as the result of the exercise of any power to accelerate, Guarantor shall, on demand and without further notice of dishonor, without any notice having been given to Guarantor previous to such demand of the acceptance by Creditor of this guaranty and without any notice having been given to Guarantor previous to such demand of the creating or incurring of such indebtedness, pay the amount due thereon to Creditor, and it shall not be necessary for Creditor, in order to enforce such payment by Guarantor, first to institute suit or exhaust its remedies against Borrower or others liable on such indebtedness, or to enforce its or his rights against any security which shall ever have been given to secure such indebtedness.

5. Guarantor hereby agrees that its or his obligations under

the terms of this guaranty shall not be released, diminished, impaired, reduced, or affected by the occurrence of any one or more of the following events: (a) the taking or accepting of any other security or guaranty for any or all of the Guaranteed Indebtedness; (b) any release, surrender, exchange, subordination, or loss of any security at any time existing in connection with any or all of the Guaranteed Indebtedness; (c) any partial release of the liability of Guarantor hereunder, or, if there is more than one person and/or entity signing this guaranty, the release of any one or more of them, hereunder; (d) the death, insolvency, bankruptcy, disability, or lack of corporate power of Borrower, any of the undersigned, or any party at any time liable for the payment of any or all of the Guaranteed Indebtedness, whether now existing or hereafter occurring; (e) any renewal, extension and/or rearrangement of the payment of any or all of the Guaranteed Indebtedness, either with or without notice to or consent of Guarantor, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Creditor to Borrower of Guarantor; (f) any neglect, delay, omission, failure, or refusal of Creditor to take or prosecute any action for the collection of any of the Guaranteed Indebtedness or to foreclose or take or prosecute any action in connection with any instrument or agreement evidencing or securing all or any part of the Guaranteed Indebtedness; (g) any failure of Creditor to notify Guarantor of any renewal, extension, or assignment of the Guaranteed Indebtedness or any part thereof, or the release of any security or of any other action taken or refrained from being taken by Creditor against Borrower or any new agreement between Creditor and Borrower, it being understood that Creditor shall not be required to give Guarantor any notice of any kind under any circumstances whatsoever with respect to or in connection with the Guaranteed Indebtedness; (h) in the event that Borrower is a corporation, joint stock association, or partnership, or is hereafter incorporated, the unenforceability of all or any part of the Guaranteed Indebtedness against Borrower by reason of the fact that the Guaranteed Indebtedness exceeds the amount permitted by law, the act of creating the Guaranteed Indebtedness, or any part thereof, is ultra vires, or the officers creating same acting in excess of their authority; or (i) any payment by Borrower to Creditor is held to constitute a preference under the bankruptcy laws or if for any other reason Creditor is required to refund such payment or pay the amount thereof to someone else.

6. This guaranty is for the benefit of Creditor and Creditor's heirs, personal representatives, successors and assigns, and in the event of an assignment of the Guaranteed Indebtedness, or any part thereof, the rights and benefits hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This guaranty is binding not only on Guarantor, but on Guarantor's heirs, personal representatives, successors and assigns, and, if this guaranty is signed by more than one person and/or entity, then all of the obligations of Guarantor arising herein shall be jointly and severally binding on each of the undersigned, and their respective heirs, personal representatives, successors and assigns.

7. Guarantor represents that he or it is the owner of a direct or indirect interest in Borrower and that Guarantor will receive a direct and material benefit from the proceeds of any of the Guaranteed Indebtedness.

8. This guaranty is executed and delivered as an incident to a lending transaction negotiated, consummated and performable in Travis County, Texas, and shall be construed according to the laws of the State of Texas.



EXECUTED this the 25 day of May, 2006.

*Susan P. Sissom*  
\_\_\_\_\_  
Susan P. Sissom, Guarantor

**DISCLOSURE AGREEMENT AND WAIVER OF LIABILITY**

WE HEREBY CERTIFY THIS TO BE A  
TRUE AND CORRECT COPY OF THE  
FOREGOING INSTRUMENT  
ALBERT J. HEINRICH, JR., P.C.

BY

GF #: 060381

This Agreement is made and entered into by and between **BUTTROSS V, INC.**, Seller and **COLUMBUS JOSEPH COLLET, DBA C J COLLET INVESTMENTS**, Buyer, for the benefit of **Albert J. Heinrich, Jr., P.C.**, and/or any real estate agents regarding the purchase and sale of the real property locally known as follows:

**116 PONDEROSA, BASTROP, TX 78602**  
**1.199 Acres, Bastrop County, A.M. HIGHSMITH ABSTRACT 39**

**PURPOSE:** Seller, the owner of the real property locally known as **116 PONDEROSA, BASTROP TX 78602**, desires to sell and convey same to Buyer; and WHEREAS, there exists a mortgage loan(s) against the subject real property herein, that the mortgage loan(s) is secured by a deed of trust which may contain a "due on sale" provision, which fact may subject the real estate lien note secured by said mortgage to acceleration by the holder thereof in the event of any sale of the subject property without the express consent of the holder of such mortgage note and debt, and may further subject the subject real property to foreclosure in the event that the said mortgage loan is not paid, discharged or otherwise satisfied following such acceleration, if any; of which "due on sale" provision Seller and Buyer acknowledge disclosure by Albert J. Heinrich, Jr., P.C., and the further disclosure that the Real Estate Lien Note and Deed of Trust may violate such "due on sale" provision and subject the property to foreclosure proceedings; and that WHEREAS in an attempt to avoid the effect of the "due on sale" provision, the parties hereto have, elected to structure the sale and conveyance of the subject real property as a wrap around note and deed of trust without informing the holder of the mortgage note and debt,

**NOW FOR AND IN CONSIDERATION** of the stipulations and agreements set out herein, the parties hereto do agree as follows, to wit:

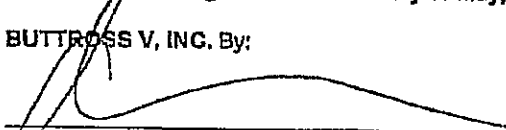
1. Albert J. Heinrich, Jr., P.C., Attorney at Law, and have prepared the legal documents and closing statements in order to facilitate this transaction. Each party acknowledges that Albert J. Heinrich, Jr., P.C., and have not represented that the consummation of this transaction as a wrap around note and deed of trust will avoid the effects of any "due on sale" clause referred to above and each party further acknowledges that execution and delivery of the wrap around note and deed of trust may, if discovered by the lender, subject the property to foreclosure proceedings. In the event the holder of the note secured by such mortgage lien containing such "due on sale" provision elects to attempt to enforce the "due on sale" clause, all parties to this Agreement hereby release Albert J. Heinrich, Jr., P.C., and all real estate brokers and agents involved in this transaction of liability from any damages, suffered as a result or consequences of enforcement or attempted enforcement of such "due on sale" provision.
2. Unless the insurance carrier is advised of the sale and the name of the named insured changed accordingly, the parties acknowledge that the sale may give cause to the present and future insurance carriers to disclaim or attempt to disclaim, limit or deny insurance coverage, claims and payments under existing or future policies of hazard insurance with respect to otherwise covered fire or other damage to the improvements. Such disclaimer, limitation or denial of coverage may result by reason of exclusion of coverage provisions in such insurers policies which limit the coverage to the "sole and exclusive" owner(s) of the property. In the event the carrier should so disclaim, limit or deny coverage or attempt to disclaim, limit or deny coverage, all parties to this Agreement hereby release Albert J. Heinrich, Jr., P.C., and all real estate brokers and agents involved in this transaction of liability from damage suffered as a result or consequence of such disclaimer, limitation or denial of coverage.
3. Seller acknowledges that the Mortgage Loan will remain in the name of the Seller, which in fact may impact Seller's ability to secure mortgage financing on further or subsequent purchase(s) of improved real estate.
4. Seller acknowledges that in the event the contract documents provide that Buyer is to make the monthly mortgage payment, and if Buyer fails to timely make the monthly mortgage payments, such delinquency may

be reflected on Seller's credit history and might impact Seller's credit standing.

5. Seller acknowledges that in the event that Buyer shall fail to make monthly mortgage payments, either directly to the mortgage company or to Seller, that Seller may have to make the payments that Buyer has missed in order to protect Seller's interest in the property.
6. Buyer understands and acknowledges that there are certain risks in the event that Wrap Around Warranty Deed is recorded and that such risk include, but are not limited to the following: The acceleration of the Mortgage Loan to maturity and demand for full payment of the Mortgage Loan and foreclosure on the property should the sale contemplated by this Agreement violate a "due on sale" clause contained in the Mortgage Loan documentation.
7. Seller and Buyer further acknowledge that Albert J. Heinrich, Jr., P.C. , have not reviewed the status of title to the property, and make no representations or warranties of any kind whatsoever concerning title to the property.

EXECUTED and signed this the 25 day of May, 2006.

BUTTROSS V, INC. By:


  
\_\_\_\_\_

DAVID A. BUTTROSS, PRESIDENT

COLUMBUS JOSEPH COLLET, DBA G J COLLET INVESTMENTS By:

X   
\_\_\_\_\_

COLUMBUS JOSEPH COLLET

X   
\_\_\_\_\_

SUSAN P. SISSOM

LAW OFFICES  
**VON KREISLER & SWANSON**  
A PROFESSIONAL CORPORATION  
610 WEST LYNN  
AUSTIN, TEXAS 78703

ROBERT W. SWANSON  
robert\_swanson@swbell.net

(512) 472-1494  
TELEFAX--(512) 478-4936

September 22, 2006

*via first class mail and fax: 713-892-4800*

Jennifer L. Haluptzok  
Nathan Sommers Jacobs  
2800 Post Oak Blvd., 61<sup>st</sup> Fl.  
Houston, Texas 77056-6102

Re: Ronald J. Sommers, Trustee v. Jimmy  
Sissom, et. al; Adversary No. 06-03565

Dear Ms. Haluptzok:

I represent Buttross Holdings, Inc., one of the defendants in the above-referenced case. For the reasons described below, we request that you and your client dismiss Buttross Holdings from this case, without prejudice.

Buttross Holdings and its affiliates are in the business of buying and reselling real property. Around May 20, 2006, Buttross V, Inc. entered into a contract to sell 1.199 acres of land in Bastrop County to CJ Collett, Inv. A copy of the contract is enclosed with the mailed copy of this letter. You will notice that Susan Sissom signed the real estate contract, in an unspecified capacity. In connection with the contract, the cash portion of the purchase was tendered to the seller in the form of cashier's check No. 1273028 payable to Buttross Properties in the amount of \$15,000, with the CJ Collet shown as the remitter. (the best copy I have seen of this check is attached to your complaint).

The sale was closed by the end of May and the property was deeded to Columbus Joseph Collet, d/b/a CJ Collet Investments. I have also enclosed, with the mailed copy of this letter the settlement statement and the Real Estate Lien Note which represented the seller financing portion of the purchase price.

I have discussed this closing with David Buttross, the owner of Buttross Holdings, Inc., and Al Heinrich, the attorney whose office closed the sale. Neither of them was aware of Jimmy Sissom's bankruptcy. Apparently, all that Buttross Holdings, Inc. or Buttross Properties did was accept a check for a downpayment, without any knowledge that it might arguably be property of a bankruptcy estate.



000204

Letter to Jennifer L. Haluptzok  
September 22, 2006  
Page 2

Although there may be sufficient facts to warrant the Trustee's investigation of a postpetition transfer to Buttross Holdings, Inc. (or some related entity), we do not believe there are any facts which would justify the trustee's claims against Buttross Holdings, Inc. for Civil Conspiracy, Injunctive Relief or Constructive Trust. It is not fair to make these claims against Buttross Holdings, without any factual basis. These claims should be dismissed.

With respect to the Section 549 and 550 claims, you may be able to show that Buttross Holdings, Inc. (or some related entity) was a mediate or intermediate transferee of an initial transferee of a postpetition transfer. However, I am not aware of any facts which would support your allegation in paragraph 120 of the complaint that Buttross did not receive the transfer in good faith, and/or without knowledge of the voidability of the transfer. Under Bankruptcy Code Section 550(b), we believe that the Trustee may not recover the alleged postpetition transfer.

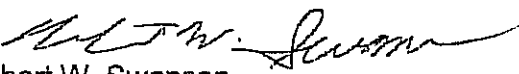
For the reasons stated above, we request that the Trustee dismiss all claims against Buttross Holdings, Inc., without prejudice. We can continue to discuss the postpetition transfer claim and the Trustee may pursue it, or any other claims, at a later date, if the facts warrant. Our obvious desire is to avoid incurring attorney's fees to defend a claim which has not been fully investigated by the Trustee.

Please let me know by September 27<sup>th</sup> whether the Trustee will agree to dismiss the Buttross Holdings, Inc. claims. We would like to avoid the expense of preparing for and appearing at the injunction hearing on October 2<sup>nd</sup>.

If this matter is not resolved by September 27<sup>th</sup>, we intend to file a motion for sanctions under Bankruptcy Rule 9011 so that Buttross Holdings, Inc. can recover its attorney's fees for what we believe to be meritless claims.

Thank you for your consideration. Ask Ron Sommers if he remembers the River Hills Apartment Case in Austin 20 to 25 years ago. It made an impression on me, and I hope Ron remembers it, as well.

Sincerely,

  
Robert W. Swanson

cc: David A. Buttross

000205



TEXAS ASSOCIATION OF REALTORS®  
COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.  
© Texas Association of REALTORS®, Inc. 2005

1. PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: Buitras J Inc  
Address: \_\_\_\_\_  
Phone: 320-0888 Fax: 512-708-1141  
E-mail: \_\_\_\_\_  
Buyer: CJ COLLET INV.  
Address: 8939 LONG POINT HWY TX 72055  
Phone: 713 309 5171 / 832 492 5921 Fax: 832 358 8102  
E-mail: KILL CONLEY

2. PROPERTY:

A. "Property" means that real property situated in Bastrop County, Texas at 116 Ponderosa 78602 (address) and that is legally described on the attached Exhibit \_\_\_\_\_ or as follows:

1. 199 Acres out of A.M. High Smith Survey, Abstract 39, Bastrop county

- B. Seller will sell and convey the Property together with:
- (1) all buildings, improvements, and fixtures;
  - (2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
  - (3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
  - (4) Seller's interest in all licenses and permits related to the Property;
  - (5) Seller's interest in all third party warranties or guarantees, if transferable, relating to the Property or any fixtures;
  - (6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
  - (7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except:

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)  
(If the Property is a condominium, attach condominium addendum.)

3. SALES PRICE: At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing .....	\$ <u>15,000</u>
B. Sum of all financing described in Paragraph 4 .....	\$ <u>145,000</u>
C. Sales price (sum of 3A and 3B) .....	\$ <u>160,000 -</u>

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Commercial Contract - Improved Property concerning 116 Ponderosa

4. FINANCING: Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$ \_\_\_\_\_ This contract:
  - (1) is not contingent upon Buyer obtaining third party financing.
  - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum.
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum, Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ \_\_\_\_\_.
- C. Seller Financing: The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum in the amount of \$ 145,000.

5. EARNEST MONEY:

- A. Not later than 3 days after the effective date, Buyer must deposit \$ 0 as earnest money with John Clark 122-2029 (escrow agent) at \_\_\_\_\_ (address). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract by providing written notice to Buyer before Buyer deposits the earnest money and may exercise Seller's remedies under Paragraph 15.
- B. Buyer will deposit an additional amount of \$ \_\_\_\_\_ with the escrow agent to be made part of the earnest money on or before:
  - (i) \_\_\_\_\_ days after Buyer's right to terminate under Paragraph 7B expires; or
  - (ii) \_\_\_\_\_
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the escrow agent to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY, SURVEY, AND UCC SEARCH:

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by \_\_\_\_\_ (title company) in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
  - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
  - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
  - (a) will not be amended or deleted from the title policy.
  - (b) will be amended to read "shortages in areas" at the expense of  Buyer  Seller.
- (3) Buyer may object to any restrictive covenants on the Property within the time required under Paragraph 6C.
- (4) Within \_\_\_\_\_ days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

NA

Commercial Contract: Improved Property concerning

B. Survey: Within \_\_\_\_\_ days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's existing survey of the Property dated \_\_\_\_\_ along with an affidavit required by the title company for approval of the survey. If the survey is not acceptable to the title company, Seller, at Seller's expense, will obtain a survey acceptable to the title company and deliver the acceptable survey to the buyer and the title company within 15 days after Seller receives notice that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 15 days if necessary for Seller to deliver an acceptable survey within the time required.

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C. UCC Search:

- (1) Within \_\_\_\_\_ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

- (1) Within \_\_\_\_\_ days after Buyer receives the commitment, copies of the documents evidencing title exceptions, any required survey, and any required UCC search, Buyer may object to matters disclosed in the items if: (a) the matters disclosed constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.
- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

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7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: AS/ES

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Commercial Contract - Improved Property concerning \_\_\_\_\_

B. Feasibility Period: Buyer may terminate this contract for any reason within 5 days after the effective date (feasibility period) by providing Seller written notice of termination. (Check only one box.)

(1) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ \_\_\_\_\_ that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the escrow agent. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to timely deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Not later than 3 days after the effective date, Buyer must pay Seller \$ 15000.00 as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to timely pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 1 days after the effective date, Seller will deliver to Buyer:

- (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
- (b) copies of all current leases pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;

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- (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (e) copies of all current service, maintenance, and management agreements relating to the ownership and operation of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider;
- (g) copies of all current warranties and guarantees relating to all or part of the Property;
- (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
- (i) copies of all leasing or commission agreements that currently relate to all or part of the Property;
- (j) a copy of the "as-built" plans and specifications and plat of the Property;
- (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
- (l) a copy of Seller's income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;
- (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (n) real & personal property tax statements for the Property for the previous 2 calendar years; and
- (o) \_\_\_\_\_

(2) **Return of Property Information:** If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer and all copies that Buyer made of those items; and (b) deliver copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed. This Paragraph 7D(2) survives termination of this contract.

**E. Contracts Affecting Operations:** Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

**8. LEASES:**

**A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms without amendment or modification that is not disclosed to Buyer in writing. Seller must disclose, in writing, to Buyer if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:**

- (1) any modifications, amendments, or default by landlord or tenant under the leases;
- (2) any failure by Seller to comply with Seller's obligations under the leases;
- (3) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (4) any non-occupancy of the leased premises by a tenant;
- (5) any advance sums paid by a tenant under any lease;
- (6) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (7) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

**B. Estoppel Certificates:** Within \_\_\_\_\_ days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than \_\_\_\_\_ by each tenant that leases space in the Property. The estoppel certificates must state:

NA

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- (1) that no default exists under the lease by the landlord or tenant as of the date the estoppel certificate is signed;
- (2) the amount of the scheduled rents to be paid through the end of the lease and any rental payments that have been paid in advance;
- (3) the amount of any security deposit;
- (4) the amount of any offsets tenant is entitled against rent;
- (5) the expiration date of the lease;
- (6) a description of any renewal options; and
- (7) \_\_\_\_\_

9. BROKERS:

A. The brokers to this sale are:

Cooperating Broker	License No.	Principal Broker	License No.
Address		Address	
Phone	Fax	Phone	Fax
E-mail:		E-mail:	

Cooperating Broker represents buyer.

Principal Broker: (Check only one box)

represents Seller only.

represents Buyer only.

is an intermediary between Seller and Buyer.

B. Fees: (Check only one box.)

- (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.
- (2) At the closing of this sale, Seller will pay:
 

Cooperating Broker a total cash fee of:	Principal Broker a total cash fee of:
<input type="checkbox"/> _____ % of the sales price.	<input type="checkbox"/> _____ % of the sales price.
<input type="checkbox"/> _____	<input type="checkbox"/> _____

The cash fees will be paid in \_\_\_\_\_ County, Texas. Seller authorizes escrow agent to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

A. The closing of the sale will be on or before 5-25-06 or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (the closing date).

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B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 16.

C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a  general  special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

- (1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
- (2) without any assumed loans in default; and
- (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

- (1) tax statements showing no delinquent taxes on the Property;
- (2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;
- (3) an assignment of all leases to or on the Property;
- (4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:
  - (a) licenses and permits;
  - (b) maintenance, management, and other contracts; and
  - (c) warranties and guaranties;
- (5) a rent roll current on the day of the closing certified by Seller as true and correct;
- (6) evidence that the person executing this contract is legally capable and authorized to bind Seller;
- (7) an affidavit acceptable to the escrow agent stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the escrow agent to: (i) withhold from Seller's proceeds an amount sufficient to comply applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and
- (8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:

- (1) pay the sales price in good funds acceptable to the escrow agent;
- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in the Property a written statement that:
  - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
  - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

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12. SPECIAL PROVISIONS: (Identify exhibit if special provisions are contained in an attachment)

- ① Seller is a licensed Real Estate Broker in the state of Texas.
- ② Buyer to Do \$5,000 principle reduction in First Year
- ③ Interest rate 8% Year 1 9% year 2 & 3 prime. Plus 2 For Years 4-10. Based on a 30 year Am.

13. SALES EXPENSES:

- A. Seller's Expenses: Seller will pay for the following at or before closing:
  - (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
  - (2) release of Seller's loan liability, if applicable;
  - (3) tax statements or certificates;
  - (4) preparation of the deed and any bill of sale;
  - (5) one-half of any escrow fee;
  - (6) costs to record any documents to cure title objections that Seller must cure; and
  - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
  - (1) all loan expenses and fees;
  - (2) preparation fees of any deed of trust;
  - (3) recording fees for the deed and any deed of trust;
  - (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
  - (5) one-half of any escrow fee; and
  - (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

- A. Prorations:
  - (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
  - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the proration when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
  - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance, premiums, and other

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charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

- B. **Rollback Taxes:** If Seller changes the use of the Property before closing or if a denial of a special valuation on the Property claimed by Seller results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.
- C. **Rent and Security Deposits:** At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

**15. DEFAULT:**

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller may:
  - (1) terminate this contract and receive the earnest money as liquidated damages, thereby releasing the parties from this contract; or
  - (2) enforce specific performance, or seek other relief as may be provided by law, or both.
- B. If, without fault, Seller is unable within the time allowed to deliver the stoppage certificates, survey or the commitment, Buyer may:
  - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as the sole remedy; or
  - (2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
  - (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages, thereby releasing the parties from this contract; or
  - (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

**16. CASUALTY LOSS AND CONDEMNATION:**

- A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date, if, without fault, Seller is unable to do so, Buyer may:
  - (1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
  - (2) extend the time for performance up to 15 days and closing will be extended as necessary; or
  - (3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.
- B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
  - (1) terminate this contract by providing written notice to Seller within 18 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or
  - (2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

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17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or any escrow agent is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer.
- B. If both parties make written demand for the earnest money, escrow agent may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of escrow agent from all parties.
- C. If one party makes written demand for the earnest money, escrow agent will give notice of the demand by providing to the other party a copy of the demand. If escrow agent does not receive written objection to the demand from the other party within 15 days after the date escrow agent sent the demand to the other party, escrow agent may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors.
- D. Escrow agent will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- E. If escrow agent complies with this Paragraph 18, each party hereby releases escrow agent from all claims related to the disbursement of the earnest money.
- F. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to escrow agent are effective upon receipt by escrow agent.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: (Check only one box.)

- A. Seller is not aware of any material defects to the Property except as stated in the attached Property Condition Statement.
- B. Except as otherwise provided in this contract, Seller is not aware of:
  - (1) any subsurface structures, pits, wells, springs, or improvements;
  - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
  - (3) any environmental hazards or conditions that materially affect the Property;
  - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
  - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
  - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
  - (7) any threatened or endangered species or their habitat on the Property;
  - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
  - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
  - (10) any material physical defects in the improvements on the Property; or
  - (11) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)

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May. 23. 2006 3:48PM

000215





Commercial Contract - Improved Property concerning \_\_\_\_\_

**25. ADDITIONAL NOTICES:**

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract.
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract.
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract.
- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers.

**26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on 5-27-06 the offer will lapse and become null and void.

(TAR-1801) 10-18-05

Initialed for Identification by Buyer

*[Handwritten initials]* and Seller *[Handwritten initials]*

Page 12 of 13

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No. 8350 P. 12

May 23, 2006 3:48PM

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Commercial Contract - Improved Property concerning \_\_\_\_\_

**READ THIS CONTRACT CAREFULLY.** The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT your attorney BEFORE signing.**

Buyer: *Susan P Sisson* Seller: \_\_\_\_\_

By: \_\_\_\_\_ By: \_\_\_\_\_

Printed Name: SUSAN P SISSON Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

Buyer: *Susan P Sisson* Seller: *[Signature]*

By: \_\_\_\_\_ By: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

**AGREEMENT BETWEEN BROKERS**

Principal Broker agrees to pay \_\_\_\_\_ (Cooperating Broker) a fee of \$ \_\_\_\_\_ or \_\_\_\_\_ % of the sales price when the Principal Broker's fee is received. Escrow agent is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Cooperating Broker \_\_\_\_\_ Principal Broker \_\_\_\_\_  
By: \_\_\_\_\_ By: \_\_\_\_\_

**ATTORNEYS**

Buyer's attorney is: \_\_\_\_\_ Seller's attorney is: \_\_\_\_\_  
Name: \_\_\_\_\_ Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Phone & Fax: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_ E-mail: \_\_\_\_\_

Buyer's attorney requests copies of documents, notices, and other information:  
 the title company sends to Buyer.  
 Seller sends to Buyer.

Seller's attorney requests copies of documents, notices, and other information:  
 the title company sends to Seller.  
 Buyer sends to Seller.

**ESCROW RECEIPT**

Escrow agent acknowledges receipt of:  
 A. the contract on this day \_\_\_\_\_ (effective date);  
 B. earnest money in the amount of \$ \_\_\_\_\_ in the form of \_\_\_\_\_ on \_\_\_\_\_

Escrow Agent: \_\_\_\_\_ Address: \_\_\_\_\_

By: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_



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PINE POINT INN

PAGE 01



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No. 8950 P. 14

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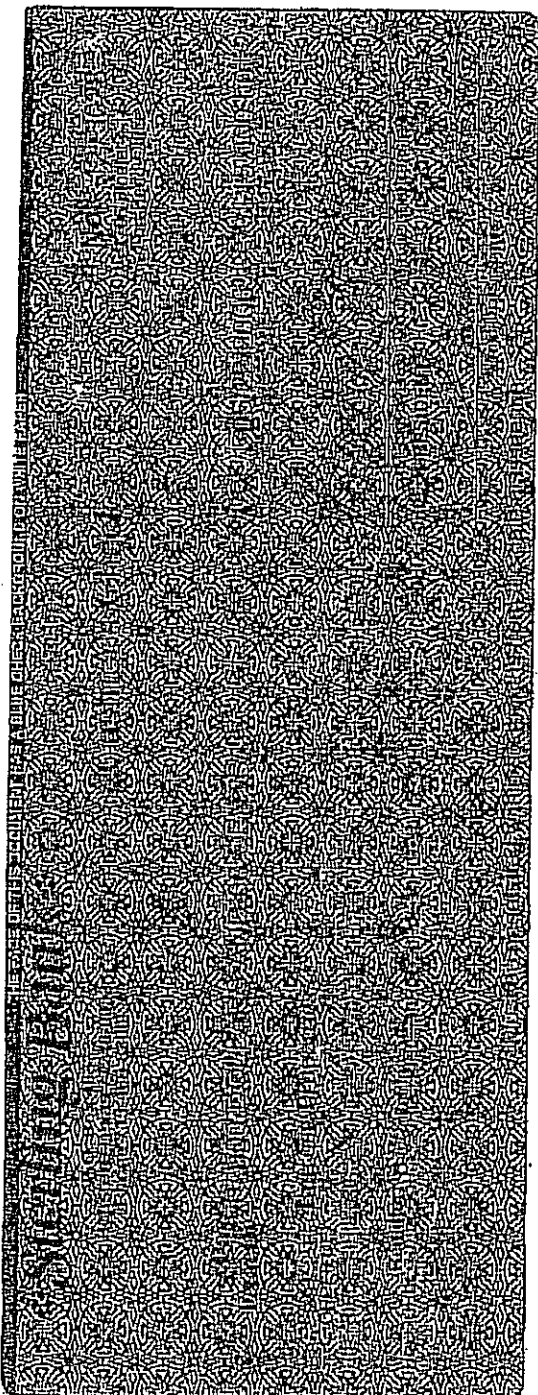
May. 23. 2006 2:43PM

*For deposit*

⑈100220070⑈

⑈615500E11⑈

⑈820E22⑈



No. 8346 P. 1

# A. Settlement Statement

U.S. Department of Housing and Urban Development

OMB No. 2502-0263 (Page 1)

**B. Type of Loan**

1.  FHA    2.  FedHA    3.  Conv Units  
 4.  VA    5.  Conv Dis.

6. File Number: 869581    7. Loan Number:    8. Mortgage or Case Number:

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(none)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

**D. Name and Address of Borrower**  
 COLUMBUS JOSEPH COLLET, DBA CJ COLLET INVESTMENTS  
 8315 LONG POINT  
 HOUSTON, TX 77058

**E. Name, Address, and Tax ID Number of Seller**  
 BUTTRESS V, INC.  
 P.O. BOX 6195  
 AUSTIN, TX 78763  
 Tax ID #70-2464183

**F. Name and Address of Lender**  
 BUTTRESS V, INC.  
 P.O. BOX 6396  
 AUSTIN, TX 78763

**G. Property Location (Complete address, including legal description, if necessary)**  
 1.199 Acres, Bastrop County, A.M. HIGHWELL ABSTRACT 28  
 116 FONDEROSA  
 BASTROP, TX 77662

**H. Settlement Agent Name, Address and Tax ID Number**  
 ALBERT J. HEINRICH, JR., P.C.  
 1206 RIO GRANDE  
 AUSTIN, TX 78701 Tax ID: 74-2503736

**I. Settlement Date**  
 5/25/06

**WE HEREBY CERTIFY THIS TO BE A TRUE AND CORRECT COPY OF THE FORECLOSING INSTRUMENT**  
 ALBERT J. HEINRICH, JR., P.C.

**J. Summary of Borrower's Transactions**

100. Gross Amount Due from Borrower

101. Contract Sales Price

102. Personal Property

103. Settlement Charges to borrower

104.

105.

101. Contract Sales Price	516,000.00
102. Personal Property	
103. Settlement Charges to borrower	31,819.50
104.	
105.	

**Adjustments for items paid by seller in advance**

106. City property taxes	thru
107. County property taxes	thru
108. Annual assessments	thru
109. School property taxes	thru
110. MUD taxes	thru
111. Other taxes	thru
112.	
113.	
114.	
115.	
116.	

**K. Summary of Seller's Transactions**

200. Gross Amount Due to Seller

201. Deposit or earnest money

202. Principal amount of new loan(s)

203. Existing loan(s) taken subject to

204. Commitment fee

205.

206.

207.

208.

209.

200. Gross Amount Due to Seller	515,000.00
201. Deposit or earnest money	815,000.00
202. Principal amount of new loan(s)	5145,000.00
203. Existing loan(s) taken subject to	
204. Commitment fee	
205.	
206.	
207.	
208.	
209.	

**Adjustments for items unpaid by seller**

210. City property taxes	thru
211. County property taxes	01/01/05 thru 03/31/06
212. Annual assessments	thru
213. School property taxes	01/01/05 thru 03/31/06
214. MUD taxes	thru
215. Other taxes	thru
216. Deposit	
217. Rent 8/25/06 to 6/1/06	
218.	
219.	

**Adjustments for items unpaid by seller**

210. City property taxes	thru
211. County property taxes	01/01/05 thru 03/31/06
212. Annual assessments	thru
213. School property taxes	01/01/05 thru 03/31/06
214. MUD taxes	thru
215. Other taxes	thru
216. Deposit	
217. Rent 8/25/06 to 6/1/06	
218.	
219.	

220. Total Paid By/For Borrower	5163,447.74	220. Total Reduction Amount Due to Seller	5162,702.74
221. Cash At Settlement From To Borrower		221. Cash At Settlement To/From Seller	
201. Gross Amount due from borrower (line 100)	5161,639.50	201. Gross Amount due to seller (line 200)	5162,000.00
202. Loan amount paid by/for borrower (line 210)	5162,447.74	202. Loan reductions to amt. due seller (line 210)	5162,702.74
203. Cash To Borrower	9948.24	203. Cash From Seller	52,702.74

Previous Edition (1) Obsolete

000221

L. Settlement Charges				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	\$160,000.00				
Division of Commission (line 700) as follows:					
701. \$0.00	to				
702. \$0.00	to				
703. Commission Paid at Settlement					
800. Items Payable in Connection with Loan					\$0.00
801. Loan Origination Fee	to				
802. Loan Discount	to				
803. Appraisal Fee	to				
804. Credit Report	to	BUTCHER & V, INC.			
805. Lender's Inspection Fee	to				\$15.00
806. Mortgage Insurance Amortization	to				
807. Assumption Fee	to				
808. Flood Cert.	to				
809. Processing Fee	to	BUTCHER & V, INC.			
810. Tax Service Fee	to				\$50.00
811. Administrative Fee	to				
812. Underwriting Fee	to				
813. Courier Fee	to				
900. Items Required by Lender To Be Paid in Advance					
901. Interest from 3/28/08 to 4/1/08 @ 5.175% / day					\$171.46
902. Mortgage Insurance Premium for months	to				
903. Hazard Insurance Premium for 3 years	to				
1000. Reserves Deposited With Lender					
1001. Hazard Insurance	1 months @		per month		
1002. Mortgage Insurance	months @		per month		
1003. City property taxes	months @		per month		
1004. County property taxes	6 months @ \$29.33		per month		
1005. Annual assessments	months @		per month		\$115.50
1006. School property taxes	3 months @ \$18.41		per month		
1007. MUD taxes	months @		per month		\$93.46
1008. Other taxes	months @		per month		
1011. Agreement Adjustment					
1100. Title Charges					
1101. Settlement or closing fee	to	ALBERT J. HEINRICH, JR., P.C.			
1102. Abstract of title search	to				\$100.00
1103. Title examination	to				
1104. Title insurance binder	to				
1105. Document preparation	to	ALBERT J. HEINRICH, JR., P.C.			
1106. Notary fee	to				\$150.00
1107. Attorney's fees	to				\$75.00
(includes above items numbers)					
1108. Title insurance	to				
(includes above items numbers)					
1109. Lender's coverage	\$0.00/\$0.00				
1110. Owner's coverage	\$0.00/\$0.00				
1111. Closing Fee	to	ALBERT J. HEINRICH, JR., P.C.			
1112. Oversight Express Fee	to	ALBERT J. HEINRICH, JR., P.C.			\$20.00
1113. State of Texas Policy Guaranty Fee	to	ALBERT J. HEINRICH, JR., P.C.			\$11.50
1114. Government Recording and Transfer Charges					
1201. Recording Fee	Deed \$10.00	Mortgage \$12.00	Relates		
1202. City/county tax/fees	Deed	Mortgage	to		\$57.00
1203. State tax/fees	Deed	Mortgage	to		
1204. Tax certificates	to	ALBERT J. HEINRICH, JR., P.C.			
1205. Recording of Release	to				\$35.00
1206.	to				
1300. Additional Settlement Charges					
1301. Survey	to				
1302. Pest Inspection	to				
1303.	to				
1304.	to				
1400. Total Settlement Charges (enter on lines 101, Section 4 and 502, Section 4)					\$1,379.50
					\$1,450.00

I have read/ly reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of copies 1, 2 and 3 of this HUD-1 Settlement Statement.

COBLEST INVESTMENTS by:

Constance Joseph Coble  
[Signature]

BUYER'S by:  
DAVID A. BUTTRESS, PHD

**SETTLEMENT AGENT CERTIFICATION**

The HUD-1 Settlement Statement which I have prepared is a correct and accurate account of this transaction. I have secured the funds to be disbursed in accordance with this statement.

[Signature] Date 5-30-06

Warning: It is a crime to knowingly make false statements to the United States on this or analogous similar forms. Penalties upon conviction can include a fine and imprisonment. For details see Title 18 U.S. Code Section 1001 and Section 1010.

**Buyer's Taxpayer Identification Number Declaration and Certification**  
You are required by law to provide the Settlement Agent named above with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under Penalty of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

Buyer's Signature \_\_\_\_\_ Date \_\_\_\_\_

Previous Billian Objto/s

HUD-1 (2001)

000223

REAL ESTATE LIEN NOTE

Date: May 23, 2006.  
Maker: Columbus Joseph Collet, a/b/a CJ Collet Investments.  
Maker's Mailing Address (including county):  
8939 Long Point  
Houston, Texas 72055  
Payee: Buttross V, Inc.  
Place for Payment (including county):  
P.O. Box 5396  
Austin, Texas 78763  
Principal Amount:  
One Hundred Forty Five Thousand and No/100 Dollars  
(\$145,000.00).

Annual Interest Rate on Unpaid Principal from Date:

Eight percent (8.0%) per annum from and after the date of this note until one (1) year after the date of this note, at which time the annual interest rate shall increase to nine percent (9.0%) per annum until three (3) years after the date of this note, at which time the annual interest rate may be changed annually thereafter (the change date). Changes in the interest rate shall be determined by adding two percent (2.0%) to the Wall Street Journal published prime rate, both principal and interest payable in Austin, Travis County, Texas, or at such other place as designated by the holder hereof.

Annual Interest Rate on Maturesd, Unpaid Amounts:

Eighteen percent (18.0%) per annum.

Date of Final Maturity: June 1, 2016.

Terms of Payment (principal and interest):

This note is payable on demand, or if not demand is made, the principal and interest of this note shall be due and payable in monthly installments of \$1,063.96 beginning on the first day of July, 2006, and continuing regularly thereafter until one (1) year after the date of this note, at which time the monthly installment shall increase to \$1,164.92, and continue regularly thereafter until three (3) years after the date of this note, at which time the monthly installment shall be adjusted as provided for above and continue regularly until ten (10) years after the date of this note, at which time all unpaid amounts, including principal and interest, shall be due and payable in full. On June 1, 2009, (the change date) if the interest rate as determine above increases, the next monthly installment will increase. Likewise, if the interest rate as determined above decreases, the next monthly installment will decrease accordingly. Thereafter, the interest rate determined on each successive change date may change the following year's installment. The amount of the monthly installment will always be sufficient to pay this loan in full in equal installments as if the loan were amortized over a thirty (30) year term. In setting the monthly payment amount on each change date the note holder will assume that the note interest rate will not change again prior to the final payment date. From said monthly installments above described, all monies represented by the same shall be

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first applied to interest due hereon, and balance shall be applied to principal. Notwithstanding anything to the contrary herein, this note may be prepaid in whole or in part at any time without penalty. Prepayments shall be applied to installments on principal in the inverse order of maturity so that they will pay the last maturing principal installments first, and these prepayments will not reduce the amount or time of payment of the remaining installments.

THIS LOAN IS PAYABLE IN FULL JUNE 1, 2016. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE BANK IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL THEREFORE BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WHICH MAY BE THE BANK YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME BANK.

**Late Charge:**

If any installment becomes overdue for more than ten (10) days, at Payee's option FIVE PERCENT (5.0%) may be charged for each dollar overdue in order to defray the expense of handling the delinquent payment.

**Security for Payment:**

A deed of trust of even date to Albert J. Heinrich, Jr., Trustee, which covers the following described real property:

APPROXIMATELY 1.199 acres of land out of the A. M. HIGHSMITH SURVEY, ABSTRACT NO. 39, in Bastrop County, Texas, and being the same property more particularly described by metes and bounds in the Deed recorded in Volume 1619, Page 491, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

Maker promises to pay to the order of Payee at the place of payment and according to the terms of payment, the principal amount plus interest at the rates stated above. All unpaid amounts shall be due by the final scheduled payment date.

If Maker defaults in the payment of this note or in the performance of any obligation in any instrument securing or collateral to it, and the default continues after Payee gives written notice of default and the time within which it must be cured, as may be required by law or by written agreement, then Payee may declare the unpaid principal balance and earned interest on this note immediately due. Maker and each surety, endorser, and guarantor waive all demands for payment, presentations for payments, notices of intention to accelerate maturity, notices of acceleration of maturity, protests, and notices of protest, to the extent permitted by law.

Interest on the debt evidenced by this note shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

Each Maker is responsible for all obligations represented by the note.

When the context requires, singular nouns and pronouns include the plural.

Maker may prepay the principal amount outstanding in whole or in part. Payee may require that any partial prepayments (I) be made on the date monthly installments are due and (ii) be in the amount that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied to the principal amount outstanding and shall not postpone the due date of any subsequent monthly installment or change the amount of such installment, unless the Payee shall otherwise agree in writing.

If this note or any instrument securing or collateral to it is given to an attorney for collection or enforcement, or if suit is brought for collection or enforcement, or if it is collected or enforced through probate, bankruptcy, or other judicial proceeding, then Maker shall pay Payee all costs of collection and enforcement, including reasonable attorney's fees and court costs, in addition to other amounts due. Reasonable attorney's fees shall be ten percent (10.0%) of all amounts due unless either party pleads otherwise.

Any notice provided for in this Note shall be given by mailing such notice by certified mail return receipt requested addressed to Maker at the address referred to above or at such other address as Maker designates to the Payee. Any notice to the Payee shall be given by mailing such notice by certified mail, return receipt requested to Payee at the address stated in this Note, or at such address as may have been designated by notice to Maker.

The indebtedness represented by this Note may not be assumed without the express written consent of the Payee.

Maker agrees to provide, upon reasonable request, any financial statements which Payee may deem necessary. Maker warrants that all financial statements and information provided by Maker will be true, correct and complete.

NOTICE

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

  
Columbus Joseph Collet, d/b/a  
CJ Collet Investments

EXHIBIT "A"

APPROXIMATELY 1.199 acres of land out of the A.M. HIGHSMITH SURVEY, ABSTRACT NO. 39, in Bastrop County, Texas, and being the same property more particularly described by metes and bounds in the Deed recorded in Volume 1619, Page 481, Official Public Records of Bastrop County, Texas, and in Exhibit "A-1" attached hereto.

EXHIBIT "A-1"

LEGAL DESCRIPTION: BEING 1.199 ACRES OF LAND LYING IN AND BEING SITUATED OUT OF THE A.M. HIGHSMITH SURVEY, ABSTRACT 39, IN BASTROP COUNTY, TEXAS AND BEING ALL OF THAT SAME 1.199 ACRE TRACT OF LAND CONVEYED TO CHARLES AND SHELLEY MATHEWS BY DEED RECORDED IN VOLUME 996, PAGE 636 OF THE OFFICIAL RECORDS OF BASTROP COUNTY, TEXAS; SAID 1.199 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND AS SURVEYED UNDER THE SUPERVISION OF JAMES E. GARRON & ASSOCIATES IN JULY, 2000:

BEGINNING at an iron rod found in the west line of County Road 189, Ponderosa Road, for the southeast corner of that certain 0.6304 acre tract conveyed to Bluff Springs Food Mart, Inc. by deed recorded in Volume 986, Page 406 of said official records and the northeast corner hereof and from which an iron rod found at the intersection of the west line of said county road and the south 1-2-W line of State Highway 77 for the northeast corner of said 0.6304 acre tract bears North 12°41'13" East a distance of 149.79 feet along the west line of said county road,

THENCE South 16°40'00" West a distance of 286.48 feet along the west line of said county road to an iron rod found for the northeast corner of that certain 0.2821 acre tract conveyed to Kenneth Ashbranner by deed recorded in Volume 709, Page 234 of said official records and the southeast corner hereof;

THENCE North 78°28'11" West a distance of 182.77 feet along the north line of said 0.2821 acre tract to an iron rod found in the east line of that certain 17.5 acre tract conveyed to Luckell L. McArthur by deed recorded in Volume 126, Page 286 of the Deed Records of Bastrop County, Texas for the northwest corner of said 0.2821 acre tract and the southwest corner hereof;

THENCE North 16°38'00" East a distance of 286.88 feet along the east line of said 17.5 acre tract to an iron rod found for the southwest corner of said 0.6304 acre tract and the northwest corner hereof,

THENCE South 79°21'18" East a distance of 182.84 feet along the south line of said 0.6304 acre tract to the POINT OF BEGINNING and containing 1.199 acres of land, more or less, and as shown on map of survey prepared herewith

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Page 1 of 4

Statement for account number: 4246 3151 3081 6745

Now Balance	Payment Due Date	Past Due Amount	Minimum Payment
\$9,663.53	05/31/06	\$0.00	\$187.00



Amount Enclosed \$ [ ] Make your check payable to Chase Card Services New address or e-mail? Print on back.

424631513081674500019700009663560000006

0025 REC 2 12204 C JIMMY W BISSOLA 6539 LONG POINT SUITE 100 HOUSTON TX 77058



CARDMEMBER SERVICE PO BOX 64014 PALATINE IL 60094-0014

: 5000 16028: 1595 1308 1674530

**BUSINESS CARD STATEMENT** Statement Date: 04/07/06 - 05/06/06  
 Payment Due Date: 05/31/06  
 Minimum Payment Due: \$187.00

**CUSTOMER SERVICE**  
 In U.S. 1-800-346-6230  
 Español 1-888-783-0574  
 TDD 1-800-855-0060  
 Pay by phone 1-800-439-7950  
 Outside U.S. call collect 1-460-360-7090

**VISA ACCOUNT SUMMARY** Account Number: 4246 3151 3081 6745

Previous Balance	\$0.00	Total Credit Line	\$10,000
Payment, Credit	-\$50.00	Available Credit	\$138
Purchases, Cash, Debits	-\$9,919.59	Cash Advances Line	\$2,000
Now Balance	\$9,663.53	Available for Cash	\$138

**ACCOUNT INQUIRIES**

P.O. Box 15253  
Wilmington DE 19850-6250

**PAYMENT ADDRESS**  
P.O. Box 64014  
Palatine IL 60094-0014

**VISIT US AT:**  
www.visa.com/usa/merchants

**PREMIER CASH REBATE POINT SUMMARY**

Previous Rebate Point Balance	\$0.00
Bonus Rebate Points	816
Bonus Rebate Points on all Purchases	8,814
Now Rebate Point Balance	10,730

10,730 Rebate Points expire on statement date in May 2008

Remember you earn one point for all your purchases plus an additional two points for common business purchases. Common business purchases include purchases made at gas stations, hardware stores, home improvement stores, office supply stores and restaurants.

**TRANSACTIONS**

Trans Date	Reference Number	Merchant Name or Transaction Description	Amount
			Credit Debit
04/16	24402158108765010207610	FRY'S ELECTRONICS #20 HOUSTON TX	\$4,873.53
04/15	2422301810856682011763	PEI WEI ASIAN DINER-00 SUGARLAND TX	23.01
04/16	24055218108207550200117	MISTER CAR WASH #1 2616550080 TX	100.46
04/17	2409210910800098577220	SHELL OIL 37541224805 SUGAR LAND TX	53.17
04/10	240882410920055700665	MISTER CAR WASH #2 7134810541 TX	8.99
04/16	24532166108000480487889	SHELL OIL 37541499708 HOUSTON TX	10.00
04/19	2415501611012000263763	DIAMOND 920 SHAMROCK HOUSTON TX	8.82
04/20	24492805110116000182595	MAGNOLIA BAR & GRILL HOUSTON TX	17.20
04/21	24056239111200548500101	MISTER CAR WASH 2 7104810541 TX	4.59
04/21	24401406111001363893094	USPS 4041480041 HOUSTON TX	70.00
04/21	24445006112497871833284	AUTUZONE #1444 HOUSTON TX	10.91
04/22	24445716112439105114442	RTRODER #354 ELS MISSOURI CITY TX	12.25
04/22	24466016113120000268041	DIAMOND 920 SHAMROCK HOUSTON TX	41.22
04/22	24455016113120000268082	DIAMOND 920 SHAMROCK HOUSTON TX	23.32
04/23	24399068113295110236566	BEST BUY 0001690 SUGARLAND TX	1,731.50
04/22	24466016113120000268093	DIAMOND 920 SHAMROCK HOUSTON TX	24.30
04/21	24280088114011801119122	PIER 1 00058014 000-2454296 TN	622.44
04/23	24610436114004040222509	HEB GAS STATION #474 MISSOURI CITY TX	45.97
04/24	24761676118875448015699	TACUERIA CANCUN #4 HOUSTON TX	14.50
04/25	24782226118285843600188	TIME CLEANERS 281277008 TX	44.44
04/25	24164076116001050097220	PIER ONE KIDS 01091578 SUGAR LAND TX	240.98
04/25	24228285118260329040295	WM SUPERCENTER MISSOURI CITY TX	500.00
04/25	24228285118260329040297	WM SUPERCENTER MISSOURI CITY TX	149.93
04/26	24184076110001007543095	TARGET 00013599 MISSOURI CITY TX	249.55
04/26	2418407611000101441200	TARGET 00013599 MISSOURI CITY TX	60.59
04/27	24184076118001000454143	TARGET 00013599 MISSOURI CITY TX	750.49
04/28	24270789118256000970163	ROBERT C MAO MD, PA 2812658000 TX	60.00
04/25	2432301611650055910937	PEI WEI ASIAN DINER-00 SUGARLAND TX	11.83
04/28	24445006117442312429000	CVS PHARMACY #474 000 MISSOURI CITY TX	10.00
04/28	24445006117442312430055	JOHNNY CARINO #368 MISSOURI CITY TX	26.42
04/27	24164076117031007684017	TARGET 08017863 SUGARLAND TX	532.45
04/28	24810400110004000444110	HEB GROCERY #474 MISSOURI CITY TX	200.93
04/27	24148005110443462348490	PRIVATE-MINI-STORAGE #100 STAFFORD TX	25.44

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EXHIBIT A





Statement Date: 04/07/06 - 05/06/06  
Account Number: 4248 0151 0081 6745  
Page 2 of 2

TRANSACTIONS (CONTINUED)

Trans Date	Reference Number	Merchant Name or Transaction Description	Amount	
			Credit	Debit
04/28	243290061 1814254651782	WALGREEN 00034189 MISSOURI CITY TX		25.67
04/27	243290061 18554285017329	DOUBLE DAVES PIZZAWOR 2818803283 TX		24.09
05/01	74288351253353000248150	350 Statement Cntrl DE	50.00	
		JIMMY W BISSOM		
		TOTAL 4248 0151 0081 6745	50.00	50.00

FINANCE CHARGES

Category	Daily Periodic Rate 29 days in cycle	Corresponding APR	Average Daily Balance	Finance Charge Due To Periodic Rate	Transaction Fee	FINANCE CHARGES
Purchases	00000%	0.00%	50.00	50.00	50.00	50.00
Cash advances	00500%	23.74%	50.00	50.00	50.00	50.00
Total finance charges						50.00

Effective Annual Percentage Rate (APR): 0.00%

Please see Information About Your Account section for balance computation method, grace period and other important information.  
The Corresponding APR is the rate of interest you pay when you carry a balance on any transaction category.  
The Effective APR represents your total finance charges - including transaction fees such as cash advances and balance transfer fees - expressed as a percentage.

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Address Change Request

Please provide information below only if the address information on (front) is incorrect

Street Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Work Phone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Important About Interest

Read or check Online: Please report your lost or stolen card immediately by calling the Customer Service number found on the front of your statement. Advances are always available to you.

Ordering Payment For payments by regular U.S. mail, send at least your minimum payment due to our post office box... If you are having trouble with your payments, we will assist you in your account as of the next day.

the daily and the year payment you owe. There is an open period by which (interest) can be added to your account.

In addition, if there is a "Monthly Periodic Payment" notice on this statement, you will see that the balance is being calculated on a daily basis. To avoid finance charges, you may wish to pay your bill before the due date.

Also, because of the "Monthly Periodic Payment" notice, you will see finance charges on this statement. These charges are based on the daily balance on your account.

Account Information Reported to Credit Bureaus: We may report information about your account to credit bureaus. This information includes payments of other accounts on your account.

When Collecting Payments: We reserve the right to stop your right to payment checks, if the payment is not received by the due date.

Financial Review: Any payment check or other form of payment that you send to us less than the full balance due will result in a "partial" or "credit" payment.

Annual Payment: If you account has an annual fee, it will be billed every year in the month of the anniversary of the account opening date.

Explanation of Finance Charges: We calculate periodic finance charges, using the average daily balance method. This method is based on the daily balance on your account.

To get the daily balance for each day of the billing cycle, we take the beginning balance for each day, add any new advances or other credits (including fees, credit reversals, etc.) and subtract any payments or credits, and make other adjustments.

To get your total finance charges for a billing cycle, we multiply the average daily balance by the periodic rate, and then multiply the result by the number of days in the billing cycle.

We reserve the right to change our calculation, fee, or finance charge from time to time. We will notify you of any changes in our calculation, fee, or finance charge.

Use the enclosed checks

# 4.99%\*

fixed APR until the balance is paid in full.

Use these checks to take advantage of this super-low rate today.

- Save by transferring balances from higher-APR accounts
- Improve productivity by purchasing some new office equipment
- Pay for inventory supplies
- Make a tax or payroll payment.

These checks are ready to go. You can write them for any amount up to the unused portion of your credit line. Don't miss out — great rates like this don't come around every day.

\*See "Important Information" section below for more details.

NK710188

This check is void for all purposes after 08/08/2006

JIMMY WISSOM  
WISSOM ENTERPRISES  
4916 WATERLILY CT  
MISSOURI CITY TX 77459-1654

2176

DATE 08/08/06 56-1551-441

Pay To The Order Of \$

VOID VOID VOID VOID VOID

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Payable through First USA Management Services Inc. Delaware OH 43016

2012

31644

SIGNATURE

⑆044⑆1⑆55⑆1⑆1⑆3⑆25⑆4⑆9⑆18⑆3⑆1⑆3088⑆5⑆0⑆2⑆1⑆7⑆6

Check Number: 2176  
Date: Paid To: Amount \$

This check is void for all purposes after 08/08/2006

JIMMY WISSOM  
WISSOM ENTERPRISES  
4916 WATERLILY CT  
MISSOURI CITY TX 77459-1654

2177

DATE 08/08/06 56-1551-441

Pay To The Order Of \$

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Payable through First USA Management Services Inc. Delaware OH 43016

2012

31644

SIGNATURE

⑆044⑆1⑆55⑆1⑆1⑆3⑆25⑆4⑆9⑆18⑆3⑆1⑆3088⑆5⑆0⑆2⑆1⑆7⑆7

Check Number: 2177  
Date: Paid To: Amount \$

IMPORTANT INFORMATION

This use of the enclosed check or draft will constitute a charge against your credit account.

**Intentional APR:** Your promotional APR will apply only to the enclosed checks and will remain in effect until the balance of the check is paid in full. Other APRs: The APR on all other transactions and balances on your account will remain at the applicable rate in accordance with your Cardholder Agreement/Business Card Credit Agreement ("Agreement"). **Transaction Finance Charge:** A fee of 3% (three percent) maximum (5% applies to the amount of each transaction from this offer, **Limit to Finance:** If checks are part of this offer, checks that post after the void date printed on the check or that are made payable to us or one of our related banks or companies will be declined. Under certain circumstances (for example, if your account is overdrawn or overfilled, or if we reasonably believe that you will be unable or unwilling to repay the balance), we may decline to process your transaction, in which case you will be notified. **Payment Allocation:** We may allocate payments to promotional and introductory balances with low APRs before applying payments to higher APR balances. This means the length of any promotional period stated in this offer may vary based on the amount of your monthly payments and the APRs on other balances on this account. **Offer End Date:** To take advantage of an introductory or promotional rate for any promotional period stated in this offer (if applicable), the transactions from this offer must post to your account by the posting date disclosed. Transactions that post after that date will post at the applicable rate (for example, APR and a standard fee) stated in your Agreement or any subsequent change in terms, or will be declined. **Default:** Any introductory, promotional, or standard APRs are contingent on your complying with the terms of your account. For example, if your payment on any account or loan to us or any of our related banks or companies is not received by the date and time your payment is due; if your account is overdrawn or if a payment to us is not honored by your bank, the introductory, promotional, or standard APR may end and the APR on all balances on your account will adjust to the applicable rate and become effective as determined by your Agreement and any subsequent notices of charges to you) a current term. **Special Rate:** Except for purchases made with your card, a grace period will not apply to transactions from this offer. **Two-Paid Billing Assumptions:** If your account has two-cycle billing, in the first cycle (the "Current Cycle") you carry a Purchase balance from the previous cycle, the APR applied to such carried balance will be the Current Cycle's APR for purchases. **Assumptions:** For further details about terms or conditions on your account, please refer to your Agreement. **Other Offers:** Any special benefit of this offer applies to transactions from this offer only. If you pay any disputed amounts you may lose your right to dispute them. This offer is not valid if your Account has been converted to any other product type, such as to or from a "cash back" or other "rewards" account. If applicable, only checks that we issue for your account are valid. Other offers may supersede this offer.

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Page 5 of 16

Statement for account number: 4248 3119 1831 3088

New Balance \$3 110 48 Payment Due Date 04/20/06 Past Due Amount \$3 00 Minimum Payment \$122 00



Amount Enclosed \$ [ ] Make your check payable to Chase Card Services

424831191831308800012200006130480000003

CARDHOLDER NAME: JIMMY W BISSOM, 4315 WATERLILY CT, MISSOURI CITY TX 77459-1654



CARDMEMBER SERVICE, PO BOX 64014, PALATINE IL 60094-4014



15000 160281: 159 19 183 13088 11

BUSINESS CARD STATEMENT, Statement Date: 03/1/06 - 04/10/06, Payment Due Date: 04/20/06, Minimum Payment Due: \$122.00, CUSTOMER SERVICE: In U.S. 1-800-346-5538

VISA ACCOUNT SUMMARY, Account Number: 4248 3119 1831 3088, Previous Balance \$3,095.85, Total Credit Line \$0.00, ACCOUNT INQUIRIES: P.O. Box 15289, Wilmington DE 19850-6289

TRANSACTIONS

Table with columns: Trans Date, Reference Number, Merchant Name or Transaction Description, Amount Credit, Amount Debit. Includes transactions for FURNITUREBUZZ.COM and PAYMENT - THANK YOU.

FINANCE CHARGES

Table with columns: Category, Daily Periodic Rate, Corresponding APR, Average Daily Balance, Finance Charge Due To Periodic Rate, Transaction Fee, FINANCE CHARGES. Total finance charges: \$30.25

Effective Annual Percentage Rate (APR): 8.76%, Please see Information About Your Account section for balance computation method, grace period and other important information.

IMPORTANT NEWS

Pay your taxes the fast and easy way. Just use your Business Card to pay your federal and state income taxes. Sign up for FREE Employee Cards and simplify the way you manage your business.

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FEDERAL RESERVE ACT OF 1913 - FEDERAL RESERVE BANK OF

FEDERAL RESERVE ACT OF 1913 - FEDERAL RESERVE BANK OF

RESERVE BANK OF PHOENIX  
RESERVE BANK OF PHOENIX

RESERVE BANK OF PHOENIX  
RESERVE BANK OF PHOENIX

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Jul 20 2006

Page 9 of 16

Statement for account number: 4246 3119 1831 3088

New Balance \$3,665.95 Payment Due Date 03/30/06 Past Due Amount \$0.00 Minimum Payment \$79.00



Amount Enclosed \$ [ ] Make your check payable to Chase Card Services (New address or e-mail? Print on back)

424631191831308800007900003995950000002

0777804206903 C JIMMY W SISSOM SISSOM ENTERPRISES 4316 WATERLILY CT MISSOURI CITY TX 77459-1854



CARDMEMBER SERVICE PO BOX 84014 PALATINE IL 60084-4014



⑆5000 160 281⑆ 159 19 183 13088 1⑆

BUSINESS CARD STATEMENT Statement Date: 02/17/06 - 03/10/06 Payment Due Date: 03/30/06 Minimum Payment Due: \$79.00 CUSTOMER SERVICE In U.S. 1-800-346-6538 Extended 1-855-796-4574 TDD 1-800-855-8050 Outside U.S. call collect 1-480-350-7098

VISA ACCOUNT SUMMARY Account Number: 4246 3119 1831 3088 ACCOUNT INQUIRIES P.O. Box 16285 Washington DC 20030-0285 PAYMENT ADDRESS P.O. Box 84014 Palatine IL 60084-4014 VISIT US AT: www.chase.com/businesscards

Congratulations! Your credit line has been increased. Take advantage of your enhanced spending power to make purchases and transfer balances today.

TRANSACTIONS

Table with columns: Trans Date, Reference Number, Merchant Name or Transaction Description, Amount Credit, Amount Debit. Includes transaction for 02/25: PAYMENT - THANK YOU JIMMY W SISSOM TOTAL 4246311918313088 5-81.00

FINANCE CHARGES

Table with columns: Category, Daily Periodic Rate, Corresponding APR, Average Daily Balance, Finance Charge Due To Periodic Rate, Transaction Fee, FINANCE CHARGES. Total finance charges: \$9.26

Effective Annual Percentage Rate (APR): 2.91% Please see information about your account center for balance computation method, grace period and other important information. The Corresponding APR is the rate of interest you pay when you carry a balance on any transaction category. This Effective APR represents your total finance charges - including transaction fees such as cash advance and balance transfer fees - expressed as a percentage.

IMPORTANT NEWS

Pay your taxes the fast and easy way. Just use your business card to pay your federal and state income taxes. Visit www.officialpayments.com/ChaseBtz or call 1-800-2PAY-TAX(4am) for details. Save time and never miss a monthly payment. It's easy to arrange automatic payments with your business card. You can pay all kinds of business expenses automatically and maintain control. You determine your payment amount and payment date. Visit www.chasebillpay.com for details.

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Use the enclosed checks

# 4.99%\*

fixed APR until the balance is paid in full.

Use these checks to take advantage of this super-low rate today.

- Save by transferring balances from higher APR accounts
- Improve productivity by purchasing some new office equipment
- Pay for inventory supplies.
- Make a tax or payroll payment

These checks are ready to go. You can write them for any amount up to the unused portion of your credit line. Don't miss out — great rates like this don't come around every day.

\*See Important Information on the back of each check.

LINK10253

This check is void for all purposes after 06/30/2006

JIMMY WISSOM  
WISSOM ENTERPRISES  
4916 WATERLILY CT  
MISSOURI CITY TX 77459-1054

9375

DATE 06/15/2006

Pay To The Order Of

\$

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Payable through First USA Management Services, Inc. Delaware OH 43015

200

MINUS

SEVENTY

⑆04411551⑆⑆32529183130884⑆9375

This check is void for all purposes after 06/30/2006

JIMMY WISSOM  
WISSOM ENTERPRISES  
4916 WATERLILY CT  
MISSOURI CITY TX 77459-1054

9376

DATE 06/15/2006

Pay To The Order Of

\$

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Payable through First USA Management Services, Inc. Delaware OH 43015

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MINUS

SEVENTY

⑆04411551⑆⑆32529183130884⑆9376

**\*IMPORTANT INFORMATION:**

The use of the attached check or draft will constitute a charge against your credit account.

**Promotional APR:** Your promotional APR will apply only to the enclosed checks and will remain in effect until the balance of the check is paid in full.

**Other APR:** The APR on all other transactions and balances on your account will remain at the applicable rate in accordance with your Cardmember Agreement/Business Card Credit Agreement ("Agreement"). **Transaction Finance Charge:** A fee of 2% (minimum \$5, maximum \$50) applies to the amount of each transaction from this offer. **Right to Decline:** If checks are part of this offer, checks that post after the void date printed on the check or that are made payable to us or one of our related banks or companies will be declined. Under certain circumstances (for example, if your account is past due or over limit, or if we reasonably believe that you will be unable or unwilling to repay the balance), we may decline to process your transaction, in which case you will be notified.

**Payment Allocation:** We may allocate payments to promotional and introductory balances with low APRs before applying payments to higher APR balances. This means the length of any promotional period stated in this offer may vary based on the amount of your monthly payments and the APRs on other balances on this account. **Void Date:** To take advantage of an introductory or promotional rate for any promotional period stated in this offer, the transaction must be made prior to your account by the posting date disclosed. Transactions that post after the date will post at the applicable interest rate for example, APR and transaction fee) stated in your Agreement or any subsequent change in terms, or will be declined. **Default:** Any introductory, promotional, or standard APRs are contingent on your complying with the terms of your account. For example, if your payment on any account or loan to us or any of our related banks or companies is not received by the due and late payment date, if your account is over limit or if a payment to us is not honored by your bank, the introductory, promotional, or standard APR may end and the APRs on all balances on your account will adjust to the applicable rate and become effective as determined by your Agreement and any subsequent notices of change to your account terms. **Grace Period:** Except for purchases made with your card, a grace period will not apply to transactions from this offer. **Pay-Off (All In One Account):** If your account has two-cycle billing, in the first cycle (the "Current Cycle") you carry a Purchase balance from the previous cycle, the APR applied to such carried balance will be the Current Cycle's APR for Purchases. **Agreement:** For further details about terms or conditions on your account, please refer to your Agreement. **Other Offers:** Any special benefits of this offer apply to transactions from this offer only. If you pay any disputed accounts you may lose your right to dispute them. This offer is not valid if your Account has been converted to any other product type such as to or from a "co-brand" or other "rewards" account. If applicable, only checks that are drawn for your account are valid. Other offers may supersede this offer.

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FORMAL, IN VIVO ACT OF 191 - FORMAL, IN VIVO ACT OF 191

FOR THE STATE OF CALIFORNIA  
DEPARTMENT OF PUBLIC HEALTH

FOR THE STATE OF CALIFORNIA  
DEPARTMENT OF PUBLIC HEALTH

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Page 15 of 16

Statement for account number: 4248 9119 1831 3088

New Balance \$4,157.22 Payment Due Date 02/04/06 Past Due Amount \$0.00 Minimum Payment \$23.00



Amount Enclosed \$ [ ] Make your check payable to Chase Card Services. Now address or e-mail? Print on back.

42489119183130880000830000415722000006

2541 DEN 2010330 JIMMY W SISSOM SISSOM ENTERPRISES 4916 WATERLUTY CT MISSOURI CITY TX 77459-1654



CARDMEMBER SERVICE PO BOX 94014 PALATINE IL 60094-0114



1:500018028: 1591918313088 11\*

BUSINESS CARD STATEMENT Statement Date: 12/17/05 - 01/10/06 Payment Due Date: 02/04/06 Minimum Payment Due: \$23.00 CUSTOMER SERVICE In U.S. 1-888-346-2538 Español 1-888-799-0574 TDD 1-800-955-0050 Outside US call collect 1-482-950-7099

VISA ACCOUNT SUMMARY Account Number: 4248 9119 1831 3088 ACCOUNT INQUIRIES P.O. Box 15298 Wilmington DE 19850-8298 PAYMENT ADDRESS P.O. Box 94014 Palatine IL 60094-0114 VISIT US AT: www.chase.com/businesscards

TRANSACTIONS

Table with columns: Trans Date, Reference Number, Merchant Name or Transaction Description, Amount Credit, Debit. Includes transaction 12/24 for PAYMENT - THANK YOU JIMMY W SISSOM.

FINANCE CHARGES

Table with columns: Category, Daily Periodic Rate, Corresponding APR, Average Daily Balance, Finance Charge Due To Periodic Rate, Transaction Fee, FINANCE CHARGES. Includes Total Finance charges of \$10.66.

Effective Annual Percentage Rate (APR): 2.59% Please see reverse side for balance computation method, grace period, and other important information. The Corresponding APR is the rate of interest you pay when you carry a balance on any transaction category. The Effective APR represents your total finance charges - including transaction fees such as cash advance and balance transfer fees - expressed as a percentage.

IMPORTANT NEWS

Save 30% off TurboTax(R) OnlineSM, including Premier edition which creates the Schedule C business form. And if you owe taxes, you can now pay using your Chase Business Card either through TurboTax, or with Official Payments Corp by visiting www.OfficialPayments.com/TurboTaxChase.

This Statement is a Facsimile - Not an original

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Page 1 of 41  
Statement for account number: 4246 3119 1831 3088

New Balance \$1 246 58 Payment Due Date 01/04/06 Paid Due Amount \$0 00 Minimum Payment \$94 00



Amount Enclosed \$ [ ] (Make your check payable to Chase Card Services. New address or e-mail? Print on back.)

42463119183130880000840000424656000009

01700821704200  
JIMMY W SISSOM  
SISSOM ENTERPRISES  
4316 WATERLOO CT  
MISSOURI CITY TX 77458-1054



CARDMEMBER SERVICE  
PO BOX 84014  
PALATINE IL 60094-0014



⑆500016028⑆ 15919183130881⑆

**BUSINESS CARD STATEMENT**  
Statement Date: 11/1/05 - 12/1/05  
Payment Due Date: 01/04/06  
Minimum Payment Due: \$84 00  
CUSTOMER SERVICE  
In U.S. 1-800-948-5533  
Spanish 1-888-785-0574  
TDD 1-800-866-8060  
Outside U.S. call collect 1-480-250-7099

**VISA ACCOUNT SUMMARY** Account Number: 4246 3119 1831 3088  
Previous Balance \$4,435.95 Total Credit Line \$7,200  
Payment, Credits -\$200.00 Available Credit \$2,053  
Finance Charges +\$10.60 Cash Account Usage \$1,440  
New Balance \$1,246.58 Available for Cash \$1,440  
ACCOUNT INQUIRED  
P.O. Box 15299  
Wilmington DE 19850-5299  
PAYMENT ADDRESS  
P.O. Box 84014  
Palatine IL 60094-0014  
VISIT US AT:  
www.chase.com/businesscards

**TRANSACTIONS**

Trans Date	Reference Number	Merchant Name or Transaction Description	Amount Credit	Debit
11/21	19268250528691478531400	PAYMENT - THANK YOU JIMMY W SISSOM TOTAL 4246 3119 1831 3088	\$200 00	\$-200 00

**FINANCE CHARGES**

Category	Daily Periodic Rate 30 days in cycle	Corresponding APR	Average Daily Balance	Finance Charge Due To Periodic Rate	Transaction Fee	FINANCE CHARGES
Purchases	0.4381%	15.62%	\$0 00	\$0 00	\$0.00	\$0.00
Cash advances	0.8762%	22.82%	\$0 00	\$0 00	\$0.00	\$0.00
Promotions	0.0000%	2.62%	\$4,207.76	\$10.60	\$0.00	\$10.60
Total finance charges						\$10.60

Effective Annual Percentage Rate (APR): 2.99%  
Please see reverse side for balance computation method, grace period and other important information.  
The Corresponding APR is the rate of interest you pay when you carry a balance on any transaction category.  
The Effective APR represents your total finance charges - including transaction fees such as cash advance and balance transfer fees - expressed as a percentage.

**IMPORTANT NEWS**

Pay today, log on to  
www.chase.com/creditcards  
It's fast, secure and free!

Thank you for using your Chase Business Card for all your  
business purchases. We wish you and your business a  
happy and prosperous new year!

Pay your taxes the fast and easy way. Just use your  
business card to pay for federal and state income  
taxes and business taxes. Visit  
www.officialpayments.com/chase for  
or call 1-800-2PAY-TAX for details.

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