

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

Thomas L. Taylor III, solely in his capacity §
as Court-appointed Receiver for Kaleta §
Capital Management, Inc., *et al.*, §

Plaintiff, §

v. §

Civil Action No. 4:15-cv-272

David G. Wallace, Costa Bajjali, Laffer §
Frishberg Wallace Economic Opportunity §
Fund, L.P. d/b/a LFW Economic Opportunity §
Fund, and West Houston WB Realty Fund, §
L.P., §

Defendants. §

RECEIVER’S MOTION TO TRANSFER

Plaintiff Thomas L. Taylor III (the “Receiver”), Court-appointed Receiver in the civil action styled *SEC v. Kaleta, et al.*, Civil Action No. 4:09-cv-3674 (S.D. Tex. 2009) (the “Enforcement Action”), respectfully moves this Court to transfer the above-styled action pursuant to Orders entered by the Honorable Nancy F. Atlas in the Enforcement Action: (1) the Order Appointing Receiver (Enforcement Action Dkts. 7, 34) (the “Receivership Order”); and (2) the Order Approving Settlement and Entering Final Bar Order And Injunction (Enforcement Action Dkt. 210) (the “Settlement Approval Order”).

RELIEF SOUGHT

The Receiver was appointed by Judge Atlas in the Enforcement Action pursuant to the Receivership Order, which authorizes the Receiver to “institute such actions or proceedings to

impose a constructive trust, obtain possession, and/or recover judgment with respect to persons or entities who received assets or records traceable to the Receivership Estate.” Receivership Order at ¶5(c). Pursuant to the Receivership Order, “[a]ll such actions shall be filed in this [Judge Atlas’s] Court.” *Id.* Additionally, Judge Atlas retained jurisdiction over disputes arising out of a Compromise Settlement and Release Agreement between Receiver and Defendants. *See* Settlement Approval Order at p. 4 ¶6 (“The Court shall have and retain jurisdiction over all matters related to the administration, interpretation, effectuation, or enforcement of this Order, the Compromise Settlement and Release Agreement between the Wallace Bajjali Parties and the Receiver, and any related disputes”).

The present action is a suit to recover judgment with respect to assets traceable to the Receivership Estate. The present action is a suit related to the enforcement of promissory notes and guaranty agreements executed pursuant to the Compromise Settlement and Release Agreement between the Wallace Bajjali Parties and the Receiver (*see* Enforcement Action Dkt. 113-1). Accordingly, the Receivership Order and Settlement Approval Order require that the present action be transferred to Judge Atlas’s Court.

CONCLUSION AND PRAYER

The Receiver respectfully requests the transfer of the above-styled action to Judge Atlas’s Court pursuant to the Receivership Order and Settlement Approval Order, and all other relief to which he may be legally or equitably entitled.

Dated: February 5, 2015

Respectfully submitted,

THE TAYLOR LAW OFFICES, P.C.

By: /s/ Andrew M. Goforth

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COUNSEL FOR RECEIVER

CERTIFICATE OF SERVICE

On February 5, 2015, I served the foregoing document on all parties as listed below by U.S. Mail, Return Receipt Requested, pursuant to Federal Rule of Civil Procedure 5(b)(2)(C).

Via U.S. Mail, Return Receipt Requested:

David G. Wallace

1634 Brookstone Ln.

Sugar Land, TX 77479

Costa Bajjali

2911 Waters Lake Ln.

Missouri City, TX 77459

Laffer Frishberg Wallace Economic Opportunity Fund, L.P. d/b/a LFW Economic Opportunity Fund

c/o David G. Wallace, registered agent

1634 Brookstone Ln.

Sugar Land, TX 77479

West Houston WB Realty Fund, L.P.

c/o David G. Wallace, registered agent

1634 Brookstone Ln.

Sugar Land, TX 77479

/s/ Andrew M. Goforth

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Defendants. §

ORDER GRANTING RECEIVER’S MOTION TO TRANSFER

On February 5, 2015, Plaintiff Thomas L. Taylor III (the “Receiver”), Court-appointed Receiver in the civil action styled *SEC v. Kaleta, et al.*, Civil Action No. 4:09-cv-3674 in the United States District Court for the Southern District of Texas, Houston Division (the “Enforcement Action”), filed a Motion to Transfer the above-styled action to Judge Atlas’s Court (Dkt. 3, the “Motion”) pursuant to the “Receivership Order” (Enforcement Action Dkts. 7, 34) and the “Settlement Approval Order” (Enforcement Action Dkt. 210). The Court has considered the Motion and is of the opinion that it should be granted in all respects.

IT IS HEREBY ORDERED that the Receiver’s Motion to Transfer the above-entitled action to the Honorable Nancy F. Atlas is **GRANTED**.

Signed at Houston, Texas on _____, 2015.

GRAY H. MILLER
UNITED STATES DISTRICT JUDGE