

by and through their counsel and announced ready. Respondent Paul Lawson appeared/did not appear. Respondent Bettye Lowe-Lawson appeared/did not appear.

Having considered the Application, the Court finds as follows:

1. Notice of the SDR Application and the D'Abbraccio Motions was provided in accordance with TEX. INS. CODE §443.007 (d) and the Texas Rules of Civil Procedure and the *Order Granting SDR's Application to Use Electronic Service of Pleadings and Notices* entered on November 24, 2008;

2. The Court has jurisdiction over the SDR Application, the D'Abbraccio Motions and the parties affected hereunder; and

3. The SDR Application should be GRANTED in all respects. The D'Abbraccio Motions should be granted as follows.

IT IS ORDERED, ADJUDGED AND DECREED as follows:

1. The SDR Application is GRANTED.
2. The SDR is authorized to and shall interplead the original of the D'Abbraccio Promissory Note found in GF20005062929 to the Registry of the Court;
3. The District Clerk is ordered to place the original of the D'Abbraccio Promissory Note into the Clerk's files;
4. The Receiver, the SDR and the receivership estate are discharged and released from any and all liability regarding the D'Abbraccio Note, including but not limited to the transfer of the note;
5. All proofs of claims ("POCs"), including but not limited to POC Nos. GUARD0002 and GUARD0147, filed seeking possession of the D'Abbraccio Promissory Note are declared moot and are DISMISSED with prejudice; and

6. The Motion to Sever filed by Katherine M. D'Abbraccio is Granted. All claims relating to the D'Abbraccio Promissory Note are SEVERED into a new case and cause number to be assigned by the District Clerk (the "Note Claim Action"). The parties to the Note Claim Action shall consist solely of Katherine M. D'Abbraccio, Paul Lawson, and Bettye Lowe-Lawson. The State of Texas, the Receiver and the SDR ARE NOT parties to the severed lawsuit. The original of the D'Abbraccio Promissory Note shall be placed into the Note Claim Action case file. All costs of court associated with the Motion to Sever are taxed against Katherine M. D'Abbraccio, without prejudice to her right, if any, to recover from any other party other than the State of Texas, the Receiver and the SDR.
7. The Motion to Transfer Venue filed by Katherine M. D'Abbraccio is Granted. The Note Claim Action, including the original of the D'Abbraccio Promissory Note, shall be and hereby is ordered to be transferred to the 333d District Court of Harris County, Texas. The State of Texas, the Receiver and the SDR ARE NOT parties to the Note Claim Action and this order granting the Motion to Transfer Venue does not include any claim involving the State of Texas, the Receiver and the SDR. All costs of court associated with the Motion to Transfer are taxed against Katherine M. D'Abbraccio, without prejudice to her right, if any, to recover from any other party other than the State of Texas, the Receiver and the SDR.
8. The Receiver, the SDR and the receivership estate shall be and hereby are RELEASED from any and all liability regarding the D'Abbraccio Promissory Note, all POCs filed seeking possession of the D'Abbraccio Promissory Note, and the severance and the transfer of the Note Claim Action.

9. This Order constitutes a final judgment fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443. This Order shall not affect, in any way, the Receiver's or the SDR's immunities from suit and shall not give rise to any right to sue or create any causes of action against the Receiver or the SDR. The automatic stay and the provisions of the Receivership Order remain in affect unless expressly modified herein. This Order does not amend, modify or in any manner change or effect the terms and provisions of the POC Order as it relates to any POC filed by any Respondent except as expressly set out herein.
10. In the event this Order is unsuccessfully appealed to the Court of Appeals or a mandamus filed to any court, the SDR is awarded \$5000 in reasonable and necessary attorneys fees and all costs of court, jointly and severally, against any party or parties filing the appeal or mandamus; \$4000 in reasonable and necessary attorneys fees and all costs of court, jointly and severally, against any party or parties filing in the event an unsuccessful application for writ is filed with the Texas Supreme Court; and \$10,000 in reasonable and necessary attorneys fees and all costs of court, jointly and severally, against any appealing party or parties, in the event that writ is granted and the appeal is denied.

Signed on

May 20, 2010

By: 

JUDGE PRESIDING