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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

In re:

Robert Earl Turner, Jr.

Debtor.

Chapter 13

Hon. Michael M. Parker, U.S.B.J.

Case No. 22-60200-mmp

**UBS FINANCIAL SERVICES INC.’S MOTION FOR AN ORDER DISMISSING THE
DEBTOR’S CHAPTER 13 BANKRUPTCY CASE WITH PREJUDICE OR,
ALTERNATIVELY, CONVERTING THE BANKRUPTCY CASE**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE OF SAID COURT:

NOW COMES UBS Financial Services Inc. (“UBS”), by and through its undersigned counsel, hereby requests that this Court enter an order dismissing the above-captioned Chapter 13 bankruptcy case (the “Bankruptcy Case”) filed by Robert Earl Turner, Jr. (the “Debtor”) with prejudice or, alternatively, converting the Bankruptcy Case (the “Motion”). In support of the

Motion, UBS relies upon the Declaration of Braden Blackwelder filed herewith (the “Blackwelder Decl.”) and states as follows:

JURISDICTION AND VENUE

This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

The statutory predicate for the relief requested herein is 11 U.S.C. §. § 105, 305, 349 and 1307.

PRELIMINARY STATEMENT¹

As the Supreme Court has recognized, “the principal purpose of the Bankruptcy Code is to grant a “ ‘fresh start’ ” to the “ ‘honest but unfortunate debtor.’ ” Grogan v. Garner, 498 U. S. 279, 286, 287 (1991). Here, the Debtor’s Bankruptcy Case is the epitome of bad faith. From approximately 1997 through 2021, the Debtor misappropriated over \$17 million from at least twenty-three (23) customers of its former employer, UBS, for whom he provided financial and/or investment advisory services. Specifically, he solicited these customers to purchase purported annuities, which were not UBS approved products but were instead sham investments. Since learning of the Debtor’s scheme, UBS has been reimbursing the customers for their losses, which process is still ongoing. To date, UBS has paid customers over \$7.8 million and has obtained assignments of those customers’ claims against the Debtor.

Prior to the filing of the Debtor’s Bankruptcy Case, UBS was in the process of pursuing the Debtor in an Financial Industry Regulatory Authority (“FINRA”) arbitration with respect to the Debtor’s fraudulent scheme. To that end, on May 6, 2022 – only six (6) days prior the Petition

¹ Capitalized terms not defined in the Preliminary Statement shall have the meaning ascribed to them herein.

Date – UBS filed a Petition for Writ of Attachment in the District Court of McLennan County, Texas in order to ensure that the Debtor did not abscond with, or hide, any assets prior to the commencement of the FINRA arbitration.

Under the circumstances, it is abundantly apparent that the Debtor’s bankruptcy filing was nothing more than a bad faith attempt to frustrate and delay the resolution of UBS’s claim rather than a legitimate use of the bankruptcy process, particularly since (i) the Debtor is likely not even eligible for chapter 13 relief because his unsecured debt – at least \$17 million – grossly exceeds the debt limitation under section 109(e) of the Bankruptcy Code; and (ii) UBS’s claim is non-dischargeable under section 523 of the Bankruptcy Code as a result of the Debtor’s fraudulent conduct. Moreover, the Debtor’s egregious pre-petition misconduct demonstrates he is not the type of “honest but unfortunate debtor” for whom this process was created. As a result, UBS submits that “cause” exists under 11 U.S.C. § 1307(c) to dismiss this Bankruptcy Case.

Alternatively, because the Debtor agreed to arbitrate his disputes with UBS in connection with his employment, thereby subjecting himself to the jurisdiction of an Arbitration Panel that has been appointed by the FINRA Office of Dispute Resolution, UBS submits that this Court should abstain from and dismiss this Bankruptcy Case pursuant to 11 U.S.C. § 305.

To the extent the Court does not dismiss, UBS respectfully requests that the Court convert the Bankruptcy Case. Given the extent of the pre-petition fraud committed by the Debtor, if the Bankruptcy Case is permitted to proceed, the Debtor should not remain in control of the bankruptcy estate. Instead, the liquidation of the Debtor’s assets and pursuit of causes of action should be undertaken by a trustee. As a result of the Debtor’s prior conduct, he cannot be expected to manage his estate adequately, fairly and with the best interests of his creditors in mind. To the contrary, he has proven himself incapable of doing so. UBS has serious concerns that the Debtor will take

action to secrete assets to the detriment of creditors. These reasonable fears were the impetus for UBS filing the Petition for Writ of Attachment to prevent the Debtor or his wife from either transferring ownership of or otherwise disposing of their real and personal property. In response, the Debtor choose to seek bankruptcy protection to stay that proceeding. It is therefore necessary for the Bankruptcy Case to be converted so that a trustee can be appointed and administer the Debtor's assets.

FACTUAL BACKGROUND

A. The Debtor's Fraudulent Scheme

1. From approximately 1997 through 2021, the Debtor, a former UBS employee, misappropriated over \$17 million from at least twenty-three (23) UBS customers for whom the Debtor provided financial and/or investment advisory services as a member of a team headed by his wife, former UBS Financial Advisor Stephanie L. Turner. See Blackwelder Decl., at ¶ 6.

2. Specifically, without UBS's knowledge, authorization or approval, the Debtor solicited numerous UBS's customers to purchase fake annuities purportedly issued by Fairfax Financial Corporation ("Fairfax"). Id. at ¶ 7.

3. These so-called annuities were not UBS approved products and UBS did not know the Debtor was selling them; the investments were a sham. Id. at ¶ 8. There were no assets backing the alleged "investments" that the Debtor claims to have issued. Id. at ¶ 9. Upon information and belief, Fairfax was a fraudulent scheme perpetrated by the Debtor and his college friend, Mark Woodward ("Woodward"), who held himself out as the Managing Trustee of Fairfax. Id. at ¶ 10.

4. During the course of the Debtor's scheme, the Debtor provided clients fraudulent account statements that he and/or Woodward created, and the Debtor gave the customers "portfolio summaries" that he generated without UBS's review or approval, instead of giving them official

UBS statements and reports. Id. at ¶ 11. UBS customers were led to believe that their purported investments were earning between 4% and 8% compounded quarterly. Id. at ¶ 12.

5. The Debtor concealed his fraud from the investors by, among other things: (1) providing them with fraudulent Fairfax account statements that he and/or Woodward created, (2) reviewing portfolio summaries that he generated without UBS's review and approval as opposed to official UBS statements and reports, and (3) making misrepresentations to customers concerning their investment in Fairfax, including but not limited to claiming that the purported Fairfax annuities were sound investments when he knew they were in fact a sham. Id. at ¶ 13.

6. By and large, the Debtor's victims were people close to him who knew and trusted him through familial ties and friendship. Id. at ¶ 14

7. In total, the Debtor misappropriated over \$17 million from the UBS customers by soliciting them to purchase purported investments issued by Fairfax. Id. at ¶ 15.

8. Currently, UBS is making every effort to resolve this matter amicably with each of its defrauded customers so they do not suffer a loss as a result of the fraudulent scheme perpetrated by Woodward and the Debtor. Id. at ¶ 16. UBS intends to and is taking steps to reimburse the funds customers sent to Fairfax that they believed would be invested on their behalf, as well as compensation for appreciation of the invested funds. Id. at ¶ 17.

9. To date, UBS has settled with eight (8) customers (collectively, the "Investors")² for a total amount of \$7,885,187.59:

- Investor B.C. in the amount of \$227,925.20 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits A and B**, respectively).

² UBS has not included the customer's name in order to protect the customer's privacy and in compliance with Reg. S-P.

- Investor M.C. in the amount of \$5,070,514.16 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits C and D**, respectively).
- Investors R.D & P.D in the amount of \$214,045.53 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits E and F**, respectively).
- Investor D.F. in the amount of \$758,754.76 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits G and H**, respectively).
- Investor J.J. in the amount of \$328,712.45 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits I and J**, respectively).
- Investor P.L. in the amount of \$468,686.05 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits K and L**, respectively).
- Investor D.S. in the amount of \$352,295.54 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits M and N**, respectively).
- Investor S.T. in the amount of \$464,253.90 (A true and correct copy of the wire confirmation and Assignment of Claims is attached to the Blackwelder Decl. as **Exhibits O and P**, respectively).

Id. at ¶ 18.

10. The settlements include an Assignment of Claims, whereby the Investors assigned and transferred to UBS any and all claims that they may have had against any third party (including the Debtor) in connection with their investment in Fairfax. Id. at ¶ 19.

B. The Writ of Attachment

11. On May 6, 2022, UBS filed the Petition for Writ of Attachment in the District Court of McLennan County, Texas, 414th Judicial District, Cause No. 2022-1504-5 (the “Petition for Writ of Attachment”). Id. at ¶ 20 A true and correct copy of the Writ of Attachment is attached to the Blackwelder Decl. as **Exhibit Q**. A hearing was scheduled for May 13, 2022. Id.

12. Given the fraudulent nature and audacity of the scheme, UBS reasonably feared that the Debtor would attempt to secrete assets to prevent them from being seized to fund the compensation being given to his victims. UBS accordingly filed the Petition for Writ of Attachment to prevent the Debtor or his wife from either transferring ownership of or otherwise disposing of their real and personal property. *Id.* at ¶ 21.

13. As set forth in the Petition for Writ of Attachment, on the eve of the Debtor's bankruptcy filing, UBS was about to commence arbitration proceedings against the Debtor and his wife, pursuant to a written agreement to arbitrate all disputes between them under the FINRA Rules. *Id.* at ¶ 22. The Writ of Attachment was the first step in the process to prevent the disposition of the Debtor's assets. *Id.* at ¶ 23.

C. The Bankruptcy Case

14. On May 12, 2022 ("Petition Date"), the evening before the hearing to consider the Petition for Writ of Attachment, the Debtor filed a barebones voluntary petition commencing the Bankruptcy Case under Chapter 13 ("Petition"). The Petition was filed merely six (6) days after the Writ of Attachment was filed, in an obvious attempt to frustrate UBS's efforts to proceed with enforcement of its claim against the Debtor. In fact, the Petition for Writ of Attachment was filed on an ex parte basis. UBS believes the Debtor learned of the filing of the Writ of Attachment in the press and, as a result, commenced the Bankruptcy Case to thwart UBS's efforts. *Id.* at ¶ 24.

15. On the Petition Date, the Debtor also filed a list of creditors [Docket No. 3], listing only six (6) parties: David Tekell, Internal Revenue Service, McLennan County Tax Office, Paul D. Flack, UBS, and the US Attorney General. See Docket No. 3.³

³ It remains unclear whether all of these entities are creditors or if certain of the entities were merely listed for notice purposes. Additional information will be available once the Debtor files his schedules.

16. To date, the Debtor has not filed his schedules of assets and liabilities, so the amount, if any, of these other claimants' claims is unknown nor has the Debtor filed his Chapter 13 plan. The Debtor is required to file his schedules of assets and liabilities and chapter 13 plan by May 26, 2022. See Fed. R. Bankr. P. 1007(c) (“In a voluntary case, the schedules, statements, and other documents required by subdivision (b)(1), (4), (5) and (6) shall be filed with the petition or within 13 days thereafter . . .); Fed. R. Bankr. P. 3015(b) (“If a plan is not filed with the petition, it shall be filed within 14 days thereafter . . .”).

RELIEF REQUESTED

17. Through this Motion, UBS seeks an Order dismissing this Bankruptcy Case for “cause” pursuant to 11 U.S.C. § 1307(c) and with prejudice because the facts overwhelmingly demonstrate that this Bankruptcy Case was filed in bad faith. Alternatively, UBS seeks an order from this Court abstaining from and dismissing the Bankruptcy Case pursuant to 11 U.S.C. § 305. In the event the Court allows the Debtor to remain in bankruptcy, UBS requests that the Bankruptcy Case be converted to Chapter 7.

BASIS FOR RELIEF REQUESTED

I. THE BANKRUPTCY CASE SHOULD BE DISMISSED.

A. “Cause” Exists to Dismiss the Bankruptcy Case As a Bad Faith Filing Pursuant to 11 U.S.C. § 1307(c).

18. Section 1307 of the Bankruptcy Code governs the conversion or dismissal of Chapter 13 cases. More specifically, section 1307(c) provides that:

[O]n request of a party in interest or the United States Trustee and after notice and a hearing, the court may convert a case under this chapter to a case under Chapter 7 of this title, or may dismiss a case

under this chapter, whichever is in the best interests of the creditors and the estate, for cause[.]

11 U.S.C. § 1307(c) (emphasis added).

19. Section 1307(c) provides a list of ten (10) factors that may constitute cause for dismissal or conversion of a Chapter 13 case. Although none of the specified factors expressly mentions a debtor's "bad faith" conduct in initiating his Chapter 13 case, the list is not exhaustive and courts have consistently held that there is an implicit requirement that the Chapter 13 petition be filed in good faith.

20. Numerous courts, including courts in Texas, have found that lack of good faith is sufficient cause for a bankruptcy court to take action and dismiss a bankruptcy case under section 1307. See, e.g., Toles v. Powers, Case No. 3:99-CV-1517-G, 1999 U.S. Dist. LEXIS 22419 (N.D. Tex. Dec. 28, 1999); Stathatos v. United States Trustee (In re Stathatos), 163 B.R. 83 (Bankr. N.D. Tex. 1993); see also In re Love, 957 F.2d 1350 (7th Cir. 1992); Alt v. United States (In re Alt), 305 F.3d 413 (6th Cir. 2002) ("a bankruptcy court has the power to dismiss a Chapter 13 petition upon a finding that the debtor did not bring it in good faith."); In re Myers, 491 F.3d 120, 125 (3^d Cir. 2007); In re Banks, 267 F.3d 875, 876 (8th Cir. 2001); In re Lilley, 91 F.3d 491, 496 (3^d Cir. 1996); and Gier v. Farmers State Bank of Lucas (In re Gier), 986 F.2d 1326, 1329 (10th Cir. 1993).

21. "[T]he focus of the good faith inquiry under both Sections 1307 and 1325 is often whether the filing is fundamentally fair to creditors and, more generally, is the filing fundamentally fair in a manner that complies with the spirit of the Bankruptcy Code's provisions." In re Love, 957 F.2d at 1357. The determination of whether a debtor has filed a Chapter 13 petition in good faith must be examined on a case-by-case basis in light of the "totality of the circumstances." In re Chaffin, 836 F.2d 215 (5th Cir. 1988). "Among the circumstances courts consider in evaluating good faith are:

- (1) the nature of the debt;
- (2) whether the debt would be nondischargeable in Chapter 7;
- (3) the timing of the bankruptcy petition;
- (4) the debtors' motive in filing the petition;
- (5) how the debtors' actions affected creditors;
- (6) the debtors' treatment of creditors before and after the petition; and
- (7) whether the debtor has been forthcoming with creditors and court."

Moser v. Mullican (In re Mullican), 417 B.R. 389, 402 (Bankr. E.D.Tex. 2008) (citing In re Love, 957 F.2d at 1357); see also In re Stathatos, 163 B.R. at 88.

22. Additional factors that can be considered include whether there is any evidence of misrepresentation, unfair manipulation, or other inequities or whether the filing of the case was part of an underlying scheme of fraud with an intent not to pay. Suggs v. Stanley (In re Stanley), 224 F.App'x 343, 346 (5th Cir. 2007).

23. Courts have long recognized "that suspicious timing of a bankruptcy petition is an appropriate factor for a court to consider in the bad faith analysis" and courts "may reasonably find that bad faith exists where the purpose of the bankruptcy filing is to defeat state court litigation without a reorganization purpose." In re Myers, 491 F.3d at 125; see also In re 15375 Mem'l Corp. v. Bepco, L.P., 589 F.3d 605, 618-19 (3d Cir. 2009) (bankruptcy petitions dismissed for lack of good faith because they "do not serve the valid bankruptcy purposes of preserving a going concern or maximizing the values of the Debtors' estates" and were being used "as a litigation tactic to avoid liability in [pending litigation].").

24. Importantly, dismissal should be reserved for "those egregious cases that entail concealed or misrepresented assets and/or sources of income, lavish lifestyles, **and intention to**

avoid a large single debt based upon conduct akin to fraud, misconduct or gross negligence.”

Frank v. Tamecki (In re Tamecki), 229 F.3d 205, 207 (3d Cir. 2000) (emphasis added) (quoting In re Zick, 931 F.2d 1124, 1129 (6th Cir.1991)).

25. As further discussed below, the Debtor’s bad faith pre-petition conduct and the multitude of other issues demonstrate that the Debtor should not be permitted to avail himself of bankruptcy protection. As the Supreme Court explained in Marrama v. Citizens Bank, 549 U.S. 365, 373-74, 127 S. Ct. 1105, 1111 (2007):

Bankruptcy courts nevertheless routinely treat dismissal for prepetition bad-faith conduct as implicitly authorized by the words “for cause.” . . .In practical effect, a ruling that an individual's Chapter 13 case should be dismissed or converted to Chapter 7 because of prepetition bad-faith conduct, including fraudulent acts committed in an earlier Chapter 7 proceeding, is tantamount to a ruling that the individual does not qualify as a debtor under Chapter 13. That individual, in other words, is not a member of the class of "honest but unfortunate debtor[s]" that the bankruptcy laws were enacted to protect.

Marrama, 549 U.S. at 373-74. See also In re Lopez, Case No. 15-04334, 2019 Bankr. LEXIS 1756 *5 (Bankr. P.R. June 6, 2019) (citing Marrama v. Citizens Bank, 549 U.S. 365, 367, 127 S. Ct. 1105, 166 L. Ed. 2d 956 (2007)) (“The federal courts are virtually unanimous that prepetition bad-faith conduct may cause a forfeiture of any right to proceed with a chapter 13 case.”); Krueger v. Torres (In re Krueger), 812 F.3d 365, 370 (5th Cir. 2016) (internal citations omitted) (emphasis added) (“Courts have broad authority to determine what is cause for dismissal under 11 U.S.C.S. § 707(a): Cause is any reason cognizable to the equity power and conscience of the court as constituting an abuse of the bankruptcy process. **This can include prepetition bad-faith conduct**, postpetition bad faith conduct, or petitions that simply serve no legitimate bankruptcy purpose.”).

26. Here, an extensive analysis of the factors set forth in Mullican provides a substantial basis for dismissing this Bankruptcy Case for cause. Specifically, the timing of the Debtor’s bankruptcy filing raises the obvious implication that he filed his Chapter 13 case as a tactic to

avoid the entry of the Writ of Attachment. The Petition was filed merely six (6) days after the Writ of Attachment was filed and one (1) day before the Writ of Attachment hearing. As set forth in the Petition for Writ of Attachment, UBS planned to initiate an arbitration proceeding to adjudicate its claims against the Debtor resulting from the Debtor's fraudulent scheme, but the Debtor shielded himself with the automatic stay protections afforded in Chapter 13. The Debtor, knowing that he will be liable for more than \$17 million, filed for bankruptcy to avoid entry of a judgment at arbitration.

27. Not only is the dubious timing of the Debtor's Petition cause for dismissal, but this Bankruptcy Case clearly has no reorganizational purpose and amounts to nothing more than the Debtor's attempt to circumvent this two-party dispute between the Debtor and UBS.

28. First, the Debtor lists six (6) parties on the List of Creditors [Docket No. 3], and although the Debtor has yet to file its schedules of assets and liabilities, based on UBS's claim alone, it is evident that the Debtor is ineligible for chapter 13 relief because his unsecured debt exceeds the \$419,275 limit set forth in section 109(e) of the Bankruptcy Code.⁴ The Debtor's ineligibility is, in and of itself, a sufficient basis to dismiss the case. See In re Hammers, 988 F.2d 32, 34-35 (5th Cir. 1993) (holding that it is proper for a bankruptcy court to consider § 109(e) eligibility *sua sponte*).

29. Second, even more disturbing and supportive of the conclusion that the Debtor commenced this Bankruptcy Case in bad faith is the fact that UBS's debt is non-dischargeable debt. Specifically, the Debtor's debt to UBS falls within several of the fraud-based exceptions to discharge set forth in the Bankruptcy Code. See, e.g., 11 U.S.C. § 523(a)(2)(A) (excepts from discharge debts for money, property, services or an extension, renewal or refinancing of credit, to

⁴ UBS expects to file a proof of claim in short order reflecting the more than \$17 million in damages caused by Turner and his fraudulent scheme.

the extent obtained by false pretenses or representations, or actual fraud); 11 U.S.C. § 523(a)(2)(B) (excepts from discharge debts for money, property, services or an extension, renewal or refinancing of credit, to the extent obtained by use of a false financial statement); 11 U.S.C. § 523(a)(4) (excepts from discharge any debt “for fraud or defalcation while acting in a fiduciary capacity, embezzlement or larceny”) and 11 U.S.C. § 523(a)(19) (excepts from discharge any debt for, inter alia, “common law fraud, deceit, or manipulation in connection with the purchase or sale of any security”).

30. As set forth above and in the Petition for Writ of Attachment, the Debtor orchestrated a massive fraudulent scheme against numerous UBS customers where total damages will exceed \$17 million. UBS is in the process of settling with its customers and, in turn, the customers are assigning claims against the Debtor to UBS.

31. Even if the Bankruptcy Case was not dismissed, it is evident that UBS’s debt will not be dischargeable.

32. Additionally, the other factors enumerated in Mullican demonstrate the Debtor’s bad faith in filing this Bankruptcy Case. This is essentially a two-party dispute between the Debtor and UBS; the Debtor lists very few creditors in the List of Creditors, and presumably, their claims will be miniscule compared to UBS’s claim. The Bankruptcy Case serves no valid purpose under Chapter 13, and given the timing of the filing, it is apparent that the Debtor’s only motive is to avoid the Writ of Attachment and impending arbitration. Through the filing of this Bankruptcy Case, the Debtor has deliberately impeded UBS’s ability to proceed with its claim through the

agreed-upon arbitration process, and UBS has now been forced to incur additional fees and costs in pursuing its claim.

33. Lastly, the Debtor has not been honest or forthcoming with creditors or this Court. The Debtor states in his Petition that his total liabilities range from \$0 - \$50,000. This figure is blatantly untrue, considering UBS's claim alone is in excess of \$17 million. Moreover, according to the Petition, the Debtor's assets total \$0 - \$50,000. Assuming this is true,⁵ this fact calls into question the viability of any Chapter 13 plan.

34. UBS anticipates additional information relevant to these factor that will become available through review of the Debtor's yet to be filed schedules of assets and liabilities or otherwise. UBS reserves all rights to supplement.

35. Based on the foregoing, the Debtor's motives and bad faith are clear. Cause therefore exists to dismiss the Bankruptcy Case with prejudice pursuant to 11 U.S.C. § 1307(c).

B. Alternatively, the Court Should Abstain and Dismiss this Bankruptcy Case Pursuant to 11 U.S.C. § 305.

36. Alternatively, UBS submits that the Court should abstain from hearing, and should dismiss, this Bankruptcy Case pursuant to 11 U.S.C. § 305.⁶

37. Section 305 of the Bankruptcy Code provides for "dismissal or suspension of proceedings of this case, at any time if -- the interests of creditors and the debtor would be better served by such dismissal or suspension" "A principle of common law requires a court with jurisdiction over a particular matter to take jurisdiction." *House Report No. 109-31, Pt. 1, 109th Cong. 1st Sess* 118-199 (2005).

⁵ Upon information and belief, the Debtor owns, either jointly with his wife or separately, properties located at 106 Stone Creek Ridge Drive, McGregor, Texas 76657-4157 and 9027 Darby Lane, Waco, Texas 76712-8398. UBS has not had an opportunity to conduct discovery as requested in the Writ of Attachment.

⁶ As set forth below, UBS reserves all rights, including the right to seek relief from the automatic stay and to compel arbitration of its claims against the Debtor.

38. Relief under section 305(a)(1) is proper if the interest of both the “creditors and the debtor” would be “better served” by dismissal or suspension. See 11 U.S.C. § 305(a)(1); accord Pennino v. Evergreen Presbyterian Ministries (In re Pennino), 299 B.R. 536, 538 (B.A.P. 8th Cir. 2003) (court may dismiss or abstain only when the best interests of both the debtor and its creditors are better served); GMAM Investment Funds Trust I v. Globo Comunicacoes e Participacoes S.A. (In re Globo Comunicacoes e Participacoes S.A.), 317 B.R. 235, 255 (S.D.N.Y. 2004) (the test under section 305(a)(1) is whether both the creditors and the debtor benefit from the dismissal, rather than applying a balancing test to determine whether dismissal is appropriate).

39. Courts have found that the absence of a true bankruptcy purpose (e.g., debt adjustment, breathing spell from creditors, and need for discharge and fresh start) is a significant factor in favor of granting section 305(a)(1) relief. Grogan v. Garner, 498 U.S. 279, 286 (1991) (the central purpose of Bankruptcy Code “is to provide a procedure by which ... debtors can reorder their affairs, make peace with their creditors, and enjoy ‘a new opportunity in life with a clear field for future effort, unhampered by the pressure and discouragement of preexisting debt’ ”). As set forth above, the Debtor’s bad faith conduct is a clear basis for dismissal. In the event that the case is not dismissed, UBS will have nondischargeable claims against the Debtor in excess of \$17 million. As a result, this case will accomplish no legitimate bankruptcy purpose nor provide the Debtor with a fresh start.

40. Moreover, UBS’s claims against the Debtor must be resolved through arbitration. The dispute between the parties arises out of the fraudulent scheme perpetrated by Mr. Turner while employed by UBS. These disputes between UBS and Mr. Turner are arbitrable and are

subject to the jurisdiction of an Arbitration Panel that has been appointed by the FINRA Office of Dispute Resolution and accepted by both parties.

41. When the Debtor became registered with UBS, he submitted a Uniform Application For Securities Industry Registration Or Transfer (Form U4), which contained the following arbitration clause:

I agree to arbitrate any dispute, claim or controversy that may arise between me and my firm, or a customer, or any other person, that is required to be arbitrated under the rules, constitutions, or by-laws of the SROs indicated in Section 4 (SRO REGISTRATION) as may be amended from time to time and that any arbitration award rendered against me may be entered as a judgment in any court of competent jurisdiction.

As a result of this arbitration agreement, UBS submits that its fraud claims against the Debtor must be determined through arbitration. See Blackwelder Decl., at ¶ 25.

42. The Federal Arbitration Act⁷ generally requires bankruptcy judges to compel a debtor or trustee to comply with a debtor's agreement to arbitrate certain disputes between the parties, unless arbitration would conflict with a fundamental purpose of the Bankruptcy Code. Conflicts between the Bankruptcy Code and arbitration are not easily identified, and more and more bankruptcy and district courts have compelled arbitration against debtors or their trustees. See, e.g., In re Great Spa Mfg. Co., 2009 WL 1457740 (Bankr. E.D. Tenn. 2009); In re Tirex, Inc., 395 B.R. 182 (Bankr. S.D. Fla. 2008); In re Shores of Panama, Inc., 387 B.R. 864 (N.D. Fla. 2008); In re Wire Comm Wireless, Inc., 2008 WL 4279407 (E.D. Cal. 2008); In re Piedmont Engineers of Carolinas, P.C., 2008 WL 2902182 (Bankr. M.D.N.C. 2008); Brownstone Inv. Grp., LLC v.

⁷ The Federal Arbitration Act provides that an agreement to settle by arbitration any claim arising from such agreement "shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract." 9 U.S.C. § 2. The act has established a liberal federal policy favoring arbitration agreements (see Moses H. Cone Memorial Hospital v. Mercury Construction Corp., 460 U.S. 1, 24 (1983)), and courts are required to enforce rigorously agreements to arbitrate. See Dean Witter Reynolds, Inc. v. Byrd, 470 U.S. 213, 221 (1985). Under 9 U.S.C. § 4, a party to an arbitration agreement may move for an order compelling arbitration, and the burden is placed on any party opposing arbitration—including a debtor or bankruptcy trustee—to show that Congress intended to preclude an arbitration under the circumstances. See Shearson/American Express, Inc. v. McMahon, 482 U.S. 220, 227 (1987).

Levey, 514 F. Supp. 2d 536 (S.D.N.Y. 2007); In re Martin, 387 B.R. 307 (Bankr. S.D. Ga. 2007); In re Friedman's, Inc., 372 B.R. 530 (Bankr. S.D. Ga. 2007); Pac. Emp'rs Ins. Co. v. Moglia, 365 B.R. 863 (N.D. Ill. 2007); In re Cooley, 362 B.R. 514 (Bankr. N.D. Ala. 2007); In re Fries, 2007 WL 1073868 (Bankr. D. Md. 2007); In re Dixon, 2007 WL 703612 (Bankr. M.D. Ala. 2007); In re Arellano, 2007 WL 1746246 (Bankr. D. N.M. 2007); In re Dawsey, 2007 WL 1140358 (Bankr. M.D. Ala. 2007); In re Rozell, 357 B.R. 638 (Bankr. N.D. Ala. 2006); In re White, 2006 WL 3694858 (Bankr. N.D. Ala. 2006); In re Merrill, 343 B.R. 1 (Bankr. D. Me. 2006).

43. The Debtor has agreed to arbitration his disputes with UBS, and now tries, at the eleventh-hour, to avoid that obligation by seeking the protections of chapter 13, to which he is not entitled.

44. As a result, UBS submits that abstention and dismissal under 11 U.S.C. § 305 is in the best interests of the Debtor and his creditors, and consistent with this Court's jurisdiction, UBS submit that this Court should dismiss this Bankruptcy Case.

C. **Dismissal Should Be With Prejudice.**

45. Section 349(a) "grants a bankruptcy court the authority to dismiss a case with prejudice to a subsequent filing of any bankruptcy petition." In re Casse, 219 B.R. 657, 662 (Bankr. E.D.N.Y. 1998), subsequently aff'd, 198 F.3d 327 (2d Cir. 1999).

46. In considering a request for dismissal with prejudice in a Chapter 13 case, the United States Bankruptcy Court for the Northern District of Texas recently explained:

If cause exists to dismiss a Chapter 13 case, bankruptcy courts have discretion to bar refiling via a dismissal with prejudice. Section 349(a) provides that, when "cause" exists, bankruptcy courts may dismiss with prejudice and bar the filing of subsequent bankruptcies. Although § 109(g) sets a time period of 180 days for dismissal of an individual, the discretion under § 349(a) is not limited by the 180-day period. In fact, the majority of courts have found that either § 105(a) or § 349(a) provide bankruptcy courts the powers to sanction bad faith filers by disallowing further bankruptcy filings beyond that of the 180 days listed under § 109(g). Thus,

when a bankruptcy court establishes cause for dismissal, it can further sanction the debtor by dismissing the debtor from refiling for a longer period of time. The length of time for which the debtor is barred from refiling is committed to the discretion of the bankruptcy court.

In re Parson, 632 B.R. 613, 626-27 (Bankr. N.D. Tex. 2021) (emphasis added) (internal citations omitted). See also In re Felberman, 196 B.R. 678, 682 (Bankr. S.D.N.Y. 1995) (Section 349 of the Bankruptcy Code “allows the bankruptcy court the alternative of conditioning the dismissal of a case with limitations on subsequent petitions where cause exists.”).

47. Additionally, dismissal with prejudice is appropriate pursuant to 11 U.S.C. § 105(a) to prevent an abuse of the bankruptcy process. See 8 Collier on Bankruptcy, ¶ 1307.04.

48. In order for the dismissal of the Bankruptcy Case to be meaningful, it must prevent a situation where the Debtor simply continues to refile in order to thwart UBS’s legitimate efforts to hold the Debtor accountable for the multi-million dollar fraud he orchestrated. As a result, UBS requests that the Court dismiss the Bankruptcy Case and bar the Debtor from refiling a case under any chapter of the Bankruptcy Code for a period of two years.

II. TO THE EXTENT THE BANKRUPTCY CASE IS NOT DISMISSED, THE COURT SHOULD CONVERT THIS BANKRUPTCY CASE FROM CHAPTER 13.

49. “The court may convert a case under this chapter to a case under chapter 7 of this title . . . whichever is in the best interests of creditors and the estate, for cause.” 11 U.S.C. § 1307(c). As set forth at length above, “cause” certainly exists for the Court to convert or dismiss the Bankruptcy Case.

50. While the Bankruptcy Code does not define the phrase “best interest of creditors and the estate,” courts should balance the interests of the creditor parties and have found that creditors are often the best judge of their own interests. See, e.g., In re Camden Ordnance Mfg. Co. of Arkansas, Inc., 245 B.R. 794, 802 (E.D. Pa. 2000).

51. While UBS believes dismissal is in the best interest of creditors, to the extent the Court is inclined to allow the Debtor to remain in bankruptcy, UBS submits that the Court should convert this Bankruptcy Case from Chapter 13 to Chapter 7 pursuant to 11 U.S.C. § 1307(c).⁸

52. Given the extent of the pre-petition fraud committed by the Debtor, it is imperative that the Debtor be removed from control of the bankruptcy estate and a chapter 7 trustee is appointed to liquidation of the Debtor's assets and pursue of causes of action. In light of the Debtor's pre-petition fraudulent and bad faith conduct, the Debtor cannot be trusted manage his affairs and liquidate assets for the benefit of his creditors.

53. In fact, UBS has serious concern that the Debtor will take action to secrete and hide assets, including community property, to the detriment of creditors. These fears were what caused UBS to file the Petition for Writ of Attachment in an effort to prevent the Debtor and his wife from either transferring ownership of or otherwise disposing of their real and personal property. In response, the Debtor choose to seek bankruptcy protection. If the Debtor wishes to avail himself of the benefits of this process, he should also bear the burdens. UBS submits that this case unquestionably requires the appointment of an estate fiduciary in order to protect the interest of all creditors.

54. As a result, in the event that the Court does not dismiss the Bankruptcy Case, UBS submits that this Court should convert this Bankruptcy Case to a Chapter 7 case.

⁸ While UBS believes conversion to chapter 7 is appropriate, additional information from the Debtor's schedules is likely needed to evaluate the debtor's eligibility for other relief. See 11 U.S.C. § 1307(g). As a result, UBS reserves the right to seek conversion to Chapter 11 pursuant to 11 U.S.C. § 1307(d), if appropriate, and seek appointment of a chapter 11 trustee.

RESERVATION OF RIGHTS

UBS reserves its right to amended and supplement the Motion upon review of information provided in the Debtor’s yet to be filed schedules of assets and liabilities, statements of financial affairs, as well any information obtain by UBS in discovery.

Nothing herein shall be deemed a waiver of UBS’s right to compel arbitration or otherwise consent to the jurisdiction of the Bankruptcy Court with respect to any of its claims against the Debtor. UBS specifically reserves it rights to, among other things, seek relief from stay and compel arbitration of its claims against the Debtor.

CONCLUSION

WHEREFORE, PREMISES CONSIDERED, UBS request that this Court enter an order: (a) dismissing the Bankruptcy Case with prejudice; and (b) granting such other and further relief as the Court deems just and proper. Attached hereto as **Exhibit “1”** for the Court’s consideration is a form of a proposed Order granting USB’s requested relief.

DATED: May 25, 2022

NAMAN HOWELL SMITH & LEE PLLC

By: /s/ Kerry L. Haliburton
Kerry L. Haliburton (State Bar No. 08743400)

&

RIKER, DANZIG, SCHERER,
HYLAND & PERRETTI LLP

By: /s/ Tara J. Schellhorn
Tara J. Schellhorn (admitted *pro hac vice*)

Attorneys for UBS Financial Services Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing UBS Financial Services Inc.'s Motion For an Order Dismissing the Debtor's Chapter 13 Bankruptcy Case With Prejudice Or, Alternatively, Converting the Bankruptcy Case was served via electronic means, unless not available, otherwise by regular United States Mail, first class, postage prepaid, on May 25, 2022 to the parties listed below.

/s/ Kerry L. Haliburton

Kerry L. Haliburton

DEBTOR'S ATTORNEY:

John A. Montez
523 Herring Avenue
Waco, TX 76708

DEBTOR:

Robert Earl Turner, Jr.
106 Stone Creek Ridge Drive
McGregor, TX 76657

CHAPTER 13 TRUSTEE:

G. Ray Hendren
4505 Spicewood Springs Road
Suite 205
Austin, TX 78759

U.S. TRUSTEE:

Gary Wright, Assistant U.S. Trustee
230 Homer Thornberry Judicial Building
903 San Jacinto Boulevard
Austin, TX 78701

NAMAN HOWELL SMITH & LEE PLLC
Kerry L. Haliburton (State Bar No. 08743400)
400 Austin Avenue, Suite 800
Waco, TX 76701
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RIKER, DANZIG, SCHERER, HYLAND & PERRETTI LLP
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Telephone: (973) 538-0800
Facsimile: (973) 538-1984
tschellhorn@riker.com

Attorneys for UBS Financial Services Inc.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

In re:

Robert Earl Turner, Jr.

Debtor.

Chapter 13

Hon. Michael M. Parker, U.S.B.J.

Case No. 22-60200-mmp

DECLARATION OF BRADEN BLACKWELDER IN SUPPORT OF UBS FINANCIAL SERVICES INC.'S MOTION FOR AN ORDER DISMISSING THE DEBTOR'S CHAPTER 13 BANKRUPTCY CASE WITH PREJUDICE OR, ALTERNATIVELY, CONVERTING THE BANKRUPTCY CASE

I, Braden Blackwelder, pursuant to section 1746 of title 28 of the United States Code, hereby declare that the following is true to the best of my knowledge, information and belief:

1. I am currently employed as Branch Manager in the Waco, Texas office location of UBS Financial Services Inc. ("UBS").

2. I have been employed with UBS since 2004. Between 2004 and 2007, I was Operations Manager for UBS's River Oaks, Houston Branch Office. Subsequently, through October 2009, I served as Control Analyst for UBS's River Oaks, Houston Branch Office. From November 2009 through March 2016, I was the Complex Supervisory Officer for UBS's Central Texas Complex. Between April 2016 and May 2021, I served as Divisional Supervisory Officer for the Western Division of UBS. In June 2021, I became Branch Manager of the UBS San Antonio, Texas branch office. Since January 1, 2022, I have served as Branch Manager of the UBS Waco, Texas branch office.

3. I submit this Declaration in support of *UBS's Motion for an Order Dismissing the Debtor's Chapter 13 Bankruptcy Case with Prejudice or, Alternatively, Converting the Bankruptcy Case* (the "Motion").

4. Except where otherwise stated, I make this Declaration based on my personal knowledge and/or based on my review of UBS's books and records, my review of documents that UBS customers provided to UBS in or around late 2021/early 2022, and the Writ of Attachment (defined below).

5. I am familiar with the Debtor Robert Earl Turner, Jr. (the "Debtor") and his wife, Stephanie L. Turner who were employed in UBS's Waco, Texas office until October 12, 2021, when they left to join Stifel, Nicolaus & Company, Inc. ("Stifel").

6. From approximately 1997 through 2021, the Debtor, a former UBS employee, misappropriated over \$17 million from at least twenty-three (23) UBS customers for whom the Debtor provided financial and/or investment advisory services as a member of a team headed by his wife, former UBS Financial Advisor Stephanie L. Turner.

7. Specifically, without UBS's knowledge, authorization or approval, the Debtor solicited numerous UBS's customers to purchase fake annuities issued by Fairfax Financial Corporation ("Fairfax").

8. These so-called annuities were not UBS approved products and UBS did not know the Debtor was selling them; the investments were a sham.

9. There were no assets backing the alleged "investments" that the Debtor claims to have issued.

10. Upon information and belief, Fairfax was a fraudulent scheme perpetrated by the Debtor and his college friend, Mark Woodward ("Woodward"), who held himself out as the Managing Trustee of Fairfax.

11. During the course of the Debtor's scheme, the Debtor provided clients fraudulent account statements that he and/or Woodward created, and the Debtor gave the customers "portfolio summaries" that he generated without UBS's review or approval, instead of giving them official UBS statements and reports.

12. UBS customers were led to believe that their purported investments were earning between 4% and 8% compounded quarterly.

13. The Debtor concealed his fraud from the investors by, among other things: (1) providing them with fraudulent Fairfax account statements that he and/or Woodward created, (2) reviewing portfolio summaries that he generated without UBS's review and approval as opposed to official UBS statements and reports, and (3) making misrepresentations to customers concerning their investment in Fairfax, including but not limited to claiming that the purported Fairfax annuities were sound investments when he knew they were in fact a sham.

14. By and large, the Debtor's victims were people close to him who knew and trusted him through familial ties and friendship.

15. In total, the Debtor misappropriated over \$17 million from the UBS customers by soliciting them to purchase purported investments issued by Fairfax.

16. Currently, UBS is making every effort to resolve this matter amicably with each of its defrauded customers so they do not suffer a loss as a result of the fraudulent scheme perpetrated by Woodward and the Debtor.

17. UBS intends to and is taking steps to reimburse the funds customers sent to Fairfax that they believed would be invested on their behalf, as well as compensation for appreciation of the invested funds.

18. To date, UBS has settled with eight (8) customers (collectively, the "Investors")¹ for a total amount of \$7,885,187.59:

- Investor B.C. in the amount of \$227,925.20 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits A and B**, respectively).
- Investor M.C. in the amount of \$5,070,514.16 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits C and D**, respectively).
- Investors R.D & P.D in the amount of \$214,045.53 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits E and F**, respectively).
- Investor D.F. in the amount of \$758,754.76 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits G and H**, respectively).
- Investor J.J. in the amount of \$328,712.45 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits I and J**, respectively).

¹ UBS has not included the customer's name in order to protect the customer's privacy and in compliance with Reg. S-P.

- Investor P.L. in the amount of \$468,686.05 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits K and L**, respectively).
- Investor D.S. in the amount of \$352,295.54 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits M and N**, respectively).
- Investor S.T. in the amount of \$464,253.90 (A true and correct copy of the wire confirmation and Assignment of Claims is attached hereto as **Exhibits O and P**, respectively).

19. The settlements include an Assignment of Claims, whereby the Investors assigned and transferred to UBS any and all claims that they may have had against any third party (including the Debtor) in connection with their investment in Fairfax.

20. On May 6, 2022, UBS filed a Verified Original Petition and Application for Pre-Judgment Writ of Attachment against the Debtor and his wife (“Writ of Attachment”) in the District Court of McLennan County, Texas, 414th Judicial District, Cause No. 2022-1504-5. A true and correct copy of the Writ of Attachment is attached hereto as **Exhibit Q**. A hearing was scheduled for May 13, 2022.

21. Given the fraudulent nature and audacity of the scheme, UBS reasonably feared that the Debtor would attempt to secrete assets to prevent them from being seized to fund the compensation being given to his victims. UBS accordingly filed the Petition for Writ of Attachment to prevent the Debtor or his wife from either transferring ownership of or otherwise disposing of their real and personal property.

22. As set forth in the Writ of Attachment, on the eve of the Debtor’s bankruptcy filing, UBS was about to commence arbitration proceedings against the Debtor and his wife, pursuant to a written agreement to arbitrate all disputes between them under the FINRA Rules

23. The Writ of Attachment was the first step in the process to prevent the disposition of the Debtor's assets.

24. On May 12, 2022 ("Petition Date"), the Debtor filed a voluntary petition for bankruptcy under Chapter 13 ("Petition"). The Petition was filed merely six (6) days after the Writ of Attachment was filed, in an obvious attempt to frustrate UBS's efforts to proceed with enforcement of its claim against the Debtor. In fact, the Petition for Writ of Attachment was filed on an ex parte basis. UBS believes the Debtor learned of the filing of the Writ of Attachment in the press and, as a result, commenced the Bankruptcy Case to thwart UBS's efforts.

25. When the Debtor became registered with UBS, he submitted a Uniform Application For Securities Industry Registration Or Transfer (Form U4), which contained the following arbitration clause:

I agree to arbitrate any dispute, claim or controversy that may arise between me and my firm, or a customer, or any other person, that is required to be arbitrated under the rules, constitutions, or by-laws of the SROs indicated in Section 4 (SRO REGISTRATION) as may be amended from time to time and that any arbitration award rendered against me may be entered as a judgment in any court of competent jurisdiction.

As a result of this arbitration agreement, UBS submits that its fraud claims against the Debtor must be determined through arbitration.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 25, 2022

/s/ Braden Blackwelder
Braden Blackwelder

EXHIBIT A

UBS Financial Services Inc	ax01668	Activity	5/24/2022	12:13 PM ET	***Internal Use Only***
Account: [REDACTED]	Type: IRA	Short Name: [REDACTED]	Home Voice [REDACTED]		
Title: B [REDACTED] C [REDACTED]	Status: Active	Risk: Moderate	Money Mgr: N/A		
[REDACTED]	FAID: WAYQ	Objective: Capital Appreciation			

Total Value: 0.00	Equity: 0.00	Money Funds/Bank Sweep: 0.00	Debit/Credit Balance: 0.00	Funds Available: 0.00	Buying Power: 0.00
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Generated On: 05/24/2022 Account# in View: [REDACTED] UBS Financial Services

All Activity for Entry Date 04/01/2022-05/24/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/20/22	05/20/22	DELIVER	CREDIT CASH BALANCE		1		ACAT C/BAL D	-\$227,925.20
05/17/22	05/17/22	TRANSFER	/* VS YYWA6370015 /* CUSTOMER SETTLEMENT		1		TFRNC1372916	\$227,925.20

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.

This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT B

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: _____
Account Title: _____
Account Number: _____




I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of B [REDACTED] C [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transactions set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transactions referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transactions set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the transactions described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

BRYAN V. CROUCH

By:  
B  . C 

Dated: 5/12/2022

EXHIBIT C

UBS Financial Services Inc	ax01668	Activity	5/5/2022	9:58 AM ET	***Internal Use Only***
Account: [REDACTED]	Type: Basic	Short Name: [REDACTED]	Cell Home - [REDACTED]		
Title: M [REDACTED] C [REDACTED]	Status: Closed	Risk: Moderate	Money Mgr: N/A		
[REDACTED]	FAID: WAYQ	Objective: Capital Appreciation			

Total Value: 5,070,514.16	Equity: 5,070,514.16	Money Funds/Bank Sweep: 0.00	Debit/Credit Balance: 5,070,514.16	Funds Available: 0.00	Buying Power: 0.00
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Generated On: 05/05/2022 Account# in View: [REDACTED] UBS Financial Services

All Activity for Entry Date 04/01/2022-05/05/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/05/22	05/05/22		VS YYWA6370015 CUSTOMER SETTLEMENT TFRNC12502896 JW=TRF2 NCNC1OR0101NK !AA			1		\$5,070,514.16

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.


This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT D

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

M [REDACTED] C [REDACTED]

By:  [REDACTED]
M [REDACTED] C [REDACTED]

Dated: 4/25/2022

EXHIBIT E

UBS Financial Services Inc	ax01668	Activity	5/24/2022	12:18 PM ET	***Internal Use Only***
Account: [REDACTED]	Type: Basic	Short Name: [REDACTED]			RD Cell - [REDACTED]
Title: R [REDACTED] D [REDACTED] P [REDACTED] D [REDACTED]					
	Status: Closed	Risk: Aggressive/Speculative		Money Mgr: N/A	
	FAID: WAYQ	Objective: Capital Appreciation			

Total Value: 0.00	Equity: 0.00	Money Funds/Bank Sweep: 0.00	Debit/Credit Balance: 0.00	Funds Available: 0.00	Buying Power: 0.00
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Generated On: 05/24/2022 Account# in View: [REDACTED] UBS Financial Services

All Activity for Entry Date 04/01/2022-05/24/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/12/22	05/12/22	DELIVER	CREDIT CASH BALANCE		1		ACAT C/BAL D	-\$214,045.53
05/09/22	05/09/22	TRANSFER	/* VS YYWA6370015 /* CUSTOMER SETTLEMENT		1		TFRNC1292902	\$214,045.53

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.

This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT F

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: P [redacted] and R [redacted] D [redacted]
Account Title: P [redacted] and R [redacted] D [redacted]
Account Number: [redacted]

We understand that UBS reserves the right to investigate the matter described in the attached Affidavit of R [redacted] and P [redacted] D [redacted]. UBS in reliance upon the Affidavit agrees to pay us the amount identified in Section 1 of the Settlement Agreement, and we agree as follows:

- a) Upon issuance of the funds, we release, discharge and forever give up any and all claims, whether in tort or contract, that we have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, we assign and transfer any and all claims that we may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to our rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and we shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, we agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. We understand that we are not required to attend any depositions or trials as a result of signing this agreement.
- d) We represent and warrant that we have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by us, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of our UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

We have not relied upon any representations of UBS in making this statement or entering into this Agreement.

R [REDACTED] D [REDACTED]

By: [REDACTED] [REDACTED] [REDACTED]
R [REDACTED] D [REDACTED]

Dated:

P [REDACTED] D [REDACTED]

By: [REDACTED] [REDACTED] [REDACTED]
P [REDACTED] D [REDACTED]

Dated: 05/05/2022

EXHIBIT G

F [REDACTED], D [REDACTED]

Complaint Number

CC-43124057-2022-700

Amount. ___764,796.76

Status: TRANSFER COMPLETE

Value Date: 05/16/2022

FED Reference Number: 0516B6B7IK2C001035 05/16/2022 13:39:58

BANK Reference Number: US01136KU0868032__ 05/16/2022 13:39:58

EXHIBIT H

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: D [REDACTED] F [REDACTED]

Account Title: [REDACTED]

Account Number: [REDACTED]


I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of D [REDACTED] F [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

D [REDACTED] F [REDACTED]

By: 
D [REDACTED] F [REDACTED]
[REDACTED]
[REDACTED]

Dated: *May 13, 2022*

EXHIBIT I

UBS Financial Services Inc	ax01668	Activity	5/19/2022	1:56 PM ET	***Internal Use Only***
Account: [REDACTED]	Type: RMA	Short Name: [REDACTED]			Mobile [REDACTED]
Title: J [REDACTED] J [REDACTED]					
	Status: Active	Risk: Moderate		Money Mgr: N/A	
	FAID: WAYP	Objective: Curr Income & Cap App			

Total Value: 328,712.45	Equity: 328,712.45	Money Funds/Bank Sweep: 0.00	Debit/Credit Balance: 328,712.45	Funds Available: 0.00	Buying Power: 0.00
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Generated On: 05/19/2022 Account# in View: [REDACTED] UBS Financial Services

All Activity for Entry Date 04/01/2022-05/19/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/19/22	05/19/22		VS YYWA6370015 CUSTOMER SETTLEMENT TFRNC13902919 JW=TRF2 NCNC1OR0101NK !AA		1			\$328,712.45

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.

This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT J

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: _____

Account Title: _____

Account Number: _____

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of J. [REDACTED] J. [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transactions set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transactions referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transactions set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the transactions described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

J [REDACTED] J [REDACTED]

By:  [REDACTED]
J [REDACTED] J [REDACTED]

Dated: 5-17-2022

EXHIBIT K

{1:F01WEBRUS33XFFT0000156706}{2:I103UBSWUS33XXXXN}{3:{108:AHGBHDVHYXQWHW6A}{121:947
79dc2-c905-4360-8313-2c6b46a181bd}}{4:
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:57D://FW081006162
ENTERPRISE BANK TRUST
CLAYTON
MO
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[REDACTED] P [REDACTED] L [REDACTED]
:70:UBS FS CASE NO 43124057-2022-469
:71A:OUR
-}

EXHIBIT L

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [REDACTED]

Account Title: [REDACTED]

Account Number: [REDACTED]

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of P [REDACTED] L [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

P [REDACTED] L [REDACTED]

By:

[Handwritten signature in blue ink] [REDACTED] [REDACTED]
P [REDACTED] L [REDACTED]

Dated: 4/14/2022

EXHIBIT M

F01WEBRUS33XFFT0000191322}{2:I103UBSWUS33XXXXN}{3:{108:APFBHDVHYZ5YMG6A}{121:7b9a1
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:23B:CRED
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UBS-FINSVC
SETTLEMENTS - LEGAL
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:56D://FW026009593
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NEW YORK
NY
:57D:/4451211800
STIFEL'S
:59:/
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:70:CASE NO 43124057-2022-608
:71A:OUR
-}

EXHIBIT N

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [REDACTED]

Account Title: [REDACTED]

Account Number: [REDACTED]

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of D [REDACTED] S [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

D [REDACTED] S [REDACTED]

By: *[Signature]* [REDACTED]
D [REDACTED] S [REDACTED]

Dated: *April 26, 2022*

EXHIBIT O

UBS Financial Services Inc ax01668 Activity 5/13/2022 3:44 PM ET ***Internal Use Only***
Account: [REDACTED] **Type:** IRA **Short Name:** [REDACTED] **Home Voice:** [REDACTED]
Title: S [REDACTED] T [REDACTED]
Status: Active **Risk:** Moderate **Money Mgr:** N/A
FAID: WAYQ **Objective:** Curr Income & Cap App

Total Value: 464,253.90 | **Equity:** 464,253.90 | **Money Funds/Bank Sweep:** 0.00 | **Debit/Credit Balance:** 464,253.90 | **Funds Available:** 0.00 | **Buying Power:** 0.00

Generated On: 05/13/2022 **Account# in View:** [REDACTED] **UBS Financial Services**

All Activity for Entry Date 04/01/2022-05/13/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/13/22	05/13/22		VS YYWA6370015 CUSTOMER SETTLEMENT TFRNC13302911 JW=TRF2 NCNC1OR0101NK !AB		1			\$464,253.90

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.

This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT P

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [REDACTED]
Account Title: [REDACTED]
Account Number: [REDACTED]


I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of S [REDACTED] T [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

S [REDACTED] T [REDACTED]

By:  [REDACTED]
S [REDACTED] T [REDACTED]

Dated: 5-3-22

EXHIBIT Q

2022-1504-5

CAUSE NO. 2022-_____

UBS FINANCIAL SERVICES INC.,

Plaintiff,

v.

ROBERT EARL TURNER and
STEPHANIE L. TURNER,

Defendants.

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IN THE DISTRICT COURT OF

MCCLENNAN COUNTY, TEXAS

414TH
_____ JUDICIAL DISTRICT

**PLAINTIFF’S VERIFIED ORIGINAL PETITION,
APPLICATION FOR PRE-JUDGMENT WRIT OF ATTACHMENT, AND
REQUEST FOR EXPEDITED DISCOVERY**

Plaintiff UBS Financial Services Inc. (hereinafter referred to as “Plaintiff” or “UBS”) files this Original Petition and Application for Pre-Judgment Writ of Attachment against Robert Earl Turner and Stephanie Turner (collectively “Defendants”), and as cause for recovery herein would respectfully show the Court as follows:

I. INTRODUCTION AND SUMMARY

1. Robert Turner is a former UBS employee. He solicited at least twenty-three UBS customers to purchase purported investments issued by Fairfax Financial Corporation (“Fairfax”). These so-called investments were not UBS products and UBS did not know he was selling them. The investments were a sham. UBS has learned that there were no assets backing the “investments.” It was just a scheme that Robert Turner and his college buddy, Mark Woodward (“Woodward”), cooked up. Robert Turner provided his clients fraudulent account statements that he and/or Woodward created and Robert Turner gave the customers “portfolio

summaries” that he generated without UBS’s review or approval, instead of giving them official UBS statements and reports. Since learning of Robert Turner’s scheme, UBS has been reimbursing the customers for their losses. That process is ongoing. To date, UBS has paid customers over \$5.7 million and UBS has obtained assignments of those customers’ claims against Robert Turner. UBS estimates the total customer losses may exceed \$17 million. UBS is in the process of pursuing Robert Turner in a FINRA arbitration. UBS seeks a writ of attachment from this Court to maintain the status quo and ensure that Defendants do not abscond with, or hide, any assets they may have.

II. PARTIES

2. UBS is a Delaware corporation with its principal place of business at 1000 Harbor Boulevard, Weehawken, New Jersey 07086.

3. Defendant Robert Earl Turner is a resident of Texas and may be served at 106 Stone Creek Ridge Drive, McGregor, Texas 76657.

4. Defendant Stephanie L. Turner is a resident of Texas and may be served at 106 Stone Creek Ridge Drive, McGregor, Texas 76657.

5. Robert Earl Turner and Stephanie L. Turner are married individuals.

III. DAMAGES, JURISDICTION, VENUE, AND DISCOVERY LEVEL

6. The subject matter of this litigation is within the jurisdictional limits of this Court. UBS’s damages exceed \$17 million.

7. This Court has personal jurisdiction over Defendant Robert Turner because he is a resident of the State of Texas and has committed specific acts in Texas that constitute torts against Investor P.L., Investor D.S, and Investor M.C., and torts against and breach of contract with, UBS.

8. This Court has personal jurisdiction over Defendant Stephanie L. Turner because she is a resident of the State of Texas and her nonexempt real and personal property is subject to attachment in accordance with the community property laws of the State of Texas. Tex. Fam. Code § 3.202(d).

9. Venue is proper in McLennan County, Texas pursuant to § 15.002(a)(1) and (2) of the Tex. Civ. Prac. & Rem. Code because a substantial part of the events or omissions giving rise to Plaintiff's claims occurred in McLennan County and Defendants' residence is within McLennan County. In particular, and among other things, Robert Turner transacted business in McLennan County, and certain of the acts, practices, transactions, and courses of business alleged in this Application occurred within this County.

10. Discovery in this case is intended to be conducted under Level 2 of Rule 190.

IV. FACTUAL BACKGROUND

A. Robert Turner obtained property under false pretenses.

11. From approximately 1997 through 2021, Robert Turner misappropriated over \$17 million from at least twenty-three UBS customers for whom he provided financial and/or investment advisory services as a member of a team headed by his wife, former UBS Financial Advisor Stephanie L. Turner. Specifically, without UBS's knowledge, authorization or approval, Robert Turner solicited UBS's customers to purchase investments issued by Fairfax. Woodward held himself out as the Managing Trustee of Fairfax. By and large, Robert Turner's victims were people close to him who knew and trusted him through familial ties and friendship. During the final quarter of 2021, it became apparent that Fairfax did not have any assets backing the investments it claims to have issued. Indeed, upon information and belief, Fairfax was not even a

real investment, it was a completely fraudulent scheme perpetrated by Woodward and Robert Turner.

12. Robert Turner misappropriated over \$17 million from UBS customers by soliciting them to purchase purported investments issued by Fairfax, as indicated in the Declaration of Braden Blackwelder, which is attached as Ex. 1 and incorporated herein by reference; see also Exhibit C, Affidavit of P.L., Exhibit F, Affidavit of D.S., and Exhibit I, Affidavit of M.C. UBS customers were led to believe that their purported investments were earning between 4% and 8% compounded quarterly.

13. Robert Turner concealed his fraud from the investors by, among other things: (1) providing them with fraudulent Fairfax account statements that he and/or Woodward created, (2) reviewing portfolio summaries that he generated without UBS's review and approval as opposed to official UBS statements and reports, and (3) making misrepresentations to customers concerning their investment in Fairfax, including but not limited to claiming that Fairfax was a sound investment when he knew it was in fact a fraudulent scheme.

14. Currently, UBS is making every effort to resolve this matter amicably with each of its affected customers so they do not suffer a loss as a result of the fraudulent scheme perpetrated by Woodward and Robert Turner. UBS intends to and is taking steps to reimburse the funds each customer sent to Fairfax that they believed would be invested on their behalf, as well as compensation for the appreciation that each customer was led to expect. Collectively, these settlement payments will likely exceed \$17 million.

15. To date, UBS has settled with three customers—Investor P.L., Investor D.S, and Investor M.C.¹—in the amounts of \$468,686.05, \$352,295.54, and \$5,070,514.16, respectively.

¹ UBS has not included the customer's name in order to protect the customer's privacy and in compliance with Reg. S-P.

The settlements include an Assignment of Claims, whereby Investors P.L., D.S. and M.C. assigned and transferred to UBS any and all claims that they may have had against any third party (including Defendants) in connection with their investment in Fairfax.

16. UBS is in the process of filing an arbitration against Robert Turner. Before arbitration proceedings begin, in support of arbitration, UBS applies to this Court for an order directing issuance of a writ of attachment. The requested relief is necessary as UBS will in all likelihood lose its ability to collect the amounts owed to it unless a writ of attachment is issued preventing the Defendants from either transferring ownership of or otherwise disposing of their real and personal property.

B. Robert Turner is justly indebted to UBS.

17. Due to Robert Turner's fraudulent scheme, UBS is making settlement payments in excess of \$17 million to all affected customers in an effort to make them whole. To date, UBS has settled with three customers as follows:

- a. Investor P.L., in the amount of \$468,686.05;
- b. Investor D.S., in the amount of \$352,295.54; and
- c. Investor M.C. in the amount of \$5,070,514.16.

18. As part of the settlements, Investors P.L., D.S. and M.C. assigned to UBS their rights and claims with respect to the pursuit of any third parties involved in this fraudulent scheme. See Exhibits B, E, and H, Assignment of Claims to UBS.

19. Robert Turner is justly indebted to UBS for these payments, among other forthcoming payments, collectively expected to exceed \$17 million.

C. The attachment is not sought to injure or harass Defendants.

20. UBS seeks to recover the settlement payments made to all affected customers who fell prey to Robert Turner's fraudulent scheme. The attachment, therefore, is not sought to injure or harass Defendants.

D. UBS will probably lose its debt unless a writ of attachment is issued.

21. Due to the fact that Robert Turner's indebtedness arose from fraud, the debt owed to UBS has not been secured by a mortgage, pledge or lien. Given the fraudulent nature and audacity of the scheme, it is likely that UBS will lose its ability to collect the debt owed unless a writ of attachment is issued. The writ should be issued *ex parte* to avoid Defendants absconding with or concealing their remaining assets.

E. Defendants' real and personal property is subject to attachment.

22. Upon information and belief, the Defendants own, either jointly or separately, the following properties:

- b. 106 Stone Creek Ridge Drive, McGregor, Texas 76657-4157; and
- c. 9027 Darby Lane, Waco, Texas 76712-8398.

23. Upon further information and belief, the Defendants hold or have held financial accounts at UBS and Stifel, Nicolaus & Company, Inc. ("Stifel").

24. Further discovery and investigation is required to determine the full nature and extent of Defendants' assets, including any assets transferred between and among them and any additional assets that may be deemed community property.

V. CAUSE OF ACTION - FRAUD

25. Plaintiff incorporates by reference herein the allegations set forth in the paragraphs above.

26. Defendant Robert Turner, by engaging in the conduct described above, made a material and false representation to the Plaintiff's customers by soliciting their investment in non-existent financial products purportedly offered by Fairfax. According to information that UBS's customers' provided to UBS, Robert Turner represented to the affected customers that Fairfax was a sound investment.

27. When Robert Turner made the representation, he either knew it was false or made the representation recklessly and without knowledge of its truth. Indeed, upon information and belief Robert Turner knew that Fairfax was a fraudulent scheme.

28. Robert Turner made the representation with the intent that Plaintiff's customers would act on it and send money to Fairfax to be invested.

29. Plaintiff's customers did in fact rely on the representation, as they sent money to Fairfax which they believed would be invested on their behalf.

30. The representation caused Plaintiff injury, as Plaintiff has paid \$5,891,594.75 in settlement payments to date to compensate its customers for the funds they lost by sending them to Fairfax. In total, UBS expects to pay over \$17 million in total to affected customers.

VI. APPLICATION FOR ISSUANCE OF WRIT OF ATTACHMENT

31. The evidence set forth above establishes that:

- a. Robert Turner is justly indebted to UBS;
- b. Robert Turner's and Stephanie Turner's assets are subject to attachment.
- c. The attachment is not sought to injure and harass Defendants;
- d. UBS will probably lose its debt unless the writ of attachment is issued; and
- e. Specific grounds for the writ exist under section 61.002 of the Texas Civil Practice and Remedies Code, namely, that Defendant Robert Turner owes

Plaintiff for property obtained by him under false pretenses. Tex. Civ. Prac. & Rem. Code § 61.002(9).

VII. REQUEST FOR EXPEDITED DISCOVERY

32. In order to locate assets to be attached, Plaintiff requires documents and information that are in the possession of Defendants. Plaintiff requests limited expedited discovery so that it can determine the scope of the nonexempt real and personal property subject to attachment. Accordingly, Plaintiff respectfully requests that the Court order Defendants to produce within five days any and all records evidencing ownership of:

- a. Real property, including but not limited to investment properties, undeveloped land, vacation homes, timeshares, and recreational cabins;
- b. Financial accounts;
- c. Motor vehicles, including but not limited to motorcycles, recreational vehicles, motorhomes and trailers;
- d. Aircraft;
- e. Boats;
- f. Horses;
- g. Firearms, ammunition, related accessories, and storage lockers, safes and/or racks;
- h. Jewelry; and
- i. Any other asset of value reasonably believed to be in excess of \$1000.

WHEREFORE UBS requests that the Court issue a Writ of Attachment and Expedited Discovery as requested herein, and for such other and further relief to which UBS may be justly entitled.

Respectfully submitted,

PRATT & FLACK LLP



By: _____
Paul D. Flack
State Bar No. 00786930

4306 Yoakum Blvd., Suite 500
Houston, Texas 77006
t: (713) 705-3087
f: (713) 481-0231

Attorneys for Plaintiff

CAUSE NO. 2022-_____

UBS FINANCIAL SERVICES INC.,
Plaintiff,

v.

ROBERT EARL TURNER and
STEPHANIE L. TURNER,
Defendants.

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IN THE DISTRICT COURT OF

MCLENNAN COUNTY, TEXAS

_____ JUDICIAL DISTRICT

DECLARATION OF BRADEN BLACKWELDER

I, Braden Blackwelder, subject to the penalties of perjury, hereby declare that the following is, unless otherwise noted, based upon my personal knowledge and is true and correct:

1. I am currently employed as Branch Manager in the Waco, Texas office location of Plaintiff UBS Financial Services Inc. (“UBS”).

2. I submit this declaration in support of UBS’s original verified petition, application for pre-judgment writ of attachment, and request for expedited discovery. Except where otherwise stated, I make this declaration based on my personal knowledge and/or based on my review of UBS’s books and records and my review of documents that UBS customers provided to UBS in or around late 2021/early 2022.

3. I have been employed with UBS since 2004. Between 2004 and 2007, I was Operations Manager for UBS’s River Oaks, Houston Branch Office. Subsequently, through October 2009, I served as Control Analyst for UBS’s River Oaks, Houston Branch Office. From November 2009 through March 2016, I was the Complex Supervisory Officer for UBS’s Central Texas Complex. Between April 2016 and May 2021, I served as Divisional Supervisory Officer

for the Western Division of UBS. In June 2021, I became Branch Manager of the UBS San Antonio, Texas branch office. Since January 1, 2022, I have served as Branch Manager of the UBS Waco, Texas branch office.

4. I am familiar with Defendants Robert Earl Turner (“Robert”) and Stephanie L. Turner (“Stephanie”) (collectively, the “Turners”), who were employed in UBS’s Waco, Texas office until October 12, 2021, when they left to join Stifel, Nicolaus & Company, Inc. (“Stifel”).

Turners’ UBS Employment

5. UBS business records reflect that the Turners began their employment with Paine, Webber, Jackson & Curtis, Inc. (now known as UBS) in March 1996.

6. The Turners were a wealth management team, with Stephanie as Financial Advisor and Robert as Investment Associate. They serviced client accounts jointly.

7. At some point during their employment at UBS, Robert and Stephanie were married.

Robert Turner’s Wrongful Conduct

8. Based on information provided by affected customers, from approximately 1997 through 2021, Robert misappropriated over \$17 million from at least twenty-three UBS brokerage customers for whom he provided investment advisory services. Specifically, without UBS’s knowledge, authorization or approval, Robert was selling away (selling securities that were not approved by UBS), soliciting UBS customers to send their money to Fairfax Financial Corporation (“Fairfax”) under the guise of investing in an annuity or other financial product purportedly issued by Fairfax. Robert’s college acquaintance, Mark S. Woodward (“Woodward”), held himself out as the Managing Trustee of Fairfax.

9. Upon information and belief, UBS customers were led to believe that their investment in Fairfax was earning between 4% and 8% compounded quarterly.

10. Upon information and belief, Robert concealed his fraud from the investors by, among other things: (1) providing them with fraudulent Fairfax account statements that he and/or Woodward created, (2) reviewing portfolio summaries that he generated without UBS's review or approval as opposed to official UBS statements and reports, and (3) making misrepresentations to customers concerning their investment in Fairfax, including but not limited to claiming that Fairfax was a sound investment when he knew it was in fact a fraudulent scheme.

11. By and large, Robert's victims were people close to him who knew and trusted him through familial ties and friendship.

12. Upon information and belief, Robert's victims trusted him as a result of their years long investment relationship with him.

13. Upon information and belief, Robert did not disclose to his victims that UBS did not approve of or have any involvement in the solicitation of investments in Fairfax and/or that he actively concealed his association with Fairfax and Woodward from UBS.

14. During the final quarter of 2021, it became apparent that Fairfax did not have any assets backing the annuities and other financial products it claims to have issued.

Efforts Taken by UBS to Address the Fraud

15. Currently, UBS intends to and is taking steps to reimburse the funds each customer sent to Fairfax that they believed would be invested on their behalf. This also includes reimbursement for the appreciation that each customer was led to expect. Collectively, these settlement payments will exceed \$17 million.

16. To date, UBS has settled with three customers as follows:

- a. Investor P.L., in the amount of \$468,686.05 (a true and correct copy of the wire confirmation is attached as Exhibit A)
- b. Investor D.S., in the amount of \$352,295.54 (a true and correct copy of the wire confirmation is attached as Exhibit D); and
- c. Investor M.C. in the amount of \$5,070,514.16 (a true and correct copy of the wire confirmation is attached as Exhibit G).

17. The settlement includes an Assignment of Claims, whereby Investors P.L., D.S. and M.C. assigned and transferred to UBS any and all claims that they may have had against any third party in connection with their investment in Fairfax. A true and correct copy of the Assignment of Claims is attached as Exhibits B, E, and H.

18. UBS is in the process of filing an arbitration against Robert Turner. Before arbitration proceedings begin, in support of arbitration, UBS applies to this Court for an order directing issuance of a writ of attachment. The requested relief is necessary as UBS believes that it will in all likelihood lose its ability to collect the amounts owed to it unless a writ of attachment is issued to preserve the Turners' real and personal property.

Jurat

My name is Braden Blackwelder, my date of birth is 10/29/74, and my address is 501 Enchanted Way, San Antonio, TX 78260, USA. I declare under penalty of perjury that the foregoing is true and correct.

Executed in Bexar County, State of Texas, on the 5th day of May, 2022.



Braden Blackwelder

EXHIBIT A

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:71A:OUR
-}

EXHIBIT B

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [REDACTED]
Account Title: [REDACTED]
Account Number: [REDACTED]

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of P [REDACTED] L [REDACTED]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

P [REDACTED] L [REDACTED]

By:

[Handwritten signature in blue ink] [REDACTED] [REDACTED]
P [REDACTED] L [REDACTED]

Dated: 4/14/2022

EXHIBIT C

AFFIDAVIT OF P [REDACTED] L [REDACTED]

I, P [REDACTED] L [REDACTED], being duly sworn, on oath, state the following:

1. I reside, or otherwise maintain an address, at [REDACTED] [REDACTED].
2. At all relevant times, I was the holder of UBS Financial Services Inc. ("UBS") Account Number [REDACTED] ("the Account").
3. In or about 2014, former UBS employee Robert Turner solicited me to invest in a purported annuity (the "Annuity") issued by Fairfax Financial Corporation ("Fairfax").
4. Between 2014 and 2020, I sent a total of \$333,741.42 to Fairfax by way of wire transfers from the Account to Fairfax. I understood that this money was supposed to be invested in the Annuity.
5. I am making this affidavit based upon my belief that no amount of the funds described in paragraph 4 above were invested in the Annuity, and that the Annuity was part of a fraudulent scheme carried out by Robert Turner and others.
6. My funds were not returned to me, and I received nothing of value in return for the transactions.

Subscribed and sworn before me at

this 14th day of April 2022.

[Handwritten signature of P [REDACTED] L [REDACTED]]
P [REDACTED] L [REDACTED]

Martin J. Naranjo
Notary Public



EXHIBIT D

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-}

EXHIBIT E

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [Redacted]
Account Title: [Redacted]
Account Number: [Redacted]

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of D [Redacted] S [Redacted]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

D [REDACTED] S [REDACTED]

By: *[Signature]* [REDACTED]
D [REDACTED] S [REDACTED]

Dated: *April 26, 2022*

EXHIBIT F

AFFIDAVIT OF D [REDACTED] S [REDACTED]

I, D [REDACTED] S [REDACTED], being duly sworn, on oath, state the following:

1. I reside, or otherwise maintain an address, at [REDACTED]
2. At all relevant times, I was the holder of UBS Financial Services Inc. (“UBS”) Account Number [REDACTED] (“the Account”).
3. In or about 2019, former UBS employee Robert Turner solicited me to invest in a purported annuity (the “Annuity”) issued by Fairfax Financial Corporation (“Fairfax”).
4. Between 2019 and 2021, I sent a total of \$246,500 to Fairfax by way of wire transfers from the Account to Fairfax. I understood that this money was supposed to be invested in the Annuity.
5. I am making this affidavit based upon my belief that no amount of the funds described in paragraph 4 above were invested in the Annuity, and that the Annuity was part of a fraudulent scheme carried out by Robert Turner and others.
6. My funds were not returned to me, and I received nothing of value in return for the transactions.

Subscribed and sworn before me at

this 27th day of April 20 22.

[Handwritten signature]
D [REDACTED] S [REDACTED]

Neely Duckett
Notary Public

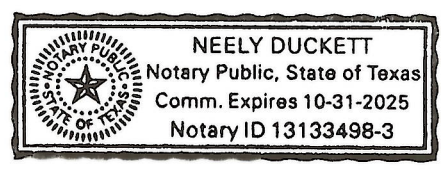


EXHIBIT G

UBS Financial Services Inc	ax01668	Activity	5/5/2022	9:58 AM ET	***Internal Use Only***
Account: [REDACTED]	Type: Basic	Short Name: [REDACTED]		Cell Home - [REDACTED]	
Title: M [REDACTED] C [REDACTED]					
	Status: Closed	Risk: Moderate		Money Mgr: N/A	
	FAID: WAYQ	Objective: Capital Appreciation			

Total Value: 5,070,514.16	Equity: 5,070,514.16	Money Funds/Bank Sweep: 0.00	Debit/Credit Balance: 5,070,514.16	Funds Available: 0.00	Buying Power: 0.00
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Generated On: 05/05/2022 Account# in View: WA05481 UBS Financial Services

All Activity for Entry Date 04/01/2022-05/05/2022, Money Market Excluded, Exclude Debit Card

Entry Date	Settle Date	Activity	Description	Symbol / Security#	Type	Quantity	Price/Detail	Amount
05/05/22	05/05/22		VS YYWA6370015 CUSTOMER SETTLEMENT TFRNC12502896 JW=TRF2 NCNC1OR0101NK !AA			1		\$5,070,514.16

² Displayed as an additional transaction, the above bank card activity is debited from your account on the 26th of each month, assuming this date is a business day. Otherwise, it is debited from your account on the following business day.

Intraday updates for Equity, Fixed Income and Mutual Fund trades, and some cash and investment transactions are included on approximately a 20 minute delay. Commission and fees for Equity trades are estimates, and may not match what is charged to the account. Fixed Income agency trades may not include commission and fees. Mutual Fund trades are reflected following price confirmation from the fund company or transfer agent. Mutual Fund direct business, Mutual Fund transfers, some trade corrections and some fees are not included intraday.

This report is for informational purposes only and may or may not include all holdings or client accounts. All information presented is subject to change at any time and is provided only as of the date indicated. The Firm's periodic account statements and official tax documents are the only official record of client accounts and are not superseded, replaced, or amended by any of the information presented in these reports. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

EXHIBIT H

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY



UBS Financial Services Inc.

Assignment Of Claims To UBS Financial Services Inc. ("UBS")

Your Name: [Redacted]
Account Title: [Redacted]
Account Number: [Redacted]

I understand that UBS reserves the right to investigate the matter described in the attached Affidavit of M [Redacted] C [Redacted]. UBS in reliance upon the Affidavit agrees to pay me the amount identified in Section 1 of the Settlement Agreement, and I agree as follows:

- a) Upon issuance of the funds, I release, discharge and forever give up any and all claims, whether in tort or contract, that I have asserted or may or could have asserted against UBS, its related entities, officers, directors, agents or employees that relate in any way to the transaction set forth in the Affidavit.
- b) Upon issuance of the funds, I assign and transfer any and all claims that I may have had against any third party in connection with the transaction referenced in the Affidavit, including but not limited to Robert Turner, the Estate of Mark Woodward, and Fairfax Financial Corporation, that relate to the transaction set forth in the Affidavit, and UBS hereby is subrogated to my rights in connection with such claims, although UBS shall have no obligation to pursue such claims with any diligence or at all and I shall have no right to compel UBS to pursue such claims or to exercise any diligence in doing so.
- c) UBS may in its sole discretion decide to pursue civil or criminal litigation against any third party. In the event that UBS decides to pursue any civil action relating to the matter described herein, I agree to provide UBS with any cooperation reasonably requested by UBS in connection with such action including, but not limited to, completing an affidavit describing in detail the circumstances surrounding the wire and transaction described in the Affidavit to UBS and providing other information for use in discovery. I understand that I am not required to attend any depositions or trials as a result of signing this agreement.
- d) I represent and warrant that I have not previously assigned any of the claims described herein to any individual or other entity.
- e) In the event that UBS discovers that any statement made by me, including but not limited to in the Affidavit, is false, UBS may demand and seek immediate return of the amount identified in Section 1 of the Settlement Agreement and may, among other things, recover such amount from any of my UBS accounts in accordance with the agreements governing those accounts.

PRIVILEGED & CONFIDENTIAL – FOR SETTLEMENT PURPOSES ONLY

I have not relied upon any representations of UBS in making this statement or entering into this Agreement.

M [REDACTED] C [REDACTED]

By:  [REDACTED]
M [REDACTED] C [REDACTED]

Dated: 4/25/2022

EXHIBIT I

AFFIDAVIT OF M [REDACTED] C [REDACTED]

I, M [REDACTED] C [REDACTED], being duly sworn, on oath, state the following:

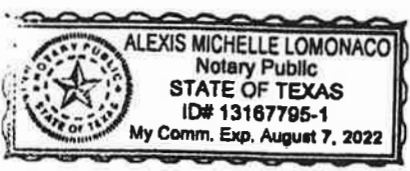
1. I reside, or otherwise maintain an address, at [REDACTED]
[REDACTED].
2. At all relevant times, I was the holder of UBS Financial Services Inc. ("UBS") Account Number [REDACTED].
3. Some time ago, former UBS employee Robert Turner solicited me to invest in a purported annuity (the "Annuity") issued by Fairfax Financial Corporation ("Fairfax").
4. I sent a total of \$1,304,250 to Fairfax. I understood that this money was supposed to be invested in the Annuity.
5. I am making this affidavit based upon my belief that no amount of the funds described in paragraph 4 above were invested in the Annuity, and that the Annuity was part of a fraudulent scheme carried out by Robert Turner and others.
6. My funds were not returned to me, and I received nothing of value in return for the transactions.

Subscribed and sworn before me at

[Handwritten Signature]
M [REDACTED] C [REDACTED]

this 25th day of April 2022.

[Handwritten Signature: Alexis Lomonaco]
Notary Public



CAUSE NO. 2022-_____

UBS FINANCIAL SERVICES INC., Plaintiff, v. ROBERT EARL TURNER and STEPHANIE L. TURNER, Defendants.	§ § § § § § § § § §	IN THE DISTRICT COURT OF MCLENNAN COUNTY, TEXAS _____ JUDICIAL DISTRICT
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ORDER FOR ISSUANCE OF WRIT OF ATTACHMENT AND ORDER GRANTING REQUEST FOR EXPEDITED DISCOVERY

The Court has considered Plaintiff’s Verified Original Petition, Application for Writ of Attachment, and Request for Expedited Discovery filed by UBS Financial Services Inc. (“UBS” of “Plaintiff”) and any documents and other evidence submitted with it and finds that the Plaintiff’s Application for Writ of Attachment and Plaintiff’s request for expedited discovery from Defendants Robert Earl Turner and Stephanie L. Turner (“Defendants”) are meritorious and should be and hereby are GRANTED.

The Court finds that Plaintiff has shown a probable right to recovery, that Defendants are justly indebted to Plaintiff, that the writ of attachment is not sought for purposes of injuring or harassing Defendants, that Defendants owe the plaintiff for property obtained by Robert Turner under false pretenses in the amount of \$5,891,495.75, and that Plaintiff will in all likelihood lose its ability to collect the amounts owed to it unless a writ of attachment is issued preventing the Defendants from either transferring ownership of or otherwise disposing of their real and personal

property. The court finds that this writ should be issued *ex parte* to prevent Defendants from transferring or disposing of assets prior to attachment.

It is therefore, ORDERED that the Clerk shall issue a Writ of Attachment commanding the Sheriff or Constable of any county of the State of Texas to forthwith take into possession and keep unless replevied any non-exempt personal or real property belonging to Defendants up to a maximum value of \$5,891,495.75. Such property is to be kept safe and preserved subject to further order from this court.

It is further ORDERED that Writ of Attachment shall not issue unless and until Plaintiff executes and filed with the Clerk a bond in conformity with the law in the amount of \$5,000.

It is further ORDERED that Defendants may replevy the attached property by filing a bond with the officer who levied the writ in conformity with the law in the amount of \$ _____ with sufficient surety or sureties as provided by statute.

It is further ORDERED that Defendants produce within five days any and all records evidencing ownership of:

- a. Real property, including but not limited to investment properties, undeveloped land, vacation homes, timeshares, and recreational cabins;
- b. Financial accounts;
- c. Motor vehicles, including but not limited to motorcycles, recreational vehicles, motorhomes and trailers;
- d. Aircraft;
- e. Boats;
- f. Horses;

g. Firearms, ammunition, related accessories, and storage lockers, safes and/or racks;

h. Jewelry; and

i. Any other asset of value reasonably believed to be in excess of \$1,000.

This order was issued at _____ o'clock ____ .m. on May ____, 2022.

~~_____
JUDGE PRESIDING~~

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

In re:

Robert Earl Turner, Jr.

Debtor.

Chapter 13

Hon. Michael M. Parker, U.S.B.J.

Case No. 22-60200-mmp

**ORDER DISMISSING THE CHAPTER 13 OF CASE ROBERT EARL TURNER, JR.
WITH PREJUDICE**

There came on to be considered the Motion of USB Financial Services Inc. (“UBS”) requesting entry of an order dismissing the Chapter 13 bankruptcy case (the “Bankruptcy Case”) filed by Robert E. Turner, Jr. (the “Debtor”) or, alternatively, converting the Bankruptcy Case (the “Motion”); and the Court having considered the Motion and any objection filed thereto and all oral arguments of counsel; and the Court having determined that “cause” exists under 11 U.S.C. § 1307(c) to dismiss the Bankruptcy Case because the circumstances surrounding the filing of the Bankruptcy Case demonstrate that the Bankruptcy Case was filed in bad faith; and the Court

EXHIBIT 1

having decided to abstain and dismiss the Bankruptcy Case pursuant to 11 U.S.C. § 305; and good and sufficient notice of the Motion having been provided; and for good cause shown,

IT IS HEREBY ORDERED that the Motion be and hereby is **GRANTED**.

It is **FURTHER ORDERED** that the Bankruptcy Case be and hereby is **DISMISSED WITH PREJUDICE** with a bar to filing a bankruptcy petition under any chapter of the Bankruptcy Code through and including May 12, 2024.

###

Order prepared and submitted by:

By: /s/ Kerry L. Haliburton
Kerry L. Haliburton (State Bar No. 08743400)
Naman, Howell, Smith & Lee, PLLC
400 Austin Avenue, Suite 800
Waco, TX 76701
Phone: (254) 755-4100
khaliburton@namanhowell.com

Attorneys for UBS Financial Services Inc.