

CAUSE NO. D-1-GN-24-001018

SAJID MAQSOOD, TRUSTEE OF THE  
SAJID & JOAN M. MAQSOOD REVOCABLE  
TRUST, ET. AL.,

Plaintiffs,

v.

PRIDE OF AUSTIN HIGH YIELD  
FUND I, LLC, ET. AL.

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IN THE DISTRICT COURT

TRAVIS COUNTY, TEXAS

201<sup>ST</sup> JUDICIAL DISTRICT

**ORDER GRANTING RECEIVER'S MOTION TO APPROVE  
COMPROMISE WITH CERTAIN JUDGMENT HOLDERS**

Came on for consideration, Gregory S. Milligan, in his capacity as the Court-appointed receiver ("**Receiver**") for Defendant Pride of Austin High Yield Fund 1, LLC ("**POA**" or the "**Fund**"), files this Motion to Approve Compromise with Certain Judgment Holders (the "**Motion**")<sup>1</sup>. Upon consideration of the Motion and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted; and it appearing that the relief requested in the Motion is in the best interests of the Receivership Estate; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

It is hereby ORDERED that

1. The Motion is GRANTED and the Settlement Agreements are APPROVED.
2. The terms and conditions of the Settlement Agreements are incorporated into this Order and are immediately effective and enforceable upon its entry.

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<sup>1</sup> Capitalized terms that not defined herein shall have the meaning set forth in the Motion.

The Court further finds that:

3. On November 7, 2024, it entered an *Order Granting Receiver's Motion to Approve the Sale of Certain Real Property and Related Improvements in Canton, Texas* (the "***Canton Sale Order***"). In the Canton Sale Order, the Court ordered

- a. "that any liens, claims, encumbrances, and interests of the Judgment/Abstract Parties in the Canton Property created by virtue of their abstracts of judgment are hereby extinguished and released and simultaneously exchanged and converted to liens, claims, encumbrances, and interests in, upon, and to the net proceeds of the sale of the Canton Property with all such liens, claims, encumbrances, and interests of the Judgment/Abstract Parties in the Canton Property attaching automatically, and without the need to file or record any lien instrument to perfect such lien, claim, encumbrance, and/or interest, to such net proceeds of the sale of the Canton Property in the same validity, priority, and extent as such liens, claims, interests, and encumbrances existed with respect to the Canton Property"; and
- b. that the Receiver "shall earmark and segregate by accounting such net proceeds from the sale of the Canton Property and not spend or otherwise distribute the same for any purpose without further order of this Court."

By this Order, the Court hereby ORDERS

4. that any liens that attached to the proceeds of the sale of the Canton Property are hereby extinguished, and that the Receiver may distribute the proceeds from the sale of the Canton Property consistent with the terms of the Court's *Order Granting Receiver's Amended Motion to Approve Distribution Plan*.

The Court further finds that

5. On November 25, 2024, it entered an *Order Granting Receiver's Motion to Sell Property Located at 1610 Hether Street* (the "**Hether Sale Order**"). In the Hether Sale Order, the Court ordered:

- a. "that any liens, claims, encumbrances, and interests of the Judgment/Abstract Parties in the Hether Property created by virtue of their abstracts of judgment are hereby extinguished and released and simultaneously exchanged and converted to liens, claims, encumbrances, and interests in, upon, and to the net proceeds of the sale of the Hether Property with all such liens, claims, encumbrances, and interests of the Judgment/Abstract Parties in the Hether Property attaching automatically, and without the need to file or record any lien instrument to perfect such lien, claim, encumbrance, and/or interest, to such net proceeds of the sale of the Hether Property in the same validity, priority, and extent as such liens, claims, interests, and encumbrances existed with respect to the Hether Property"; and
- b. that the Receiver "shall earmark and segregate by accounting such net proceeds from the sale of the Hether Property and not spend or otherwise distribute the same for any purpose without further order of this Court."

By this Order, the Court hereby ORDERS

6. that any liens that attached to the proceeds of the sale of the Hether Property are hereby extinguished, and that the Receiver may distribute the proceeds from the sale of the Hether Property consistent with the terms of the Court's *Order Granting Receiver's Amended Motion to Approve Distribution Plan*.

The Court further ORDERS

7. That the indemnities granted in the Settlement Agreement are fair and equitable and that any claims resolved by the Receiver against any current or former investor in POA under Chapter 24 of the Texas Business & Commerce Code shall be fully and finally resolved and released, whether asserted by the Receiver or another party, upon the Receiver's resolution of such claim.

SIGNED this 28<sup>th</sup> day of July, 2025.

  
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HONORABLE AMY CLARK MEACHUM