

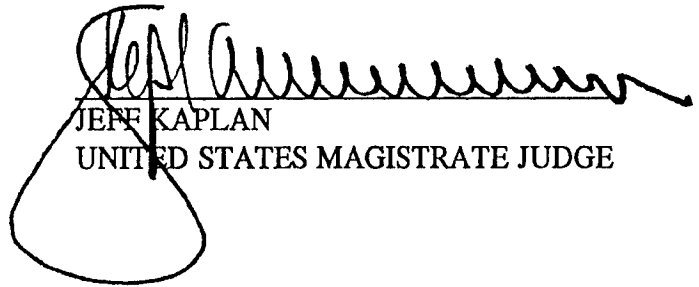
Jerrold Gunn and filed a garnishment action to recover all funds in the Merrill Lynch account. The writ of garnishment, issued on January 25, 2001, prohibits Merrill Lynch from "pay[ing] to [Gunn] any debt or to deliver to him any effects, pending further orders of this Court." (Rec. Mot., Exh. 2). Through discovery in the garnishment action, the Receiver has learned that Merrill Lynch did not freeze Gunn's account and "has allowed continuous trading in the account from December 1999 through at least February 20, 2001." (Rec. Mot. ¶ 12). As a result, the account has diminished in value by at least \$96,070.53. The Receiver contends that this action constitutes a violation of the freeze order and the writ of garnishment.

A hearing is set for **June 1, 2001** at **9:00 a.m.** in the courtroom of Magistrate Judge Jeff Kaplan, 1100 Commerce Street, 16th Floor, Dallas, Texas. Merrill Lynch is ordered to appear at this hearing through its authorized representative, then and there to show cause why it should not be held in contempt of court and punished for violating the Order Freezing Account dated November 29, 1999 and the Writ of Garnishment issued on January 25, 2001, by allowing continuous trading in Account No. 75023822 from December 1999 through at least February 20, 2001. A written response to the motion is not required. However, Merrill Lynch may file a response by **May 30, 2001**. No further pleadings will be allowed.

Merrill Lynch is ordered to produce to the Receiver all complete and partial statements pertaining to Account No. 75023822 for the period beginning March 1, 2001 through May 25, 2001. These account statements shall be delivered to the Receiver by **5:00 p.m.** on **May 30, 2001**.

SO ORDERED.

DATED: May 16, 2001.



JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE