UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	CHAPTER 11
	§	
TM36, LLC et al.	§	Case No. 26-90386 (ARP)
	§	
Debtors.[1]	§	(Jointly Administered)

COMMAND 247, LLC'S RESPONSE AND OBJECTIONS TO DEBTORS' MOTION FOR TURNOVER OF DEBTORS' (A) EQUIPMENT AND VEHICLES, (B) RELATED TITLES, AND (C) BOOKS AND RECORDS PURSUANT TO 11 U.S.C. § 542

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Command 247, LLC ("Command 247") files this Response and Objections to the Debtors' Motion for Turnover of Debtors' (A) Equipment and Vehicles, (B) Related Titles, and (C) Books and Records Pursuant to 11 U.S.C. § 542 (Dkt. 238) (the "Motion") and respectfully states as follows:

I. PRELIMINARY STATEMENT

1. Command 247 has fully complied with its obligations under the Rule 11 Agreement executed in the Texas Business Court on January 21, 2026. *See* Ex. A (Butaud Declaration) ¶ 11. The Debtors' alleged contractor, JMN Enterprise LLC ("JMN"),[2] made multiple trips to the Broussard Location from mid-January through mid-February 2026 and collected equipment and vehicles on each occasion. *Id.* ¶ 11. Despite this, the Debtors now seek a sweeping turnover order

[1] The Debtors in these Chapter 11 cases are: TM36, LLC, StopLoss Specialists, LLC, StopLoss, LLC, StopLoss Response Services, LLC, and StopLoss Logistics, LLC. The Debtors and their wholly owned subsidiaries are collectively referred to as the Debtor Entities.
[2] On each visit to the Broussard Location, Debtors purported to be acting through a different entity.

based on speculation, photographs taken from a distance, and unverified assumptions about what items remain in Command 247's possession.

2. The specific items identified in the Motion are either (a) not property of the estate (for example, having been purchased by Butaud individually or by his solely owned entity, pre-dating StopLoss's existence), (b) property of third parties (such as generators belonging to Connie Hargrave), (c) items not even on the Debtors' own asset list (such as the air scrubbers depicted in photographs and dehumidifiers), or (d) items available for pickup at any time (such as a single forklift that the Debtors failed to retrieve). *Id.* ¶ 12.

3. The Motion should be denied because: (1) Command 247 has already turned over all property of the Debtors in its possession, custody, or control; (2) the Debtors have failed to establish that Command 247 currently possesses identifiable property of the estate, which is a prerequisite to relief under Section 542; (3) the items alleged to be property of the estate are, in fact, property of Command 247, property of third parties, or not on the Debtors' own asset list; (4) the Broussard Location is private property leased by an entity owned by Butaud and the Court lacks jurisdiction to order access to non-estate real property; and (5) the proposed order is overbroad and fails to provide Command 247 with adequate due process protections.

II. FACTUAL BACKGROUND

A. Formation of StopLoss and Command 247's Role

4. Scott Butaud and John Lewis, through their respective entities—Command 247 and StopLoss Specialists, LLC ("Specialists")—founded StopLoss, LLC ("StopLoss") in 2023 in Broussard, Louisiana. *See* Ex. A ¶ 4. Both men had decades of experience in the construction and disaster-remediation industry and combined their expertise as 50/50 partners. *Id.* Butaud handled

day-to-day operations from the Broussard Location and served as the Chief Operating Officer and authorized agent of StopLoss. *Id*.

B. Command 247's Compliance with the Rule 11 Agreement

5. On January 21, 2026, the Debtors, Command 247, and Butaud executed and filed a Rule 11 Agreement in the Business Court Lawsuit. Ex. B (Rule 11 Agreement). Under the Rule 11 Agreement, Command 247 and Butaud agreed to permit the Debtors and their representatives to pick up Debtors' equipment and vehicles from the yard outside the Broussard Location and any offsite storage controlled by Command 247. *Id.* The Rule 11 Agreement specifically provided that Plaintiffs would "not be allowed inside the building." *See Id*. This stipulation was thus an ***express requirement*** of the agreement that the Debtors are apparently trying to circumvent with this Turnover Motion.

6. Following execution of the Rule 11 Agreement, JMN made multiple trips to the Broussard Location from mid-January to mid-February 2026 and collected the Debtors' equipment and vehicles in batches from the yard. *See* Ex. A (Butaud Declaration) ¶ 11. Command 247 cooperated with each collection effort by moving equipment and vehicles from inside the building to the yard for JMN's pickup. *Id*. During its trips to the Broussard Location, JMN damaged the electric gate on the property, requiring a repair estimated to cost $13,050.00. *Id.*

C. The Broussard and Opelousas Locations and Their Assets

7. All remaining equipment, vehicles, and other assets located at the Broussard and Opelousas[3] locations are not on any asset list provided by Debtors. *Id.* ¶ 9.

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[3] What Debtors reference as the Opelousas location is a residence of Butaud and not property ever leased or owned by Debtors.

8. Prior to the existence of StopLoss, the Broussard office was exclusively the office of Butaud's solely owned entity, Apex Response Group. *Id.* ¶ 5. Once Apex ceased operations in 2022, StopLoss assumed the lease at the Broussard Location. *Id.* Critically, the StopLoss lease ended in May 2025—well before the Petition Date. *Id.* ¶ 6. Accordingly, the Debtors have no leasehold interest, possessory right, or any other property interest in the Broussard Location. *Id.*

D. The Specific Items Identified by the Debtors

9. The Debtors' Motion identifies certain allegedly "missing" items, including air scrubbers, generators, and a forklift. *See* Dkt. 238 ¶ 23. Butaud's investigation into these specific items reveals the following:

a. First, the air scrubbers reflected in photographs previously provided by the Debtors as well as the dehumidifiers do not appear on the Debtors' own asset list. *See* Ex. A, ¶ 12. The Debtors cannot claim turnover of items they have not identified as property of the estate.

b. Second, the generators referenced by the Debtors do not belong to StopLoss or any other Debtor entity. *Id.* Those generators belong to a third party—specifically, Connie Hargrave. The Debtors have no right to turnover of property belonging to a non-debtor third party.

c. Third, there is one forklift that remains at the Broussard Location. *Id.* Its continued presence is an oversight by the Debtors, who failed to pick up the forklift when individuals were sent to pick up other equipment; indeed, the forklift was used throughout the process of loading items being removed. *Id.* Command 247 does not dispute that this forklift may be property of the estate and will make the forklift available to the Debtors for retrieval upon coordination of pickup during regular office hours (Monday through Friday, 8:00 a.m. to 5:00 p.m.). No court order is needed for the Debtors to retrieve this item—they just need to contact Command 247 to coordinate pickup.

d. Finally, the A/C units and cargo trailers are not located at either of the locations identified by Debtors. The last time Butaud viewed them, they were at worksites. *Id.*

E. Books, Records, and Corporate Documentation

10. Books, records, and corporate documentation reflecting information on Debtor and/or StopLoss operations may remain at the Broussard office. If remaining, it is only because StopLoss failed to pick up such documents when offered the opportunity to retrieve them. There is no property of the Debtors that has been intentionally retained. *Id.* ¶ 15. To the extent any Debtor books, records, or corporate documents remain in Butaud's possession, they are located at the Broussard office, and those materials can be made available for pickup and retrieval during regular business hours.

G. The Debtors' Post-Petition Settlement Offer

11. After the bankruptcy petition, counsel for the Debtors and counsel for Command 247 participated in Rule 408 settlement discussions to discuss "getting out of each other's way." *See* Ex. C (March 24, 2026 email from Aaron Power to Joel Reese, specifically noting "Subject to

FRE 408").[4] It was in connection with those discussions that Debtors' counsel proposed that Debtors inspect real property leased by Command/Butaud:

> Subject to FRE 408
>
> Joel,
>
> I appreciate your patience, and I know you have a hearing coming up soon in the business court case. Following up on the discussion we had with the intent of 'getting out of each other's way,' I discussed with Pablo (the CRO) and this is the proposal:
>
> 1. The Debtors will agree to stay relief so that Command/Butaud can continue their claims against non-debtors;[5] provided that Specialists must either (i) be dismissed with prejudice , (ii) be severed with an agreement that you will file a proof of claim for those severed claims, or (iii) you proceed against Specialist nominally, but Specialists shall have no liability for claims asserted in the business court case.
>
> 2. Command/Butaud agree to an inspection/site visit(s) of (i) 1048 Forum Drive, Broussard, Louisiana 70518, and (ii) 354 Christ the King Road, Opelousas, LA 70570, for the purpose of determining whether any assets of the debtors remain there including those items listed in the attached file and if located you agree to allow the debtors to remove those items.
>
>   1. This can be subject to reasonable accommodations concerning timing, advanced notice, indemnification for damages, etc.
>
> 3. Command/Butaud agree that they will not seek to dismiss the BK case.
>
> 4. Command/Butaud agree that they will not object to the retention of Susman Godfrey or the proposed DIP which is necessary to pay Susman among other expenses.

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[4] Debtors' effort to inject their settlement demand into evidence is improper and potentially unethical. To be clear, Command 247 is responding to Debtors' injection of this issue before the Court. Command 247 never sought to use this communication even when Debtors changed their position to argue that Command 247's claims were property of the bankruptcy estate.

[5] Of course, after this email, Debtors counsel changed their position to argue that the claims against the non-debtors were property of the bankruptcy estate. That issue is currently on appeal before the United States District Court.

See Ex. C (March 24, 2026 Email).

12. The Debtors' settlement proposal request was rejected.

III. ARGUMENT AND AUTHORITIES

A. The Debtors Have Failed to Meet Their Burden Under Section 542

13. Section 542(a) of the Bankruptcy Code requires that "an entity . . . in possession, custody, or control, during the case, of property that the trustee may use, sell, or lease under section 363" must deliver such property to the trustee. 11 U.S.C. § 542(a). Critically, it is the movant's burden to establish that the respondent is *currently* in possession of identifiable property of the estate. *See In re Terry,* No. 18-44642-ELM-13, 2019 WL 7169095, at *14-15 (Bankr. N.D. Tex. Dec. 23, 2019); *In re Crescent Res., LLC*, 457 B.R. 506, 513 (Bankr. W.D. Tex. 2011); *Faulkner v. Kornman (In re Heritage Org., L.L.C.)*, 350 B.R. 733, 737–38 (Bankr. N.D. Tex. 2006).

14. The Debtors have not met this burden. The Motion relies entirely on: (1) photographs taken from a distance through open warehouse doors; (2) speculation about items that are "missing" from an inventory that was never reconciled on-site; and (3) "information and belief" allegations. *See generally* Dkt. 238 & 283-1. The Debtors admit that their contractor was "never able to determine what equipment remains in Command and Butaud's possession." Dkt. 238 ¶ 22. This is an insufficient evidentiary basis for a turnover order.

15. A motion under Section 542 is not a discovery device. It requires the movant to identify specific property of the estate and demonstrate that the respondent has possession. The Debtors cannot obtain an order compelling turnover of property that they cannot identify with specificity and cannot prove is actually in Command 247's possession.

B. Certain Items Are Subject to a Bona Fide Dispute as to Ownership

16. As a longstanding operator of disaster remediation businesses, ***Butaud and Command 247 have their own equipment and property at the Broussard Location***. *See* Ex. A (Butaud Declaration) ¶ 9. The Broussard Location has been Butaud's principal place of business since before StopLoss's formation. *Id.* ¶ 5. Butaud now operates Core 247 from the same location. *Id.* ¶ 7.

17. The Debtors' list of allegedly "missing" items includes items such as a forklift, dehumidifiers, A/C units, generators, and a cargo trailer. *See* Dkt. 238 ¶ 23The A/C units are located at Renaissance Tower and the remaining cargo trailer was on a job the last time Butaud saw them. *Id.* ¶ 12. The generators specifically referenced by the Debtors do not belong to StopLoss or any Debtor entity—they belong to a third party (Connie Hargrave). *Id*. And the dehumidifiers and air scrubbers depicted in the Debtors' photographs do not even appear on the Debtors' own asset list. *Id.* The Motion makes no effort to distinguish between property of the estate and property belonging to Command 247 or to third parties.

18. Where ownership of property is subject to a bona fide dispute, a turnover proceeding is not the proper vehicle for resolution. *In re MBM Sand Co., LLC,* No. 20-32883, 2021 WL 8016834, at *4 (Bankr. S.D. Tex. Apr. 15, 2021) ("Turnover is not the appropriate mechanism to determine disputed rights of parties to property."). Such disputes must be resolved through an adversary proceeding in accordance with Federal Rule of Bankruptcy Procedure 7001, which provides the full panoply of procedural protections, including discovery and trial.

C. The Court Lacks Jurisdiction and Power to Order Access to Real Property Owned by Non-Debtors

19. The proposed order seeks to grant the Debtors and JMN the right to "enter any portion of the Broussard Location and the Opelousas Location during normal business hours" and to remove any asset "identified in the Debtors' schedules." Dkt. 238-2. This relief is fundamentally beyond the scope of Section 542 and the Court's authority because it seeks to compel access to real property that is not property of the estate.

20. The Broussard Location at 1048 Forum Drive, Broussard, Louisiana 70518 is the private property leased by Scott Butaud's entity—not property of the Debtors' estate. Ex. A ¶ 5. Critically, the Debtors' own schedules of assets and liabilities repeatedly identify the Broussard Location as "Scott Butaud's Property." *See, e.g.*, Dkt. 113 at 15. The Debtors do not claim any ownership interest, leasehold interest, or possessory right in the Broussard Location. Indeed, the StopLoss lease at the Broussard Location ended in May 2025—months before the Petition Date. *See* Ex. A ¶ 6. Prior to StopLoss's existence, the Broussard office was exclusively the office of Butaud's solely owned entity, Apex Response Group; StopLoss merely assumed the lease when Apex ceased operations in 2022. *Id*. The Debtors have never alleged that the real property at 1048 Forum Drive is property of the estate. It is not listed in the Debtors' Schedule A/B as an asset. *See, e.g.*, Dkt. 113. It is identified solely as the location where certain personal property *may* be situated.

21. Section 542 of the Bankruptcy Code authorizes the turnover of "property that the trustee may use, sell, or lease under section 363." 11 U.S.C. § 542(a). It does not grant the bankruptcy court the power to authorize entry upon, inspection of, or unfettered access to real property owned by non-debtor third parties. A turnover order under Section 542 is limited to

compelling delivery of specific items of estate property—it does not transform into a search warrant or writ of entry authorizing the debtor to roam through a non-debtor's private premises at will.

22. The Fifth Circuit has recognized that the bankruptcy court's jurisdiction extends only to matters involving property of the estate or the debtor-creditor relationship. *See Matter of Walker*, 51 F.3d 562, 569 (5th Cir. 1995) ("[B]ankruptcy courts have no jurisdiction over proceedings that have no effect on the debtor." (quoting *Celotex Corp. v. Edwards*, 514 U.S. 300, at 308 n. 6, 115 S.Ct. at 1499 n. 6) (1995)); *see also In re Schumacher*, 212 Fed. Appx. 254, 256 (5th Cir. 2006); *In re Reliant Expl. Ltd.*, 336 B.R. 286, 290 (Bankr. S.D. Tex. 2005). An order directing a non-debtor to open the doors of his private business premises to the debtor's agents—with authority to remove anything they believe belongs to the estate—goes far beyond the turnover of specific identified property. It is, in substance, an injunction directed at a non-debtor's use and enjoyment of his own real property, which cannot be sustained under Section 542.

23. Moreover, Section 542 does not authorize the court to grant *access* to non-estate real property as a discovery or investigatory mechanism. *In re Longhorn Paving & Oilfield Services, Inc.*, 647 B.R. 679, 689–90 (Bankr. S.D. Tex. 2022) ("It is well-settled that, in turnover proceedings, the trustee must prove by clear and convincing evidence both that the property at issue is property of the bankruptcy estate and that it is in the possession of the party proceeded against."). The proper vehicles for such relief—if available at all—are a Rule 2004 examination (which authorizes examination of persons, not physical entry onto property), or an adversary proceeding seeking specific equitable relief with full procedural protections. The Debtors have not filed an adversary proceeding. They have not served a Rule 2004 motion directed at the Broussard

Location. Instead, they seek to accomplish through a contested motion what would require, at minimum, a properly noticed proceeding with adequate due process safeguards.

24. The Louisiana Constitution protects private property from unreasonable seizure and from being taken or damaged without just compensation. La. Const. art. I, §§ 4, 5. An order granting the Debtors and their agents blanket access to Butaud's private property—with the power to remove items at their sole discretion—would constitute an unconstitutional taking or seizure of Butaud's property rights without due process of law. *City Bar, Inc. v. Edwards*, 2021-1437 La. App. 1 Cir. 8/30/22, 12, 349 So. 3d 22, 30, *writ denied*, 2022-01475 La. 11/22/22, 350 So. 3d 498. The Bankruptcy Court's equitable powers under Section 105(a) do not extend to ordering invasions of non-debtors' private property absent extraordinary circumstances not present here. *Matter of Highland Capital Mgmt., L.P.*, 132 F.4th 353, 358 (5th Cir. 2025) ("Although bankruptcy courts have the power to 'issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of' the Bankruptcy Code, this power is 'not unlimited' and does not permit bankruptcy courts to 'act as roving commission[s] to do equity.'" (internal quotations omitted)).

25. Significantly, even the Rule 11 Agreement—which was voluntarily negotiated between the parties—did not grant the Debtors access to the interior of the building at the Broussard Location. The agreement expressly stated that "***Plaintiffs will not be allowed inside the building***." Ex. B. If the parties themselves—in a negotiated, binding agreement—determined that interior access was not warranted, the Court should not now override that agreement and grant broader access than the Debtors were able to obtain through arms-length negotiation.

D. Section 542 Does Not Apply to Property That Is Not in Command 247's Possession

26. The Motion directs its relief at "Command 247, LLC, Scott Butaud, and Lauren Ashley Noel." Dkt. 238. However, Section 542(a) only applies to entities that are *currently* in possession of estate property. *See Terry,* 2019 WL 7169095, at *14-15. Command 247 has already turned over all estate property in its possession. *See* Ex. A ¶ 15. The Debtors' inability to locate certain items does not establish that Command 247 possesses them. Equipment may have been lost, stolen, damaged, repossessed by secured creditors, or located at other job sites—none of which creates liability under Section 542 for Command 247.

27. Indeed, the Debtors themselves acknowledge that their lender, Recovery Logistics Finance, LLC ("RLF"), "has alleged that certain of its collateral is missing or unaccounted for." Dkt. 238 ¶ 27. This admission suggests that the allegedly "missing" equipment may have been repossessed by RLF or otherwise removed from the Broussard Location by parties other than Command 247.

E. The Proposed Order Is Overbroad and Denies Due Process

28. The Debtors' proposed order directs Command 247 and Butaud to "immediately make all of property of the Debtors available to JMN for pick up and retrieval" and grants the Debtors and JMN the right to "enter any portion of the Broussard Location and the Opelousas Location during normal business hours" and "remove any asset identified in the Debtors' schedules." Dkt. 238-2.

This proposed order is fundamentally flawed:

a. First, it presumes—without evidentiary support—that Command 247 possesses the Debtors' property. As discussed above, an order compelling turnover cannot issue absent proof that the respondent has the property.

b. Second, it would grant the Debtors unfettered access to private property and the right to remove anything "identified in the Debtors' schedules"—regardless of whether those items are actually at the Broussard Location or whether they are actually property of the estate. The Debtors' own schedules are self-serving, unaudited documents prepared without Command 247's input.

c. Third, the proposed order provides no mechanism for Command 247 to challenge whether particular items are in fact property of the estate versus property of Command 247 or Core 247. Such an overbroad order would effectively authorize a seizure of Command 247's private property without due process.

F. The Motion Is a Contested Matter Requiring an Evidentiary Hearing

29. To the extent the Court considers granting any relief, Command 247 is entitled to an evidentiary hearing at which the Debtors must prove, item by item, that: (1) the specific property is property of the estate; (2) the property is currently in the possession, custody, or control of Command 247; and (3) the property may be used, sold, or leased by the trustee under Section 363. Without such a hearing, the entry of a turnover order based solely on the unverified assertions in the Motion would deprive Command 247 of its due process rights.

IV. ALTERNATIVE RELIEF

In the event the Court is inclined to grant any form of relief, Command 247 respectfully requests the following modifications to the proposed order:

1. **Specific Identification**: Any turnover order should require the Debtors to identify, with specificity, the particular items of property they contend are in Command 247's possession and to demonstrate a factual basis for that belief.

2. **Dispute Resolution Mechanism**: The order should provide Command 247 with the opportunity to dispute whether specific items are property of the estate and should not authorize removal of disputed items absent further Court order.

3. **Protection for Command 247's Property**: Any order should expressly provide that the Debtors may not remove property belonging to Command 247, Core 247, or any third party, and should require photographing and cataloguing of any items claimed before removal.

4. **Reasonable Time for Compliance**: To the extent any turnover obligation exists, Command 247 should be afforded reasonable time to comply and should not be subject to "immediate" turnover requirements.

V. CONCLUSION

For the foregoing reasons, Command 247, LLC respectfully requests that the Court deny the Debtors' Motion for Turnover in its entirety. In the alternative, Command 247 requests that any relief granted be limited to specifically identified items of property proven to be in Command 247's possession, with adequate procedural safeguards to protect Command 247's rights.

Dated June 12, 2026

Respectfully submitted,

REESE MARKETOS LLP

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ATTORNEYS FOR CREDITOR COMMAND 247 LLC

CERTIFICATE OF SERVICE

I hereby certify that on June 12, 2026, a true and correct copy of the foregoing document was served via email through the Bankruptcy Court's Electronic Case Filing System on the parties listed below.

/s/ Joel W. Reese
Joel W. Reese

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Exhibit A

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

IN RE:	§	CHAPTER 11
	§	
TM36, LLC et al.	§	Case No. 26-90386 (ARP)
	§	
Debtors.[1]	§	(Jointly Administered)

DECLARATION OF SCOTT BUTAUD IN SUPPORT OF COMMAND 247, LLC'S RESPONSE AND OBJECTIONS TO DEBTORS' MOTION FOR TURNOVER OF PROPERTY

I, Scott Butaud, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct:

I. BACKGROUND AND QUALIFICATIONS

1. I am over the age of eighteen (18) and am competent to make this declaration. I have personal knowledge of the facts stated herein, and they are true and correct.

2. I am the sole member and owner of Command 247, LLC ("Command 247"). I am also the majority owner of Core 247, a disaster remediation business that I currently operate from 1048 Forum Drive, Broussard, Louisiana 70518 (the "Broussard Location").

3. I submit this declaration in support of Command 247, LLC's Response and Objections to the Debtors' Motion for Turnover of Debtors' (A) Equipment and Vehicles, (B) Related Titles, and (C) Books and Records Pursuant to 11 U.S.C. § 542 (Dkt. 238) (the "Motion").

[1] The Debtors in these Chapter 11 cases are: TM36, LLC, StopLoss Specialists, LLC, StopLoss, LLC, StopLoss Response Services, LLC, and StopLoss Logistics, LLC. The Debtors and their wholly owned subsidiaries are collectively referred to as the Debtor Entities.

4. In 2023, through Command 247, I co-founded StopLoss, LLC ("StopLoss") as a 50/50 joint venture with John Lewis's entity, StopLoss Specialists, LLC. I served as the Chief Operating Officer and authorized agent of StopLoss from its inception. I was responsible for the day-to-day operations of StopLoss and its subsidiaries, including purchasing and managing equipment, overseeing field operations, and supervising workers.

II. THE BROUSSARD AND OPELOUSAS LOCATIONS

5. The Broussard Location at 1048 Forum Drive, Broussard, Louisiana 70518 is property leased by an entity I own. Prior to the existence of StopLoss, the Broussard office was exclusively the office of my solely owned entity, Apex Response Group ("Apex"). Once Apex ceased operations in 2022, StopLoss assumed the lease at the Broussard Location.

6. The StopLoss lease at the Broussard Location ended in May 2025—well before the Debtors' Petition Date of March 5, 2026. Since the expiration of that lease, the Debtors have had no leasehold interest, possessory right, or any other property interest in the Broussard Location.

7. Following the expiration of the StopLoss lease, I have continued to operate my business, Core 247, from the Broussard Location. The Broussard Location is leased by an entity I own and is not property of the Debtors' estate.

8. What Debtors refer to as the "Opelousas Location" is a property at 354 Christ the King Road, Opelousas, Louisiana 70570 is likewise my private residence and is not property that has ever been leased or owned by the Debtors' estate.

III. OWNERSHIP OF ASSETS AT THE BROUSSARD AND OPELOUSAS LOCATIONS

9. Any equipment, vehicles, and other assets currently located at the Broussard and Opelousas locations are not on any asset list provided by Debtors. The Rule 11 Agreement

attached to the Response as Exhibit B specifically provides that office equipment and supplies located at the Broussard location are not subject to collection by Debtors. To be clear, assets located at the Broussard and Opelousas locations are not property of the Debtors simply because they are physically located there. They are my personal property and/or property of my solely owned entities.

IV. COMPLIANCE WITH THE RULE 11 AGREEMENT

10. On January 21, 2026, Command 247 and I executed a Rule 11 Agreement in the Texas Business Court Lawsuit (Cause No. 25-BC11A-0093). Under that agreement, we agreed to permit the Debtors and their representatives to pick up all of the Debtors' equipment and vehicles from the yard outside the Broussard Location and from any offsite storage controlled by us. The Rule 11 Agreement expressly stated that the Debtors would "not be allowed inside the building."

11. Following execution of the Rule 11 Agreement, the Debtors' contractors made multiple trips to the Broussard Location from mid-January through mid-February 2026. On each occasion, I cooperated with their collection efforts by moving equipment and vehicles from inside the building to the yard for pickup. During Debtors' efforts to collect their equipment, their contractor damaged the electric gate located at the Broussard Location, requiring a repair estimated to cost $13,050.00.

V. THE SPECIFIC ITEMS IDENTIFIED IN THE MOTION

12. I have reviewed the Debtors' Motion and the specific items identified therein as allegedly "missing." Based on my personal knowledge, I state the following:

a. **Air Scrubbers and Dehumidifiers.** The air scrubbers reflected in photographs previously provided by the Debtors do not appear on the asset list provided by the Debtors. To my knowledge, those air scrubbers and the dehumidifiers are not identified as property of the estate on any schedule or list filed by the Debtors.

b. **Generators.** The generators referenced by the Debtors do not belong to StopLoss or any other Debtor entity. To my knowledge, those generators belong to Connie Hargrave. They are not my property, and they are not property of the Debtors' estate.

c. **Forklift.** There is one forklift that remains at the Broussard Location. Its continued presence at my property is an oversight by the Debtors, who failed to pick up the forklift when their contractor was sent to pick up other equipment. The forklift was used throughout the process of loading items being removed by Debtors' contractor, and it simply did not take it on their final trip. I do not dispute that this forklift may be property of the estate. The Debtors may retrieve the forklift upon coordination of pickup during regular office hours, which are Monday through Friday, 8:00 a.m. to 5:00 p.m. No court order is required for this retrieval—the Debtors need only contact me or my counsel to schedule a pickup.

d. **A/C Units**. The last time I saw the referenced A/C units, they were onsite at a job at Renaissance Tower.

e. **Cargo Trailer**: StopLoss owned only two cargo trailers, one of which it already retrieved. The second cargo trailer was last seen on a job in North Dallas and is not at either the Broussard or Opelousas locations.

VI. BOOKS, RECORDS, AND CORPORATE DOCUMENTATION

13. Books, records, and corporate documentation reflecting information on Debtor and/or StopLoss operations may remain at the Broussard office. If remaining, it is only because StopLoss failed to pick up such documents when offered the opportunity to come and retrieve them. There is no property of the Debtors being intentionally retained by me.

14. To the extent any Debtor books, records, or corporate documents remain in my possession, they are located at the Broussard office, and those materials have been made available and can continue to be made available for pickup and retrieval during regular business hours upon coordination with me or my counsel.

VII. NO INTENTIONAL RETENTION OF ESTATE PROPERTY

15. I have not intentionally retained any property belonging to the Debtors or their estates. I cooperated fully with the Rule 11 Agreement and with Debtors' contractors' multiple

retrieval trips. Any items that remain at the Broussard Location are either (a) my personal property or property of my solely owned entities, (b) property of third parties, or (c) items the Debtors failed to pick up despite being given the opportunity to do so.

16. I am willing to make the forklift and any remaining books, records, or corporate documents of the Debtors available for pickup upon reasonable coordination during regular business hours. I have communicated this willingness through counsel.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on June 12, 2026.

Signed by:
6A5B563B9DD644B...
Scott Butaud

Exhibit B

THE BUSINESS COURT OF TEXAS
ELEVENTH DIVISION

431 KW, LLC, STOPLOSS, LLC, STOPLOSS SPECIALISTS, LLC, TM36, LLC, STOPLOSS CONSTRUCTION, LLC, STOPLOSS RESPONSE SERVICES, LLC, STOPLOSS DRONE SERVICES, LLC, STOPLOSS MECHANICAL, LLC, and STOPLOSS LOGISTICS, LLC *Plaintiffs*	§	
v.	§	**CAUSE NO. 25-BC11A-0093**
COMMAND 247, LLC, SCOTT BUTAUD, and LAUREN ASHLEY NOEL A/K/A LAUREN ASHLEY SEGURA *Defendants*	§	
v.	§	
PAUL BLACK and JOHN LEWIS *Third-Party Defendants*	§	

RULE 11 AGREEMENT

This will confirm a binding and enforceable agreement effective January 22, 2026 pursuant to Texas Rule of Civil Procedure 11 (the "**Agreement**") between Plaintiffs 431 KW, LLC, StopLoss, LLC, StopLoss Specialists, LLC, the StopLoss Subsidiaries[1] and Third-Party Defendant John Lewis (collectively, the "**Plaintiffs**"), Defendants Command 247, LLC and Scott Butaud (collectively, the "**Defendants**"), and Paul Black to the following terms:

1) Defendants agree to immediately permit Plaintiffs and their representatives and agents to identify, retrieve, collect, preserve, and pick up all of Plaintiffs' equipment or vehicles in Defendants' possession, custody, or control, including without limitation, any of the equipment or vehicles listed on the attached **Exhibit A** that are in Defendants' possession. Defendants make no representations regarding any vehicles or equipment in their possession. Nothing in this paragraph is intended to cover assets other than equipment and

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[1] "**StopLoss Subsidiaries**" means TM36, LLC, StopLoss Construction, LLC, StopLoss Response Services, LLC, StopLoss Drone Services, LLC, StopLoss Mechanical, LLC, and StopLoss Logistics, LLC.

vehicles outside of the building at 1048 Forum Drive, Broussard, LA (the "yard"), in that building, and any offsite storage controlled by Defendants. Excluding repossessions by creditors and items previously taken by Plaintiffs, Defendants represent and warrant that they have not voluntarily moved or transferred any of such assets from the yard, building, or offsite storage to any other location since the initiation of this lawsuit. To the extent any vehicles or equipment are located in the building, Defendants will move the equipment outside of the building for pickup. Plaintiffs will not be allowed inside the building. Nothing herein is intended to cover office equipment or supplies (ie, copier, scanner, computers, desks, chairs, electronics, paper files, etc.).

2) Plaintiffs agree to a limited release of claims for damages against Defendants solely related to the Plaintiffs' inability to possess and use their equipment and vehicles, including without limitation, such property set forth in Paragraph 1 for the time period of October 18, 2025 through January 22, 2026.

3) Defendants agree that from the effective date of this Agreement and moving forward until final resolution of all issues in this case, Defendants will not: (a) act on behalf of, (b) purport to act on behalf of, (c) bind, or (d) purport to bind—including but not limited to negotiating or executing any documents—any of the Plaintiffs to any agreements, contracts, loans, purchases, leases, sales, encumbrances, liens, factoring agreements, or other sales of accounts receivable.

4) Except as expressly set forth herein, nothing in this Agreement shall be construed as a waiver of rights or remedies by Plaintiffs or Defendants, and all rights and claims are expressly reserved by Plaintiffs and Defendants. Except as expressly set forth herein, the Parties are not releasing any claims against any parties or non-parties, and nothing herein shall adversely affect the Parties' claims, if any. To the extent any claim is an asset, nothing is intended to transfer any claims or causes of action.

5) By executing this Agreement, no party to this Agreement is making any admission of liability and all parties to this Agreement expressly deny any liability for any claim asserted against them. Other than in an action to enforce its terms, this Agreement shall not be admissible or be used for any purpose at trial.

6) Paul Black, individually and as Trustee of the Paul Patrick Black Heritage Trust, agrees to file answers in the above-referenced cause 21 days after service to counsel of a new petition adding Paul Black, as Trustee of the Paul Patrick Black Heritage Trust, as a party.

7) Plaintiffs and Defendants agree to drop their current respective January 23, 2026 hearings on the pending Application for Temporary Injunction and Plea in Abatement and will immediately notify the Court of the same.

8) Defendants have advised Plaintiffs that it is Defendants' understanding that a involuntary bankruptcy proceeding has been filed for StopLoss LLC. Nothing herein is intended to violate any automatic stay in bankruptcy. To the extent any bankruptcy court determines that all or part of this Agreement is in violation of the automatic stay, the agreement shall be reformed by the bankruptcy court, or, if unable to be equitably reformed, the Agreement shall be void.

SIGNATURES ON FOLLOWING PAGE

AGREED PURSUANT TEXAS RULE OF CIVIL PROCEDURE 11:

DAVIS & SANTOS, PLLC

By: ______________________________
Jason Davis
State Bar No.: 00793592
E-mail: *jdavis@dslawpc.com*
Hayley Ellison
State Bar No. 24074175
E-mail: *hellison@dslawpc.com*
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719 S. Flores Street
San Antonio, Texas 78204
Tel.: (210) 853-5882
Fax: (210) 200-8395

Attorneys for Plaintiffs 431 KW, LLC, StopLoss, LLC, and StopLoss Specialists, LLC and Third-Party Defendant John Lewis and Paul Black

AGREED PURSUANT TEXAS RULE OF CIVIL PROCEDURE 11:

REESE MARKETOS, LLP

By: ______________________________
Joel W. Reese
State Bar No. 00788258
E-mail: *joel.reese@rm-firm.com*
750 N. Saint Paul St., 6th Floor
Dallas, Texas 75201-3201
Tel: (214) 382-9810
Fax: (214) 501-0731

Attorneys for Defendants Command 247, LLC and Scott Butaud

Exhibit C

From: **Power, Aaron J.** APower@porterhedges.com
Subject: RE: Proposal
Date: March 24, 2026 at 8:59 AM
To: Joel Reese joel.reese@rm-firm.com
Cc: Pablo Bonjour pablo@vrg.co

PA

Subject to FRE 408

Joel:

I appreciate your patience, and I know you have a hearing coming up soon in the business court case. Following up on the discussion we had with the intent of 'getting out of each other's way,' I discussed with Pablo (the CRO) and this is the proposal:

1. The Debtors will agree to stay relief so that Command/Butaud can continue their claims against non-debtors; provided that Specialists must either (i) be dismissed with prejudice , (ii) be severed with an agreement that you will file a proof of claim for those severed claims, or (iii) you proceed against Specialist nominally, but Specialists shall have no liability for claims asserted in the business court case.
2. Command/Butaud agree to an inspection/site visit(s) of (i) 1048 Forum Drive, Broussard, Louisiana 70518, and (ii) 354 Christ the King Road, Opelousas, LA 70570, for the purpose of determining whether any assets of the debtors remain there including those items listed in the attached file and if located you agree to allow the debtors to remove those items.
    a. This can be subject to reasonable accommodations concerning timing, advanced notice, indemnification for damages, etc.
3. Command/Butaud agree that they will not seek to dismiss the BK case
4. Command/Butaud agree that they will not object to the retention of Susman Godfrey or the proposed DIP which is necessary to pay Susman among other expenses.

Aaron J. Power | Partner
Porter Hedges LLP

1000 Main St, 36th Floor | Houston, TX 77002
t 713.226.6631 **e** apower@porterhedges.com
Bio • Web • V-Card

From: Joel Reese <joel.reese@rm-firm.com>
Sent: Thursday, March 19, 2026 4:11 PM
To: Power, Aaron J. <APower@porterhedges.com>
Subject: Re: Proposal

Also, I need to know if you oppose the motion to lift the automatic stay to pursue the Black entities and Lewis.

Reese Marketos LLP
Joel W. Reese
750 N. Saint Paul St., Suite 600
Dallas, Texas 75201 I Direct: (214) 382-9801 I Main: (214) 382-9810
www.rm-firm.com

On Mar 19, 2026, at 4:03 PM, Joel Reese <joel.reese@rm-firm.com> wrote:

Can you tell me what you are missing? My understanding is that much of the equipment is in RenTower.

Reese Marketos LLP
Joel W. Reese
750 N. Saint Paul St., Suite 600
Dallas, Texas 75201 I Direct: (214) 382-9801 I Main: (214) 382-9810
www.rm-firm.com

On Mar 18, 2026, at 10:38 AM, Power, Aaron J. <APower@porterhedges.com> wrote:

I still need to figure out how to resolve the equipment/inspection issue I raised on our first call. Are there any parameters your client could accept in order to allow an inspection?

Aaron J. Power | Partner
Porter Hedges LLP

1000 Main St, 36th Floor | Houston, TX 77002
t 713.226.6631 **e** apower@porterhedges.com
Bio • **Web** • **V-Card**

From: Joel Reese <joel.reese@rm-firm.com>
Sent: Monday, March 16, 2026 4:04 PM
To: Power, Aaron J. <APower@porterhedges.com>
Subject: Proposal

Aaron:

Good talking to you today. Send me what you might propose for us going forward so I can seek to lift the automatic stay.

Reese Marketos LLP
Joel W. Reese
750 N. Saint Paul St., Suite 600
Dallas, Texas 75201 | Direct: (214) 382-9801 | Main: (214) 382-9810
www.rm-firm.com

StopLoss - Unacc...ry.xlsx