

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

TIMOTHY BARTON,
CARNEGIE DEVELOPMENT, LLC,
WALL007, LLC,
WALL009, LLC,
WALL010, LLC,
WALL011, LLC,
WALL012, LLC,
WALL016, LLC,
WALL017, LLC,
WALL018, LLC,
WALL019, LLC,
HAOQIANG FU (A/K/A MICHAEL FU),
STEPHEN T. WALL,

Defendants,

DJD LAND PARTNERS, LLC, and
LDG001, LLC,

Relief Defendants.

C.A. No.: 3:22-cv-2118-X

Jury Trial Demanded

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S RESPONSE TO
FIRST DEVELOPMENT COMPANY OF OHIO, LLC'S
RE-URGING MOTION TO INTERVENE AND LIFT STAY**

The Securities and Exchange Commission ("SEC") submits this Response to First Development Company of Ohio, LLC's ("First Development") Motion to Intervene and Lift

Stay, and respectfully shows the Court as follows:

The SEC opposes First Development's re-urged request to lift the litigation stay over the Receiver's objection for the same reasons set forth in its previous response to First Development's Motion. *See* SEC's Response at Dkt. No. 286. In summary, First Development has not demonstrated that it will suffer any, much less substantial, injury if it is not permitted to institute litigation at this time against a Receivership Entity to recover funds that are being held in escrow. First Development does not: (i) contend that the escrowed funds are at risk of dissipation, (ii) claim that statute of limitations will soon bar its claims, or (iii) identify any other exigent circumstances in support of its motion. Further, the litigation that First Development proposes will impose potentially avoidable litigation costs on the receivership, impede the Receiver's ability to effectively administer the receivership, and invite other claimants to file similar motions, thereby compounding the burden and expense on the receivership.

CONCLUSION

For these reasons, the SEC respectfully requests that the Court deny First Development's Motion without prejudice.

Dated: June 28, 2024

Respectfully submitted,

/s/ Keefe M. Bernstein

Keefe M. Bernstein

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Securities and Exchange Commission

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Counsel for Plaintiff

Securities and Exchange Commission

CERTIFICATE OF SERVICE

I affirm that on June 28, 2024, I caused the foregoing to be electronically filed with the Clerk of the Court for the Northern District of Texas, Dallas Division, by using the CM/ECF system which will send a notice of electronic filing to all CM/ECF participants.

/s/ Keefe M. Bernstein
Keefe M. Bernstein

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**ORDER DENYING FIRST DEVELOPMENT COMPANY OF OHIO, LLC'S
RE-URGED MOTION TO INTERVENE AND LIFT STAY**

This matter comes before the court on First Development Company of Ohio, LLC's Re-Urged Motion to Intervene and Lift Stay. After considering the Motion and all responses thereto,

the Court has determined that the Motion should be denied without prejudice.

IT IS HEREBY ORDERED that First Development Company of Ohio, LLC's Re-Urged Motion to Intervene and Lift Stay is DENIED without prejudice.

SIGNED this ____ day of _____, 2024.

BRANTLEY STARR
UNITED STATES DISTRICT JUDGE