

**Reversed and Remanded and Opinion Filed August 21, 2025**



**In The  
Court of Appeals  
Fifth District of Texas at Dallas**

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**No. 05-23-01285-CV**

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**CAROL YANCEY, Appellant  
V.  
SLJ COMPANY, LLC, Appellee**

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**On Appeal from the 101st Judicial District Court  
Dallas County, Texas  
Trial Court Cause No. DC-19-04449**

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**MEMORANDUM OPINION**

Before Justices Goldstein, Kennedy, and Wright<sup>1</sup>  
Opinion by Justice Goldstein

Carol Yancey appeals the trial court's order appointing a receiver. In eight issues, Yancey argues the trial court abused its discretion in appointing a receiver without notice or a hearing, ordering the turnover of assets by Yancey and third parties, granting the receiver powers beyond those permitted by Chapter 31 of the civil practice and remedies code, appointing a receiver for assets that are already the subject of a pending garnishment proceeding, granting the receiver immunity for certain acts, and setting the receiver's fees without evidence of their reasonableness.

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<sup>1</sup> The Hon. Carolyn Wright, Justice, Assigned

We reverse the trial court’s December 13, 2023, order appointing a receiver and remand this cause for further proceedings consistent with this opinion.

In July 2019, SLJ Company, LLC, obtained a \$210,096.70 default judgment against Yancey, among others. Following a January 2021 hearing on SLJ’s motion to appoint a receiver, the trial court appointed a receiver by a single-page order dated April 30, 2021.<sup>2</sup> The order appointing a receiver did just that: the order identified the receiver and provided his address and phone number without making any further provisions regarding the receiver’s powers, responsibilities, or duties.

The issue of the receivership remained dormant until, on December 11, 2023, SLJ filed an application for the turnover of non-exempt property and the appointment of a substitute receiver because the original receiver died. Two days later, on December 13, 2023, the trial court signed a twenty-five-page order appointing receiver without conducting a hearing or providing notice to Yancey. Attached to the order was an eleven-page exhibit listing documents Yancey was ordered to deliver to the receiver within ten days of receipt of the order.

The order declared that the first receivership order was void because the original receiver died and that the “assets are in control of the court.” Although the order appointed a receiver over Yancey’s “non-exempt assets,” the order did not

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<sup>2</sup> Yancey appealed the appointment of the original receiver. *Yancey v SLJ Co., LLC*, 05-21-00404-CV, 2022 WL 17485031 (Tex. App.—Dallas December 7, 2022, no pet.). The underlying facts are set forth therein and we do not repeat them here. We do note that, in the prior proceeding, the trial court held a hearing prior to the appointment of the receiver, and this Court had a record of the proceeding. *Yancey*, 2022 WL 17485031 \*2. We are not favored with a similar record.

require the receiver to post a bond and granted the receiver immunity for the discharge of their duties and responsibilities for the receivership, “[e]xcept for acts of intentional misconduct.” The order and the attached exhibit granted the receiver power to assume Yancey’s property was not exempt until the person claiming the exemption filed a statement that claimed the exemption, cited the legal and factual grounds for the exemption, and described the property with sufficient specificity that a constable could levy upon it; enter any real property or other premises where non-exempt property or Yancey’s records might be situated; and “employ reasonable destructive means to bypass or gain access to lockboxes, safes, security systems, or any other area he reasonably believes contains non-exempt assets within any real property or associated curtilage owned or controlled by Yancey. If there was any dispute as to whether an asset was exempt or belonged to Yancey, the receiver was empowered to “take custody of the asset until the Court determine[d] the rights of those claiming an interest in the asset.”

Under the terms of the order, Yancey was required to turnover to the receiver “all non-exempt funds to the extent required to satisfy the Judgment,” and Yancey “may not spend non-exempt funds, or sell, transfer, or encumber non-exempt assets” without the receiver’s prior written consent. Yancey was required to disclose all her exempt and non-exempt assets so that the exempt status of every asset could be determined, and she was required to organize and collate the information and documents in the formats and manners required by the receiver. If Yancey believed

that the receiver's demands were inappropriate, she "must first comply, then seek protection from the Court."

We review a trial court's postjudgment order on the appointment of a receiver under an abuse of discretion standard. *Sheikh v. Sheikh*, 248 S.W.3d 381, 386–87 (Tex. App.—Houston [1st Dist.] 2007, no pet.). We will reverse a trial court's order only if we conclude that the court acted in an unreasonable or arbitrary manner, that is, without reference to any guiding rules and principles. *Id.* at 387. We may not reverse merely because we disagree with the trial court's decision, as long as that decision was within the court's discretionary authority. *Id.*

The Texas turnover statute provides judgment creditors with a procedural device to assist them in satisfying their judgment debts. *Alexander Dubose Jefferson & Townsend LLP v. Chevron Phillips Chem. Co., L.P.*, 540 S.W.3d 577, 581 (Tex. 2018) (citing TEX. CIV. PRAC. & REM. CODE § 31.002). Under the statute, a judgment creditor may seek court assistance in reaching a judgment debtor's property that is difficult to attach or levy on by ordinary legal process. *Id.* (citing *Beaumont Bank, N.A. v. Buller*, 806 S.W.2d 223, 224 (Tex. 1991)). "The court may," among other things, "order the judgment debtor to turn over nonexempt property that is in the debtor's possession or is subject to the debtor's control." TEX. CIV. PRAC. & REM. CODE § 31.002(b)(1).

As the just-quoted "may" language makes clear, a turnover order under subsection (b)(1) lies within the sound discretion of the trial court. *See id.*; *Brink v.*

*Ayre*, 855 S.W.2d 44, 46 (Tex. App.—Houston [14th Dist.] 1993, no writ) (“The language, therefore, is discretionary, as opposed to mandatory. And the requested turnover relief is directed to the sound discretion of the trial court.”). The trial court may consider other relevant factors in deciding whether to grant, deny, or modify turnover relief. *Brink*, 855 S.W.2d at 46.

“It has been judicially determined that the right to appointment of a receiver ex parte and without notice rests within the trial court’s discretion. Such discretion, however, is subject to judicial review.” *Best Inv. Co. v. Whirley*, 536 S.W.2d 578, 580 (Tex. Civ. App.—Dallas 1976, no writ). Appointment of a receiver without notice is one of the most drastic actions known to law or equity and should be exercised with extreme caution and only where great emergency or imperative necessity requires it. *Id* at 581.

Here, the record reflects that the original order appointing a receiver was entered on April 30, 2021. The record is silent regarding what actions the receiver took, if any, before his death, but it is uncontested that the original receiver died prior to entry of the order appealed from. The trial court’s order provided that the first receivership order was void, effectively a legal nullity, because the original receiver died. Thus, contrary to SLJ’s argument in its brief, the appointment of a new receiver was not merely the appointment of a “successor receiver” as part of the ongoing implementation of the original order appointing a receiver. Moreover, where the original order appointing a receiver specified only the receiver’s name and

contact information, the order appealed from was twenty-five pages long and incorporated an eleven- page exhibit.<sup>3</sup>

The record reveals no “great emergency or imperative necessity” requiring the appointment of a new receiver to replace the deceased receiver without notice or a hearing. *See Whirley*, 536 S.W.2d at 581. On the contrary, the record suggests that no actions were taken with respect to the receivership between April 2021 and December 2023. The transcript of the January 2021 hearing on the first motion to appoint a receiver is in the record, but none of the squabbling over Yancey’s assets contained therein sheds light on her financial affairs nearly three years later in December 2023. Yet the trial court’s order, without notice or a hearing, provided the new receiver with comprehensive powers to assume Yancey’s property was not exempt; enter any real property or other premises where non-exempt property or Yancey’s records might be situated; and “employ reasonable destructive means to bypass or gain access to” non-exempt assets within any real property. On this record, we conclude the appointment of the new receiver was an abuse of discretion. *See id.*; *Sheikh*, 248 S.W.3d at 387.<sup>4</sup> We sustain Yancey’s issues to the extent she challenges

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<sup>3</sup> The question before us is greater than just the mere naming of a substitute trustee for which we offer no opinion. The record is silent as to what powers were afforded the first receiver after notice and hearing and what, if any, were the changed circumstances in the approximately three-year interim. The application for a substitute trustee and attendant order was not afforded equal dignity of notice and an opportunity to be heard before issuance of more than a one-page order naming a substitute trustee as it is inextricably intertwined with extensive powers and turnover requirements.

<sup>4</sup> We note without further discussion that the Texas Supreme Court adopted Rule 679a, entitled Turnover Under Civil Practice and Remedies Code §31.002, and Rule 679b, entitled Personal Property Exemptions in Post-Judgment Proceedings, by the same order of April 25, 2022, effective May 1, 2022. A

the appointment of a second receiver without notice or a hearing. Because of our disposition of this issue, we need not further address Yancey's issues.

We reverse the trial court's December 13, 2023, order appointing a receiver and remand this cause for further proceedings.

/Bonnie Goldstein/

BONNIE LEE GOLDSTEIN  
JUSTICE



**Court of Appeals  
Fifth District of Texas at Dallas**

**JUDGMENT**

CAROL YANCEY, Appellant

No. 05-23-01285-CV      V.

SLJ COMPANY, LLC, Appellee

On Appeal from the 101st Judicial  
District Court, Dallas County, Texas  
Trial Court Cause No. DC-19-04449.  
Opinion delivered by Justice  
Goldstein. Justices Kennedy and  
Wright participating.

In accordance with this Court's opinion of this date, trial court's December 13, 2023, order appointing a receiver is **REVERSED** and this cause is **REMANDED** to the trial court for further proceedings.

It is **ORDERED** that appellant CAROL YANCEY recover her costs of this appeal from appellee SLJ COMPANY, LLC.

Judgment entered this 21<sup>st</sup> day of August 2025.