

1 business as Jape Air, Inc. to the time in July or August of
2 1999 when it began to do business under the umbrella of
3 Reliable Air, Inc. If you gentlemen agree on those facts and
4 you tell me what they are, we're done for today.

5 MR. McBRYAN: Your Honor, Lou McBryan for the
6 defendants. We'd appreciate a few minutes to talk to Mr.
7 Malone.

8 THE COURT: Okay.

9 (Recess)

10 THE COURT: I'm drawing question that I had regarding
11 the Chapter 13 petitions filed in the early 90s. It has an
12 explanation that the parties agree on.

13 MR. McBRYAN: That's correct, Your Honor. Lou
14 McBryan for the defendants. Mr. Malone and I have conferred,
15 and we both agree that notwithstanding the statement in the
16 1990 bankruptcy case, Betty Jape was never the owner of the
17 business known as Reliable Heating and Air. That there were
18 some tax issues and that was the (indiscernible) factor for our
19 filing the bankruptcy with some liens, and steps were taken to
20 keep the business going.

21 Right or wrong, whatever happened, happened. There
22 was some IRS issues. The bankruptcy case was allowed to be
23 dismissed. We understand because they thought they'd reached
24 an agreement with the IRS and all the creditors have been paid
25 in full in the '94 bankruptcy case. And we understand that the