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

IN RE: §

ST. STEPHEN THE GREAT, LLC § CASE NO. 08-33689

§

DEBTOR § (CHAPTER 7)

RESPONSE TO TRUSTEE'S MOTION FOR SANCTIONS AND REQUEST FOR HEARING

[Refers to Docket # 31]

COMES NOW, J. Mark Brewer and the Law Firm of Brewer & Pritchard, P.C. ("Brewer") and files this request for hearing and Response to the Trustee's Motion for Sanctions ("Motion") by and through their attorney, and in support thereof would show the Court as follows:

OVERVIEW OF RESPONSE

- 1. Brewer has recognized that the filing of the petition for relief in this case was ill advised and the continued prosecution of the case has caused the Court, the Office of the United States Trustee, and the Trustee to incur unnecessary costs. Brewer apologizes to the Court, the Trustee and the Office of the United States Trustee and is not opposed to providing payment to the Trustee, his Counsel, and the Office of the United States Trustee in an amount that is reasonable based on the circumstances of the case.
- 2. In addition to the m onetary payments recited in the foregoing paragraph and to educate himself regarding general bankruptcy principals, Mark Brewer proposes to complete Continuing Legal Education ("CLE") in a course on bankruptcy law that includes bankruptcy specific ethics credit.
- 3. The relief to the extent requested by the Motion goes beyond a remedy of the costs incurred and Mark Brewer now clearly realizes the gravity of the filing of the case with the facts that underlie this proceeding. Mark Brewer has consulted with bankruptcy counsel, has realized the grave seriousness of the filing and prosecution of the case and is sincerely remorseful and is unlikely to take such action in the future, if ever.

RESPONSE TO ALLEGATIONS

- 4. Brewer admits averments in paragraph 1 of the Motion that "On August 28, 2008. this Court held a hearing on the Trustee's Motion to Dismiss this case. The Motion was granted with prejudice. The Court found that he case was filed in bad faith. The Court reserved jurisdiction to consider any sanctions motions filed in this matter." Brewer pleads that the remaining statements in paragraph 1 of the Motion are not allegations requiring admission or denial. However, Brewer denies that relief should be entered that exceeds the relief proposed in this Response.
 - 5. Brewer admits averments in paragraph 2 of the Motion.
 - 6. Brewer admits averments in paragraph 3 of the Motion.
- 7. Brewer admits averments in paragraph 1 of the Motion that "It is undisputed by Mr. Brewer that St. Stephens the Great, Ltd. is a corporation chartered in the United Kingdom. He claims that he is "authorized" to use the designation of LLC for St. Stephen the Great, Ltd." and "At one time, the Debtor operated bookstores in England and Wales. It operated the bookstores on behalf of the registered charity, St. Stephens the Great Charitable Trust. On June 2, 2008, St. Stephens the Great Registered Charity terminated its agreement with the Debtor to operate the stores" and "Mr. Brewer admitted at the hearing on August 28, 2008 that the entity to whom operating rights was transferred (ENC Management Company) is another company set up by him and his brother Philip Brewer." The Debtor has insufficient knowledge to either admit or deny the remaining averments in paragraph 4 of the Motion.
- 8. Brewer pleads that the documents described by the Trustee are on file with the Court and represent the best evidence of the averments of paragraph 5 of the Motion. To the extent that such documents vary from the averments in this paragraph, Brewer denies such averments.

- 9. Brewer admits the averments in paragraph 6 of the Motion.
- 10. Brewer denies the averments in paragraph 7 of the Motion.
- 11. Brewer denies the remaining paragraphs in the Motion, for the reason that it contains legal argument in support of the relief. To the extent that such paragraphs are deemed to contain factual averments that require response, Brewer denies such factual averments.

WHEREFORE, PREMISES CONSIDERED, J. Mark Brewer and the Law Firm of Brewer & Pritchard, P.C. respectfully request that the Court limit sanctions to the amount and type proposed herein, and grant such other and further relief as they may show themselves entitled, both at law and in equity.

Respectfully submitted on September 11, 2008.

LAW OFFICES OF PETER JOHNSON

/s/ Peter Johnson

By:_

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CERTIFICATE OF SERVICE

I hereby certify that on this September 11, 2008, I sent a true and correct copy of the above and foregoing **Response** to Motion for Sanctions by regular by electronic email as indicated on the party seeking relief and those parties requesting notice.

/s/ Peter Johnson

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