

IN THE DISTRICT COURT OF LOGAN COUNTY,
STATE OF OKLAHOMA

OKLAHOMA DEPARTMENT OF SECURITIES,)
ex rel., IRVING L. FAUGHT, Administrator,)
)
Plaintiff,)
)
vs.) Case No. CJ-2004-256
)
MARSHA SCHUBERT, et al.,)
)
Defendants.)

**CLAIMANTS' OPPOSITION TO PLAINTIFF'S OBJECTION
TO DISTRIBUTION AMOUNTS AND RECEIVER'S PLAN OF
DISTRIBUTION AND REQUEST TO EQUALIZE RECOVERY**

On behalf of Claimants, Robert Lynn Pourchot, Trustee of the Robert Lynn Pourchot Trust; Donald W. Orr, Trustee of the Pork Chop Trust; the Will Foundation; Pourchot Investments LP; Phillip M. Pourchot, Trustee of the Phillip M. Pourchot Revocable Trust; Robert L. Talley and Pamela J. Talley; Richard Reynolds; Richard Reynolds, Trustee of the Richard Reynolds Living Trust; Steve Sanders; Crandall & Sanders, Inc.; Tim Blair; Cheri Blair; Blair Minerals Ltd, LLC; Craig Blair; Rae Blair; Kent Blair; and John Vance, (collectively, "Claimants") submit this Opposition to Plaintiff's, the Oklahoma Department of Securities *ex rel.* Irving L. Faught, Administrator ("ODS"), Objection to the *Application of Receiver for Approval of Recommendations and/or Rejection of Claims and Authorization for Distribution*, filed by the Receiver, Douglas L. Jackson, ("Receiver").

As a result of Marsha Schubert's fraudulent scheme, the Claimants lost the following amounts, exclusive of interest, attorneys' fee and costs:

- (i) Robert Lynn Pourchot, Trustee of the Robert Lynn Pourchot Trust - \$1,026,493;
- (ii) Donald W. Orr, Trustee of the Pork Chop Trust - \$135,000;

- (iii) The Will Foundation - \$245,000;
- (iv) Pourchot Investments LP - \$735,000;
- (v) Phillip M. Pourchot, Trustee of the Phillip M. Pourchot Revocable Trust - \$1,036,916;
- (vi) Robert L. Talley and Pamela J. Talley - \$154,000;
- (vii) Richard Reynolds - \$569,154;
- (viii) Steve Sanders - \$428,520;
- (ix) Crandall & Sanders, Inc. - \$4,000;
- (x) John Vance - \$50,000;
- (xi) Tim Blair - \$100,000;
- (xii) Blair Minerals Ltd, LLC - \$60,000;
- (xiii) Craig Blair and Rae Blair - \$16,970;
- (xiv) Kent Blair - \$36,980.

Claimants collectively lost \$4,598,033.00 as a result of Marsha Schubert's fraudulent activities. Thus, out of the \$9,034,960.07 in allowed claims, the Claimants' losses constitute 51% of the total allowed claims.

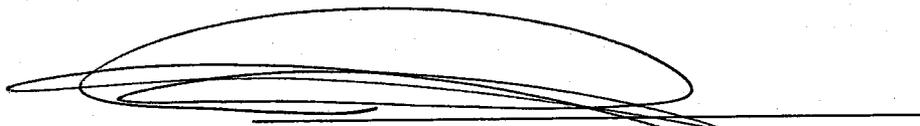
Claimants received the ODS' Objection to the Receiver's Application in which ODS suggests that this Court "order that any monies obtained by Claimants from third-party recoveries, net of costs and legal fees, be treated as money received for purposes of the approved claims and that such monies be deducted from the amount of the approved claim. The adjusted claim amount would then become the Receiver's basis for making pro rata distributions." ODS Objection at 3. For the Claimants, who expended hundreds of thousands of dollars in legal fees and hundreds of hours and took substantial risks in pursuing claims against the broker dealers

who were charged with supervising Marsha Schubert, such an "equalization" is profoundly inequitable. By ignoring the pain and risk associated with pursuing such claims, ODS is punishing investors for pursuing their rights against others whose acts were found to be tortious. The ODS' proposal also ignores the risks that were taken by the Claimants who were the first to pursue such claims. There is simply no objective way in which to quantify the risks and sacrifice that the various Claimants took in pursuing these claims against the well-financed broker dealers. Moreover, ODS' plan does not account for future distributions which may occur after the close of the receivership estate. None of the Claimants have been "made whole" from the recoveries so far obtained and none will never be made whole by any anticipated distributions by the Receiver.

CONCLUSION

To insure the equitable treatment of approved claimants in connection with the distribution of the receivership funds, the Claimants respectfully request that this Court order all distributions to be based on claim amounts without reducing those amounts by any third-party recovery that was **not pursued** by the Receiver.

Respectfully submitted,



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ATTORNEYS FOR CLAIMANTS

CERTIFICATE OF SERVICE

This is to certify that on this 11th day of September, 2007, the foregoing instrument was mailed, postage prepaid, to:

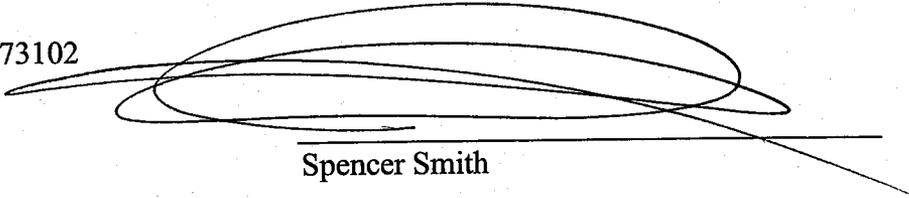
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