

**DISTRICT COURT FOR OKLAHOMACOUNTY
STATE OF OKLAHOMA**

Oklahoma Department of Securities)
ex rel. Irving L. Faught, Administrator,)
)
Plaintiff,)
)
v.)
)
Seabrooke Investments, LLC, an Oklahoma)
limited liability company;)
Seabrooke Realty LLC, an Oklahoma)
limited liability company;)
Oakbrooke Homes LLC, an Oklahoma)
limited liability company;)
Bricktown Capital LLC, an Oklahoma)
limited liability company;)
KAT Properties, LLC, an Oklahoma)
limited liability company;)
Cherry Hill LLC, an Oklahoma limited liability)
Company doing business as Cherry Hill Apartments;)
Tom W. Seabrooke, individually and as trustee of)
Tom Seabrooke 2007 Revocable Trust; and)
Judith Karyn Seabrooke, individually and as trustee)
of Tom Seabrooke 2007 Revocable Trust and)
J. Karyn Seabrooke Revocable Trust,)
)
Defendants.)

Case No. CJ-2014-4515

**FILED IN DISTRICT COURT
OKLAHOMA COUNTY**

SEP - 3 2014

TIM RHODES
COURT CLERK

35

**INTERIM APPLICATION FOR ORDER APPROVING
RECEIVER’S FEES AND EXPENSES FOR THE PERIOD OF
AUGUST 11, 2014 THROUGH AUGUST 31, 2014**

Receiver, Ryan Leonard, respectfully applies to this Court for entry of an Order approving his interim application for Receiver’s fees and expenses for the period of August 11, 2014 through August 31, 2014, including fees of the Attorney and Accountant approved by this Court to assist the Receiver. In support hereof, the Receiver shows as follows:

1. On August 11, 2014 the Plaintiff, Oklahoma Department of Securities (“Plaintiff”) filed its verified Petition for Permanent Injunction and Other Relief (“Verified Petition”) and Application for Temporary Restraining Order, Order Freezing Assets, Order Appointing Receiver, Order for Accounting and Temporary Injunction (“Application”) pursuant to the Oklahoma Uniform Securities Act of 2004 (“Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011). On that same day the Court entered a temporary restraining order in this matter and appointed Ryan Leonard as Receiver for Defendants. The Receiver was given directions and authority to accomplish the following with regard to Defendants:

a. to take immediate custody, possession and control of any and all Assets, as well as any records or documents relating in any way to the Assets;

b. to manage the business activities of Defendants, their affiliated, subsidiaries, and any related entities; and to conserve, hold and protect the Assets, pending further action by this Court;

c. to retain or dismiss any employee of the Defendants as may be advisable or necessary, including any individual Defendant, from control of, management of, or participation in the affairs of, or from the premises of the Defendants;

d. to receive and collect any and all sums of money due or owing to the Defendants whether the same are due or shall hereinafter become due and payable; and to make such payments and disbursements as may be necessary and advisable for the preservation of the Assets and as may be necessary and advisable to discharging his duties as Receiver;

e. to retain and employ attorneys, accountants, computer consultants and other persons as may be advisable or necessary to exercise the duties of the Receiver. The Receiver may

immediately retain or employ such persons, and compensate such persons, all subject to application and approval by the Court; the Court authorizes the temporary appointment of counsel and an accountant to immediately assist the Receiver;

f. to open and inspect any and all mail or deliveries addressed to Defendants to determine if same relate to the existence, location, identity or collection, preservation, maintenance or operation of the Assets, and to notify the United States Postal Service to effect the forward delivery of any email addressed to Defendants to a mail depository under the control of the Receiver;

g. to institute, prosecute and defend, compromise, adjust, intervene in or become party to such actions or proceedings in any state court, federal court, or United States bankruptcy court as may, in the Receiver's opinion, be necessary or proper for the protection, maintenance, or preservation of the Assets, or the carrying out of the terms of this Order, and likewise to defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings now pending in any court by or against Defendants where such prosecution, defense, or other disposition of such actions or proceedings is in the judgment of the Receiver, advisable or proper for the protection of the Assets; and

h. to exercise those powers necessary to implement the orders and directives of this Court.

2. Also, on August 11, 2014, the Court ordered that the Receiver may apply to the Court for compensation, from time to time, in a reasonable sum to be determined by the Court and from such sources as approved by the Court and for reimbursement of reasonable expenses incurred in connection with his duties as Receiver. The Court ordered that the Receiver's hourly

fee shall be billed at the rate of \$265 per hour, and that the fees and expenses of the Receiver shall have priority over any other claims made against the Defendants.

3. On August 19th, 2014 Defendants moved to dissolve the temporary restraining order and the Court conducted a hearing to determine whether the temporary restraining order should be dissolved or whether the Plaintiff should be granted a temporary injunction and the other equitable relief. After hearing the evidence and argument of the parties, the Court granted a temporary injunction as requested by Plaintiff and ordered that Ryan Leonard should remain as Receiver.

4. The Receiver seeks interim compensation at his hourly rate approved by the Court for work performed, plus reimbursement of Receiver's actual and necessary expenses, for the period of August 11, 2014 through August 31, 2014. The Receiver further seeks compensation for the services of Attorney Robert D. Edinger and Accountant Barbara Ley for the period August 11, 2014 through August 31, 2014. Edinger and Ley assisted the Receiver in the exercise of his duties, and the retention of their services by the Receiver was previously authorized by the Court.

5. The amount of the compensation of receivers and their attorneys rests in the sound discretion of the court in which the proceedings are pending. *Keenan v. Clark*, 188 P.2d 219 (Okla. 1947).

6. During the period August 11, 2014 through August 31, 2014, the Receiver and his employees expended a total of 197.4 hours at hourly rates ranging from \$80 to \$265 per hour for a total fee of \$41,951. Exhibit "A" details the hours spend rendering services and description of the services rendered. The Receiver and his employees have expended the time set forth in this application in the execution of the Receiver's duties to the preclusion of other employment, and the charges set forth herein were reasonable and necessary.

7. During the period August 11, 2014 through August 31, 2014, Attorney Robert D. Edinger expended a total of 70.75 hours at an hourly rate of \$295 per hour for a total fee of \$20,871.25. Exhibit "B" details the hours spend rendering services and description of the services rendered. Attorney Robert D. Edinger has expended the time set forth in this application in the assistance of the Receiver to the preclusion of other employment, and the charges set forth herein were reasonable and necessary.

8. During the period August 11, 2014 through August 31, 2014, Accountant Barbara Ley and her employees expended a total of 49.1hours at hourly rates ranging from \$125 to \$265 per hour for a total fee of \$9,476.50. Exhibit "C" details the hours spent rendering services and description of the services rendered. Accountant Barbara Ley and her employees have expended the time set forth in this application in the assistance of the Receiver to the preclusion of other employment, and the charges set forth herein were reasonable and necessary.

WHEREFORE, premises considered, Receiver, Ryan Leonard, respectfully requests this Court approve payment of interim compensation to Receiver in the amount of \$41,951, to Attorney Robert D. Edinger in the amount of \$20,871.25, and to Accountant Barbara Ley in the amount of \$9,476.50, each for the period of August 11, 2014 through August 31, 2014.

Respectfull Submitted,



Robert D. Edinger, OBA No. 2619
Robert Edinger PLLC
116 East Sheridan, Suite 207
Oklahoma City, OK 73104
Telephone: (405) 702-9900
Facsimile: (405) 605-8381
redinger@edingerpllc.com

ATTORNEY FOR THE RECEIVER,
RYAN LEONARD

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 3rd day of September, 2014, a true and correct copy of this pleading was served via First Class Mail, postage prepaid, and by Email to:

Patricia A. Labarthe
Jennifer Shaw
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102
plabarthe@securities.ok.gov
jshaw@securities.ok.gov

Mark A. Robertson
Michael Paul Kirschner
Robertson & Williams
9658 N. May Avenue, Suite 200
Oklahoma City, OK 73120
mark@robertsonwilliams.com
mike@robertsonwilliams.com

Jim W. Lee
One Broadway Executive Park
201 N.W. 63rd, Suite 230
Oklahoma City, OK 73116-8237
jimlee@legalassociatesllc.net



A handwritten signature in black ink, appearing to read "Robert Edinger", is written over a horizontal line.

Robert Edinger

MEYER LEONARD & ALLISON, PLLC

116 E. SHERIDAN
SUITE 207
OKLAHOMA CITY OK 73104
405-702-9900

Seabrooke et al. Receivership

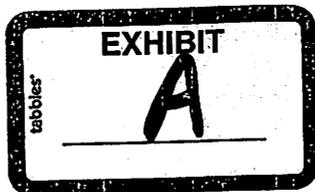
Statement Date: September 3, 2014
Statement No. 2932
Account No. 1392.01
Page: 1

RE: Oklahoma County Case # CJ-2014-4515

Payments received after 09/03/2014 are not included on this statement.

Fees

			Hours	
08/11/2014	RTL	Review of Petition and all pleadings in preparation for hearing in Oklahoma County; Review of Oklahoma receivership statutes in preparation for same; Review Securities Dep't receivership specific statutes (71 O.S. 1-101 et seq.); Review of Seabrooke companies and assets alleged in Petition; Multiple conferences with Dep't of Securities counsel P. LaBarthe re: hearing; Appear before Judge Parrish in Oklahoma County re: appointment of receiver and receive Order; Multiple follow-up conferences with R. Edinger re: representation of Receiver; Following up strategy meeting with R. Edinger re: representation, presentation of Order to Seabrooke's; Multiple conferences with prospective accountant Barbara Ley re: background facts, allegations, being retained for accounting services for receiver; Extended conference with Tom and Karen Seabrooke, R. Robles re: presentation of Order, implementation of Receivership, information needed, assets of entities, discussions of current business operations, begin discussion of maintenance and preservation of assets, cooperation ordered by Court, etc.; Follow-up strategy conferences with counsel re: preparation for meeting with Seabrookes on 8/12; Prepare for same.	9.20	2,438.00
	DJS	Office conference with R. Leonard; collected documents and compiled Seabrooke file; composed pleadings, documents and record; Received and reviewed Seabrooke bank records and Oklahoma County property records (Discovery) from the Security Commissions Office. Scanned Discovery and implemented into Seabrooke client file for counsel.	3.00	240.00
08/12/2014	RTL	Prepare for and continued meeting with Tom and Karen Seabrooke, Tom Waddell (Seabrooke's accountant), Theresa Wilmoth (bookkeeper), Robert Edinger and Barbara Ley (accountant for receiver) re: all aspects of Seabrooke's businesses, accounts payable, payroll due/funding for same, location and value of assets, review of liabilities, begin identification of investor proceeds, etc.; Conferences with counsel for Bank of the West re: freezing of accounts; Follow-up conference with P. LaBarthe re: receivership status; Continued review of and organization of receivership		



		Hours	
documents.		11.50	3,047.50
08/13/2014	RTL	<p>Additional review of and organization of Seabrooke documents; Extended meeting with Karen Seabrooke and Theresa Wilmoth (bookkeeper) re: payroll for Seabrooke Realty, KAT Properties, Freedom Electric, LLC, and Bricktown Capital, LLC; Multiple conferences and correspondence with Bank of the West re: release of funds to accommodate payroll; Conferences with R. Nash, counsel for Quail Creek Bank (first mortgage holder on Bricktown Capital, LLC note re: payment of payroll, position of the bank, assessment); Conferences with P. LaBarthe, J. Shaw re: receivership status, payroll; Extended conference with Wayne Doyle, member of Bricktown Capital, LLC re: receivership, issues facing Bricktown Hotel, payroll, process, obligations moving forward, etc.; Conferences and correspondence re: respond to inquiries from property management client, inquiry from prospective property manager.</p>	
		10.00	2,650.00
08/14/2014	RTL	<p>Receive call and follow-up conference with W. Doyle re: potential investor; Multiple strategy conferences with R. Edinger re: management of hotel, cashflow situation, options, etc., options with property management and real estate businesses; Strategy meeting re: options for hotel management, options for proceeding with bank in light of mortgage position on Bricktown Capital, etc.; Strategy conferences re: formulating list of properties, mortgages, assets of Seabrooke's; Conference with counsel for Seabrookes re: operation of hotel prior to Tuesday's injunction hearing; Correspond with W. Doyle re: appraisal of hotel; Review appraisal; Conference with First Commercial Bank rep, Lynn Groves re: Seabrooke mortgages; Extended conference with T. Seabrooke re: status; Conferences with P. LaBarthe and J. Shaw re: proposed Michigan deal, assess viability of same; Review proposed term sheet and background research re: Kevin C. Moore (proposed investor in hotel); Receive call from P. Reichenbach, Bank of the West, re: Bank's improper release of funds from accounts (in excess of those specifically authorized for payroll); Multiple conferences and follow-up correspondence re: rewinding improper transfers, consideration of action against bank; Review and execute letter to Bank of the West; Additional communications re: payroll, correcting bank error, recapture of funds that were erroneously released, confirm successful recapture; Conferences with party who has property management contract re: impact of receivership on contract, current plan to maintain property management business; Follow-up conference with Quail Creek bank counsel re: information from T. Waddell, accountant, additional follow-up on Bricktown Capital, LLC status; Follow-up conference with Lynn Groves, First Commercial re: Seabrooke loans on Cherry Hill, Weatherford properties; Additional follow-up with B. Ley re: tax returns; Conferences with R. Edinger, receivership counsel re: resolution of payroll issues, Quail Creek, tax information needed for hearing, etc; Follow-up conferences with R. Edinger, N. Jacobsen re: preparation for injunction hearing,</p>	

			Hours	
		additional information needed from Seabrooke's, etc.	11.70	3,100.50
08/15/2014	RTL	Review documents in advance of meeting with Seabrookes, Teresa; Return call to Carter Jennings, client of KAT Properties re: respond to multiple receivership inquiries; Strategy conferences with R. Edinger, N. Jacobsen re: information needed from Seabrookes in advance of injunction hearing; Extended meeting with Karyn Seabrooke, Teresa Wilmoth and Tom Seabrooke at Seabrooke offices re: bank account balances, company structure, ownership of properties, information regarding investor contributions, prospects for hotel, etc.; Follow-up conferences and correspondence with Bank of the West re: resolving payroll issues and authorization; Travel to Bank of the West to authorize wire transfer (bank requiring personal appearance of receiver to perform wire); Additional meeting with Karen and Tom Seabrooke and Seabrooke offices re: employee job duties for KAT and Seabrooke Realty, etc; Conferences with R. Edinger re: injunction hearing; Brief conference with Mark Robertson, attorney for Seabrookes; Conference with Mark Lovelace, attorney for Patricia Kramer (investor)	9.50	2,517.50
	NJ	Meeting with R. Leonard - summary of case details; meeting with T. Wilmoth re: bank accounts; meeting with K. Seabrooke re: explanation of accounts; meeting with T. Seabrooke re: hotel info, insurance history, investors	4.50	360.00
08/17/2014	RTL	Review memo compiled by counsel re: activities of receivership to date; Further review of receiver notes, etc. re: action items in advance of injunction hearing; Multiple correspondence with Seabrookes re: Tom's prior compensation arrangement with Bricktown Capital, need to address bills coming due prior to injunction hearing; Follow-up correspondence re: opening of new accounts in name of receiver to address bills coming for KAT Properties, Seabrooke Realty, etc.; Follow-up with counsel and administrative staff re: plan for Monday, remaining items in advance of injunction hearing; Review additional multiple follow-up correspondence re: payroll	5.00	1,325.00
08/18/2014	RTL	Correspondence and arrange for opening of bank accounts for receivership in order to meet property management obligations; Conferences with bank staff re: same; Meet with prospective consultant M. Deeba re: handling of KAT Properties, Seabrooke Realty, Bricktown Capital books, organization of same; Multiple correspondence with B. Ley re: analysis of current books of all Seabrooke entities; Review detailed account of same; Strategy meeting re: obtaining mortgage records, map of Seabrooke entities and bank accounts, review balances, review of assets and liabilities in advance of injunction hearing; Multiple strategy conferences with R. Edinger, N. Jacobsen re: same; Review all notes and prepare outline of responses to anticipated examination of Seabrookes' counsel, Securities Department counsel; Return call to investor Richard Shonts and conference re: investment	10.80	2,862.00
	DJS	Researched Seabrooke properties filed of record with the		

			Hours	
		Oklahoma County Assessor's office. Compiled and examined records and presented to counsel.	0.50	40.00
	NJ	Preparation for hearing; organizing and summarizing accounts, businesses, balances; meeting with R. Leonard and R. Edinger to review and summarize accounts, financial info, property, business info in preparation for hearing	5.00	400.00
	NJ	Preparation of documents/summary of property information from County Assessor records	1.50	120.00
08/19/2014	RTL	Conferences with OK Securities Dep't counsel re: injunction hearing, items department would like to cover in testimony; Conferences with T. Wilmoth and K. Seabrooke re: accounting questions regarding hotel, listings by Seabrooke Realty; Strategy conferences with R. Edinger re: items to be included in prospective receivership order and review draft of same; Further review of books of all entities, assets, liabilities, etc. in preparation for injunction hearing; Attend and appear before Judge Parrish at injunction hearing, provide testimony concerning receivership; Follow-up conferences with counsel for First Commercial, First National Bank of Weatherford re: mortgages on properties, items to address at Cherry Hill apartments (First Commercial); Conferences with Tom and Karen Seabrooke re: handling of pending real estate listings, approval for sale from court, obtaining comparables in lieu of appraisals, etc.; Consider additional bank accounts to open immediately; Conference with Brandy Monday re: holding convention at hotel in September, prospects of hotel being open; Return call to Wayne Doyle; Follow-up conference with Securities Department counsel re: receivership Order, plan for disposition of properties, operation of hotel, etc.; Follow-up correspondence with K. Seabrooke, letter of intent on Cherry Hill apartments	9.80	2,597.00
08/20/2014	RTL	Strategy conference re: immediate action steps in light of temporary injunction, obtaining all GL and property insurance information, further accounting, handling of offers and appraisals on property, issues surrounding maintenance and repair at Cherry Hill apartments (including who pays for same), etc.; Meet with Bank of the West at branch re: opening of mirror accounts for all Seabrooke accounts, releasing of Amelia Robles account; Follow-up correspondence and multiple conferences with the bank re: same; Follow-up conferences with K. Seabrooke re: Sky Property bank accounts, options for collecting rents, etc, property GL and workers compensation information needed; Multiple conferences and correspondence with T. Wilmoth, bank re: changing signers on property management accounts; Extended conference with T. Seabrooke re: investor, options with hotel and other listings; Correspond re: insurance policies and obtaining Operating Agreements for all entities; Strategy conference with R. Edinger re: immediate accounting work needed, consideration of M. Deeba as accountant; Follow-up conference with B. Ley re: same; Conference with counsel for Security Department re: Quail Creek request re: assume operation of hotel; Review Quail Creek correspondence re: same and follow-up strategy conference with		

		Hours		
	NJ	R. Edinger re: Quail Creek's offer; Additional follow-up with Tom Seabrooke re: potential investor, status of same; Follow-up with bank re: final approval of bank accounts; Additional follow-up with R. Edinger re: Quail Creek offer, consideration of same; Receive correspondence from R. Nash re: same	9.20	2,438.00
	NJ	Organization/preparation of documentation regarding properties, values, mortgages, related information; meeting with R. Leonard regarding hearing, updates, direction of research moving forward; calls and online searches to county clerk office	5.00	400.00
08/21/2014	RTL	Multiple conferences with K. Seabrooke re: acceptance of offer on NW 17th street property, prospects on Cherry Hill, multiple property management payment issues including at Cherry Hill (mailbox repair), other misc repairs, coordinating payment plan for handling these issues; Multiple correspondence with R. Edinger re: various management items to address immediately; Receive correspondence from Teresa Wilmoth and respond re: pressing management items to address, payables to address immediately, handling of checks on new accounts, ACH transfers; Conference with Jim Lee, attorney for Seabrookes re: pending lawsuit with insurance company from 2009 storm; Conference with Dustin Rose re: prospective purchase of Cherry Hill; Review correspondence from R. Nash re: chronological timeline of bank's involvement in Bricktown Capital, LLC; Conference with W. Doyle re: 2013 taxes on hotel; Follow-up strategy conferences with R. Edinger re: consideration of Quail Creek's offer on Bricktown Capital, Department's position on same; Additional follow-up with T. Seabrooke re: Cherry Hill offers; Follow-up with First Commercial bank counsel re: Cherry Hill offers, maintenance; Follow-up conferences with bank and bank's counsel re: bank's refusal to simply transfer signers on ACH accounts, additional handling of bank account issues; Additional conferences with R. Edinger re: offer to Quail Creek; Follow-up correspondence re: same	7.00	1,855.00
	NJ	Correspondence with R. Edinger regarding property information; forwarding documentation accordingly	0.50	40.00
	NJ	Organizing research documentation re: mortgage information on Seabrooke properties; correspondence with R Leonard and R Edinger regarding summary of property details	2.00	160.00
08/22/2014	RTL	Review multiple correspondence from R. Nash re: offer; Multiple follow-up correspondence with Teresa re: payables; Receive correspondence from Bank of the West and respond to same re: opening of new accounts; Extended strategy conference with R. Edinger re: status of discussions with Quail Creek, immediate accounting issues to address, preparation of status report for court, hotel management options, etc.	2.90	768.50
08/23/2014	NJ	Research on Assessor website and County Clerk website for mortgage information for Seabrooke properties	2.00	160.00
08/24/2014	NJ	Organizing research documenting re: mortgage information on Seabrooke properties; correspondence with R Leonard and R		

			Hours	
		Edinger regarding summary of property details	2.00	160.00
08/25/2014	RTL	Multiple conferences with Bank counsel re: unblocking accounts, online access, bank's request for indemnity; Follow-up strategy conferences with R. Edinger re: same; Receive follow-up correspondence from bank and draft response re: specific instructions for the 6 accounts; Multiple follow-up conferences with local branch re: new bank account instructions, etc.; Review proposed receivership order; Correspond re: Sean Adler, preserving copies of Seabrooke entities' electronic data; Review multiple additional correspondence re: receivership; Receive call and conference with Wayne Doyle, Bricktown Capital investor; Correspond with accountant for Seabrooke entities re: tax returns for Bricktown Capital, Oakbrooke Homes, KAT Properties, Review LOI on Cherry Hill; Follow-up correspondence re: Cherry Hill LOI; Conference with B. Holmes re: possible hotel purchaser; Additional follow-up re: Cherry Hill mailboxes; Meeting at bank branch re: opening of new accounts, finalization of same; Meet with Teresa at Seabrookes' offices re: new accounts, coordinating payroll, new accounts with Paycom, etc.; Follow-up conference with R. Edinger re: Receivership Order, Cherry Hill, payroll, listing of properties, etc.	7.50	1,987.50
	NJ	Correspondence with R Edinger regarding property summary research; correspondence with T Wilmoth regarding specific mortgage information for all properties	1.50	120.00
	NJ	Correspondence with R Edinger regarding property summary research; correspondence with T Wilmoth regarding specific mortgage information for all properties	5.00	400.00
	NJ	Compiling all documentation/reports/research regarding Seabrooke properties/categories/mortgages/ownership/etc.; correspondence with R Leonard and R Edinger with detailed reports of summary information	5.00	400.00
08/26/2014	RTL	Extended conference with investor Wayne Doyle re: possible proposal on hotel; Conferences with M. Deeba re: financial consulting for receivership; Follow-up conferences with R. Edinger re: accounting needs, financial reports to be provided by Deeba; Follow-up conference with accountant B. Ley re: same; Meeting with N. Jacobsen and review property information gathered, mortgages on property, etc; Strategy conference re: gathering additional mortgage information and contacts at banks; Correspond with accountant Todd Wedel (accountant for Seabrookes) re: tax info for Seabrooke entities going back 4-5 years; Additional work with Paycom re: new payroll accounts, ensuring payment of payroll; Handle multiple cut-off notices from OG&E; Multiple follow-up with OG&E counsel re: same; Additional follow-up re ONG and City, waiver of fees; Call to First Commercial Bank re: Cherry Hill account; Review of Proposed Order and follow-up correspondence re: same; Conference with R. Edinger re: status with Quail Creek bank, bank's position on hotel; Review multiple correspondence from T. Wilmoth re: utilities, bank accounts, payroll, bank fees, etc.; Review comments from attorneys for Seabrookes re: proposed		

		Hours		
		receivership Order; Follow-up conferences with OG&E counsel and customer service re: continuing service at properties, request to delete fees	8.90	2,358.50
DJS		Evaluated and implemented documents for client's file	0.40	32.00
NJ		Correspondence with banks and mortgage companies to compile original loan amounts, current loan balances, monthly payments, interest rates for all properties; correspondence with Karyn Seabrooke re properties, organizing documentation	5.00	400.00
NJ		Correspondence with individuals/companies with past due amounts from Seabrooke entities	0.50	40.00
NJ		Updating reports re detailed property information from banks and mortgage companies; correspondence with R Leonard and R Edinger re updated information on properties	3.00	240.00
08/27/2014	RTL	Multiple correspondence with T. Wilmoth, etc re: approval of payables for all entities, review proposed payables to be approved for all entities, bank accounts, etc.; Review all payroll; Multiple conferences with R. Edinger re: possible listing of hotel, payroll at hotel, options for continuing hotel in receivership or sale; Receive call and conference with Wayne Doyle re: potential investor, his suggestion of removing hotel from receivership, etc.; Follow-up conference with Teresa re: payables, payroll, etc.; Extended meeting with M. Deeba, B. Ley, R. Edinger re: accounting needed for hotel and all entities, accounting and consulting services for receivership; Receive call and conference with W. Doyle re: hotel; Follow-up correspondence with Karyn and Tom Seabrooke re: review of accounting; Review T. Seabrooke advertising still on internet; Correspond with Securities Department re: same; Follow-up conference with Teresa re: payables issue	7.50	1,987.50
	NJ	Correspondence with companies with past due accounts from Seabrooke companies	1.00	80.00
	NJ	Research on possible past due taxes for Seabrooke properties	1.00	80.00
08/28/2014	RTL	Receive call and extended conference with W. Doyle re: likelihood of outside investment in hotel, respond to his inquiry re: same; Extended conference with Securities Department counsel re: all current issues relating to receivership; Review multiple payable requests from Teresa and Holly, respond to same; Communications with bank re: instructions for payroll; Review LOI on Cherry Hill from AGM; Receive and review insurance policies for KAT Property Management, 1609 NW 15th, 2139 NW 14th; Review and correspond re: updated Seabrooke property info; Meet with Teresa and Karyn at Seabrooke offices, approve payables, compensation, selling of properties, etc.; Extended meeting with First Commercial Bank S. Haynes and L. Groves, T. Seabrooke re: Cherry Hill, consideration of LOI; Conferences with Bank of the West re: payment of U.S. Foods invoice for hotel; Travel to bank to obtain money order per demand of U.S. Foods; Follow-up meeting at Seabrooke offices re: same; Review Cherry Hill mortgage info and documentation provided by First Commercial; Follow-up correspondence with T. Wilmoth re: hotel bar account; Return call to Real Estate Commission investigator re: Seabrookes; Follow-up		

		Hours	
	correspondence with Bank of the West counsel re: banking services needed on each of the accounts; Receive call and conference with John Weakley, investor in Weathford property; Conference with Jim Lee, counsel for receiver re: meeting on insurance lawsuit involving hotel; Follow-up correspondence with Securities Dept counsel re: respond to inquiry on listings of Seabrooke properties	8.90	2,358.50
DJS	Office meeting with Nicole Jacobsen to discuss matters in the Seabrooke file regarding overall pleadings, documents, records	1.10	88.00
NJ	Correspondence with banks and mortgage companies re loan values, etc.; correspondence with companies that are due payment from Seabrooke entities; correspondence with investors to update on status; organize documentation to date	5.00	400.00
NJ	Correspondence with bank personnel re updates to information collected for Seabrooke properties; correspondence with K Seabrooke re authorization and updates to info on property payments	1.50	120.00
08/29/2014	RTL Review multiple correspondence from K. Seabrooke, re: compensation (per instruction of the Court), hiring and firing procedures at all entities, consideration of same; Correspond re: purchase of stove at individual rental unit; Meet with Teresa Wilmoth re: review of outstanding payables for all Seabrooke entities, upcoming obligations for Oakbrooke Homes, Seabrooke Investments (Weatherford property), personal financial obligations of Tom and Karen Seabrooke, outstanding credit card balances for expenses incurred on all entities (6 credit card accounts), handling of expenses going forward; Extended meeting with Tom Seabrooke and Teresa re: current hotel payables and obligations, payment of obligations for hotel for next 2 weeks-month, revenue sources, projected cash flow, etc.; Correspond re: approve mailbox repair at Cherry Hill; Review of all Cherry Hill payables; Extended meeting with accountant, Karyn Seabrooke re: preparation of cash flow analysis on all rental properties owned by Seabrookes, Briargate/Plaza, Cherry Hill, 3020 North Robinson; Extended meeting with accountant and Tom Seabrooke re: cash flow analysis of Bricktown Capital, LLC, review of all income, expenses, payables; Review of Oakbrooke Homes payable sheet prepared by bookkeeper; Further review of Cherry Hill availability prepared by staff, outstanding bills on Cherry Hill; Consideration of addressing hotel payables in short term; Assess all outstanding payables on hotel, payment of same; Correspond re: approval of insurance payment on Briargate/Plaza; Receive call and conference with Securities Dept counsel re: hearing on Receivership Order, filing of motion to remove hotel, llc's from receivership; Correspond with Teresa re: additional payables for property management properties; Review Cherry Hill 2014 income and expense spreadsheet; Follow-up with Karyn re: mortgages, compensation proposal; Correspond with T. Seabrooke re: communications with broker for investor; Follow-up with Securities Dept counsel and R. Edinger re: same; Review rolling 12 month p/i on Bricktown Capital; Review revised credit card charge analysis, payments made for Bricktown		

Seabrooke et al. Receivership
 Account No. 1392.01
 RE: Oklahoma County Case # CJ-2014

Statement Date: 09/03/2014
 Statement No. 2932
 Page No. 9

			Hours	
		Capital and other entities, personal charges	9.50	2,517.50
08/30/2014	RTL	Multiple correspondence with accountants Barbara Ley, Austin Fugett re: preparation of cash flow analysis for all Seabrooke entities; Multiple correspondence and conference with M. Deeba re: cash flow analysis, preparation of Receiver's report to court with conclusions regarding same; Extended conference with R. Edinger re: Receiver's report to court, preparation of same, application for fees, compensation for Seabrookes	2.50	662.50
		For Current Services Rendered	197.40	41,951.00

	Recap			
<u>Timekeeper</u>		<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Debra J. Schmidt		5.00	\$80.00	\$400.00
Nicole Jacobsen		51.00	80.00	4,080.00
Ryan T. Leonard		141.40	265.00	37,471.00

Total Current Work 41,951.00

Balance Due \$41,951.00

Final Statement Run Totals 09/03/2014

Statements Printed:	1
Hours:	197.40
Fees:	41,951.00

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

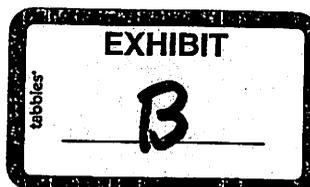
(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

				AMOUNT DUE	\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/10/2014	Balance forward			0.00	
08/11/2014	RDE: Conf. with R. Leonard re: serving as attorney for receiver and background on TRO hearing and strategy on implementation of TRO (1.50); Review TRO (.50); Attend meeting with Seabrookes and Attorney R. Robles to present TRO and begin implementation of TRO to maintain and preserve assets; obtain information needed on status of various Defendant entities and their activities (2.50); Follow-up strategy meeting with R. Leonard establish plan for implementation of TRO (.50).	5	295.00	1,475.00	
08/12/2014	RDE: Tel. with Attorney M. Kirschner re: further discussions with Seabrookes; attend meeting with Seabrookes, R. Leonard, Accountant B. Ley, Accountant T. Wedel, and Teresa Wilmoth re; status tax payments and accounting for various	8.25	295.00	2,433.75	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25



ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

					AMOUNT DUE	\$20,871.25
DATE	DESCRIPTION			HRS/QTY	RATE	AMOUNT
	entities, including payroll obligations (4.5); Review Seabrooke files relating to Hotel valuation (.75); Conf. with R. Leonard re: legal requirements in dealing with Bank of the West on freezing and unfreezing bank accounts and payroll obligation (.50); Tel. with Bank of the West re: payment of payroll (.25); Various tel. conf. with R. Nash, W. Doyle and P. Labarth re: position of stakeholders on payment of Hotel payroll (1); Follow-up conf. with B. Ley, status of accounting and tax liability implications for Defendant entities (.75); Follow-up conf. with R. Leonard re: strategy for maintaining assets (.50).					
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE	
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25	

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

			AMOUNT DUE	\$20,871.25	
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/13/2014	RDE: Attend meetings with Seabrookes, R. Leonard, and T. Wilmoth re: meeting payroll obligation for various entities (2); Review credit card statement of Seabrookes (.50); Various tel. with R. Nash, P. Labarthe, re: meeting payroll obligations of Hotel and other entities (1); Various tel. and conf. with W. Doyle and R. Leonard, status of potential loan to Hotel from third party (1); Draft letter to Bank of West re: unfreezing accounts to make payroll (1.25); Strategy conf. with R. Leonard, re: meeting payroll and working with stakeholders on same (.75).	6.5	295.00	1,917.50	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE			\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/14/2014	RDE: Various conferences with R. Leonard re: legal implications of management and valuation of hotel and various real estate businesses (2.50); Tel. with P. Labarthe re: possible Michigan lender and legal implications for Hotel staying open (.25); Tel. with R. Nash re: tax records of T. Wedel (.25); Various conf. with R. Leonard re: Bank of the West improper unfreeze of accounts (.75); Draft letter to Bank of the West re: same (1.25); Tel with Bank of the West re: same (.50).	5.5	295.00	1,622.50	
08/15/2014	RDE: Conf. with R. Leonard re: information needed for hearing (.75); Various tel. with Bank of the West re: consequences of not getting payroll corrected (.50); Tel. with P. Labarthe re: evidence at hearing (.50).	1.75	295.00	516.25	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE		\$20,871.25	
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/18/2014	RDE: Prepare for hearing and R. Leonard testimony and multiple conf. with R. Leonard re: same.	5.25	295.00	1,548.75	
08/19/2014	RDE: Prepare for and attend hearing on temporary injunction (7); Follow-up conf. with Seabrookes re: real estate licenses (.50); Review Cherry Hill LOI (.25).	7.75	295.00	2,286.25	
08/20/2014	RDE: Conf. with R. Leonard re: implementation of Court Order on temporary injunction (1); Consideration of Quail Creek Bank request for abandonment of hotel by Receiver and review correspondence from Bank re: same (3); Review materials on real estate license complaint against Seabrookes (.50).	4.5	295.00	1,327.50	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE			\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/21/2014	RDE: Review spreadsheet of various Seabrooke entities. re: property ownership/mortgages and tel. with N. Jacobson and R. Leonard re: same (1.25); Tel. with P. Labarthe re: response to Quail Creek Bank letter on abandonment of Hotel (.50); Review hotel valuation files and likely operational expenses to respond to Quail Creek Bank proposal (1).	2.75	295.00	811.25	
08/22/2014	RDE: Prepare for and attend meeting with R. Nash, P. Labarth and J. Shaw (2); Follow-up conf. and tel. with P. Labarthe (.25); Conf. with M. Deeba re: retention of services for Receiver (1.25); Tel. with Bank of the West re: change of account as authorized by TRO (50); Various tel. with R. Leonard and B. Ley re: legal requirements for accounting to Court and consultation with M. Deeba (.75).	4.75	295.00	1,401.25	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE			\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/25/2014	RDE: Various tel. with R. Leonard re: legal requirement as to Bank of the West changing accounts and review correspondence to Bank (1.25); Review spreadsheet and tel. with N. Jacobson re: mortgages on Defendant entities' properties (.75); Review draft of Temporary Injunction Order and tel. with P. Labarthe regarding same (1); Review and consider legal implications of various offers to purchase properties owned by Defendants (1.50); Various tel. with R. Leonard re: payment for Defendant tax returns (.25); Tel. with attorneys for mortgagees re: their position on receivership (.50).	5.25	295.00	1,548.75	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

				AMOUNT DUE	\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/26/2014	RDE: Review emails re: paying utilities for various properties based on cut-off notices (.50); Draft letter for R.Leonard to OKC water division re: cutoff notice (1); Review listing agreemen for Hotel and consideration of need for brokers opinion of value (BOV) on hotel and information needed for same (1.50); Tel. with R. Leonard re: need to obtain BOV for Hotel and discussions with B. Holmes re: same (.50); Review updated spread sheet on properties owned by Defendants and tel. with Mortgagees listed regarding status of loans and their positions re: receivership (1.25); Review changes to Temporary Injunction Order proposed by Defendants and tel. with P. Labarthe re: same (1).	5.75	295.00	1,696.25	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE		\$20,871.25	
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/27/2014	RDE: Tel.with R. Leonard re: positions of mortgagees regarding receivership(.25); Prepare for and attend meeting with R. Leonard, B. Ley, M. Deeba re: accounting issues and format for reports to the Court (2.50); Emails to T. Seabrooke re: information for hotel BOV (.25).	3	295.00	885.00	
08/28/2014	RDE: Conf. with R. Leonard re: application for fees and expenses (.50); Tel. with M. Deeba re: format for property spreadsheet and email to N. Jacobson re: same: (.50).	1	295.00	295.00	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

ROBERT EDINGER PLLC
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

Statement

Date 8/31/2014

(405) 702-9900

Ryan Leonard, Receiver
 116 E. Sheridan, Suite 207
 Oklahoma City, OK 73104

In Reference To:

Seabrooke Receivership

		AMOUNT DUE			\$20,871.25
DATE	DESCRIPTION	HRS/QTY	RATE	AMOUNT	
08/29/2014	RDE: Attend meeting with Receiver. K. Seabrooke, and A. Fugitt re: accounting normalization (.50); Tel. and email to P. Holmes and T. Wilmoth re: BOV for hotel and hotel expenses (75); Review email from N.Jacobson and D. Schmidt re: time spent on receivership (.50); Prepare application for payment of Receiver's fees and expenses (3).	3.75	295.00	1,106.25	
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	AMOUNT DUE
20,871.25	0.00	0.00	0.00	0.00	\$20,871.25

BARBARA A. LEY
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANT
6305 Waterford Boulevard
Suite 450
Oklahoma City, Oklahoma 73118
(405) 848-0255
FAX (405) 848-0148

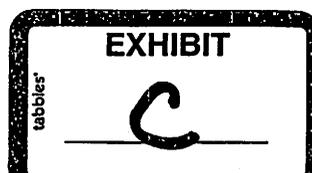
08/31/2014

Ryan Leonard, Receiver for Seabrooke et al.
116 E. Sheridan, Suite 207
Oklahoma City, OK 73104

Invoice Number: 18283

Professional services rendered through August 31, 2014 in connection with:

Date	Hours	Fees	Person	Memo
8/12/2014	6.0	\$ 1,590.00	Ley	Meeting with receiver and attorney to review items with Seabrooke bookkeeper, CPA and owners;
8/13/2014	1.0	265.00	Ley	Opening of Quickbooks files and review of Bricktown Capital, LLC books and records; email to receiver regarding same;
8/14/2014	0.3	79.50	Ley	Respond to email regarding tax return items and Tuesday hearing exhibits or information;
8/15/2014	1.0	265.00	Ley	Update with Robert Edinger and discussions regarding information needed for Tuesday hearing; review of activity to
8/15/2014	0.2	25.00	Hudgens	Initial preparation of cash accounts summary;
8/15/2014	1.5	262.50	Fugitt	Review of Bricktown Capital, LLC QuickBooks to look for Seabrooke Loan and coordinating documentation of cash accounts;
8/18/2014	3.6	450.00	Hudgens	Finalization of cash accounts summary; Review of Appfolio Property Manager account for Seabrooke Properties;
8/18/2014	7.5	1,312.50	Fugitt	Saving of financial statements, activity, and document records as of beginning of receivership; Review QuickBooks files and listing comments and notes, review of cash summary to send to attorneys;



8/18/2014	1.4	371.00	Ley	Summary of review of books;
8/22/2014	0.4	106.00	Ley	Update with Robert Edinger; discuss plans and preparation of schedules for presentation by the receiver to the court;
8/23/2014	0.3	79.50	Ley	Review of Appfolio online software;
8/25/2014	1.5	247.50	Fugitt	Reviewing Appfolio software; printing items related to specific properties and discussing with Barbara Ley; pulling report showing all income and expense by property;
8/26/2014	1.0	265.00	Ley	Review of Appfolio items by property;
8/26/2014	5.0	825.00	Fugitt	Pulling information from Appfolio and creating a spreadsheet of income and expense by property;
8/27/2014	2.2	583.00	Ley	Preparation for and meeting with Ryan Leonard, Receiver; Mike Deeba, consultant and Robert Edinger, attorney;
8/27/2014	4.5	742.50	Fugitt	Preparation for, including additional cash flow analysis, and meeting with Ryan Leonard, Receiver; Mike Deeba, consultant and Robert Edinger, attorney; review with Barbara after meeting;
8/28/2014	4.0	660.00	Fugitt	Working on cash flow for Bricktown Capital and preparation for meeting;
8/29/2014	7.7	<u>1,347.50</u>	Fugitt	Preparation for and meeting with Seabrooke to discuss cash flow in rental properties and in bricktown hotel;
		<u>\$ 9,476.50</u>	Current Amount Due	

Invoices are due and payable upon receipt.