

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

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)
J. Karyn Seabrooke 2007 Revocable Trust; and)
Judith Karyn Seabrooke, individually and as trustee)
of Tom Seabrooke 2007 Revocable Trust and)
J. Karyn Seabrooke 2007 Revocable Trust,)
)
Defendants.)

AUG 11 2014

TIM RHODES
COURT CLERK

Case No.

75

CJ - 2014 - 4515

PETITION FOR PERMANENT INJUNCTION AND OTHER RELIEF

Plaintiff, Oklahoma Department of Securities, *ex rel.* Irving L. Faught, (“Department”),
for its claims against the above-named Defendants, alleges and states as follows:

OVERVIEW

1. This case involves violations of the Oklahoma Uniform Securities Act of 2004 (the “Act”), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), by Defendants. Specifically, the Department alleges Defendants have offered and sold unregistered securities in violation of Section 1-301 of the Act, transacted business as agents or employed unregistered agents in

violation of Section 1-402 of the Act, and perpetrated a fraud in connection with the offer and sale of securities in violation of Section 1-501 of the Act.

JURISDICTION

2. The Department brings this action pursuant to Section 1-603 of the Act and is the proper party to bring this action against Defendants.

3. Pursuant to Sections 1-102 and 1-610 of the Act, Defendants, in connection with their activities in the offer and/or sale of securities in and/or from this state, are subject to the provisions of the Act. By virtue of their activities in this state, as described herein, Defendants are subject to the jurisdiction of this Court and to service of summons within this state and outside of this state.

4. Venue is proper in this county.

DEFENDANTS

5. Seabrooke Investments LLC (“Seabrooke Investments”) is an Oklahoma limited liability company, with its principal place of business in Oklahoma City, Oklahoma. At all times material hereto, Seabrooke Investments issued, offered and/or sold securities in and/or from Oklahoma as described herein.

6. Seabrooke Realty LLC (“Seabrooke Realty”) is an Oklahoma limited liability company, with its principal place of business in Oklahoma City, Oklahoma. At all times material hereto, Seabrooke Realty issued, offered and/or sold securities in and/or from Oklahoma as described herein.

7. Oakbrooke Homes LLC (“Oakbrooke Homes”) is an Oklahoma limited liability company, with its principal place of business in Oklahoma City, Oklahoma. At all times material hereto, Oakbrooke Homes issued, offered and/or sold securities in and/or from

Oklahoma as described herein.

8. Bricktown Capital LLC (“Bricktown Capital”) is an Oklahoma limited liability company, with its principal place of business in Oklahoma City, Oklahoma. Bricktown Capital operates as the Bricktown Hotel and Convention Center. At all times material hereto, Bricktown Capital issued, offered and/or sold securities in and/or from Oklahoma.

9. KAT Properties LLC (“KAT Properties”) is an Oklahoma limited liability company, with its principal place of business in Oklahoma City, Oklahoma. At all times material hereto, KAT Properties issued, offered and/or sold securities in and/or from Oklahoma.

10. Cherry Hill LLC is an Oklahoma limited liability company, doing business as Cherry Hill Apartments (“Cherry Hill”), with its principal place of business in Oklahoma City, Oklahoma. At all times material hereto, Cherry Hill issued, offered and/or sold securities in and/or from Oklahoma.

11. Tom W. Seabrooke (“Tom Seabrooke”), an Oklahoma resident, is an individual and trustee of the Tom Seabrooke 2007 Revocable Trust and the J. Karyn Seabrooke 2007 Revocable Trust. At all times material hereto, Tom Seabrooke was the registered agent for Seabrooke Investments, Oakbrooke Homes, KAT Properties, and Bricktown Capital. At all times material hereto, Tom Seabrooke was the managing member of Bricktown Capital, and a member of Seabrooke Investments, Seabrooke Realty, Oakbrooke Homes, KAT Properties, and Cherry Hill. Tom Seabrooke offered and/or sold securities in and/or from Oklahoma as described herein.

12. Judith Karyn Seabrooke (“Karyn Seabrooke”), an Oklahoma resident, is an individual and trustee of the Tom Seabrooke 2007 Revocable Trust and the J. Karyn Seabrooke 2007 Revocable Trust. At all times material hereto, Karyn Seabrooke was the registered agent of

Seabrooke Realty and Cherry Hill. At all times material hereto, Karyn Seabrooke was the member/manager of Seabrooke Investments, the managing member of Oakbrooke Homes, and a member of Seabrooke Realty, KAT Properties, and Cherry Hill. Karyn Seabrooke engaged in acts, practices, or a course of business that materially aided violations of the Act.

NATURE OF THE CASE

2004 Investigation

13. In July 2004, the Department initiated an investigation into the activities of Seabrooke Realty and KAT Properties and sent a letter notifying Tom Seabrooke. The Department stated that it had received information that Seabrooke Realty and/or KAT Properties may have been offering and/or selling securities in the nature of investment agreements or notes in violation of Oklahoma securities laws.

14. Tom Seabrooke responded to the Department by letter dated July 27, 2004 (“Seabrooke Response”), stating that no investment transaction had resulted from his newspaper advertisements, undertaking that he would not “solicit funds of any kind in any manner without first applying to the State and/or other agencies to determine the legality of any type of offering,” and apologizing for his “violation of state laws and regulations regarding investments and the solicitation of real estate and/or any other kind of investment.”

15. On August 30, 2004, the Department sent a letter to Tom Seabrooke advising that the Seabrooke Response would be deemed an undertaking to comply in the future with state securities laws and regulations. The Department informed Tom Seabrooke that the Act prohibits the offer and/or sale of unregistered, non-exempt securities, including investment contracts and notes and provided the definition of the term “investment contract.” The Department also informed Tom Seabrooke that the Act prohibits misrepresentations or omissions of material fact

in connection with the offer, sale, or purchase of any security. Finally, the Department cautioned Tom Seabrooke to review and comply with the applicable provisions of the Act in connection with the offers and sales of securities and seek the advice of private legal counsel prior to making such offers and sales.

Sales of Securities After 2004

16. Subsequent to the Department's 2004 investigation, Defendants engaged in the issuance, offer and/or sale of securities in and/or from the state of Oklahoma to investors ("Investors"). Such securities were in the nature of various promissory notes ("Investment Notes") and agreements ("Investment Agreements") including, but not limited to, those detailed below.

17. Tom Seabrooke promoted different properties as lucrative opportunities for Investors to purchase ownership interests. Tom Seabrooke represented that Investors could expect profits at an annual rate between six percent (6%) and fifteen percent (15%).

18. Tom Seabrooke represented that the Investment Notes and Investment Agreements would be secured with specific real and personal properties. Some Investment Notes and Investment Agreements were accompanied by mortgage notes purporting to convey real property to the Investor should the Defendants default on obligations to pay.

19. In soliciting the Investors for the Investment Notes and Investment Agreements, Tom Seabrooke represented to Investors that (a) he had specialized knowledge and expertise to make the investments profitable; and (b) Investors would have no role in the success or outcome of the investments or in effecting the promised profits on the Investment Notes or Investment Agreements, that is, Investors would completely rely on the judgment of Tom Seabrooke for the promised profits.

20. On or about February 27, 2007, an Investment Agreement was issued by Bricktown Capital to an Oklahoma Investor, for which the Oklahoma Investor paid Four Hundred Thousand Dollars (\$400,000). Under the terms of the Investment Agreement, Bricktown Capital promised to sell to the Oklahoma Investor a “number of shares” representing an ownership interest in Bricktown Capital of six percent (6%). The Investment Agreement was signed by Tom Seabrooke on behalf of Bricktown Capital.

21. On or about October 2, 2007, an Investment Note was issued by Tom Seabrooke with KAT Properties to an Oklahoma Investor, for which the Oklahoma Investor paid Seventy-Five Thousand Dollars (\$75,000). Under the terms of the Investment Note, Tom Seabrooke promised to pay monthly interest to the Oklahoma Investor at the rate of twelve and a half percent (12.5%) per annum beginning the first month after the investment. The Investment Note was signed by Tom Seabrooke. Tom Seabrooke identified property located at 1609 NW 15th Street in Oklahoma City, Oklahoma, as purported collateral for the Investment Note.

22. On or about November 21, 2008, an Investment Agreement was issued by Tom Seabrooke of Bricktown Capital to the Oklahoma Investor described in paragraph 18, for which the Oklahoma Investor paid Three Hundred Fifteen Thousand Dollars (\$315,000). Under the terms of the Investment Agreement, Tom Seabrooke promised an additional five percent (5%) ownership interest in Bricktown Capital for a total ownership interest of eleven percent (11%). Under the terms of the Investment Agreement, Tom Seabrooke promised to pay monthly interest to the Oklahoma Investor at the rate of ten percent (10%) per annum beginning January 1, 2009. The Investment Agreement was signed by Tom Seabrooke.

23. On or about December 15, 2008, an Investment Note was issued by Tom Seabrooke of Oakbrooke Homes to an Oklahoma Investor, for which the Oklahoma Investor paid

One Hundred Thousand Dollars (\$100,000). Under the terms of the Investment Note, Tom Seabrooke promised to pay monthly interest to the Oklahoma Investor at the rate of ten percent (10%) per annum beginning January 1, 2009, for a period of one year. The Investment Note was signed by Tom Seabrooke and was purportedly secured by real estate in Mustang, Oklahoma.

24. On or about March 27, 2009, an Investment Note was issued by Tom Seabrooke of Bricktown Capital to an Oklahoma Investor, for which the Oklahoma Investor paid One Hundred Fifty Thousand Dollars (\$150,000), by check payable to "Tom Seabrooke (RE:REAL ESTATE INVESTMENTS)." Under the terms of the Investment Note, Tom Seabrooke and Bricktown Capital promised to pay monthly interest to the Oklahoma Investor at the rate of ten percent (10%) per annum beginning the first month after the investment. The Investment Note was signed by Tom Seabrooke as the borrower. Tom Seabrooke granted an interest in the Bricktown Hotel, and all inventory, equipment, furnishings, appliances, and fixtures therein, as purported collateral for the Investment Note.

25. On or about April 20, 2009, an Investment Note was issued by Tom Seabrooke of Oakbrooke Homes to an Oklahoma Investor, for which the Oklahoma Investor paid Eighty Thousand Dollars (\$80,000). Under the terms of the Investment Note, Tom Seabrooke promised to pay the Oklahoma Investor Fifteen Hundred Dollars (\$1,500) upon the sale of each of the eleven (11) homes in Perkins, Oklahoma and Cushing, Oklahoma, identified in the Investment Note. The Investment Note was signed by Tom Seabrooke. The Investment Note was purportedly secured by an equity interest in the described homes.

26. On or about May 4, 2009, an Investment Note was issued by Tom Seabrooke of Oakbrooke Homes to an Oklahoma Investor, for which the Oklahoma Investor paid One Hundred Twenty Thousand Dollars (\$120,000), by check payable to "Tom Seabrooke (Real

Estate Investment).” Under the terms of the Investment Note, Tom Seabrooke promised to pay monthly interest to the Oklahoma Investor at the rate of eleven percent (11%) per annum beginning the first month after the investment and also to pay Fifteen Hundred Dollars (\$1,500) per home or lot sold in the “70 Home Development Project” in Weatherford, Oklahoma. The Investment Note was signed by Tom Seabrooke as the borrower, and purported to grant a security interest in the “70 Home Development Project” and all homes constructed therein, and all other real property of Tom Seabrooke or his heirs including Bricktown Capital, doing business as Bricktown Hotel & Convention Center.

27. On or about August 7, 2009, an Investment Agreement was issued by Tom Seabrooke with KAT Properties to an Oklahoma Investor, for which the Oklahoma Investor paid One Hundred Fifty Thousand Dollars (\$150,000). Under the terms of the Investment Agreement, Tom Seabrooke promised to pay to the Oklahoma Investor fifty percent (50%) of the profits from the proceeds of the sales of three new homes on “designated lots in the Timber Creek Addition to Weatherford, Oklahoma.” The Investment Agreement was signed by Tom Seabrooke.

28. On or about August 22, 2011, an Investment Note was issued by Tom Seabrooke of Seabrooke Realty to Washington Investors, for which the Washington Investors paid One Hundred Thousand Dollars (\$100,000). Under the terms of the Investment Note, Tom Seabrooke promised to pay monthly interest to the Washington Investors at the rate of twelve percent (12%) per annum, beginning October 1, 2011, for a period of twenty four (24) consecutive months. The Investment Note was purportedly secured by Tom Seabrooke and an equity interest in Cherry Hill.

29. On or about November 11, 2011, a second Investment Note was issued by Tom

Seabrooke of Seabrooke Investments to the Washington Investors, for which the Washington Investors paid another One Hundred Thousand Dollars (\$100,000). Under the terms of the second Investment Note, Tom Seabrooke promised to pay monthly interest to the Washington Investors at the rate of fifteen percent (15%) per annum, beginning December 15, 2011, for a period of twelve (12) consecutive months. The Investment Note was purportedly secured by Tom Seabrooke and an equity interest in Cherry Hill.

30. On or about May 11, 2012, an Investment Note was issued by Seabrooke Investments and Tom Seabrooke to a California Investor, for which the California Investor paid One Hundred Sixty-Five Thousand Dollars (\$165,000). Under the terms of the Investment Note, Seabrooke Investments and Tom Seabrooke promised to pay to the California Investor the principal sum of One Hundred Sixty-Five Thousand Dollars (\$165,000), and a profit of Seven Thousand One Hundred Fifty Dollars (\$7,150) for each of three new homes sold by November 15, 2012. The three new homes were to be constructed in Weatherford, Oklahoma in the Timber Creek II Addition Phase I (Weatherford Homes). The payment terms of the Investment Note required Seabrooke Investments and Tom Seabrooke to make equal payments to the California Investor of Sixty Two Thousand One Hundred Fifty Dollars (\$62,150) upon the sale of each of the Weatherford Homes. The Investment Note was signed by Tom Seabrooke on behalf of Seabrooke Investments. The Investment Note was purportedly secured by Tom Seabrooke, equity in a rental property described as 1505 NW 17th Street, Oklahoma City, Oklahoma, and the Weatherford Homes.

31. On or about October 11, 2012, an Investment Note was issued by Seabrooke Investments and Tom Seabrooke to a Texas Investor, for which the Texas Investor paid Three Hundred Fifty Thousand Dollars (\$350,000). Under the terms of the Investment Note,

Seabrooke Investments and Tom Seabrooke promised to pay monthly interest to the Texas Investor at the rate of fifteen percent (15%) per annum beginning November 11, 2012. The Investment Note was signed by Tom Seabrooke, as Manager of Seabrooke Investments and was purportedly secured by land and improvements identified in the Investment Note.

Misuse of Investment Proceeds

32. Investor funds, totaling in excess of Four Million Dollars (\$4,000,000), were deposited to numerous bank accounts under the control of Tom Seabrooke and Karyn Seabrooke.

33. Tom Seabrooke and Karyn Seabrooke have not used Investor funds in a manner to generate revenue to pay promised profits or returns provided by the Investment Notes or Investment Agreements.

34. Tom Seabrooke and Karyn Seabrooke have transferred Investor funds among multiple bank accounts that they control. Tom Seabrooke and Karyn Seabrooke have transferred business funds into personal accounts and personal funds into business accounts. Tom Seabrooke and Karyn Seabrooke used Investor funds for the payment of personal expenses, the payment of business expenses unrelated to the Investment Notes and Investment Agreements, and the payment of money to earlier Investors.

35. Tom Seabrooke and Karyn Seabrooke have defaulted on payments to subcontractors resulting in liens on the properties purportedly collateralizing the Investment Notes and Investment Agreements.

36. Investors have not received the return of their principal investments, the promised interest, or the collateral as promised.

Misrepresentations, Omissions and Fraud

37. In connection with the offer and/or sale of securities, Tom Seabrooke made untrue

statements of material fact including, but not limited to:

- a. that Investors would receive profits or returns on the Investment Notes or Investment Agreements of between 6% and 15%;
- b. that the Investment Notes or Investment Agreements were secured by specific real or personal property;
- c. that the real or personal property that collateralized the Investment Notes or Investment Agreements protected the Investor from investment loss; and
- d. that Tom Seabrooke had specialized knowledge and expertise to make the investments profitable.

38. In connection with the offer and/or sale of securities, Tom Seabrooke omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading including, but not limited to:

- a. any general or specific risk factors associated with the purchase of the Investment Notes or Investment Agreements;
- b. that the Investment Notes and Investment Agreements are securities subject to regulation under the Act;
- c. that the Investment Notes and Investment Agreements were not registered under the Act;
- d. that investments were under-collateralized, if collateralized at all;
- e. that the collateral for the investments was not owned by the issuer of the Investment Notes and Investment Agreements;
- f. that the collateral for the Investment Notes and Investment Agreements had existing mortgages;

- g. that Tom Seabrooke and Karyn Seabrooke would use Investor funds for personal expenses, business expenses unrelated to the Investment Notes and Investment Agreements, and the payment of money to earlier Investors; and
- h. that Tom Seabrooke, Seabrooke Realty and KAT Properties had been the subject of a previous investigation into violations of state securities laws.

FIRST CAUSE OF ACTION

(Violation of Section 1-301 of the Act: Offer and Sale of Unregistered Securities)

The Department realleges and incorporates by reference each and every allegation contained in paragraphs 1 through 38 above.

39. The Investment Notes and Investment Agreements are securities as defined by Section 1-102 of the Act.

40. The securities offered and sold by Defendants are not and have not been registered under the Act.

41. By reason of the foregoing, Defendants have violated, may be violating, and unless enjoined, will continue to violate Section 1-301 of the Act.

SECOND CAUSE OF ACTION

(Violation of Section 1-402 of the Act: Transacted Business as Unregistered Agents and Employment of Unregistered Agents)

42. The Department realleges and incorporates by reference each and every allegation contained in the preceding cause of action.

43. Seabrooke Investments, Seabrooke Realty, Oakbrooke Homes, Bricktown Capital, KAT Properties, and/or Cherry Hill are issuers, as defined in Section 1-102 of the Act.

44. Tom Seabrooke and Karen Seabrooke, by virtue of their efforts and activities in effecting or attempting to effect purchases or sales of the securities of Seabrooke Investments, Seabrooke Realty, Oakbrooke Homes, Bricktown Capital, KAT Properties, and/or Cherry Hill in and/or from this state, are agents, as defined in Section 1-102 of the Act.

45. Tom Seabrooke and Karen Seabrooke are not and have not been registered in any capacity under the Act.

46. Seabrooke Investments, Seabrooke Realty, Oakbrooke Homes, Bricktown Capital, KAT Properties, and/or Cherry Hill employed unregistered agents who transacted business in and/or from this state.

47. By reason of the foregoing, Defendants have violated, may be violating, and unless enjoined, will continue to violate Section 1-402 of the Act.

THIRD CAUSE OF ACTION

(Violation of Section 1-501 of the Act: Untrue Statements and Omissions of Material Fact)

48. The Department realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

49. Tom Seabrooke, in connection with the offer and/or sale of securities, directly and indirectly, made untrue statements of material fact.

50. Tom Seabrooke, in connection with the offer and/or sale of securities, directly and indirectly, omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

51. By reason of the foregoing, Tom Seabrooke, directly and indirectly, has violated, may be violating, and unless enjoined, will continue to violate Section 1-501 of the Act.

FOURTH CAUSE OF ACTION

(Violation of Section 1-501 of the Act: Fraud or Deceit)

52. The Department realleges and incorporates by reference each and every allegation contained in the preceding causes of action.

53. Tom Seabrooke, in connection with the offer and/or sale of securities, and through the use of untrue statements of material fact and the omissions of material fact described above, has engaged in an act, practice, or course of business that has operated and continues to operate as a fraud or deceit upon Investors. Karyn Seabrooke, engaged in acts, practices, or a course of business that materially aided violations of the Act.

54. By reason of the forgoing, Tom Seabrooke and Karyn Seabrooke, directly and indirectly, have violated, may be violating, and unless enjoined, will continue to violate Section 1-501 of the Act.

PRAYER FOR RELIEF

Defendants have engaged in acts and practices in violation of the Act and have, as a result of these activities, received a substantial amount of money from Investors. Unless enjoined, Defendants will continue to engage in the acts and practices set forth herein and acts and practices of similar purport and object. A danger exists that the money received by Defendants from the Investors or money, assets, or real or personal property held by Defendants on behalf of the Investors will be lost, removed, or transferred. A temporary restraining order, asset freeze, appointment of a receiver, and an accounting to issue *instanter* and a temporary and permanent injunction to issue against Defendants are necessary to preserve the money received and assets held, to preserve the records relating thereto, and to prevent further violations of the Act.

WHEREFORE, based upon the foregoing, and pursuant to the authority specifically granted by Section 1-603 of the Act, the Department prays for the court to grant the following relief:

I.

A temporary restraining order to issue *instanter*, and temporary and permanent injunctions, restraining and enjoining the Defendants, their agents, servants, employees, attorneys, and those persons in active concert or participation with them, from transacting business in or from this state as an issuer, issuer agent, broker-dealer, or broker-dealer agent or otherwise offering or selling any security in or from this state.

II.

An order *instanter* prohibiting Defendants, their agents, servants, employees, attorneys, and those persons in active concert or participation with them, from tampering with, mutilating, altering, erasing, concealing, removing, destroying or otherwise disposing of any and all books, records, documents, files, correspondence, computer disks, tapes or other data recordings of any type, pertaining to or referring to Defendants and/or the Investment Notes and Investment Agreements, or any other financial transactions by Defendants or to which Defendants were parties;

III.

An order *instanter* freezing the assets of Defendants and ordering that all banks, brokerage firms or other financial institutions, and other persons or entities holding any funds or other assets in the name, for the benefit, or under the control of Defendants, hold and retain such funds or other assets within their control and prohibit the withdrawal, transfer, assignment, pledge, sale or other disposal of any such funds or other assets;

IV.

An order *instanter* prohibiting Defendants, their agents, servants, employees, attorneys, and those persons in active concert or participation with them, from withdrawing, transferring, assigning, pledging, selling or otherwise disposing of any assets of Defendants held by them, for their benefit, or under their control;

V.

An order *instanter* appointing a receiver *pendente lite* for Defendants, empowering said receiver to take immediate custody, possession and control of all assets, monies, securities and properties of Defendants; to undertake whatever manner of legal or equitable action is required to preserve or maintain the assets of Defendants; to operate or liquidate the assets of Defendants for the benefit of the Investors, and to exercise those powers necessary to implement the orders and directives of this Court;

VI.

An order *instanter* requiring Defendants to file with this Court and to serve on the Department, within fifteen (15) days of the filing of this petition, an accounting, under oath, detailing all of their assets and detailing all funds received from Investors and the disposition and/or use of those funds;

VII.

An order requiring Defendants to make restitution to any and all Investors who purchased securities from Defendants;

VIII.

An order imposing a civil penalty against each Defendant; and

IX.

Such other relief as the Court may deem necessary, just and proper in connection with the enforcement of the Act.

Respectfully submitted,

OKLAHOMA DEPARTMENT OF SECURITIES
Irving L. Faught, Administrator

By: Patricia A. Labarthe

Patricia A. Labarthe, OBA #10391
Jennifer Shaw, OBA #20839
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, Oklahoma 73102
(405) 280-7700 Telephone
(405) 280-7742 Facsimile
plabarthe@securities.ok.gov
jshaw@securities.ok.gov

Mark A. Robertson
Robertson & Williams
9658 North May Avenue, Suite 200
Oklahoma City, Oklahoma 73120-2714
Phone: (405) 848-1944
Fax: (405) 843-6707
mark@robertsonwilliams.com

STATE OF OKLAHOMA)
)
COUNTY OF OKLAHOMA) SS.

Irving Faught, of lawful age, being first duly sworn deposes and says: that he is the Administrator of the Oklahoma Department of Securities, that he has read the foregoing Petition for Permanent Injunction and Other Relief and knows the contents thereof, and that the matters and things stated therein have been provided to him by staff members of the Department under his authority and direction, and are true and correct to the best of his knowledge, information and belief.

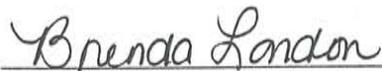
(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES
120 North Robinson, Suite 860
Oklahoma City, Oklahoma 73102
(405) 280-7700

Subscribed and sworn before me this 7th day of August, 2014.

(NOTARIAL SEAL)



Notary Public

