

DEC 23 2016



**DISTRICT COURT FOR OKLAHOMACOUNTY  
STATE OF OKLAHOMA**

RICK WARREN  
COURT CLERK

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Oklahoma Department of Securities	)
<i>ex rel.</i> Irving L. Faught, Administrator,	)
	)
Plaintiff,	)
	)
v.	)
	)
Seabrooke Investments, LLC, an Oklahoma	)
limited liability company, <i>et. al.</i>	)
	)
Defendants.	)

Case No. CJ-2014-4515

**INTERIM APPLICATION FOR ORDER APPROVING  
RECEIVER’S FEES AND EXPENSES FOR THE PERIOD OF  
NOVEMBER 1, 2016 THROUGH NOVEMBER 30, 2016**

Receiver, Ryan Leonard, submits this application for entry of an Order approving his interim application for Receiver’s fees and expenses for the period of November 1, 2016 through November 30, 2016, including fees of the Attorney and Accountant approved by this Court to assist the Receiver.

1. On September 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.

2. On September 5, 2014 the Court entered an order granting a Temporary Injunction and Ancillary Relief and ordered that Ryan Leonard should remain as Receiver. 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 retain or employ attorneys, accountants, consultants, management firms, and other persons as may be advisable or necessary to exercise the duties of the Receiver and to compensate such persons, all subject to approval by the Court;

c. to manage the business activities of Defendants, their affiliates, subsidiaries, and any related entities existing at the time of the filing of the Petition, and to conserve, hold and protect the Assets, pending further action by this Court;

d. to market the Assets of the Defendants for sale, including the retention of listing agents, realtors and brokers, and to evaluate all offers to purchase received. All sales of the Assets shall be subject to approval by the Court;

e. to release bank and financial accounts from the freeze 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;

f. to retain any employee of the Defendants, as may be advisable or necessary, including any individual Defendant, in control of, management of, participation in the affairs of, or on the premises of, the Defendants; and/or to 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.

g. to receive and collect any and all sums of money due or owing to the Defendants at the time of the filing of the Petition; to collect the revenue and income generated by the maintenance and operation of the Assets whether the same are due or shall be necessary and advisable for the preservation of the Assets and as may be necessary and advisable to discharging his duties as Receiver;

h. to open bank and financial accounts in the name of the Receiver; to change the name of any Assets and/or the signing authority for any Asset, in order to reflect that the Asset is held in the name of the Receiver pursuant to this Order and/or to reflect that the Receiver is the only person authorized to deal with such Asset, including if necessary, instructing banks and financial institutions that the Receiver is the only person authorized to make withdrawals or transfers from any of the Defendants' bank and financial accounts existing at the time of the filing of the Petition. Any bank or financial institution shall be entitled to rely on this Order to open and make changes to such accounts as requested by Receiver.

i. 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; and to return personal mail to Defendants Tom W. Seabrooke and J. Karyn Seabrooke;

j. to institute, prosecute and defend, compromise, adjust, intervene in or become a 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

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

3. As part of the order granting Temporary Injunction and Ancillary Relief, the Court ordered that the Receiver may apply to the Court for payment of fees, 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 previously approved the retention of Robert D. Edinger as legal counsel to the Receiver and the employment of an accountant. The Court determined that the Receiver's hourly fee shall be billed at the rate of \$265 per hour. Finally, the Court determined that payment of the fees and expenses of the Receiver shall have priority over any other claims made against the Defendants or the receivership estate.

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 November 1, 2016 through November 30, 2016. The Receiver further seeks compensation for the services of Attorney Robert D. Edinger and Accountant Barbara A. Ley, P.C. for the period November 1, 2016 through November 30, 2016. 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.2 219 (Okla. 1947).

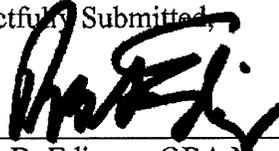
6. During the period November 1, 2016 through November 30, 2016, the Receiver and his employees expended a total of 2 hours at hourly rates ranging from \$80 to \$265 per hour for a total fee of \$474.50. Exhibit "A" details the hours spent rendering services and a description of the services rendered. 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 November 1, 2016 through November 30, 2016, Attorney Robert D. Edinger expended a total of 1.5 hours at an hourly rate of \$295 per hour for a total fee of \$442.50. Exhibit "B" details the hours spent rendering services, a description of the services rendered, and the expenses incurred. 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 of November 1, 2016 through November 30, 2016, the Accountant Barbara A. Ley, P.C. expended a total of 0.5 hours at hourly rates ranging from \$90 to \$195 per hour for a total fee of \$71.25. Ley also incurred \$0.45 in expenses and advances, making the total amount due \$71.70. Exhibit "C" details the hours spent rendering services, a description of the services rendered, and the expenses incurred. Accountant Ley 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.

WHEREFORE, premises considered, Receiver Ryan Leonard respectfully requests this Court approve payment as interim compensation to the Receiver in the amount of \$474.50, to Attorney Robert Edinger in the amount of \$442.50 and to Accountant Barbara A. Ley, P.C. in the amount of \$71.70 for the period of November 1, 2016 through November 30, 2016.

Respectfully Submitted,



Robert D. Edinger, OBA No. 2619  
Robert Edinger PLLC  
100 Park Avenue, Suite 500  
Oklahoma City, OK 73002  
Telephone: (405) 702-9900  
Facsimile: (405) 605-8381  
[redinger@edingerpllc.com](mailto:redinger@edingerpllc.com)

ATTORNEY FOR THE RECEIVER,  
RYAN LEONARD

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this <sup>23<sup>rd</sup></sup> day of December, 2016, a true and correct copy of this pleading was served via First Class Mail, postage prepaid, or by Email to:

Patricia A. Labarthe  
Jennifer Shaw  
Oklahoma Department of Securities  
204 North Robinson Ave., Suite 400  
Oklahoma City, OK 73102  
[plabarthe@securities.ok.gov](mailto:plabarthe@securities.ok.gov)  
[jshaw@securities.ok.gov](mailto:jshaw@securities.ok.gov)

Mark A. Robertson  
Robertson & Williams  
9658 N. May Avenue, Suite 200  
Oklahoma City, OK 73120  
[mark@robertsonwilliams.com](mailto:mark@robertsonwilliams.com)

Jim W. Lee  
One Broadway Executive Park  
201 N.W. 63<sup>rd</sup>, Suite 230  
Oklahoma City, OK 73116-8237  
[jimlee@legassociatesllc.net](mailto:jimlee@legassociatesllc.net)

Rollin Nash, Jr.  
Nash, Cohenour  
4101 Perimeter Center Dr., Suite 200  
Oklahoma City, OK 73112  
[rnash@nashfirm.com](mailto:rnash@nashfirm.com)

B. Gore Gains  
Matthew K. Felty  
119 North Robinson Avenue  
1200 Robinson Renaissance  
Oklahoma City, OK 73102  
[gaines@lytlesoule.com](mailto:gaines@lytlesoule.com)  
[mkfelty@lytlesoule.com](mailto:mkfelty@lytlesoule.com)

David L. Nunn  
P.O. Box 230  
Edmond, OK 73083-0230  
[dnunn@davidlunnpc.com](mailto:dnunn@davidlunnpc.com)

John M. Thompson  
Crowe & Dunlevy  
Braniff Building  
324 N. Robinson Ave., Suite 100  
Oklahoma City, OK 73102  
[John.thompson@crowedunlevy.com](mailto:John.thompson@crowedunlevy.com)

Billy Lewis  
Lee, Goodwin, Lee, Lewis & Dobson  
1300 E. 9<sup>th</sup> Ste. 1  
Edmond, OK 73034  
[blewis@edmondlawoffice.com](mailto:blewis@edmondlawoffice.com)

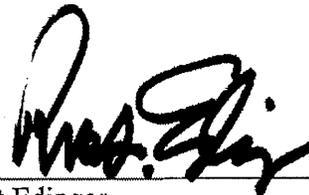
J. Mark Lovelace  
Phillips Murrah P.C.  
Corporate Tower, 13<sup>th</sup> Floor  
101 North Robinson  
Oklahoma City, OK 73102  
[jmlovelace@phillipsmurrah.com](mailto:jmlovelace@phillipsmurrah.com)

Kelsey Dulin  
Dulin Law Firm, P.L.L.C.  
15310 North May Avenue, Suite 102  
Edmond, OK 73013  
[Kelsey@dulinlawfirm.com](mailto:Kelsey@dulinlawfirm.com)

Kevin Blaney  
Scott Henderson  
Blaney, Tweedy & Tipton PLLC  
P.O. Box 657  
Oklahoma City, OK 73101-0657  
[kblaney@btlawokc.com](mailto:kblaney@btlawokc.com)  
[shenderson@btlawokc.com](mailto:shenderson@btlawokc.com)

James A. Slayton  
4808 Classen Blvd.  
Oklahoma City, OK 73118  
[Slaytonlaw@aol.com](mailto:Slaytonlaw@aol.com)

Claire C. Bailey  
David Poarch  
Bailey & Poarch  
P.O. Box 1521  
Norman, OK 73070  
[clairebailey@baileyandpoarch.com](mailto:clairebailey@baileyandpoarch.com)



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Robert Edinger



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

Statement Date: 12/14/2016  
Statement No. 3918  
Page No. 2

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
Ryan T. Leonard	1.70	265.00	450.50

Total Current Work 474.50

Payments

12/19/2016 Payment, thank you.- J Karyn Seabrooke 2007 Rev Trt ck# 2039 -4,202.70

Balance Due \$2,569.61

Robert Edinger PLLC  
 100 Park Avenue, Suite 500  
 OK 73102 US  
 (405) 702-9900  
 redinger@edingerpllc.com

Invoice

**BILL TO**  
 Seabrooke Receivership  
 Ryan Leonard, Receiver  
 100 Park Avenue, Suite 500  
 Oklahoma City, OK 73102

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
4532	12/22/2016	\$442.50	01/21/2017	Net 30	

DATE	ACTIVITY	QTY	RATE	AMOUNT
11/03/2016	<b>295.00 Fees</b> Prepare Application for Receiver's Fees & Expenses for Sept. 2016.	1:00	295.00	295.00
11/07/2016	<b>295.00 Fees</b> Prepare Order Granting Receiver's Fees & Expenses for August, 2016.	0:30	295.00	147.50

BALANCE DUE **\$442.50**



**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

12/19/2016

Ryan Leonard Receivership  
100 Park Avenue, Suite 500  
Oklahoma City, OK 73102-8017

Invoice No: 21231

Professional services rendered from November 1, 2016 through November 30, 2016 in connection with:

Nov 07, 2016	Emails with Ryan Leonard regarding Seabrooke amended return items;	Cartmill	0.25	\$	48.75
Nov 14, 2016	Prepare checks for Ryan Leonard signature; receive check for deposit for Bricktown Settlement; prepare deposit slip; copy check and deposit slip for Ryan; make deposit;	Maker	0.25		22.50
Nov 30, 2016	Photocopy charges				<u>0.45</u>
		Current Amount Due		\$	<u>71.70</u>

Invoices are due and payable upon receipt.

