

**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

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**RECEIVER'S APPLICATION FOR EMERGENCY ORDER ON DISPOSITION
OF CERTAIN ASSETS OF RECEIVERSHIP AND FOR EXPEDITED HEARING**

Receiver, Ryan Leonard, respectfully applies to this Court for entry of an emergency Order on disposition of certain assets of the receivership and for an expedited hearing on same. 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.

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. At the August 19 hearing, the Receiver informed the Court concerning the apparent financial condition of the Bricktown Hotel and Convention Center (Hotel) operated by Defendant

Bricktown Capital LLC and the likelihood that the Hotel would not have sufficient revenues to continue paying its operating expenses. Since August 19, the Receiver, his accountant and a retained real estate broker have further investigated the financial condition of the Hotel and its value. Accounting records of the Hotel show it has a substantial negative cash flow over at least the past 12 months, which negative cash flow threatens to drain the limited cash assets of the receivership on an ongoing future basis. The Receiver submits that immediate action should be taken for disposition of the Hotel, including the option of immediate closing of the Hotel. The Receiver submits that immediate action is necessary with regard to the Hotel, its collected revenues and other associated assets, in order to preserve and maintain the assets of the receivership, to pay the expenses of the receivership, and to make such payments and disbursements as may be necessary and advisable for the preservation of the receivership assets.

WHEREFORE, premises considered, Receiver, Ryan Leonard, respectfully requests this Court conduct an expedited hearing on emergency order on the proper disposition of the Hotel in order to preserve and maintain the assets of the receivership.

Respectfully Submitted,



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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:

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