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FILED IN DISTRICT COURT
OKLAHOMA COUNTY

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

JUL - 3 2023

RICK WARREN
COURT CLERK
108

Oklahoma Department of Securities *ex rel.* Melanie Hall, Administrator,	)	
Plaintiff,	)	
v.	)	
Premier Global Corporation et al.,	)	
Defendants.	)	Case No. CJ-2022-5066 Judge Don Andrews

RECEIVER'S RESPONSE TO DEFENDANT RICHARD DEAN'S EMERGENCY MOTION FOR SATISFACTION OF PAYMENT ORDERS AMENDED TO CORRECT TOTAL AMOUNT OF RECEIVERSHIP FEES

Eric L. Johnson (the "Receiver") in his capacity as Receiver for Premier Global Corporation f/k/a Premier Construction Services, Inc., Premier Factoring, LLC, PF-2, LLC, PF-3, LLC, PF-4, LLC, PF-5, LLC, PF-6, LLC, PF-7, LLC, Premier Factoring Group, LLC, KCI Business Services, LLC, DDI Advisory Group, LLC, Steven J. Parish, and Richard Dale Dean, (collectively, the "Receivership Defendants") submits his *Response to Defendant Richard Dean's Emergency Motion for Satisfaction of Payment Orders Amended to Correct Total Amount of Receivership Fees* (the "Response"). In support of this Response, the Receiver states as follows:

INTRODUCTION

Defendant Richard Dale Dean seeks immediate satisfaction of the Fee Orders issued pursuant to *Order on Defendant Richard Dale Dean and DDI Advisory Group LLC's Emergency Motions for Partial Lifting of Asset Freeze to Permit Payment of Living Expenses and for Partial Lifting of Asset Free to Permit Payment of Legal Fees* (the "Unfreeze Order"). The Fee Orders authorized, but did not direct, the Receiver to make certain payments. It is the Receiver's position

that such Fee Orders remain subject to the overall cooperation requirements of the Unfreeze Order. Defendant Richard Dean is not in compliance with the Unfreeze Order. Accordingly, the Receiver believes he does not have the authority under the Unfreeze Order to pay such fees unless and until there has been further modification of the provisions by Court and/or agreement by the relevant parties. To the extent the Dean Defendants seek relief from the cooperation requirements, the Receiver will note that such provisions were a key basis for the Unfreeze Order in the first instance.[1] Accordingly, the Motion should be denied.

BACKGROUND

1. On October 31, 2022, this Court entered an order appointing the Receiver in the present case (the "Preliminary Order"). Pursuant to the Preliminary Order, among other things, the real and personal property interests of certain of the Receivership Defendants were vested within receivership estate (the "Estate"). A final order (the "Final Order") appointing receiver was entered on November 21, 2021.

2. On March 14, 2023, after months of litigation, the Court entered the Unfreeze Order. The Unfreeze Order established certain procedures as they related to the payment of certain legal defenses fees with respect to DDI Advisory Group, LLC and Richard Dale Dean (the "Dean Defendants"). The Unfreeze Order was ultimately agreed to by counsel for the Dean Defendants ("Dean Counsel").[2]

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[1] The Receiver also notes that under the terms of the Order, the Unfreeze Order expired on May 11, 2023, so that also leaves the Receiver in a quandary. Out of the abundance of caution, the Receiver did submit within the monthly deadlines to object and make recommendation as to the May monthly fees. Until June 30, 2023, the Dean Defendants took no steps in extending the Unfreeze Order. It should be noted that counsel for the Receiver did not receive such motion until after the close of business on Friday, June 30, 2023. Counsel will review the same with the Receiver and respond accordingly.

[2] Dean Counsel negotiated this Order while at their prior firm, Crowe & Dunlevy, but on or about May 1, 2023, they moved law firms to Steptoe & Johnson.

3. The Unfreeze Order contains two categories of fees: (1) Dean's personal fees rendered in defense of the litigation against him ("Personal Fees"); and (2) Fees incurred in assistance to the Receiver and the Receivership Estates ("Receivership Fees," together with the "Personal Fees", the "Dean Fees").

4. As a basis for the Unfreeze Order and before the Dean Fees could be paid, there needed to be complete cooperation by the Dean Defendants. To that end, the Unfreeze Order contained specific requirements and deadlines, which are set out as follows:

a. Proposed Budget for Receivership Fees. ***Deadline: NA.***

b. Monthly Fee Statements. ***Deadline: 10th Day of Each Month***

c. Interim Fee Application. ***Deadline: April 15th, then every 120 days thereafter.***

d. Monthly Dean Income and Expense Report (with Bank Statements). ***Deadline: April 10, then the 10th Day of Each Month.***

e. Error and Omission and/or General Liability Polices Held by Dean or any Entity Controlled by Dean. ***Deadline: March 31, 2023.***

f. Accounting and Explanation of the Use of Mr. Dean's Home Equity Line of Credit for the Period of March 2022-March 2023. ***Deadline: March 31, 2023.***

g. Completed Form DA. ***Deadline: March 31, 2023.***

h. Complete Response to Life Settlement Inquiries. ***Deadline: March 31, 2023.***

i. Identify E-Mail Accounts used by Dean and DDI Investments and any other e-mail accounts used by Dean and DDI Investments along with passwords. ***Deadline: March 31, 2023.***

j. Accounting of All Monies Paid by Premier Defendants to Dean or DDI Investment. ***Deadline: March 31, 2203.***

k. Cooperation to have New Life Settlement Administrator in place. ***Deadline: NA.***

l. Other Receiver Inquires. ***Deadline: NA.***

5. With respect to the Personal Fees, pursuant to the Unfreeze Order, the Receiver was to submit his recommendation as to the allowance of the Personal Fees to the Court *in camera* copying Dean Counsel. As part of the recommendation, the Receiver was to prepare a proposed Order and submit this to the Court. The Receiver interpreted this as requiring counsel to email the Court and copying Dean Counsel on such email. Unlike a submission of an Agreed Order, this process was so that the Court could be the final arbiter on the Personal Fees and not an attempt to delay entry of the Orders as the Dean Defendants seem to suggest.

6. On March 24, 2023, Dean Counsel provided the Receiver with separate billing statements for the Dean Fees. On April 11, 2023, the Receiver submitted his *in camera* recommendation and proposed Order to the Court (the "First Proposed Order").

7. On March 31, 2023, the Dean Defendants attempted to comply with the Receiver requirements identified in Paragraphs 4e,4f, and 4i. Dean Counsel believed it had also complied to date with Paragraph 4h. The Dean Defendants asked for an informal one-week extension related to Completed Form DA (Paragraph 4g) until April 7, 2023.

8. On April 2, 2023, the Receiver had a follow up call with the Dean Defendants. Among other topics that were discussed on that call were the status of Dean's taxes (in light of upcoming tax return filing deadline) and the movement of Kanza bank accounts due to Kanza's insistence to close the accounts. At that time, other than stating an extension would be filed, very little was known with respect to Defendant Dean's tax situation.

9. On April 4, 2023, the Dean Defendants provided the Receiver with the following estimated budget of Receivership Fees for the period beginning April 1, 2023 through the end of the litigation:

1. Substitute Administrator: Assist Receiver in identifying/retaining substitute administrator for Life Settlement LLCs; assist Receiver in supporting substitute administrator during transition;

answer any questions substitute administrator may have regarding administration of Life Settlements. ($20,000 - $25,000)

2. General Assistance: Assist Receiver with miscellaneous issues relating to administration of Mr. Dean's assets, including (but not limited to) coordination of tax issues, preservation of email communications, and establishment of email protocols. ($20,000 - $25,000)

10. In the first weeks of April, the Receiver and Dean Counsel had several conversations on a variety of issues. One of the main issues was the difficulties in getting various accounts transferred from Kanza Bank, which indicated that it no longer wanted to do business with the Dean Defendants or their affiliates.

11. On April 10, 2023, Dean Counsel provided the Receiver with their separate billing statements for the Dean Fees. On April 28, 2023, the Receiver submitted his *in camera* recommendation and proposed Order to the Court (the "Second Proposed Order").

12. On or about April 14, 2023, the issues related to the Kanza Accounts (along with other compliance deadlines) came to a head and ultimately lead to the Receiver and the Dean Defendants to jointly file *Joint Motion to Modify and Clarify Order Defendant Richard Dale Dean and DDI Advisory Group LLC's Emergency Motions for Partial Lifting of Asset Freeze to Permit Payment of Living Expenses and for Partial Lifting of Asset Free to Permit Payment of Legal Fees* ("Modification Motion").

13. The Modification Motion sought to do three primary things:

a. Extend the March 31 and April 10 deadlines in the Unfreeze Order until May 1, 2023;

b. Provide further direction to Kanza Bank as to the disposition of the funds held by it. In this respect, the monies originally to stay at Kanza Bank, i.e., the funds not going directly to the Receiver, were to be sent to Dean Counsel to be held in trust and the proceeds of such accounts to be ultimately deposited in corresponding accounts at Chase Bank.

c. Ratification of the immediate wire of $20,000 from Dickie Dean Insurance & Investment Agency Account (the "Agency Account") to Defendant Dean for living expenses (which was represented to the Receiver to be dire in

nature). The rest of such monies from the Agency Account were to be transferred to Dean Counsel to be held in trust as set forth in subparagraph b above.

With respect to the transfer of funds to Dean Counsel and ultimately Chase Bank, the proceeds of such accounts were still subject to all the requirements of the Court's Orders as if they were at Kanza Bank, including the asset freeze provisions of the Court's prior Orders.

14. On or about April 14, 2023, $20,000 was wired to Defendant Dean's established Chase Account for his living expenses.

15. On April 18, 2023, the Court entered the *Order related to the Motion to Modify and Clarify Order Defendant Richard Dale Dean and DDI Advisory Group LLC's Emergency Motions for Partial Lifting of Asset Freeze to Permit Payment of Living Expenses and for Partial Lifting of Asset Free to Permit Payment of Legal Fees* (the "Modification Order").

16. Other than responding to the Receiver's inquiry about the March monthly billing statements, following up the entry of the Modification Order and payment of defense fees, Dean Counsel was largely silent until April 28, 2023.

17. On or about Friday, April 28, 2023, the parties also received notification that Dean Counsel was changing law firms.

18. On or about May 2, 2023, the Receiver received the checks from Kanza Bank that per the Modification Order were to be directed to him. Such checks were ultimately deposited by the Receiver. As it specifically relates to the Dean Defendants, the Receiver received the following funds:

Account Title	Acct Last 4 Digits	Owner	Amount
Richard Dale Dean; Dickie Deans Insurance & Investment Agency, Inc.	6800	Richard Dean	$7,244.83
Richard Dale Dean (consumer savings)	3907	Richard Dean	$658,607.61
DDI Advisory Group LLC; Dickie	3352	DDI Advisory Group LLC	$5,785.79

Deans Insurance & Investment Agency Inc.			
DDI Advisory Group LLC Account B; Dickie Deans Insurance & Investment Agency Inc	3662	DDI Advisory Group LLC	$15.407.66

It is the Receiver's understanding that the balance of the Kanza checks identified in the Modification Order that were to be held in trust by Dean Counsel were made payable to Bruce Day, counsel for the Dean Defendants, and that has caused continued issues with the deposit of such checks at Chase Bank.

19. On May 9, 2023, the Receiver received correspondence from Dean Counsel related to, among other things, the fees due to Defendant Dean's accountant. The fees were not just for the Dean Defendants, but also for the various life settlement entities. Also, on May 9, 2023, Dean Counsel proposed entering into an agreed order to use the remaining $37,000 from the Agency Account to fund Defendant Dean's living expenses.

20. On May 10, 2023, the Receiver had a conference call with the Dean Defendants to discuss his position on a myriad of issues. On May 11 and 12, 2023, Dean Counsel sent additional information to the Receiver related to Mr. Dean's IRS obligations and the accounting invoices related to the life settlement companies.

21. On May 10, 2023, Dean Counsel provided the Receiver with their separate billing statements for the Dean Fees. On or about May 26, 2023, the Receiver submitted his *in camera* recommendation and proposed Order to the Court on second monthly statement related to the Personal Fees (the "Third Proposed Order", together with the First Proposed Order and Second Proposed Order, the "Fee Orders").

22. On May 17, 2023, Dean Counsel sent the Receiver draft spreadsheets for March and April living expenses. At that time, Tara LaClair stated the following:

> As discussed, we have been putting together Mr. Dean's living expenses for March and April. While we are still organizing the receipts and statements, and waiting on a couple of items, I am providing you with the attached draft spreadsheets summarizing those expenses. Note that items on the bottom of the spread that are shaded in green are items that we have only recently become aware of and we are working to gather additional supporting documentation. We have already provided the accounting invoices and the IRS statement showing outstanding taxes. We hope to have the available underling receipts and statements ready to send to you tomorrow.

Upon review of the file, the Receiver has not identified receiving the additional supporting documentation.

23. On May 24, 2023, Dean Counsel requested from the Receiver a status update as to the payment of fees to Crowe & Dunlevy.

24. On Friday, May 26, 2023, Dean Counsel sent a series of follow-up emails related to the issues discussed on the May 10 telephone call. The Receiver acknowledged receipt of the emails and that he was working on a response over the holiday weekend.[3] On May 30, 2023, the Receiver responded with an email attempting to summarize the open issues and follow-up requests.[4] The Receiver noted that the payment of fees remain subject to the cooperation requirements of the Unfreeze Order. Additionally, the Receiver also noted that the first interim fee application due on April 15, 2023, had yet to be filed.

25. Through May and June, Dean Counsel continued to correspond with Kanza Bank regarding the non-receivership entity account turnover and the difficulties in getting such funds transferred. Additionally, Dean Counsel continued to communicate with the Receiver's counsel

[3] May 29, 2023, was Memorial Day.

[4] The Receiver often receives numerous emails on a daily basis regarding this case that involve more than the Dean Defendants (not to mention other cases for which he is involved). Accordingly, the Receiver in good faith was attempting to summarize the various issues and what he had received based upon review of a voluminous file. His May 30 email also acknowledges the fact that he may not have identified all the emails sent with respect to compliance issues and encouraged any correction to the same. Such correction did not occur for approximately 22 days.

regarding various life settlement issues including the payment of various capital calls and replacement administrators. Also, during this time, the Receiver was, among other things, focused on the sale of the Derby residence and other property, the funding of the Texas litigation, a sale process related to the life settlement estates, and various legal issues and challenges arising with respect to the Belize Property.

26. On or about June 9, 2023, the Court entered the Fee Orders. The Fee Orders specifically authorize, but do not direct the Receiver the to make the payments of the Personal Fees.

27. The Receiver had not seen the Fee Orders before he left the office on June 9 for a previously scheduled trip until June 16. Shortly after the Receiver returned back to Kansas City, however, he was unexpectedly called out of town again when his brother was in a life-threatening accident and was in an intensive care unit in California. The Receiver remained in California from Sunday, June 18, 2023, until late Saturday, June 25, 2023, while his brother was in critical condition. While the Receiver attempted to address various items during this time, he had limited capability and opportunity to do so.

28. On June 16, 2023, without addressing the Receiver's May 30 inquiries, Dean Counsel sent a series of emails requesting an update from the Receiver. Dean Counsel would have received the Receiver's out of office notification.

29. On June 20, 2023, Dean Counsel sent an email to the Receiver. On June 21, 2023, the Receiver responded explaining the circumstances of his being out of the office. He also reminded Dean Counsel of his May 30 email and the compliance component regarding the fees. Dean's counsel acknowledged receipt of the email and continued to press for the payment of their fees.

30. On June 22, 2023, Dean Counsel responded to the Receiver's May 30 email (see Motion Exhibit 2), but failed to answer several questions that the Receiver had posed. Nevertheless, the Receiver notified Dean Counsel that he would review their response and provide an assessment to Dean Counsel and the Plaintiff as to compliance issues related to the payment of fees on June 26, 2023. A copy of the Receiver's response email is attached hereto as **Exhibit 1**.

31. On June 26, 2023, at approximately 8:00 a.m., the Receiver circulated to both the Plaintiff and Dean Counsel his assessment on compliance with the Unfreeze Order (the "Compliance Assessment"). A copy of the Compliance Assessment is attached hereto as **Exhibit 2**. As set forth in the Compliance Assessment, the Receiver noted those places where the Dean Defendants were not in compliance and his proposal to the parties on how to proceed forward.

32. On June 26, 2023, Dean Counsel filed the Motion along with their First Interim Fee Application (originally due on April 15, 2023).

33. On June 29, 2023, the Receiver received an email from Dean Counsel informing him that American Express has begun collection activities against Mr. Dean that must be addressed. The Receiver responded and reminded Dean Counsel of the Receiver's previous suggestion from almost a month earlier that the Dean Defendants seek court approval related to the ongoing use of funds for living expenses.

34. On June 30, 2023, the first time since April 14, the Dean Defendants filed motions to modify the March 14 Order and seek further authority to pay living expenses.

RESPONSE

35. Dean Counsel seeks immediate enforcement of the Unfreeze Order and the payment of their legal fees. Dean Counsel agreed to the Unfreeze Order and the conditions contained therein. Dean Counsel while seeking to enforce certain portions of the Unfreeze Order, choose to

ignore various conditions that were tied to that funding. With one exception, the Dean Defendants have not (until just recently) filed motions to further extend deadlines or seek further modification of the Unfreeze Order. Further, while they complain about the Receiver not promptly responding to their various inquires, they ignore issues raised and requests for clarification that would allow the Receiver to fully respond.

36. While the Receiver will acknowledge inadequately setting response expectations at times, he is not doing so because of some grand conspiracy to deny the Dean Counsel their fees and any assertion to the contrary is false. Rather, in addition to having to continually revisit those items of information that Dean Defendants continually evade and fail to provide, the Receiver and his counsel have had to attend to other urgent matters in this case in addition to attending to various professional and personal matters and commitments. Further, given the different facets of this case and the shear amount of correspondence the Receiver receives on the same, it does take time to go back through and determine compliance especially when the Receiver has received certain information in piecemeal fashion. Ultimately, to the extent Dean Counsel believe they are not getting a prompt response from the Receiver, nothing has prevented them from seeking modification from the Court with respect to deadlines and compliance issues.

37. Further, the Receiver cannot unilaterally modify this Court's orders.[5] It is the Receiver's position that in addition to having specific Orders authorizing the amount of the Personal Fees, the Dean Defendants still need to be in compliance with the overall cooperation requirements of the Unfreeze Order. As such, the Dean Defendants are seeking to compel the Receiver to take action that he believes would be in violation of the Unfreeze Order. In the Compliance Assessment, the Receiver set forth the various requirements related to cooperation by

[5] Indeed, when there is a deadline, the Receiver has generally sought to file the necessary motions to extend the same.

the Dean the Defendants. Notably, they were not compliant, not just with respect to the Form DA, but with respect to other requirements as well. Further, Dean's remarks about provide account statements are inaccurate. While they chose to focus on the Kanza Bank Account, they ignore that roughly $20,000 was transferred to Dean in April 2023 and placed in his Chase Bank Account. The Receiver has diligently searched, but no account statement reflecting the same has ever been provided. Accordingly, the Receiver has no way to verify how the $20,000 was actually spent.

38. Further, Dean Counsel is putting the cart before horse in that they have not sought until June 30 to further modify the requirements of the Unfreeze Order. Accordingly, until such time as the Unfreeze Order has been modified, the current Motion should be denied as the Dean Defendants are not in compliance.[6]

39. To the extent the Dean Defendants are seeking waiver from the cooperation requirements, the Court should deny the same. Cooperation was a central reason for the Court entering the Order and specific acts of cooperation were outlined and agreed to by Dean Counsel. Except with respect to the Modification Order, they have failed to seek further modification of the Unfreeze Order until recently. One of the main stated reasons for non-compliance appears to be the funding of certain accountant fees in order to complete the remaining informational requests. The Receiver understands Mr. Dean's position to be that he cannot complete the same without the assistance of his accountant. With respect to accountant fees, as stated by the Receiver, to the extent that the receivership estate would receive a benefit from the payment of such fees,[7] then he

[6] Dean Counsel attempts to take aim at the Receiver over the payment of his fees. It should be noted that the Receiver's fees are not subject to the same compliance conditions and the Receiver is following the procedures as set forth in the Court's Orders. Ultimately, any reference to the Receiver's fees is a red herring and meant to distract from the Dean Defendants' own non-compliance.

[7] To the extent the Receiver would have any responsibility with respect to the filing of Mr. Dean's individual tax return, he would want to make sure it is done by the extension deadline. In doing so, the most cost-efficient way may be for Mr. Dean's current accountant to prepare such returns. It is the Receiver's understanding that Mr. Dean's personal tax returns would need to be filed by October 16 with respect to Mr. Dean personally.

does not oppose paying the same. However, the Dean Defendants have repeatedly failed to respond to the Receiver's inquires as to what portion of such fees should the receivership estate ultimately have to bear.

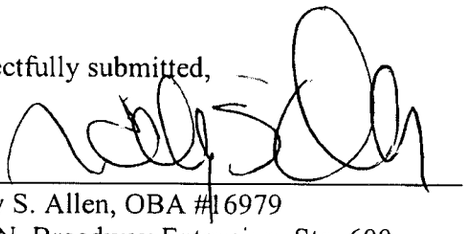
40. The Receiver, albeit unsuccessfully, has attempted in good faith to assist the Court in navigating these thorny fee issues. While the Receiver continues to believe that work done at his request or direction should be reasonably compensated, the middle ground approach as to the other fees and expenses has unfortunately proven to be untenable. For instance, while the Receiver has attempted to act in an objective manner with respect to these issues, it appears that anything he does that is not to the Dean Defendants' liking (including the enforcement of the Court's orders) is met with allegations that the Receiver is biased against them.

41. More importantly, the Receiver is concerned with the ongoing cost and expense to the estate of having to continually address these issues and the focus it takes away from liquidating and marshalling other assets, especially those that relate to Steve Parish and the Premier corporate entities, where the Court has rendered a judgment. Accordingly, the Receiver believes now may be the time for the Court to revisit the overall fee issues and make a determinative ruling with respect to the same.

WHEREFORE, the Receiver requests the Court deny the Motion and grant such other and further relief as the Court deems just and proper.

Dated: July 3, 2023.

Respectfully submitted,

By: 

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Attorney for the Receiver

CERTIFICATE OF SERVICE

I hereby certify that on the 3rd day of July, 2023, a true and correct copy of the above and foregoing was sent electronically to all parties requesting electronic notice and mailed to the parties who have mailing addresses and have entered an appearance. Bruce W. Day

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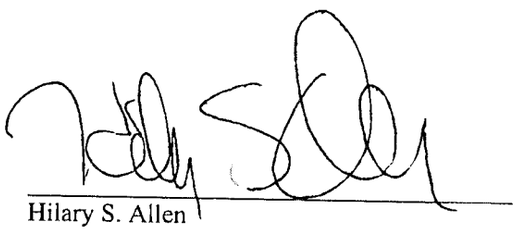

Hilary S. Allen

EXHIBIT 1

Johnson, Eric

From: Johnson, Eric
Sent: Thursday, June 22, 2023 6:41 PM
To: Tara LaClair
Cc: Molly Tolbert; Bruce Day; Allen, Hilary; Lodoen, Jim; Lally, Elizabeth; Aimee Majoue; Kassidi Cladis
Subject: RE: Premier Global Corporation

Tara –

Thank you for this response. As you might imagine, there are a lot of moving parts to this case including those that surround your client. I am writing this from the ICU waiting room, so please appreciate the brevity of the same.

I do appreciate your well wishes and my brother's prognosis has greatly improved such that it looks like I will be able to come home soon. To that end, I am going to review the Unfreeze related Orders, your response in detail, and provide an assessment on Monday to the parties regarding the various information requirements, my understanding as to what remains outstanding and why, my position as to the payment of fees, and possible resolution/clarity regarding the same. Once the parties, receive my assessment, if they feel Court intervention is necessary, then at least their positions will be fully informed. For security reasons, only I can issue checks on behalf of the receivership. I will not have the capability to do so until Monday at the earliest, so I believe this approach makes sense. Thank you again for the well wishes.

Eric

Eric L. Johnson
Receiver

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O 816.292.8267
ejohnson@spencerfane.com

From: Tara LaClair <Tara.LaClair@Steptoe-Johnson.com>
Sent: Thursday, June 22, 2023 3:22 PM
To: Johnson, Eric <ejohnson@spencerfane.com>
Cc: Molly Tolbert <Molly.Tolbert@Steptoe-Johnson.com>; Bruce Day <Bruce.Day@Steptoe-Johnson.com>; Allen, Hilary <hallen@spencerfane.com>; Lodoen, Jim <jlodoen@spencerfane.com>; Lally, Elizabeth <elally@spencerfane.com>; Aimee Majoue <Aimee.Majoue@Steptoe-Johnson.com>; Kassidi Cladis <Kassidi.Cladis@Steptoe-Johnson.com>; Tara LaClair <Tara.LaClair@Steptoe-Johnson.com>
Subject: [EXTERNAL] RE: Premier Global Corporation

[Warning] This E-mail came from an External sender. Please do not open links or attachments unless you are sure it is trusted.

Eric,

I write to follow up on the email below. While I believe we have addressed these issues in our email on Friday, June 16, and in many other calls and email (other than the 2 new requests in item 6 below), I am summarizing our responses below for ease of reference. I am also including other information / items from our May 10th call, the follow-up email on May 26th and the second follow up email on June 16th to make it easier for you to respond. My responses are below in **purple.**

Thank you, Tara

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From: Johnson, Eric <ejohnson@spencerfane.com>
Sent: Tuesday, May 30, 2023 5:21 PM
To: Tara LaClair <Tara.LaClair@Steptoe-Johnson.com>
Cc: Molly Tolbert <Molly.Tolbert@Steptoe-Johnson.com>; Bruce Day <Bruce.Day@Steptoe-Johnson.com>; Allen, Hilary <hallen@spencerfane.com>; Lodoen, Jim <jlodoen@spencerfane.com>; Lally, Elizabeth <elally@spencerfane.com>
Subject: Premier Global Corporation

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless the sender is safe.

Tara –

Rather than send multiple emails and so we can keep track of the various open inquiries, I have combined my response to each of the pending inquiries in this email. Jim Lodoen has been communicating with your team regarding some of the specifics on the life settlement administration, so such items are not addressed in this email. I suggest we have a follow up call to discuss the various topics:

1. **Outstanding Taxes**. It is my understanding that there is roughly $88,719.56 for taxes that are due for 2018-2021 and of that amount, $7,043.52 is due for 2019 and $81,676.04 is due for 2021. The only funds available to pay such amounts are with respect to amounts received from Kanza Bank. These tax obligations, however, would be considered a pre-petition receivership expense and would potentially deplete the Dean receivership estate of any funds in which to pay ongoing expenses. We have notified the IRS of the Receivership shortly after appointment. I am set to confer with my accountant this week to discuss the same. Once I have done so, I will provide you my thoughts on how we deal with the outstanding taxes.

   We first brought this issue to the Receiver's attention in April, but provided more specific information on our call on May 10th and followed up in email on multiple occasions thereafter. It appears no action has been taken by the Receiver's team to date. Again, please provide an update.

2. **Dean Accountant Fees**. It is my understanding that the estimated amount to complete the tax returns for each of the Life Settlement Entities and DDI is approximately $21,615.00. With respect to DDI, we should have Mr. Dean's accountant confer with my accountant to discuss the best course of action. With respect to the other entities, is there any ability for the funds on hand or capital contributions to pay these fees? How were these fees allocated for each of the entities? Certainly, it makes sense to get the returns completed, but want to make sure the receivership estate is not paying more than its fair share of the expenses. Out of what resources have such fees been paid historically?

[redacted]

This is an incomplete summary of the issues related to the accountant's fees. As you recall, our concerns were not just related to the filing of tax returns, but rather also included Mr. Dean's inability to have income statements or financial statements prepared until the CPA was paid his back fees and the fees necessary to complete these financial summaries. Of course, we need this information to provide Mr. Dean's income, financial position and information on any specific transactions. We need this information, in part, because the Receiver requested it and because it is needed to provide the Form DA and similar information. We discussed the difficulty of obtaining this information without the accountant's assistance beginning in April and there is several email noting this, including the original extension to May 1st to provide such information to the Receiver. We continued repeatedly to discuss these issues with the Receiver on our calls, including raising this issue on May 10 and again in email on May 26. Until the accountant is paid and Mr. Dean can utilize his services, we can continue to provide Mr. Dean's expenses – as we have done consistently – but remain unable to provide any income numbers or more specific financial information.

Nevertheless, we have advised you on our calls that Mr. Dean has no cash coming in. The Receiver asked how much income Mr. Dean's wife makes and we advised you that she lives on tips and makes very little and estimated her income at $250 a week. On our May 10th call, the Receiver asked if Mr. Dean could return to work at the insurance agency to bring in income and we advised that he would love to do so, but would needs funds released to restart the business. The Receiver agreed to consider this, but we have not received any response. The Receiver next asked if Mr. Dean could sell his house and raise to funds or reduce his living expenses. We advised that he could not do so because he has very little equity in the home and no current income, which means he could not qualify for a new place to live. Moreover, he should not be required to sell him home where <u>he has not been found to be liable for anything</u>.

To determine how much to pay Mr. Dean's accountant following our May 10th call, the Receiver then requested copies of the CPA's invoices, which Mr. Dean provided the very next day, May 11th. The Receiver advised that he would talk to his CPA about the preparation of tax returns and financial statements for the Receivership entities, as well as the financial information requested of Mr. Dean, both personally as relating to the other entities. As you know, Mr. Dean relies on CPA for all financial matters, particularly now that he had to shutter his insurance business because of the freezing of all of his assets, which left him with no staff or support to help gather any information.

Next, the Receiver indicated that he would visit with the Receiver's CPA and put him in touch with Mr. Dean's CPA to determine the details of what needed to be done and who would be the most cost-effective person to do it. We have requested updates on this conversation but have not received any update and it now appears that no such communications between the Receiver and the estate's CPA have been occurring.

We again ask for an update on your discussions with the Receivership CPA, including what tax returns, financial statements and income statements he intends to prepare verses those that Mr. Dean's CPA should prepare. In the event Mr. Dean's CPA is to prepare tax returns, income statements or other financial statements sought by the Receiver, funds must be released to the pay the CPA. Similarly, Mr. Dean's CPA must be paid for any other financial statements, summaries or information that the Receiver requires of Mr. Dean.

3. <u>1099 Question</u>. In your May 9, 2023 email, you inquired about 1099s. With respect to the same, I assume you are talking about the various Premier entities issuing 1099s. In consultation with my accountant, we did not issue 1099s from the Premier entities to investors until we have a better understanding of the various payments made in light of the circumstances. Mr. Dean can direct such investors to contact me if they have questions

related to whether or not a 1099 should issue. We will post under FAQ that any questions related to 1099s can be directed to the Receiver.

This issue was addressed and resolved on our May 10th telephone call. We advised the Receiver that noteholders were contacting Mr. Dean and expressing concern over the lack of communication from the Receiver's office related to their notes and their resulting inability to prepare their tax returns. The Receiver advised that 1099s would not be generally issued, but that whether 1099s should be issued would be taken up on a case-by-case basis and only if the note holder contacted the Receiver. While it seems the same answer should apply to all noteholders, we leave this determination and responsibility to the Receiver and his CPA. This issue has been addressed and Mr. Dean will direct any callers with these concerns to contact the Receiver.

4. **Microsoft Account.** I would like to preserve or at least be able to download all data before the account is close. We can coordinate to have our third-party vendor preserve such data. My sense is that we can preserve the same, but have an agreement that we will not review until we can work through the necessary protocols on the same. Until that time, we will reimburse Mr. Dean for the costs of maintaining the Microsoft Account. It is my understanding there is approximately a $51.56 charge. Please confirm. Also, if you can get us the necessary information, we can change the billing information.

   We first brought this issue to the Receiver's attention on May 10th via email. We confirmed shortly thereafter, and several times since, that the *monthly cost* to maintain the Microsoft account is $51.56. The Receiver advised that because the Receiver wants to maintain this account, the Receiver would cover the costs. Mr. Dean has not been reimbursed for any of these costs to date. While we will work to provide contact information to change the billing on the account, it is not a reason to withhold reimbursement from Mr. Dean. As you know, Mr. Dean has been provided only $20,000 to cover all of his living expenses since last October, including this Microsoft account. As you also know, Mr. Dean's monthly expenses are approximately $10,000. He cannot continue to incur the expense of the Microsoft account. Moreover, the expenses appear on Mr. Dean's monthly credit card statements, which have been submitted pursuant to our agreement on expenses. These expenses from October through June, i.e. 9 months at $51.56 per month for a total of $464.04, should be immediately reimbursed.

5. **Rackspace Data Breach Incident**. We will want to get a copy of the data that was recovered by Mr. Dean's IT professional. We will also want to likely coordinate between him and our technology professionals. It is my understanding based upon news reports that a Class Action has been initiated against Rackspace regarding this incident. If Mr. Dean has received any information on the same, he should forward to my attention.

   We brought this issue to the Receiver's attention on May 10th and in subsequent email. We provided all information we have on the data breach, including a summary from Mr. Dean's IT consultant. The Receiver advised that he has worked with Rackspace before and would follow up with Rackspace. We had no other information to provide.

   The Receiver then inquired as to whether DDIA had insurance coverage that might cover a data loss. We advised that DDIA does not have insurance that would cover it and, because of this case, the insurance it did have, was cancelled. We have no additional information to provide. This item is up to the Receiver to address or not address as he sees fit. To date, Mr. Dean has received no notice of a class action.

6. **DDIA Insurance Coverage**. Even though the insurance was canceled, can a claim still be made. Your May 16, 2023 email did not state when the insurance was canceled. Please provide the notice of termination and any relevant policies. Also, what assets does DDIA currently have that need to be insured? If there are physical assets, I an reach out to my insurance agency as to coverage.

We advised that DDIA did not have insurance coverage for data loss. The balance of this request is new. We will inquire about the availability of the policy documents beyond those that Mr. Dean has already provided. We will inquire about remaining physical assets that need to be covered as well. This request is also new.

7. **Belize Condo GV-22**. Per the March 14, 2023 Order, Eric Peterson and Peter Riggs accessed Unit 22 to inspect the same. We did not inspect the unit where Mr. Dean has a ¼ interest. Please note with respect to Unit 22, I have been generally paying the HOA and other fees, which covers insurance. I have not been paying electric, but if turned on, we can do the same. We did not do a written inventory, but did take various photos of the unit. To my knowledge, we did not have the locks changed to Unit 22, but I am confirming that with the management company. A new management company just took over, so there has been a period of transition from the old company. It is my intention on filing a motion to reimburse the PGC receivership for monies advance to cover Mr. Dean's X'Tan expenses. For a point of reference, units in Steve Parish's name have been paid from the Steve Parish account, so this would be consistent with same. As a heads up, we may have a potential offer to purchase all of the receivership entities' interests at X'Tan Ha. It is very much in the preliminary stages, so I do not have much more to add at this time, but will keep all parties advised.

   This appears to be in response to our inquiry as to why the locks were changed on Mr. Dean's condo and our request for any inventory list, other documentation or video of the entry into Mr. Dean's condo. We appreciate the follow up and continue to wonder why the attorney and/or real estate agent retained by the Receiver in Belize did not conduct the entry and inspection via Zoom, which would have allowed everyone to view the entry and inventory, created a permanent record and reduced the expenses associated therewith significantly. We will discuss whether Mr. Dean is interested in selling his condo and look forward to future updates from the Receiver.

8. **Dean Living Expenses**. Under the Order, Mr. Dean was to provide by the 10th day of each month a report on actual income and expenses, plus bank statements related to what was then Kanza Bank Account ending 3336 ("Agency Account"). I don't think I have seen that or the new account that took its place. With respect to the living expenses past the time set forth in the Order, I would file a motion seeking approval for the past expense and submit a proposed budget for living expense going forward. I assume you are proposing to fund such budget from the Agency Account (or its successor). If you are seeking non-legal living expense from the funds I have on hand, please confirm. I would rather not have to approve line item by line item as you have set forth in the spreadsheets you sent. I will note that the entries you have highlighted in green, seem to create the biggest areas of concern.

   I am puzzled by this summary. As noted in our May 10th call, our May 26th follow up and in several other calls, Mr. Dean provided (and continued to provide) a summary of his monthly living expenses, as well as a copy of his credit card statements and any other receipts, as requested by the Receiver. We do request that the date for Mr. Dean to provide these items be moved from the 10th of the month to the 20th of the month. Because of the cycle his credit card statements are on, this will make the job of providing this information easier, at it will require only one statement, rather than two or printouts from online access. Please advised of your willingness to move this deadline out to the 20th of the month.

   On our May 10th call and as requested in our May 26th follow, we requested (and the Receiver agreed to provide) a status report on what he shows as outstanding to allow Mr. Dean to be reimbursed for his living expenses. To expedite this process, we confirmed both on our call and in email that Mr. Dean's monthly living expenses remain approximately $10,000 per month. He has only been provided $20,000, which does not come close to covering the approximately $60,000 in expenses he has incurred since all of his assets were frozen. To resolve these issues, on May 10th, we proposed that the remaining $37,000 in the Agency account be turned over to Mr. Dean to cover his expenses for March,

April, May and June. While this amount fell well short of what Mr. Dean has incurred in expenses by a significant amount, it was a reasonable proposal. The Receiver advised that he would provide his position on our proposal by May 12th. We have not received any response to this proposal. As a result, one of Mr. Dean's credit cards in now in collections. We will be filing a motion to address it.

Next, on our May 10th call the Receiver inquired whether Mr. Dean could return to work in the insurance industry. We explained Mr. Dean can return to work in the insurance industry but will require the Receiver to release operating funds for marketing, direct mailings and help in presentations. Without such operating funds, Mr. Dean cannot open his insurance practice. The Receiver agreed to consider this request and provide a response by May 12th. Again, no response has been provided. Please provide a response.

Next as to Bank account statements, Mr. Dean has provided a report pursuant to the January 3, 2023 Order regarding all Life Settlement Accounts in a timely manner. Mr. Dean submitted his report for the months of February and March 2023 on April 14, 2023. Statements for April, May and June 2023, as the Receiver knows, will be limited or nonexistent due to the actions of Kanza Bank.

As the Receiver also knows, Kanza Bank, where the accounts were previously kept, closed the accounts in April due to the filing of this litigation. We have been trying to work with Kanza Bank since April to get the funds released and new accounts opened with Chase Bank. Initially, Kanza closed the accounts and sent the proceeds to the wrong mailing address at our former firm. When we did receive the checks, they were made payable to Bruce Day, individually, for reasons we cannot explain. This served only to create delays and more issues. While Mr. Dean attempted to work with Chase Bank to open the accounts, Chase Bank's fraud department ultimately rejected the checks because of the manner in which they were made payable by Kanza Bank and returned those checks to Mr. Dean, who then had to return them to Kanza Bank to be reissued in the name of the entities owning the funds. Kanza Bank charged Mr. Dean more fees for their error. Kanza Bank then took more than 2 weeks to get the checks reissued and sent out. Even then, two of these checks were not made payable to correct or full entity name and have had to be returned yet again to Kanza Bank to be reissued. As a result of this, there are unlikely to be many bank statements for May or June to be provided. All other available statements have been provided.

9. **Outstanding Required Documents**. I don't believe we have received any of the documents identified on page 7 (paragraphs 1 and 2) of the Unfreeze Order. While that date was extended to May 1, I don't think I have seen them. Additionally, I don't believe we have received any of the required bank statements under the modification order. I have attached both Orders for your reference. As you know, the condition of the payments of fees are conditioned upon compliance with these requests. As you might imagine, there are several emails circulating, so if you previously sent, I apologize and ask that you re-send.

This summary and request also puzzles me. We discussed in April Mr. Dean's inability to provide certain financial information without the assistance of his CPA. We addressed this on our May 10th call, specifically advising that Mr. Dean can only provide current expense related information without the assistance of his CPA. We have repeatedly attempted to resolve this issue since then, to get Mr. Dean's CPA paid and be in a position to provide income and other financial information related to various other entities in which Mr. Dean has an interest, as well as an accounting of proceeds or funds. If Mr. Dean cannot get the CPA's assistance, we cannot provide this information.

The Receiver acknowledged this and agreed to an initial extension so that we could contact the CPA, find out what out was owed and come up with a plan, including whether it was more cost effective to Mr. Dean's current CPA to provide this information or whether the Receiver's CPA would do it. We

have repeatedly requested the Receiver pay Mr. Dean's CPA so this information can be compiled and provided. *No payments to Mr. Dean's CPA have been authorized by the Receiver.*

In addition, and pursuant to the court's order, Mr. Dean has provided: (1) all insurance policies in his possession as requested by the Receiver; (2) all available information related to the Life Settlements as requested by the Receiver and his counsel; (3) Information on all email accounts and email retention, including the request for the Receiver to pay the Microsoft account expenses and information regarding the Rackspace data breach; (4) full cooperation in identifying and having a new administrator in place for the life settlements. Notably, Mr. Dean continues to have to fill this role in many respects and is not being paid for it; and (5) use of proceeds from Mr. Dean's HELOC.

10. **Defense Fees**. Per the procedures, we have submitted the recommendation to the Court for in camera review. I also enclosed a proposed order with the fee recommendations. I have not seen that the Court has entered any of the proposed orders on defense fees, but I believe I have done what is required under the Order. However, I am happy to discuss to see if there is a different procedure the Court would prefer us to use.

    The court signed these orders on June 5th. We have not been paid. Notably, the orders could have been signed earlier but for two issues. First, they were submitted via email, which the court and its staff have repeatedly advised is not the best process for ensuring such documents are seen by the court, and specifically suggested that all such items be hand delivered. Counsel for the Receiver emailed the proposed orders anyway and did not hand deliver them. In addition, the proposed orders had to be signed by the Receiver's Counsel – they were not. Once the Receiver's counsel did sign the proposed orders, the court signed off on those orders within 2 days.

    The orders authorizing payment of defense funds were signed by the court on June 9th. We have not been paid. Since the Receiver controls the account containing the designated Defense Funds, the Receiver must write a check to us as previously discussed.

11. **Receivership Fees**. Subject to compliance with the information requests, I am prepared to make the monthly receivership 80/20 distributions that have not been objected to. However, per the order, those remain subject to compliance with the information request (see above), so we should probably resolve any open items. I have established and funded the Segregated Legal Fund. Also, Crowe was to file its first periodic fee application on April 15, 2023. I don't see that it has been filed. Please advise as to timing of the same.

    See response above. Mr. Dean has provided all information he is able to provide. Unless and until the Receiver approves and releases funds to pay for Mr. Dean's CPA to assist in the gathering of the remaining financial information, Mr. Dean has provided all that he is able to provide. We have repeatedly made this clear since April. If it is the Receiver's position that he will not release funds to allow for the assistance of a CPA in gathering this information, then the requirement should be waived and all outstanding fees should be paid.

    We will file the application for the remaining 20% owed to Crowe & Dunlevy.

12. **Life Settlement Entities**. As referenced at the top of this email, Jim Lodoen has been directly communicating with you on these matters. However, one open item is to get an accounting of the new accounts and to start getting monthly reporting on the same. Let's discuss the best way to facilitate that.

    We have fully cooperated with Mr. Lodoen's requests and inquiries related to all Life Settlement Accounts. With regard to new bank accounts for the entities that are not part of the Receivership estate, as you know, Kanza Bank, where the accounts were previously kept, closed the accounts in

April due to this litigation. We have been trying to work with Kanza Bank since April to get the funds released and new accounts opened. Initially, Kanza closed the accounts and sent the proceeds to the wrong mailing address at our former firm (despite being advised of our move). When we did receive the checks, they were made payable to Bruce Day, individually, for reasons we cannot explain. This served only to create delays and more issues.

While Mr. Dean attempted to work with Chase Bank to open the accounts, Chase Bank's fraud department ultimately rejected the checks because of the manner in which they were made payable by Kanza Bank, returning those checks to Mr. Dean, who then had to return them to Kanza Bank to be reissued in the name of the entities actually owning the funds. Kanza Bank took more than 2 weeks to get the checks reissued and sent out. Even then, two of these checks were not made payable to correct or full entity name and have had to be returned yet again to Kanza Bank to be reissued. As a result of this, there are unlikely to be many bank statements for April, May or June to provide.

As soon as Mr. Dean is able to get the accounts opened, we will provide all account statements as they become available.

13. **Objection to Receivership Fees**. I am in receipt of the email received from Aimee Majoue at approximately 1:11 p.m. today raising objections/questions to certain April fees. I am reviewing the same and will respond with my position. Also, going forward, please be sure to copy Hilary Allen and Elizabeth Lally on any fee issues and continue to copy Jim Lodoen as it relates to life settlement issues.

    We note that the objections to certain April fees were provided on May 30th. As of today, June 21st, we have not received any response. We understand you will review and get back with us. We further understand these fees will not be paid until these issues are resolved.

Please let me know if I missed anything that we need to address. As far as scheduling goes, I have my Chapter 7 meeting of creditors docket tomorrow, but if we could schedule a call for either Thursday or Friday to go through the open issues, I think that could be helpful. Thank you.

Eric

Eric L. Johnson
Receiver

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EXHIBIT 2

Johnson, Eric

From: Johnson, Eric
Sent: Monday, June 26, 2023 7:48 AM
To: Patty Labarthe; Shaun Mullins; Brad Davenport; Tara LaClair; Molly.Tolbert@steptoe-johnson.com; bruce.day@steptoe-johnson.com
Cc: Lodoen, Jim; Allen, Hilary; Lally, Elizabeth
Subject: Premier Global - March 14 Order Compliance and Assessment
Attachments: DEF - Email to Judge Andrews Attachment 3 (Statement of Assets and Liabilities) (1.9.2023).pdf

Counsel:

First, I wanted to again express my gratitude and appreciation for the well wishes that you gave to me and my family last week. It is greatly appreciated and also I appreciate the patience and understanding in responding on various items. I flew back into Kansas City late Saturday night, so I was playing catch up on Sunday.

Second, an issue that has arisen is the payment of fees to defendant Richard Dean's counsel. As you will recall, one of the conditions of such fees being paid was cooperation including the specific items identified in the March 14 Order. The purpose of this email is to provide an assessment of cooperation with respect to each of the information requests, my understanding as to why certain items have not been provided, and a proposed path forward. As I am sure you all would, I would like to get this issue resolved so I and my team can continue to focus on the liquidation of various Premier assets including the various life settlement interests, the home in Derby, and properties in Belize.

I have structured this email to go through each of the required documents and whether Dean is compliance. If not, my understanding as to why not, and proposed course of action. Also, please keep in mind that in many cases we were provided information, etc. in piecemeal fashion via email, which given the volume of emails that I and my team receive in this case makes it very difficult to track compliance. Accordingly, going forward, we will be setting up secure share file for any outstanding document requests, to make measuring compliance a little easier.

1. **Monthly Fee Statements.**
    a. **Deadline: 10th Day of Each Month**
    b. **Compliance:** In Compliance
    c. **Assessment:** Per the Procedures, I am submitting my recommendation to the Court in camera copying the Dean attorneys. Please note that with respect to the Proposed Orders being submitted, they "authorize" but do not direct the payment of fees. As such, it is my position that such orders still remain subject to the March 14 Order and compliance regarding the same, which is addressed below.

2. **First Interim Fee Application**
    a. **Deadline:** April 15, 2023
    b. **Compliance: Not In Compliance**
    c. **Explanation:** No explanation has been provided why the interim fee application has not been timely filed.
    d. **Receiver Assessment:** Filing routine interim fee applications is required under the Order. While no formal extensions have been sought, the Receiver understands this may be an oversight by counsel who may not be familiar with the fee application process. ***Counsel should file their first fee application by June 30, 2023.***

3. **Monthly Dean Income and Expense Report (with Bank Statements)**
    a. **Deadline:** April 10, then the 10th Day of Each Month

b. **Compliance: Not In Compliance**
c. **Explanation:** Dean was to provide a monthly report to all parties (including the Receiver and the Parties). On May 17, 2023, the Receiver received draft reports for March and April of expenses. It is the Receiver's understanding that Dean is not receiving any income at this time. In April, approximately $20,000 was wired to Dean's new account at Chase from Kanza Bank to facilitate the payment of immediate living expenses, which the Receiver understood to be dire in nature. While there has been certain issues with the transfer of funds from Kanza Bank to Mr. Dean's new non-receivership accounts, no bank statements have been received from the Chase Bank Account that would have presumably reflected receipt and payment of the $20,000 in living expenses.
d. **Receiver Assessment:** It does not appear that the actual reports have been provided to all the parties as required. Further, to the extent applicable, the May report would now be past due. ***The May Report should be provided by no later than June 30, 2023 along with all outstanding bank statements that reflect disposition of the $20,000.***

4. **Error and Omission and/or General Liability Polices Held by Dean or any Entity Controlled by Dean**
   a. **Deadline:** Original Deadline March 31, 2023 extended to May 1, 2023
   b. **Compliance:** In Compliance.
   c. **Explanation:** On March 31, 2023, Mr. Dean provided a copy of an insurance policy that relates to errors and omissions and general liability. The Receiver was notified on May 26, 2023 that DDIA may have had an additional policy which was canceled. The Receiver has not been provided what type of policy this was to the extent it would fit within this request.
   d. **Receiver Assessment:** The Receiver requests a copy of the canceled policy and any other insurance policy that Dean or DDIA has in place. Since this may technically not fall or be understood to fall under the original order, the Receiver is requesting such information pursuant to the order requiring additional information from Dean. ***Please provide such policies by no later than July 7, 2023.***

5. **Account and Explanation of the Use of Mr. Dean's Home Equity Line of Creditor for period of March 2022-March 2023:**
   a. **Deadline:** Original Deadline March 31, 2023 extended to May 1, 2023
   b. **Compliance:** In Compliance.
   c. **Explanation:** Mr. Dean provided an accounting on March 31, 2023.
   d. **Receiver Assessment:** Accounting has been received. If the Receiver has additional questions he will follow up with Defendant Dean.

6. **Completed Form DA**
   a. **Deadline:** Original Deadline March 31, 2023 extended to May 1, 2023
   b. **Compliance: Not in Compliance.**
   c. **Explanation:** It is the Receiver's understanding that Dean's position is that he cannot comply with this request without the assistance of his accountant. It is the Receiver's further understanding that Dean's accountant is refusing to do further work for Dean until its back fees are paid in full, which we believe to be approximately $21,615. The Receiver received the invoices related to these fees on or about May 9, 2023. Upon review of the invoice, the bulk of the fees relate to the various life settlement entities. Fees related to Mr. Dean's insurance agency and DDIA appear to total less than $2,000.
   d. **Receiver Assessment:** As implied in his May 30 email, the Receiver is not opposed to paying the back CPA fees if it will ultimately be beneficial to the receivership estate. However, the Receiver asked a series of questions as it relates to the historical payment of such fees, so that the receivership can be assured of not paying more than its fair share. These questions were largely ignored in the June 22 response to the May 30 email. To be clear, with proper court approval and/or consent of the parties, the Receiver is not opposed to paying Dean and DDIA share of the past accountant fees in order to assist on taxes and other financial data. Additionally, to the extent such further information is being provided at the request of the Receiver or in furtherance of the receivership, the Receiver does not have an issue in paying for ongoing work, subject to the fee procedures in the Receivership Order.

Additionally, shortly after entry of the March 14 Order, counsel for Dean inquired whether the attached statement was sufficient for the Form DA because the information is largely redundant. In response, the Receiver directed Dean to fill out the Form DA. In resolution of this requirement, the Receiver proposes that Dean fill out those portions of the Form DA that he does not need the assistance of an accountant and that ***should be completed and provided by no later than July 7, 2023***. In those areas, where he needs the assistance of an accountant he should indicate that on the form or as an addendum to the form. For those areas, where he needs assistance of accountant, the Receiver proposes to give Dean a reasonable amount of time after resolution of the accountant fee issues (not to exceed 30 days after resolution of the accountant fee issues) to supplement the Form DA with such information.

7. **Complete Response to Life Settlement Policies**
    a. Deadline: Original Deadline March 31, 2023 extended to May 1, 2023
    b. Compliance: In Compliance.
    c. Explanation: Dean's counsel has been providing information on a regular basis with respect to the life settlement policies.
    d. Receiver Assessment: The Receiver believes with respect to the life settlement that Dean has largely been compliant with respect to information, etc. If there are outstanding or follow up issues, the Receiver will identify the same.

8. **Identify E-Mail Accounts used by Dean and DDI Investments and any other e-mail accounts used by Dean and DDI Investments along with passwords**
    a. **Deadline:** Original Deadline March 31, 2023 extended to May 1, 2023
    b. **Compliance:** In Compliance.
    c. **Explanation:** Dean provided his main email account on March 31, 2023. Further, on May 10, 2023, Dean provided an email that contained the contact information for Don Laws, who advised Dean on his IT needs. It is the Receiver's further information that Dean or his companies originally hosted information on a Rackspace server and due to a ransomware incident at Rackspace that happened shortly after the formation of the receivership that such data may be lost. This information was not provided to the Receiver until May 10, 2023 even though it appears that Mr. Dean had been aware of it for some time.
    d. **Receiver Assessment:** So long as Dean cooperates and provides any necessary authorizations, the Receiver will reach out to Don Laws at District 24 IT to download and transfer the Microsoft account to the control of the Receiver. Further, the Receiver will reimburse Mr. Dean for the Microsoft Account that has been maintained since the receivership, which we understand is approximately $500 and the ongoing monthly expense of $51.56. We will also want confirmation that other than the accounts associated with the Microsoft Account and Rackspace that Mr. Dean or his businesses have no other email accounts, etc., which we assume we can obtain from Mr. Laws.

9. **Accounting of All Monies Paid by Premier Defendants to Dean or DDI Investment**
    a. **Deadline:** Original Deadline April 10, 2023 extended to May 1, 2023
    b. **Compliance**: **Not in Compliance**
    c. **Explanation:** The Receiver assumes that this information has not been provided due to the issue with the accountant fees.
    d. **Receiver Assessment:** The Receiver proposes to give Dean a reasonable amount of time after resolution of the accountant issues (not to exceed 30 days after resolution of the accountant fee issues) to provide this information.

10. **Cooperation to have New Life Settlement Administrator in Place**
    a. **Deadline:** NA
    b. **Compliance:** In Compliance
    c. **Explanation:** Dean has provided cooperation in identifying potential candidates and speaking with proposed candidates.

[redacted]

d. **Receiver Assessment:** The Receiver believes that while this process has been slow going, that Dean, through his counsel, have largely been cooperating.

11. **Other Inquiries.** I did not include the catch-all category related to follow up inquiries as that is more fluid. However, the Receiver is not aware of any material outstanding requests that are not covered above that are past due on any given deadline.

In recap, there does not appear to be complete compliance with the March 14 Order. If you disagree with my assessment as to compliance and can point to a specific email where the information was provided, please do so. With those remaining open items, the Receiver proposes to the parties that the deadlines be extended as set forth above. Assuming, Dean complies with the June 30 and July 7 deadlines above, that he will release the fees that have been authorized under the June 5 Orders of the Court and the non-objected to Receivership Fees pursuant to the procedures in March 14 Order, i.e., 80/20 payments. Further, to the extent the deadlines based upon the resolution of accountant fee issues are not met, then such paid fees would be subject to disgorgement upon cause shown.

Thank you.

Eric

Eric L. Johnson
Receiver

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Richard D. Dean - Statement of Assets and Liabilities

Assets

Cash & Marketable Securities (1)			
Cash / WL McIntyre LLC Proceeds	$	672,372	
Cash - Dean Dean's Insurance (DDI)		$58,373	Exhibit 1
Cash - Dean Personal Bank Account	$	2,850	
Cash - Dean Personal Bank Account	$	7,904	
Cash - Dean Personal Bank Account	$	7,404	
Cash - Dean Joint Bank Account	$	3,200	
Real Estate / Personal Property			
Primary Residence 4518 Wyvonnes Way Plano, TX 75024	$	688,000	(2)
Investment Property X'Tan Ha Belize Condo Unit: GV-22	$	225,000	(3)
Investment Property X'Tan Ha Belize Condo Unit: GV-14	$	50,181	(4)
Vehicle - 2020 Jeep Gladiator Sport	$	30,826	(5)
Vehicle - 2008 Hummer H2 Base	$	4,000	(6)
Furniture	$	8,000	
Jewelry	$	10,000	
Guns	$	4,000	
Other Personal Property	$	1,500	
Investments			
Retirement Funds (e.g. IRAs, 401k)	$	-0-	
DDI Advisory Group, LLC (DDIA)	$	15,742	Exhibit 2
Settlements of Texas, Inc. (SOT)	$	1,243	Exhibit 3
AAA Management & Benefit, LLC (AAA)	$	1,466	Exhibit 4
Wealth & Retirement Solutions, LLC (WRS)		- -	Exhibit 5
Alternative Indemnity Reinsurance Company, LTD (AIRC-LTD)	$	71,155	
Total Assets	**$**	**1,863,215**	

Liabilities

Current Debt (Credit cards, Accounts)	$	54,000	
Taxes payable	$	70,000	
Primary Residence 4518 Wyvonnes Way Plano, TX 75024	$	245,777	(2)
Investment Property X'Tan Ha Belize Condo Unit: GV-22	$	225,000	(3)
Vehicle - 2020 Jeep Gladiator Sport	$	33,336	(5)
Total Liabilities	**$**	**628,113**	
Net Worth	**$**	**1,235,102**	

Richard D. Dean - Statement of Assets and Liabilities

Footnotes

(1) All the funds in these bank accounts are frozen.

	Net Asset Value	Market Value	Amount Owing	Original Cost	Purchase Date	Monthly Payment	Interest Rate
(2) Primary Residence 4518 Wyvonnes Way Plano, TX 75024 Market Value based on HELOC appraisal in 9/15/2021.	$ 442,223	$ 688,000		$ 285,000	04/01/05		
1st Mortgage - Kanza Bank			$ 155,777	$ 164,000		$ 2,267	2.75%
2nd HELOC - Kanza Bank			$ 90,000	$ 250,000		$ 525	7.00%
(3) Investment Property X'Tan Ha Belize Condo Unit: GV-22	$ -	$ 225,000		$ 229,000	02/19/19		
1st Mortgage - Premier Global Corp/Construction			$ 225,000	$ 229,000		$ 1,670	8.00%
(4) Investment Property X'Tan Ha Belize Condo Unit: GV-14 Unit owned by B,D,& R LLP, Dean owns 25% of LLP.	$ 50,181	$ 50,181	$ -	$ 65,000	09/01/21		

	Net Asset Value	Market Value	Amount Owing	Original Cost	Purchase Date	Monthly Payment	Interest Rate
(5) Vehicle - 2020 Jeep Gladiator Sport VIN: 1C6HJTAG6LL152453 Loan by Credit Union of Texas CarMax Estimated Offer Range: $26,698 - $34,954	$ -	$ 30,826	$ 33,336	$ 46,000	03/26/20	$ 832	
(6) Vehicle - 2008 Hummer H2 Base Not currently running. No license tag. No insurance. CarMax Estimated Offer Range: $2,130 - $6,284	$ 4,000	$ 4,000					

Exhibit 1 - Richard D. Dean - Statement of Assets and Liabilities

Company	**Dean Dean's Insurance & Investment Agency, Inc. (DDI)**
Owned by	Dean
Description	This company sells insurance and annuity products. Dean is licensed in Texas, Kansas, and some other states (some of which have been allowed to lapse).
Assets / Cash	$58,373
Liabilities	$0
Bank Account Balance	$58,373
Bank Account Number	XXXX3336
Bank Name	Kanza
Controlled by	Dean

Exhibit 2 - Richard D. Dean - Statement of Assets and Liabilities

Company	**DDI Advisory Group, LLC (DDIA)**
Owned by	Dean
Description	This company is a 1/3 owner of the Premier Factoring entities, that invested in factored invoices from Premier.

Assets / Cash	$15,742
Liabilities	$0
Bank Account Balance	$15,742
Bank Account Number	XXXX3352
Bank Name	Kanza
Controlled by	Dean

Exhibit 3 - Richard D. Dean - Statement of Assets and Liabilities

Company	**Settlements of Texas, Inc. (SOT)**
Owned by	Dean
Description	This company manages the Life Settlement LLCs.

Assets / Cash	$1,243
Liabilities	$0
Bank Account Balance	$1,243
Bank Account Number	XXXX3301
Bank Name	Kanza
Controlled by	Dean

Exhibit 4 - Richard D. Dean - Statement of Assets and Liabilities

Company	**AAA Management & Benefit, LLC (AAA)**
Owned by	Dean
Description	This company functions as the administrator for certain of the Life Settlement LLCs.

Assets / Cash	$1,466
Liabilities	$0
Bank Account Balance	$1,466
Bank Account Number	XXXX1004
Bank Name	Kanza
Controlled by	Dean

Exhibit 5 - Richard D. Dean - Statement of Assets and Liabilities

Company	**Wealth & Retirement Solutions, LLC (WRS)**
Owned by	DDIA owns 25%
Description	This company has developed a software application that provides forecasting & reporting tools for insurance agents and financial planners. The company is in a development stage and has no revenue.
Assets / Cash Liabilities	Net Worth: ($1,721,984)
Bank Account Balance	$677
Bank Account Number	XXXX3328
Bank Name	Kanza
Controlled by	Dean

[redacted]