

MAR 28 2023

RICK WARREN
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IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

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

**ANSWER OF DEFENDANTS RICHARD DALE DEAN
AND DDI ADVISORY GROUP, LLC**

Defendants Richard Dale Dean and DDI Advisory Group, LLC (“DDI”), (collectively “the Dean Defendants”), for their Answer to the Petition of Plaintiff Oklahoma Department of Securities *ex rel.* Melanie Hall, Administrator (“the ODS”), deny every allegation therein except as specifically herein admitted. For further answer, the Dean Defendants state:

THE PREMIER STORY

1. The Dean Defendants deny the allegations in Paragraph 1. The Dean Defendants further deny that Mr. Dean controlled Premier Global Corporation; Premier Factoring LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC; PF-7, LLC; or Premier Marketing Management, which were at all times relevant hereto under the control of Steve Parish or Joshua Dane Owen.¹

¹ Premier Factoring LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC; PF-7, LLC, are collectively referred to in this Answer as “the Premier Factoring Entities.” The Dean Defendants object to the Petition’s grouping of Premier Global Corporation (“Premier Global”) or Premier Marketing Management (“Premier Marketing”) with the Premier Factoring Entities because those entities do not have identical ownership. The Petition’s group pleading, and particularly the Petition’s references to “Premier” or the “Premier Defendants” as including multiple parties that do not have identical ownership, are confusing, prejudicial, and likely to mislead, and make the crafting of responses unduly burdensome.

2. The Dean Defendants admit that the Premier Factoring Entities, as defined in fn.1, were involved in the offer and sale of Promissory Notes to investors. The Dean Defendants deny that the Dean Defendants or the Premier Factoring Entities were involved in the offer and sale of Transferee Agreements to investors. The Dean Defendants admit that Premier Global, by and through Steve Parish, represented to the Dean Defendants, and others, that Premier Global (1) ran a successful factoring business, (2) used investor funds to finance its factoring business, and (3) the proceeds returned to investors by Premier Global represented revenue from its factoring business. The Dean Defendants further admit that, in connection with the offer and sale of promissory notes, potential lenders were specifically informed that their subscription would be used by the issuing entity to acquire factored invoices and to pay expenses of the issuing entity, including principal and interest due to lenders for the promissory notes. The Dean Defendants further admit that lenders were promised interest payments under the promissory notes. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 2 and therefore deny them.

3. Because the allegations of Paragraph 3 are entirely general and not limited to any securities allegedly sold by any Defendant it is impossible to understand or to respond substantively to the allegations. The Dean Defendants therefore state that they are without sufficient information to admit or deny the truth of the allegations in Paragraph 3 and deny them.

4. The Dean Defendants admit that the Promissory Notes provide that lenders would receive annual interest payments equal to 10% of their subscription amount. The Dean Defendants further admit that potential lenders were specifically informed that their subscription would be used by the issuing entity to acquire factored invoices and to pay expenses of the issuing entity, including principal and interest due to lenders for the promissory notes. The Dean Defendants

specifically deny that they participated in a Ponzi Scheme. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 4 and therefore deny them.

5. The Dean Defendants deny that they have misappropriated any investor funds in any fashion. The Dean Defendants further and specifically deny misappropriating funds through the payment of commissions and/or paying expenses unrelated to the factoring business. The Dean Defendants further deny that they controlled the expenditure or use of funds raised through the sale of Promissory Notes inasmuch as Premier Global and/or Steve Parish controlled, ran, and managed the factoring business, *including all transfers of funds*. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 5 and therefore deny them.

6. The Dean Defendants deny that they participated in a Ponzi Scheme. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 6 and therefore deny them.

7. The Dean Defendants admit that Plaintiff alleges that Defendants have engaged in conduct violating certain Oklahoma statutes but deny that these allegations are correct or will be proved in Court. Because the Dean Defendants deny that they have violated the statutes in question, the Dean Defendants further deny that, unless enjoined and restrained, they will continue violating those statutes.

PENDING LITIGATION

8. The Dean Defendants admit that, on August 11, 2020, Plaintiff issued subpoenas for documents to Premier Factoring Group, LLC, and PF-7, LLC, which subpoenas were served by registered mail on Jeffrey Frazee, the Registered Agent of the companies. The Dean Defendants admit further that, on August 21, 2020, Plaintiff issued subpoenas for documents to Premier

Global, LLC; Premier Factoring, LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC, which subpoenas were personally served on Steve Parish, the Chief Executive Officer of the companies, on August 27 or 28, 2020. The Dean Defendants further admit that Plaintiff filed an application for an order enforcing the subpoenas in Oklahoma County District Court on October 15, 2021. The Dean Defendants deny that they had possession, custody, or control of any documents responsive to the subpoenas and deny further that they were aware that Premier Global and/or Steve Parish were not complying with the subpoena by failing to produce responsive documents in their possession, custody, or control. Upon information and belief, the Dean Defendants admit that Premier Global and/or Steve Parish produced documents relating to its factoring activities to Plaintiff in response to a subpoena but deny that they saw any of the documents produced at that time or that they were copied on the production, which was handled by Steve Parish and counsel. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 8 and therefore deny them.

JURISDICTION

9. The Dean Defendants deny that this action is properly brought as to them. Beyond the foregoing, the Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 9 and therefore deny them.

10. The Dean Defendants deny that they have offered or sold securities in the State of Oklahoma. Nevertheless, the Dean Defendants admit that, due to their business activities, they are subject to personal jurisdiction in this Court and to service of process within this state. Beyond the foregoing, the Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 10 that therefore deny them.

11. The Dean Defendants admit that venue is proper in this county.

DEFENDANTS

PREMIER

12. The Dean Defendants admit that, at all times material hereto, Premier Global was controlled by Steven Parish. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 12 and therefore deny them.

13. Upon information and belief, the Dean Defendants admit that the Premier Factoring Entities are Kansas limited liability companies with their principal place of business in Derby, Kansas, which is the residence of Steve Parish. The Dean Defendants further admit that the Premier Factoring Entities were formed to engage in the business of factoring invoices. The Dean Defendants further admit that the Promissory Notes issued to lenders by the Premier Factoring Entities were not registered under the Act, but deny that registration was required. The Dean Defendants further admit that Premier Global and DDI Advisory Group, LLC, were the limited liability company members of the Premier Factoring Entities, and that the managers of the Premier Factoring Entities were Steve Parish and Mr. Dean. The Dean Defendants deny that Mr. Dean controlled the Premier Factoring Entities inasmuch as Premier Global and/or Steve Parish controlled, ran, and managed the factoring business, including all transfers of funds. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 13 and therefore deny them.

14. The Dean Defendants admit that DDI is a Kansas limited liability company with its principal place of business in Plano, Texas, which is Mr. Dean's residence. The Dean Defendants further admit that, at all times relevant hereto, DDI was controlled by Mr. Dean. The Dean Defendants further admit that, at all times material hereto, DDI was not registered under the Oklahoma Uniform Securities Act of 2004 ("the Act"), but deny that DDI was required to be registered under the Act.

15. The Dean Defendants admit that, at all times material hereto, Steve Parish controlled Premier Global and the Premier Factoring Entities. The Dean Defendants further admit that Steve Parish controlled, ran, and managed the factoring business, including all transfers of funds. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 15 and therefore deny them.

16. The Dean Defendants admit that, at all times material hereto, Mr. Dean was a resident of Texas and controlled DDI. The Dean Defendants deny that Mr. Dean controlled the Premier Factoring Entities, which were at all times controlled and operated by Steve Parish. The Dean Defendants admit that, at all times material hereto, Mr. Dean has not been registered in any capacity under the Act but deny that he was required to be registered under the Act.

17. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 17, all of which pertain to third parties, and therefore deny them.

18. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 18, all of which pertain to third parties, and therefore deny them.

OKLAHOMA SALES AGENTS

19. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 19, all of which pertain to third parties, and therefore deny them.

20. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 20, all of which pertain to third parties, and therefore deny them.

21. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 21, all of which pertain to third parties, and therefore deny them.

22. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 22, all of which pertain to third parties, and therefore deny them.

23. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 23, all of which pertain to third parties, and therefore deny them.

24. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 24, all of which pertain to third parties, and therefore deny them.

25. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 25, all of which pertain to third parties, and therefore deny them.

26. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 26, all of which pertain to third parties, and therefore deny them.

27. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 27, all of which pertain to third parties, and therefore deny them.

28. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 28, all of which pertain to third parties, and therefore deny them.

29. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 29, all of which pertain to third parties, and therefore deny them.

30. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 30, all of which pertain to third parties, and therefore deny them.

CERTAIN DEFENDANTS' DISCIPLINARY HISTORIES

ELKINS

31. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 31, all of which pertain to third parties, and therefore deny them.

32. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 32, all of which pertain to third parties, and therefore deny them.

33. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 33, all of which pertain to third parties, and therefore deny them.

34. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 34, all of which pertain to third parties, and therefore deny them.

35. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 35, all of which pertain to third parties, and therefore deny them.

STANLEY

36. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 36, all of which pertain to third parties, and therefore deny them.

37. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 37, all of which pertain to third parties, and therefore deny them.

38. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 38, all of which pertain to third parties, and therefore deny them.

39. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 39, all of which pertain to third parties, and therefore deny them.

40. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 40, all of which pertain to third parties, and therefore deny them.

41. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 41, all of which pertain to third parties, and therefore deny them.

42. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 42, all of which pertain to third parties, and therefore deny them.

KENT FREEMAN

43. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 43, all of which pertain to third parties, and therefore deny them.

44. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 44, all of which pertain to third parties, and therefore deny them.

45. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 45, all of which pertain to third parties, and therefore deny them.

DEAN

46. The Dean Defendants admit that, in January 2020, without admitting or denying the allegations made by the Kansas Securities Commissioner (“KSC”), Mr. Dean entered into an agreed Consent Order solely for the purpose of settling KSC’s allegations that Mr. Dean had engaged in the sale of unregistered securities and acted as an unregistered agent in violation of the Kansas Uniform Securities Act. The Dean Defendants admit that the KSC alleged that the Woodbridge Mortgage Investment Funds (“Woodbridge”) were a Ponzi Scheme, but that the KSC found that Mr. Dean was not aware that Woodbridge was a Ponzi Scheme. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 46 and therefore deny them.

NATURE OF THE CASE

CONSTRUCTION BILLING AND INVOICE FACTORING

47. The Dean Defendants state that the offering documents are the best evidence of their content and speak for themselves. The Dean Defendants further state that the term “Premier” is ambiguous and confusing because it encompasses numerous entities whose offering documents were not identical. The Dean Defendants admit that Premier Global, by and through Steve Parish, represented to the Dean Defendants and others that Premier Global (1) ran a successful factoring business, (2) used investor funds to finance its factoring business, and (3) the proceeds returned to investors by Premier Global represented revenue from its factoring business. The Dean Defendants further admit that the second sentence of Paragraph 47 accurately quotes from the offering documents of the Premier Factoring Entities.

48. The Dean Defendants state that the term "Premier" in Paragraph 48 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants admit that Premier Global, by and through Steve Parish, held itself out to the Dean Defendants and others to be a factoring entity and that the business of factoring generally is purchasing receivables at a discount and then collecting the full amount to generate profits. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 48 and therefore deny them.

49. The Dean Defendants admit that, to finance the factoring activities of Premier Global, the Premier Factoring Entities raised money through the issuance of Promissory Notes. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 49 and therefore deny them.

THE PROMISSORY NOTES

50. The Dean Defendants state that the term "Premier" in Paragraph 50 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants admit that, in or about 2017, Premier Global and DDI began to form the Premier Factoring Entities as a series of limited liability companies that would each issue promissory notes to lenders to finance the factoring activities of Premier Global. The Dean Defendants further admit that Steve Parish controlled, ran, and managed the factoring business, including all transfers of funds. The Dean Defendants admit that Paragraph 50 generally describes

the terms of the Promissory Notes accurately. Beyond the foregoing, the Dean Defendants deny the allegations in paragraph 50.

51. The Dean Defendants state that the term "Premier" in Paragraph 51 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants deny the allegations in the first sentence of Paragraph 51. As to the second sentence of Paragraph 51, the Dean Defendants admit that the Premier Factoring Entities' offerings of promissory notes relied on an exemption from securities registration requirements. The third sentence of Paragraph 51 purports to be a legal conclusion to which no response is required. The Dean Defendants deny the allegations of the fourth sentence of Paragraph 51.

52. The Dean Defendants state that the term "Premier" in Paragraph 52 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants admit that the private placement memoranda associated with the Promissory Notes provide information regarding Premier Global, Steve Parish, DDI, and Mr. Dean, as well as information regarding the use of investor funds.

53. The Dean Defendants state that the term "Premier" in Paragraph 53 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding

the foregoing, the Dean Defendants admit that the allegations in Paragraph 53 accurately quote from the content of the Private Placement Memoranda prepared in connection with the Promissory Notes. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in the final sentence of Paragraph 53 and therefore deny them.

54. The Dean Defendants admit that the sales agents listed in Paragraph 54 (“the Oklahoma Sales Agents”) offered investors in Oklahoma the opportunity to loan funds to one or more of the Premier Factoring Entities in exchange for Promissory Notes. The Dean Defendants admit that the Oklahoma Sales Agents were not registered under the Act but deny that registration was required. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 54 and therefore deny them.

55. The Dean Defendants deny that sales agents were paid a commission for the sale of Promissory Notes. The Dean Defendants admit that loan servicing representatives entered in the contractor agreements with DDI Advisory under which Premier Global would pay the loan serving representatives a loan servicing fee. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 55 and therefore deny them.

56. The Dean Defendants state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants admit that the Private Placement Memoranda for each of the Premier Factoring Entities contained the quoted statement but deny that the quoted statement is false.

57. The Dean Defendants deny that sales agents were paid a commission for the sale of Promissory Notes. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 57 and therefore deny them.

THE TRANSFEREE AGREEMENTS

58. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 58, all of which pertain to third parties, and therefore deny them.

59. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 59, all of which pertain to third parties, and therefore deny them.

60. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 60, all of which pertain to third parties, and therefore deny them.

61. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 61, all of which pertain to third parties, and therefore deny them.

62. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 62, all of which pertain to third parties, and therefore deny them.

THE ALLEGEDLY FRAUDULENT CONDUCT

A. REVENUE MISREPRESENTATIONS

63. The Dean Defendants deny the allegations in Paragraph 63.

64. The Dean Defendants state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, the Dean Defendants deny the allegations in the first sentence of Paragraph 64. The Dean Defendants admit the allegations in the second and third sentences of Paragraph 64. The Dean Defendants deny the remaining allegations in Paragraph 64.

65. The Dean Defendants state that the term "Premier" is ambiguous and confusing because it encompasses numerous entities whose ownership, control, and purpose were not identical. Notwithstanding the foregoing, because Steve Parish controlled, ran, and managed the factoring business of Premier Global, including all transfers and deposits of funds, the Dean

Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 65 and therefore deny them.

66. The Dean Defendants state that the term "Premier" is ambiguous and confusing because it encompasses numerous entities whose ownership, control, and purpose were not identical. Notwithstanding the foregoing, because Steve Parish controlled, ran, and managed the factoring business of Premier Global, including all transfers and deposits of funds and all accounting, the Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 66 and therefore deny them.

67. Because Steve Parish controlled, ran, and managed the factoring business of Premier Global, including all transfers and deposits of funds and all bookkeeping, the Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 67 and therefore deny them.

B. OKLAHOMA SALES AGENT MISREPRESENTATIONS/OMISSIONS

68. The Dean Defendants admit that promissory notes were offered and sold in Oklahoma through the Oklahoma Sales Agents and that the Oklahoma Sales Agents were not registered under the Act, but deny that registration was required. The Dean Defendants deny that they were participants in a "scheme to evade the securities registration requirements of the Act." The Dean Defendants admit that loan servicing representatives entered into the contractor agreements with DDI Advisory under which Premier Global would pay the loan serving representatives a loan servicing fee. The Dean Defendants deny the remaining allegations in Paragraph 68.

69. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 69 and therefore deny them.

70. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 70 and therefore deny them.

71. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 71 and therefore deny them.

72. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 72 and therefore deny them.

73. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 73 and therefore deny them.

74. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 74 and therefore deny them.

D. EXEMPT OFFERING MISREPRESENTATIONS

75. The allegations of Paragraph 75 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny them.

76. The allegations of Paragraph 76 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny them.

E. UNDISCLOSED TRANSFERS OF SUBSTANTIAL INVESTOR FUNDS

77. The Dean Defendants state that the term "Premier" in Paragraph 77 is ambiguous and confusing because it encompasses numerous entities whose ownership and offering documents were not identical. The Dean Defendants further state that the offering documents are the best evidence of their content and speak for themselves. Notwithstanding the foregoing, because Steve Parish controlled, ran, and managed the factoring business of Premier Global, including all transfers and deposits of funds, the Dean Defendants are without sufficient

information to admit or deny the truth of the allegations in the first and second sentences of Paragraph 77 and therefore deny them. As to the allegations in the third sentence of Paragraph 77, the Dean Defendants deny that investors were not told that the funds raised through the Promissory Notes would not be used for activity that was not attributable to actual invoice factoring. To the contrary, offering documents specifically disclosed in plain terms that funds raised by the Promissory Notes could be used to pay expenses of the issuing entity, including principal and interest due to lenders for the Promissory Notes. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 77 and therefore deny them.

F. INVESTOR MONEY USED TO PAY OTHER INVESTORS

78. The Dean Defendants admit that some funds raised through the issuance of Promissory Notes were used to pay principal and interest due to lenders for the promissory notes as specifically and plainly disclosed in the offering documents. The Dean Defendants deny the remaining allegations of Paragraph 78.

G. TRANSFEREE REPORT MISREPRESENTATIONS

79. The Dean Defendants are without sufficient information to admit or deny the truth of the allegations in Paragraph 79, all of which relate to third parties, and therefore deny them.

H. SUBMISSION OF FABRICATED INVOICES

80. Upon information and belief, the Dean Defendants admit that Premier Global and/or Steve Parish produced documents relating to its factoring activities to the Oklahoma Department of Securities in response to a subpoena and Court order. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 80 and therefore deny them. The Dean Defendants further specifically deny that they controlled any entity that received a subpoena from Plaintiff or any responsive documents.

FIRST CAUSE OF ACTION

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

81. The Dean Defendants incorporate their responses to Paragraphs 1-80 above as if fully stated herein.

82. The allegations of Paragraph 82 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants admit that the Premier Factoring Entities offered and sold Promissory Notes to investors in Oklahoma. The Dean Defendants deny all remaining factual allegations in paragraph 82 and/or are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 82 and therefore deny them.

83. The allegations of Paragraph 83 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants admit that the Promissory Notes were not registered under the Act, but deny that registration was required. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 83 and therefore deny them.

84. The allegations of Paragraph 84 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny them.

SECOND CAUSE OF ACTION

**(Violation of Section 1-402 of the Act:
Offers and Sales of Securities by Unregistered Agents and
Employing Unregistered Agents)**

85. The Dean Defendants incorporate their responses to Paragraphs 1-84 above as if fully stated herein.

86. The Dean Defendants state that the term "Premier Defendants" in Paragraph 86 is ambiguous because it encompasses numerous individuals and entities whose ownership and offering documents were not identical. The allegations of Paragraph 86 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny the allegations. The Dean Defendants are without sufficient information to admit or deny the truth of the remaining allegations in Paragraph 86 and therefore deny them.

87. The allegations of Paragraph 87 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants admit that the Premier Factoring Entities offered and sold Promissory Notes to lenders that were not registered pursuant to the Act, but deny that registration was required. The Dean Defendants are without sufficient information to admit or deny the remaining allegations of Paragraph 87 and therefore deny them.

88. The Dean Defendants admit that Mr. Dean was not registered as an agent pursuant to Section 1-402 of the Act, but deny that registration was required. The Dean Defendants are without sufficient information to admit or deny the remaining allegations of Paragraph 88 and therefore deny them.

89. The Dean Defendants state that the term "Premier Defendants" in Paragraph 89 is ambiguous and confusing because it encompasses numerous individuals and entities whose ownership and offering documents were not identical. The Dean Defendants admit that the Premier Factoring Entities associated with certain sales agents with regard to the offer and sale of the Promissory Notes in Oklahoma. The Dean Defendants deny the remaining allegations in Paragraph 89.

90. The Dean Defendants state that the term “Premier Defendants” in Paragraph 90 is ambiguous and confusing because it encompasses numerous individuals and entities whose ownership and offering documents were not identical. The allegations of Paragraph 90 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny them.

THIRD CAUSE OF ACTION

(Violation of Section 1-501 of the Act: Making and Untrue Statement of Material Fact or Omitting to State a Material Fact)

91. The Dean Defendants incorporate their responses to Paragraphs 1-90 above as if fully stated herein.

92. The allegations of Paragraph 92 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny such allegations.

93. The allegations of Paragraph 93 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny such allegations.

FOURTH CAUSE OF ACTION

(Violation of Section 1-501 of the Act: Engaging in any Act Practice, or Course of Business that Operates or Would Operate as a Fraud or Deceit upon Another Person)

94. The Dean Defendants incorporate their responses to Paragraphs 1-93 above as if fully stated herein.

95. The allegations of Paragraph 95 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny such allegations.

96. The allegations of Paragraph 96 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny such allegations.

FIFTH CAUSE OF ACTION

(Violation of Section 1-505 of the Act: Misleading Filings)

97. The Dean Defendants incorporate their responses to Paragraphs 1-97 above as if fully stated herein.

98. The allegations of Paragraph 98 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, The Dean Defendants deny such allegations.

99. The allegations of Paragraph 99 consist of legal conclusions to which no response is required. To the extent the allegations constitute factual allegations, the Dean Defendants deny such allegations.

AFFIRMATIVE DEFENSES

By asserting the defenses set forth below, the Dean Defendants do not admit that they have the burden of proof and/or the burden of persuasion with respect to any of these matters or that Plaintiff is relieved of its burden to prove each and every element of its claim and the damages, if any, to which it is entitled. As and for its affirmative defenses, the Dean Defendants state as follows:

1. The Petition fails to state a claim for sale of unregistered securities because the Promissory Notes were exempt from registration under Oklahoma law.

2. The Petition fails to state a claim for acting as an unregistered agent because Richard Dean was not subject to registration under Section 1-402.

3. The Petition fails to state a claim for employment of unregistered agents because the agents who offered the Promissory Notes were not subject to registration under Section 1-301.

4. The Petition fails to allege facts demonstrating that Promissory Note Investors are entitled to restitution because Plaintiff does not allege that any investor in the Promissory Notes lost its investment or otherwise did not receive any benefit to which it was entitled under the terms of the Promissory Note.

5. The Petition fails to allege facts demonstrating that the Dean Defendants received any "ill-gotten gains" that must be disgorged.

6. At all times herein, the Dean Defendants acted in good faith and with reasonable reliance upon the representations of third parties.

7. The Dean Defendants did not breach any duty to investors.

8. The Dean Defendants did not misrepresent or omit any material facts in connection with the sale of the Promissory Notes. All offering documents relating to the Promissory Notes specifically disclosed to investors that funds raised by the Premier Factoring entities from the sale of Promissory Notes would be used in their business of acquiring factored invoices and for payment of companies' expenses, including the principal and interest due to lenders for the Promissory Notes.

9. The Dean Defendants did not engage in any conduct in violation of applicable state or federal laws.

WHEREFORE, Defendants Richard Dale Dean and DDI Advisory Group, LLC pray that Plaintiff recover nothing by way of its Petition, that the Court enter judgment in favor of the Dean Defendants and against Plaintiff, and that the Court award Richard Dale Dean and DDI Advisory

Group, LLC their costs, attorneys' fees, and such other and further relief as appropriate under the law and at the discretion of this Court.

Dated: March 28, 2023

Respectfully submitted,



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*Attorneys for Defendants Richard Dale
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CERTIFICATE OF SERVICE

This certifies that on this 28th day of March, 2023, a true and correct copy of the above and foregoing was delivered to:

Patricia A. Labarthe (via E-Mail and First Class Mail)
Shaun Mullins
Oklahoma Department of Securities
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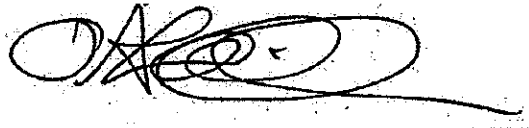
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A handwritten signature in black ink, appearing to read 'Tara A. LaClair', written over a horizontal line.

Tara A. LaClair