

SEP - 6 2024

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

PICK WARREN
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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

**RESPONSE IN OPPOSITION BY DEFENDANTS RICHARD DALE DEAN AND DDI
ADVISORY GROUP, LLC, TO THE RECEIVER’S MOTION FOR ORDER
(1) ESTABLISHING CLAIMS PROCEDURES; (2) SETTING CLAIMS BAR DATE;
AND (3) APPROVING CLAIMS AGENT**

Defendants Richard Dale Dean (“Mr. Dean”) and DDI Advisory Group, LLC (“DDIA”) (collectively “Dean Defendants”) are as anxious as other creditors for a detailed claims procedure to be established that will permit them to achieve justice against the actual bad actors here. But the proposed Claims Procedure put forth by the Receiver in his motion filed August 16, 2024, contains glaring deficiencies that may harm creditors and bias the procedure as well as a failure to include material procedures for certain types of claims. The Dean Defendants object on three main grounds: (A) hiring Stretto as a claims agent is not in the best interests of the investors and creditors; (B) claims against the Dean Defendants should be carved out of the claims procedure; and (C) the claims procedure fails to address adversarial claims, unrelated-claims against the defendants, claims between defendants, and claims that create conflicts for the Receiver’s role. In support of his response in opposition, Mr. Dean would show the Court as follows:

Hiring Stretto as a claims agent is not in the best interest of the investors and creditors.

1. Exhibit D to the Receiver's Motion outlines the Stretto Services Agreement and Rate Sheet. The hourly rates are quoted as between \$70 to \$250 per hour.

2. Stretto is a California-based company, and the Stretto Services Agreement requires New York as the applicable law in a choice of law provision. This conflicts with this Court's exclusive jurisdiction over this matter.

3. The Stretto Services Agreement also contains an arbitration provision with the American Arbitration Association. This also conflicts with this Court's exclusive jurisdiction over this matter.

4. The Receiver has not presented multiple bids for a claims agent. Thus there is no basis for comparison to determine whether Stretto's prices are fair, reasonable, and a responsible use of Receiver assets.

5. The Dean Defendants do not agree that hiring Stretto as a claims agent is in the best interests of the investors and creditors. The resources available to the Receiver are not unlimited, and the Dean Defendants urge the Court to be conservative when approving the Receiver to hire any third party to do a job that should be done by the Receiver or, if it becomes too voluminous, by a third party for less cost and without disclaiming this Court's exclusive jurisdiction over this matter.

Claims against the Dean Defendants should be carved out of the claims procedure.

6. Exhibit A to the Receiver's Motion provides for claims to be filed for assets of all Receivership Defendants, including Mr. Dean and DDIA.

7. The Dean Defendants being named parties does not automatically subject them to claims being filed against them by any process or means dictated by the Receiver.

8. Additionally, the Dean Defendants, although part of the collective “Receivership Defendants” as defined by the Receiver in his Motion, have their own legal counsel. Any claims brought against the Dean Defendants should be brought either independently and outside of the Receiver’s claim procedure *or* the claims procedure should include a carve-out for the Dean Defendants’ counsels’ involvement in any claims filed against the Dean Defendants.

The claims procedure fails to address adversarial claims, unrelated-claims against the defendants, claims between defendants, and claims that create conflicts for the Receiver’s role.

9. The Claims Procedure is lacking an explanation of how the Receiver intends to resolve multiple alternative types of claims.

10. For example, if a credit card company has a claim against a defendant for debt unrelated to the Receivership Entities, the Claims Procedure does not expressly permit or prohibit such claims being filed under the Claims Procedure.

11. And if such claims unrelated to the allegations in the Petition are permitted under the Claims Procedure, then the Claims Procedure is also lacking an explanation of how such claims—if found valid—would be paid. An unrelated-party claim cannot be paid from Defendant Premier’s assets, and the Receiver is no longer in possession of any of the Dean Defendants’ assets.

12. The Claims Procedure is also lacking an explanation on how the Dean Defendants’ claims against Premier and Parish—or any claims by one defendant against another—may be resolved through the procedure. Such claims would put the Receiver in a conflicted position, which was previously raised before this Court on the Dean Defendants’ request to file counterclaims against other defendants in this litigation.

13. Because the Dean Defendants’ claims against Premier and Parish are adversarial claims, the Receiver represented to the Court at the hearing on April 2, 2024, on the Dean Defendants’ Motion for Leave to File Amended Answer and Assert Cross-claims, that the

Receiver's claims procedure would have a process specifically for adversarial claims. Contrary to that representation, the Claims Procedure proposed by the Receiver in his Motion filed on August 16, 2024, lacks any process for adversarial claims.

14. Additionally, the Claims Procedure does not provide the mechanism for dealing with claims in which the Receiver would be called upon to act as a "judge" in evaluating a claimant's causes of action that have not yet been reduced to judgment, which would be the case for the Dean Defendants' claims.

WHEREFORE, because the Claims Procedure put forth by the Receiver is incomplete and insufficient, the Dean Defendants respectfully requests that the Court deny the Receiver's Motion at this time and require the Receiver provide an amended claims procedure that addresses the defects outlined in this response.

Dated this 6th day of September, 2024.

Respectfully submitted,



Tara A. LaClair, OBA #21903
Mary H. Tolbert, OBA #17353
Aimee Majoue, OBA #33563
Steptoe & Johnson, PLLC
210 Park Avenue, Suite 2300
Oklahoma City, OK 73102
Telephone: (405) 930-5151
Facsimile: (405) 212-5843
tara.laclair@steptoe-johnson.com
molly.tolbert@steptoe-johnson.com
aimee.majoue@steptoe-johnson.com

**ATTORNEYS FOR DEFENDANTS RICHARD
DALE DEAN AND DDI ADVISORY GROUP,
LLC**

CERTIFICATE OF SERVICE

This certifies that on this 6th day of September, 2024, 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
204 N. Robinson, Suite 400
Oklahoma City, OK 73102
Attorneys for Plaintiff

Rollin Nash, Jr. (via E-Mail and First Class Mail)
Dennis S. Boxeur
Nash Cohenour & Giessman, P.C.
4101 Perimeter Center Drive, Suite 200
Oklahoma City, OK 73112
*Attorneys for Defendants Elkins & Assocs. Inc.
And Clyde Edward Elkins*

J. Clay Christensen (via E-Mail and First Class Mail)
Jonathan M. Miles
Brock Z. Pittman
Whitney J. Dockrey
Christensen Law Group, P.L.L.C.
The Parkway Building
3401 N.W. 63rd St., Suite 600
Oklahoma City, OK 73116
*Attorneys for Defendants J&H Holdings, LLC,
Kyle Blackburn, Mitzimack, Inc., Erika Greggs,
James Scott Stanley, Edmond Brokerage, Inc.,
Brent Lee Worley, Byron Kent Freeman and
Karen Lynn Freeman*

Hilary Allen (via E-Mail and First Class Mail)
Spencer Fane LLP
9400 North Broadway Extension
Suite 600
Oklahoma City, OK 73114
Attorney for Receiver



Aimee Majoue

2000 0099220122



STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW
210 PARK AVENUE
SUITE 2300
OKLAHOMA CITY, OK 73102



Patricia A. Labarthe
Shaun Mullins
Oklahoma Department of Securities
204 N. Robinson, Suite 400
Oklahoma City, OK 73102