IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

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| Oklahoma Department of Securities *ex re.* Melanie Hall, Administrator, | ) | |
| Plaintiff, | ) | |
| v. | ) | |
| Premier Global Corporation et al. | ) | Case No. CJ-2022-5066<br>Judge Don Andrews |
| Defendants. | ) | Transfer from: Case No. CJ-2024-6121<br>Judge Brent C. Dishman |

**MOTION TO TRANSFER AND**
**REQUEST TO STAY PROCEEDINGS**

Eric L. Johnson (the "Receiver") in his capacity as Receiver for Premier Global Corporation, 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") for his *Motion to Transfer and Request to Stay Proceedings* (the "Motion"). In support of the Motion, the Receiver submits the following:

## BACKGROUND

1. On October 13, 2022, the Oklahoma Department of Securities ("ODS") filed in the District Court for Oklahoma County, Oklahoma its *Petition for Permanent Injunction and Other Relief* ("ODS Petition") in the case styled *Oklahoma Department of Securities ex. Rel. Melanie Hall, Administrator v. Premier Global Corporation, et al.*, Case No. CJ-2022-5066 and pending before the Honorable Don Andrews (the "Receivership Court").

2. In the ODS Petition, ODS alleges, among other things, that the Receivership

Defendants (which include plaintiffs DDIA Advisory Group, LLC ("DDIA") and Richard Dean ("Dean", together with DDIA, the "Dean Defendants")) have in the past created and operated a Ponzi scheme pursuant to which they purported to sell promissory notes and other investment vehicles to investors under fraudulent and false pretenses. Pursuant to the alleged Ponzi scheme, the Receivership Defendants wrongfully obtained funds from investors in excess of $100 million.

3. On October 31, 2022, Judge Andrews entered an order appointing the Receiver (the "Preliminary Order") in the case with the "full power of an equity receiver." A final order appointing receiver was entered on November 21, 2021, which incorporated the provisions of the Preliminary Order (the "Final Order", together with the Preliminary Order, the "Receivership Order"). [Ex. 1- Order dated 10/31/22].

4. The Receivership Order provides, among other things, the following:

> IT IS FURTHER ORDERED that **except by leave of Court during the pendency of this Order, all creditors and persons seeking money, damages, lien enforcement, or other relief from any Receivership Entities** and all others acting on behalf of any such creditor or other persons, including sheriffs, marshals, and other officers and their deputies, and their respective attorneys, servants, agents and employees, **are hereby stayed and restrained from doing any act or thing whatsoever (including the continuation of a pending lawsuit), to interfere with the Receiver or to the possession of or management by the Receiver of the Assets or to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over the Receivership Entities.** This Order shall not stay or restrain any pending or future action by any government agency or representative on behalf of any government with respect to any governmental unit's police or regulatory power.

Preliminary Order at p. 16 (emphasis added). [Ex. 1- Order dated 10/31/22]

5. On February 23, 2023, the Receivership Court entered a Default Judgment against 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, and Steve Parish.

6. On March 15, 2024, ODS filed its *First Amended Petition for Permanent Injunction and Other Relief* (the "Amended ODS Petition").

7. Prior to the Amended ODS Petition being filed, on March 7, 2024, the Dean Defendants filed the *Opposed Motion of Defendants Richard Dean and DDIA Advisory Group LLC for Leave to File Amended Answer and Assert Cross-Claims*. While this motion was rendered moot by the Amended ODS Petition and was never formally granted by the Receivership Court, the Receiver responded to the motion specifically reserving the right to seek dismissal of any cross-claims and stating:

> The stay is important because, among other reasons, any and all claims that are to be made against the Receivership Entities, including Defendants Dean and DDIA's claims against Steve Parish, should be made and handled through an orderly claims process and not via piecemeal litigation. The Receiver agrees that Defendants Dean and DDIA are not waiving any right to file claims against Steve Parish in the claims process by not asserting cross-claims in their Answer to ODS' Amended Petition.

*Receiver's Response to Opposed Motion of Defendants Richard Dean and DDIA For Leave to File Amended Answer and Cross-Claims*, March 22, 2024, at p. 2.

8. Nevertheless, on April 4, 2024, the Dean Defendants proceeded in filing their *Answer of Defendants Richard Dale Dean and DDIA Advisory Group, LLC to Plaintiff's First Amended Petition and Defendant DDI Advisory Group, LLC's Cross-Claim Against Defendant Steve J. Parish.* DDIA asserted a Cross-Claim against Steve Parish alleging breach of fiduciary duty, breach of contract, material misrepresentation, and nondisclosure or concealment (the "Cross-Claim"). In the Cross-Claim, DDIA requested damages in the form of pecuniary losses, attorneys' fees, costs and interest, amongst other harm.

9. On April 29, 2024, ODS filed its *Motion to Strike Cross-Claim of Defendant DDI Advisory Group, LLC* (the "Motion to Strike"). On May 7, 2024, the Receiver filed his *Joinder to Plaintiff's Motion to Strike Cross-Claim of Defendant DDI Advisory Group, LLC* (the "Joinder").

10. On May 21, 2024, the Dean Defendants filed their *Objection to Plaintiff's Motion to Strike Cross-Claim and the Receiver's Joinder to Plaintiff's Motion to Strike Cross-Claim.*

11. On June 4, 2024, after conducting a hearing on the motion, the undersigned Judge entered his *Order Striking Cross-Claim of Defendant DDI Advisory Group, LLC* (the "Strike Order"). The Strike Order granted the Motion to Strike and stated: "The claims asserted in the Cross Claim of DDIA are tolled effective April 4, 2024." [Ex. 2- Order dated 6/4/24]

12. On September 20, 2024, the Dean Defendants initiated and filed a separate action or Petition against Premier and Steve Parish without seeking leave from the Receivership Court, Case No. CJ-2024-6121. [Ex. 3- Petition filed on 9/20/24] The case was assigned to Judge Dishman. The Petition appears to be substantially similar to the struck Cross-Claim although it adds defendant Richard Dean as a plaintiff and Premier Global Corporation as a defendant.

13. Steve Parish's current whereabouts are unknown.[1] There is also no indication that Mr. Parish has been properly served with the Petition filed on 9/20/24. The affidavit of service filed indicates Mr. Parish was served by providing the summons packet to the Receiver's law firm, Spencer Fane LLP.

14. The Receivership Order provides that:

> The Receiver is given directions and authority to accomplish the following with regard to the Receivership Entities:
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> ***
>
> 20. to institute, prosecute and defend, compromise, adjust, intervene in or become party to such actions or proceedings in any state court, federal court, or United States bankruptcy court as may, in the Receiver's opinion, be necessary or proper for the protection, maintenance, or preservation of the Assets, or the carrying out the terms of this Order, including but not limited to, actions challenging fraudulent or voidable transfers, and likewise to defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings now pending in any court by or against any Receivership Defendant where such prosecution, defense, or other disposition of such actions or proceedings is, in the judgment of the Receiver, advisable or proper for the protection of the Assets and Receivership Estate.

[1] Further, both the residences where Mr. Parish was known to reside have been liquidated.

Receivership Order, p. 7-8.

## BASIS FOR RELIEF

15. The Receivership Court has exclusive jurisdiction over the Receivership Defendants. The Dean Defendants did not seek leave from Receivership Court (or contact the Receiver) prior to filing the Petition. The Petition is in direct violation of the Receivership Court's October 31, 2022, and November 21, 2022, Orders and the stay ordered within the same. Further, the Petition is an end-run around the Strike Order entered by the undersigned Judge on June 4, 2024.

16. The stay in the Receivership proceedings is crucial because, among other reasons, any and all claims that are to be made against the Receivership Entities, including claims against Steve Parish and Premier Global, should be made and handled through an orderly claims process and not via piecemeal litigation.

17. In this respect, on August 16, 2024, the Receiver filed his *Motion for Order (1) Establishing Claims Procedures; (2) Setting Claims Bar Date; and (3) Aprpoving Claims Agent* (the "Claims Procedures Motion"). The Claims Procedures Motion set forth various procedures for parties to make claims against the various receivership entities. **The only objection to the Claims Procedures Motion was by the Dean Defendants, which they filed on September 6, 2024.** The Receiver is finalizing his reply addressing the various issues raised in the Dean Defendants' objection and the matter is set for December 18, 2024, before the undersigned Judge.

18. Further, DDIA is no longer operating, and its assets make up the assets of the DDIA Receivership Estate.[2] Likewise, to the extent the purported claims asserted by Dean existed before October 31, 2022, then such claims would also be a part of his receivership estate. The current

[2] Indeed, there is a question whether Dean or DDIA actually has the authority or standing to file this Petition. Accordingly, the Receiver reserves all rights to raise issues of standing and authority to file any lawsuits or claims.

whereabouts of Steve Parish are unknown, and his assets make up his receivership estate. Similarly, all of Premier Global' s assets make up its receivership estate. Thus, in addition to being an end-run around the undersigned Judge's orders, it could be surmised that the Petition, like the Cross-Claim before it, is merely a litigation tactic made in order to generate a conflict between the various receivership estates.

19. Of course, any purported conflict would be premature. If the Dean Defendants are found culpable for the underlying action in the ODS Amended Petition, it would be difficult to perceive a scenario where it would make sense for them to maintain claims against the Parish or Premier Global estates. For example, any distributions to the DDIA estate, would then presumably be distributed to the same ultimate parties as the Steve Parish estate through a claim resolution process. In other words, the Petition is premature at best. This is why the stay imposed by the Receivership Order is so vital because it prevents such piecemeal and unnecessary claims from being asserted.

20. In short, the Petition filed on 9/20/24 by the Dean Defendants is seeking a second bite at the apple in disregard of the undersigned Judge's prior orders. If the Dean Defendants did not like the undersigned Judge's decision striking the Cross-Claim, they should have sought reconsideration or interlocutory appeal. Further, since this Petition implicates orders previously issued by the Receivership Court, it should be the undersigned Judge that oversees this litigation and how it proceeds especially since it will potentially require the interpretation of his own Orders. Finally, the undersigned Judge is going to be the most familiar with the parties, underlying facts, and the status of the other proceedings pending before the Court related to the Premier Global receivership case.

26. By this Motion, the Receiver also requests that any deadlines to further respond to the Petition be stayed and/or extended until after the Motion to Transfer has been ruled upon by the Court. If the Motion to Transfer is granted, then the undersigned Judge, Judge Andrews, can set the appropriate deadlines including whether a further responsive pleading will be necessary.

WHEREFORE, the Receiver (a) requests that this action be transferred to the Receivership Court; (b) requests that any deadlines to further respond to the Petition be stayed and/or extended until after the Motion to Transfer has been ruled upon by the Court and (c) requests such other and further relief as the Court deems just and proper.

Respectfully submitted,

SPENCER FANE LLP

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## CERTIFICATE OF SERVICE

I hereby certify that on November 12, 2024, 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.

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Hilary S. Allen

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA



Oklahoma Department of Securities
*ex rel.* Melanie Hall, Administrator,

Plaintiff,

v.

Premier Global Corporation, a Kansas corporation, formerly known as Premier Construction Services, Inc., and doing business as Premier Construction Billing;
Premier Factoring, LLC, a Kansas limited liability company;
PF-2, LLC, a Kansas limited liability company;
PF-3, LLC, a Kansas limited liability company;
PF-4, LLC, a Kansas limited liability company;
PF-5, LLC, a Kansas limited liability company;
PF-6, LLC, a Kansas limited liability company;
PF-7, LLC, a Kansas limited liability company;
DDI Advisory Group, LLC, a Kansas limited liability company;
Steve Jonathan Parish, an individual;
Richard Dale Dean, an individual;
Premier Marketing Management, a Kansas corporation;
Joshua Dane Owen, an individual;
J&H Holdings, LLC, a cancelled Oklahoma limited liability company;
Kyle Blackburn, an individual;
Mitzimack, Inc., an Oklahoma corporation;
Erika Greggs, an individual;
Elkins & Associates Inc., an Oklahoma corporation
Clyde Edward Elkins, an individual;
James Scott Stanley, an individual;
Edmond Brokerage, Inc. an Oklahoma corporation
Brent Lee Worley, an individual;
Byron Kent Freeman, an individual;
Karen Lynne Freeman, an individual; and
Jay Michael Bogdahn, an individual,

Defendants.

Case No. CJ-2022-5066
Judge Don Andrews

EXHIBIT
1

**ORDER APPOINTING RECEIVER**

On this 31st day of October 2022, this matter came before the undersigned Judge of the District Court in and for Oklahoma County, State of Oklahoma, upon Plaintiff's *Emergency Application for Order Appointing Receiver* ("*Receivership Application*"), filed pursuant to Section 1-603 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2022).

On October 14, 2022, the Court entered an order freezing the assets of certain Defendants identified in the order as the Premier Defendants (the "Asset Freeze Order"). The frozen assets include, but are not limited to, funds and securities located in any bank or other deposit or financial institution or securities brokerage firm, and properties, real and personal, tangible and intangible, of whatever kind and description, and wherever situated, held by or under the direct or indirect control of the Premier Defendants, whether held in the name of the Premier Defendants or for the direct or indirect beneficial interest of any Premier Defendant, in whatever form such assets may presently exist (the "Assets").

It appears to this Court from the facts alleged in Plaintiff's *Receivership Application* that Plaintiff is entitled to the relief requested. It further appears that there is a justifiable basis to believe that the following Defendants: Premier Global Corporation (formerly known as Premier Construction Services, Inc. and doing business as Premier Construction Billing); Premier Factoring, LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC; PF-7, LLC; DDI Advisory Group, LLC; Steve Jonathan Parish; and Richard Dale Dean (the "Receivership Defendants") have violated the securities registration, securities professionals registration, and anti-fraud provisions of the Act, that a clear threat of immediate and irreparable injury and harm to Plaintiff and investors exists, and a danger exists that the Receivership Defendants will dissipate their assets to the detriment of Plaintiff and investors.

The Court finds, based on the record in these proceedings, that the appointment of a receiver in this action is necessary and appropriate for the purposes of marshaling and preserving all assets owned, controlled, managed, or possessed by the Receivership Defendants, and that Lawyers Title of Nevada, Inc., be allowed to close the pending sale of the real property at 4575 Dean Martin Drive #2400, Las Vegas, Nevada 89103.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Eric L. Johnson be appointed as Receiver for the Receivership Defendants and Receivership Entities ("Receiver") with the full power of an equity receiver. For purposes of this Order, "Receivership Entities" means (1) the Receivership Defendants and (2) any other entity that has conducted any business related to the Receivership Defendants' businesses including receipt of Assets derived from any activity that is the subject of the Plaintiff's *Petition for Permanent Injunction and Other Relief* ("Petition") filed in this matter on October 13, 2022, and that the Receiver determines is controlled or owned by any Receivership Defendant. The Receiver is given directions and authority to accomplish the following with regard to the Receivership Entities:

1. to take exclusive and immediate custody, possession and control of any and all Assets, as well as any records or documents relating in any way to the Assets, wherever situated;

2. to assume full control of Receivership Entities by removing, as the Receiver deems necessary or advisable, any director, officer, manager, managing member, independent contractor, employee, attorney, or agent of any Receivership Entity from control of, management of, or participation in, the affairs of the Receivership Entity;

3. to manage the business activities of the Receivership Entities, their affiliates, subsidiaries, and any related entities subject to the provisions set forth herein related to the suspension of business activities;

4. to suspend business operations of the Receivership Entities if in the judgment of the Receiver such operations cannot be reasonably continued legally and profitably;

5. to conserve, hold and protect the Assets, pending further action by this Court. The Receiver shall assume control over the income and profits therefrom and all sums of money now or hereafter due or owing to the Receivership Entities. The Receiver shall have full power to sue for, collect, and receive, all Assets of the Receivership Entities and of other persons or entities whose interests are now under the Receivership Estate;

6. to use, sell, or lease property other than in the ordinary course of business pursuant to the provisions of this Order or subsequent orders of this Court, and to execute in a Receivership Entity's stead such documents, conveyances, and Debtor consents as may be required in connection therewith;

7. to obtain, conserve, hold, manage, and prevent the loss of all electronical stored information ("ESI"), business records, and other documents of the Receivership Entities (the "Documents"), and perform all acts necessary or advisable to preserve such Documents; provided, all such forgoing acts are subject to the resources and funding available to the Receiver and/or any limitation thereof. The Receiver shall: divert mail; preserve all Documents of the Receivership Entities that are accessible via electronic means (such as online access to financial accounts and access to electronic

documents held onsite or by Electronic Data Hosts) by changing usernames, passwords or other log-in credentials; take possession of all electronic documents of the Receivership Entities stored onsite or remotely; take whatever steps necessary to preserve all such documents;

8. to retain or dismiss any employee or independent contractor of the Receivership Entities as may be advisable or necessary, including any individual Receivership Defendant, from control of, management of, or participation in the affairs of, or from the premises of each Receivership Entity;

9. to receive and collect any and all sums of money due or owing to the Receivership Entities whether the same are due or shall hereinafter become due and payable; and to make such payments and disbursements as may be necessary and advisable for the preservation of the Assets and as may be necessary and advisable in discharging his duties as Receiver;

10. to enter into and cancel contracts and purchase insurance as advisable or necessary;

11. entering into, modifying, or canceling contracts affecting any part or all of the Receivership Estate, including, without limitation, employment contracts, independent contractor agreements, leases, service agreements, and insurance contracts, as advisable or necessary;

12. to take all steps necessary to secure and take exclusive custody of each location from which the Receivership Entities operate their businesses. Such steps may include, but are not limited to, any of the following, as the Receiver deems necessary or advisable: (1) securing the location by changing the locks and alarm codes and

disconnecting any internet access or other means of access to the computers, servers, internal networks, or other records maintained at that location; and (2) requiring any persons present at the location to leave the premises, to provide the Receiver with proof of identification, and/or to demonstrate to the satisfaction of the Receiver that such persons are not removing from the premises documents or Assets of the Receivership Entities. Law enforcement personnel, including, but not limited to, police or sheriffs, may assist the Receiver in implementing these provisions in order to keep the peace and maintain security;

13. to apply for, obtain, and pay any reasonable fees for lawful license, permit or other governmental approval relating to the Receivership Entities and the Receivership Estate;

14. to confirm the existence of and, to the extent permitted by law, to exercise the privileges of any existing license or permit; and doing all things necessary to protect and maintain such licenses, permits and approvals, subject to the further provisions of this Order;

15. to take all steps necessary to prevent the modification, destruction, or erasure of any web page or website registered to and operated, in whole or in part, by any Receivership Entities, and to provide access to all such web page or websites to Plaintiff's representatives, agents, and assistants, as well as Receivership Defendants and their representatives;

16. to retain and employ attorneys, accountants, computer consultants and other persons as may be advisable or necessary to exercise the duties of the Receiver. The Receiver may immediately retain or employ such persons, and compensate such

persons, all subject to application to and approval by the Court as set forth in this Order; provided, however, Receiver's retention of the law firm, Spencer Fane LLP, is hereby approved by the Court and no further employment application is required;

17. to take custody of and to open and inspect any and all mail, electronic mail or deliveries addressed to any Receivership Entity to determine if same relate to the existence, location, identity, collection, preservation, maintenance or operation of the Assets, and to notify the United States Postal Service to effect the forward delivery of any mail addressed to any Receivership Entity to a mail depository under the control of the Receiver;

18. to open one or more bank accounts at designated depositories for funds of the Receivership Entities. The Receiver shall deposit all funds of the Receivership Entities in such designated accounts and shall make all payments and disbursements from the Receivership Estate from such accounts;

19. to maintain accurate records of all receipts and expenditures incurred as Receiver;

20. to institute, prosecute and defend, compromise, adjust, intervene in or become party to such actions or proceedings in any state court, federal court, or United States bankruptcy court as may, in the Receiver's opinion, be necessary or proper for the protection, maintenance, or preservation of the Assets, or the carrying out of the terms of this Order, including but not limited to, actions challenging fraudulent or voidable transfers, and likewise to defend, compromise, adjust, or otherwise dispose of any or all actions or proceedings now pending in any court by or against any Receivership Defendant where such prosecution, defense, or other disposition of such

actions or proceedings is, in the judgment of the Receiver, advisable or proper for the protection of the Assets and Receivership Estate;

21. to issue subpoenas to obtain Documents and other records pertaining to the Receivership Entities, and conduct discovery in this action on behalf of the Receivership Estate;

22. to cooperate with reasonable requests for information or assistance from any state or federal civil or criminal law enforcement agency;

23. to allow the Plaintiff's representatives, agents, and assistants, as well as Defendants' representatives and Defendants themselves, reasonable access to the premises of the Receivership Entities, or any other premises where the Receivership Entities conduct business. The purpose of this access shall be to inspect and copy any and all books, records, documents, accounts, and other property owned by, or in the possession of, the Receivership Entities or their agents. The Receiver shall have the discretion to determine the time, manner, and reasonable conditions of such access. Plaintiff's or Defendants' access to the Receivership Entities' documents pursuant to this Section shall not provide grounds for any party to object to any subsequent request for documents;

24. to allow the Plaintiff's representatives, agents, and assistants, as well as Defendants and their representatives reasonable access to all non-privileged documents in the possession custody, or control of the Receivership Entities;

25. to waive or assert on behalf of the Receivership Entities the attorney client privilege or any other applicable privilege;

26. to initiate or commence a proceeding under title 11 of the United States Code including the filing of any bankruptcy petitions for any of the Receivership Entities in order to protect and preserve the assets, and pursue any claims and causes of action, of any of the Receivership Entities and to act as management and Debtor in Possession of any of the Receivership Entities so filed by the Receiver, and to appear and be heard in any bankruptcy proceeding of any of the Receivership Defendants not filed by the Receiver;

27. to initiate or commence an ancillary receivership if the Receiver in his business judgment deems such ancillary proceeding necessary and appropriate to effectively carry out the provisions of this Order;

28. to serve as necessary and appropriate as Receiver in any ancillary receivership ordered by a court of any other jurisdiction or as trustee in any bankruptcy proceeding relating to any Receivership Defendant;

29. to use Receivership Entities' tax identification numbers and any other similar numbers used by Receivership Entities with the state, local, and federal taxing authorities for the preservation, protection, maintenance, operation, management, and control of the Assets and Receivership Entities;

30. to (1) execute and file any required federal, state, and local tax return on behalf of the non-individual Receivership Entities; and (2) to take all necessary and prudent steps to terminate any 401(k) plan held by the non-individual Receivership Entities. The Receivership Estate shall bear the expense for the preparation and filing of all required documents including, with limitation, tax returns, for the Receivership

Estate to maintain compliance with all applicable deadlines and avoid liens, interest, and penalties from being established against the assets of the Receivership Estate;

31. to prepare reports regarding the administration and/or finances of the Receivership Estate when so requested by Plaintiff or when otherwise ordered by this Court; and

32. to exercise all those powers necessary to implement or incidental to the specific powers, directions, and general authorizations set out in this Order, other orders and directives of this Court and/or any other applicable law, and further may take actions relating to the Receivership Entities and the Receivership Estate beyond the scope contemplated by the provisions set forth in this Order; provided, however, that the Receiver must obtain prior approval from this Court for any actions beyond scope contemplated herein unless such action is on an emergency basis and is necessary to prevent the irreparable harm to the Assets and Receivership Estate.

IT IS FURTHER ORDERED that the Receiver shall be empowered to serve as the sole and exclusive "Manager", "Managing Member", and "Representative" (or corporate equivalent of such roles) of each of the Receivership Entities and the Receivership Estate, and shall be authorized to take any action necessary to perform its duties in such roles including, without limitation, executing any required titles, bills of sale, or similar documents.

IT IS FURTHER ORDERED that the Receiver shall have no duty to remediate any environmental issue with respect to any real property that is part of or under control of the Receivership Estate and shall be held harmless by the Receivership Entities with respect to such issues.

IT IS FURTHER ORDERED that if the Receiver identifies a nonparty entity as a Receivership Entity, the Receiver will promptly notify the entity as well as the parties and inform the entity that it can challenge the Receiver's determination by filing a motion with the Court. Provided, however, that the Receiver may delay providing such notice until the Receiver has established control of the nonparty entity and its assets and records, if the Receiver determines that notice to the entity or the parties before the Receiver establishes control over the entity may result in the destruction of records, dissipation of assets, or any other obstruction of the Receiver's control of the entity.

IT IS FURTHER ORDERED that this Receivership Order shall not apply to, and shall in no way affect, those specific financial institution accounts created pursuant to any "Transferee Agreement" as described in the Petition filed in this matter on October 13, 2022.

IT IS FURTHER ORDERED that the Receiver is hereby authorized, without breaching the peace, to enter and secure any premises, wherever located or situated, in order to take possession, custody or control of, or to identify the location or existence of, any Assets or to carry out the terms of this Order and to seek the Assets through any appropriate judicial process.

IT IS FURTHER ORDERED that, subject to the compensation procedures set forth herein, the Receiver and his professionals may apply to this Court for compensation, from time to time, in a reasonable sum to be determined by the Court and from such sources as approved by the Court and for reimbursement of reasonable expenses incurred in connection with his duties as Receiver. The Receiver's hourly fee shall be billed at the rate of $500 per hour, which rate shall be subject to an automatic five percent (5%) increase on January 1, 2024 and every twelve months thereafter. Spencer Fane LLP's rates shall be billed at their usual and customary rates; provided however, there will be a rate cap of $500, which cap shall be subject to an automatic five percent (5%) increase on January 1, 2024 and every twelve months thereafter. The fees and expenses of the Receiver and the Receiver's retained professionals shall have priority over any other claims made against the Receivership Defendants. The Receiver shall not be required to post a bond. The Oklahoma Department of Securities shall have the authority to seek removal of the Receiver for cause and upon approval of this Court.

IT IS FURTHER ORDERED that the following compensation procedures shall be utilized for the payment of Receiver's fees and expenses, and the fees and expenses to persons whose employment is or has been approved by this Court (individually, an "Applicant," collectively "Applicants"):

1. Applicants may provide monthly fee and expense statements, subject to necessary redaction for information covered by attorney client, work product, or other applicable privilege, to the Plaintiff and other parties to this action (the "Reviewing Parties");
2. If none of the Reviewing Parties object in writing within 10 days of service of the statements, the Applicant's fees and expenses are authorized be paid on a monthly basis on the following terms:
    a. 100% percent of an Applicant's fees are authorized to be paid on a monthly basis and, subject to the 20% Holdback (as defined below), the Applicant may apply said amount to outstanding invoices for services; provided however, that such Applicant shall retain 20% of said monthly fee in an attorney's trust account (the "20% Holdback") pending further order of this Court.

b. In the event an Applicant is not an attorney or does not otherwise have an attorney trust account (a "Non-attorney Applicant"): (i) the Receiver is authorized to pay 80% percent of the Non-attorney Applicant's fees for services rendered to the Receiver; (ii) Such Non-attorney Applicant may apply said amount to outstanding invoices for services; and (iii) Receiver shall establish a segregated account and pay the remaining 20% Holdback otherwise payable to the Non-attorney Applicant into the segregated account pending further order of this Court.

c. In the event there is an objection to a monthly fee or expense statement, the Receiver is authorized pursuant to the procedures set forth herein to pay the non-objectable fees or expenses. Objections to fees shall be particular to the time entry or entries for which an objection is made, and for each, the basis for the objection. General objections to fees shall not prevent the payment under the compensation terms set forth herein, and may be raised, if and as appropriate, in response to an application for approval of fees and expenses.

d. Applicants' expenses shall be reimbursed in full on a monthly basis, subject to disgorgement if disallowed at the time an Applicant's periodic fee application is made herein.

e. Applicants shall file periodic fee applications at approximately 120-day intervals with the first such periodic fee application due on February 15, 2024 and every 120 days thereafter unless modified by Court Order. Upon approval of the periodic fee application, Applicants may receive and then apply the 20% Holdback to outstanding invoices for post-petition services rendered to the Receiver.

f. Failure to timely object to a monthly fee or expense statement does not waive any objection to a periodic fee application. Each Applicant, by accepting payment hereunder, acknowledges that any order authorizing payment of fees and reimbursement of expenses under the conditions set out herein or any others imposed by this Court, shall not constitute a waiver by the Plaintiff, or any other party in interest of any right to comment or to make objection to any fees or expenses for which Court approval is sought by Applicant.

g. Notwithstanding the procedures set forth herein, the Receiver is authorized, *but not directed*, to pay fees and expenses, if, in his judgment and taking into account the need to maintain adequate and necessary reserves, he determines there are insufficient funds to immediately pay an Applicant's fees and expenses.

h. The costs of those person(s) or firm(s) retained by the Receiver that are necessary to collect, manage, maintain, improve, process, sell, or lease real or personal property including, without limitation, sale/leasing agents or brokers, property managers, security firms, computer consultants, and maintenance firms, shall not be subject to these compensation procedures and the fees and expenses of such person(s) or firm(s) shall be paid out of the Receivership Estate pursuant to any agreement or contract with such entity so long as the fees charged for such services are usual and customary.

IT IS FURTHER ORDERED that all persons and entities, their subsidiaries, affiliates, officers, directors, agents, servants, employees, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, and further including any banks or financial institutions, wherever chartered or located who receive actual notice of this Order, by personal service, electronic communication or otherwise, shall promptly deliver and surrender to the Receiver:

1. all Assets in the possession of or under the control of any one or more of them;
2. all books and records of any kind that relate to the Assets; and
3. all items and information necessary to access the Assets and books and records including, but not limited to, addresses, keys, vehicle identification numbers, passwords, and security codes.

IT IS FURTHER ORDERED that Lawyers Title of Nevada be allowed to complete the closing of the sale of the real property located at 4575 Dean Martin Drive, #2400, Las Vegas, Nevada 89103 and to remit the net proceeds of the sale directly to the Bank of America account ending in #### #### 7271.

IT IS FURTHER ORDERED that all persons and entities, their subsidiaries, affiliates, officers, directors, agents, servants, employees, attorneys, and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, and further including any banks or financial institutions, wherever chartered or located, who receive actual notice of this Order, by personal service, electronic communication or otherwise, fully cooperate with and assist the Receiver and that they take no action, directly or indirectly, to hinder or obstruct the Receiver in the conduct of his duties or to interfere in any manner, directly or indirectly, with the custody, possession or control exercised by said Receiver.

IT IS FURTHER ORDERED that, except by leave of Court during the pendency of this Order, all creditors and other persons seeking money, damages, lien enforcement, or other relief from any Receivership Entity, and all others acting on behalf of any such creditor or other persons, including sheriffs, marshals, and other officers and their deputies, and their respective attorneys, servants, agents, and employees, are hereby stayed and restrained from doing any act or thing whatsoever (including the continuation of a pending lawsuit), to interfere with the Receiver or to the possession of or management by the Receiver of the Assets or to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over the Receivership Entities. This Order shall not stay or restrain any pending or future action whatsoever by any government agency or any representative on behalf of any government with respect to such governmental unit's police or regulatory power.

IT IS FURTHER ORDERED that no bank, savings and loan association, other financial institution, or any other person or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without permission of this Court upon notice and a hearing initiated by such entity.

IT IS FURTHER ORDERED that a public utility providing service to property included in or under the control of the Receivership Estate may not alter, refuse, or discontinue service to such property without first giving the Receiver fourteen (14) days' notice, or such other notice as may be required by the rules of the public service commission for a customer of that class, of any default or intention to alter, refuse, or discontinue service to the property. Nothing in this Order prohibits the Court, upon motion by the Receiver, to prohibit the alteration or cessation of utility service if the Receiver can furnish adequate assurance of payment in the form of deposit or other security for service to be provided after entry of this Order.

IT IS FURTHER ORDERED that the Receivership Defendants and Receiver allow representatives of the Oklahoma Department of Securities access to any and all non-privileged documents relating to the offers and sales of the Promissory Notes and Transferee Agreements described in the Petition and/or evidence of the offers and sales of any other securities by the Receivership Defendants, their subsidiaries, officers, directors, agents, servants, employees, assigns, attorneys and all persons acting on their behalf, under their direction and control, and/or in active concert or participation with them, including, but not limited to, books, records, tapes, discs, accounting data, checks, correspondence, forms, advertisements, brochures, manuals, electronically stored data, bank records, customer and investor lists, customer and investor files, telephone records, ledgers, payroll records, and any such information stored in computer maintained form.

IT IS FURTHER ORDERED that the Receiver shall solely be the agent of the Court in acting as receiver under this Order and no person or entity shall file suit against the Receiver, or take other action against the Receiver, without an order of this Court permitting the suit or action; <u>provided, however,</u> that no prior court order is required to file a motion in this action to enforce the provisions of this Order or any other order of this Court in this action. The Receiver, the Receiver's professionals and their agents (i) may rely on any and all outstanding court orders, judgments, decrees, and rules of law, and shall not be liable to anyone for their own good faith compliance with any such order, judgment, decree, or rule of law; (ii) may rely on, and shall be protected in any action upon, any resolution, certificate, statement, opinion, report, notice, consent, or other documents believed by them to be genuine and to have been signed or presented by the proper parties; (iii) shall have judicial immunity and shall not be liable to anyone for their good faith compliance with their duties and responsibilities as a Receiver, or employees, agents, and professionals for the Receiver; (iv) shall not be liable to anyone for their acts or omissions, unless such acts or omissions were outside the scope of their duties or were grossly negligent or constitute malfeasance. Except for acts or omissions that were outside the scope of the duties of the Receiver, the Receiver's attorneys, or their agents, or that were grossly negligent or constitute malfeasance, persons dealing with the Receiver shall only look to the receivership assets to satisfy any liability, and neither the Receiver nor his professional or his agents shall have any personal liability to satisfy such obligations. This Court shall have exclusive jurisdiction over any claims against the Receiver for any act or conduct performed in connection with the Receiver's appointment.

IT IS FURTHER ORDERED the Receiver, and the Receiver's employees, agents, and professionals shall have no personal liability, and they shall have no claim asserted against them relating to the Receiver's duties under this Order, without prior authority from this Court as stated in the previous paragraph above. The Receiver, and his employees, agents, and all professionals and management companies retained by the Receiver shall not be liable for any obligation of Receivership Entities that arose prior to the entry of this Order (or upon being designated a Receivership Entity) including, without limitation, any contingent or unliquidated obligations, taxes of any kind, assessments, utility charges, or goods or services provided to the Receivership Entity, nor shall the Receiver be obligated to advance any funds to pay any expense of maintenance or other liability of the Receivership Entities.

IT IS FURTHER ORDERED that the Court shall retain jurisdiction over this matter and Receivership Defendants for all purposes; provided, however, that nothing in this Order is intended to nor shall it be deemed to encroach or impair the jurisdiction of a court of competent jurisdiction to administer any ancillary proceedings initiated by the Plaintiff or the Receiver in furtherance of the Receiver's duties under this Order.

IT IS FURTHER ORDERED the Court may amend or modify this Order as the Court deems appropriate. During the pendency of this action the Receiver shall have the right to apply to this Court for further instructions or directions. Further, this Order is without prejudice to (a) Plaintiff, the Receiver or any other party in interest, during the pendency of this action, seeking modification of this Order including, without limitation, the shortening or expanding any of the time frames specified herein or the expansion, modification, or limitation of the Receiver's powers, authorities and duties as set forth in this Order or by applicable law; or (b) any party opposing such modification. To the extent that a party seeks to modify this Order, such party must provide reasonable notice to Plaintiff, Receivership Defendants, and the Receiver. The Party seeking modification shall have the burden of proof with respect to the same.

IT IS FURTHER ORDERED that a certified copy of this Order shall be proof of the Receiver's authority hereunder.

IT IS FURTHER ORDERED that a hearing is hereby set at 1:30 p.m. on the 16th day of November, 2022, before the Honorable Don Andrews of the Oklahoma County District Court, Oklahoma County Courthouse, Oklahoma City, Oklahoma, at which time any Receivership Defendant may seek the dissolution of this Order Appointing Receiver as to such Receivership Defendant. This Order will remain in effect until modified by further order of this Court.

THIS ORDER IS ENTERED this 31st day of October,

2022, at 11:25 A.m.

DISTRICT COURT JUDGE

APPROVED AS TO FORM:

Patricia A. Labarthe, OBA #10391
Shaun M. Mullins, OBA #16869
Oklahoma Department of Securities
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Oklahoma City, Oklahoma 73102
Telephone (405) 280-7700
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plabarthe@securities.ok.gov
smullins@securities.ok.gov
Attorneys for Plaintiff

## CERTIFICATE OF MAILING

The undersigned certifies that on the 31st day of October, 2022, a true and correct copy of the foregoing was mailed by first class mail, with postage prepaid thereon, to the following:

Premier Global Corporation
Steve Parish, Registered Agent
620 South Mulberry Road
Derby, KS 67037

Premier Factoring, LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC
Jeffrey Frazee, Registered Agent
330 East Madison Ave., Suite 201
Derby, KS 67037

PF-7, LLC
Jeffrey Frazee, Registered Agent
620 South Mulberry Road
Derby, KS 67037

DDI Advisory Group, LLC
Dawn Byers, Registered Agent
3867 North Lily Circle
Maize, KS 67101

Steve Jonathan Parish
1016 Summerchase Cir.
Derby, KS 67037

Richard Dale Dean
4518 Wyvonnes Way
Plano, TX 75024

Premier Marketing Management and Joshua Dane Owen
c/o Justin Williams
Overman Legal Group
809 NW 36th Street
Oklahoma City, OK 73118

J&H Holdings, LLC; Kyle Blackburn; Mitzimack, Inc.; Erica Greggs; James Scott Stanley; Edmond Brokerage, Inc.; Brent Lee Worley; Byron Kent Freeman; and Karen Lynne Freeman
c/o Jeanette Timmons
Conner & Winters, LLP
1700 One Leadership Square
211 N. Robinson
Oklahoma City, OK 73102

Elkins & Associates
Eddie Elkins, Registered Agent
6400 N. Santa Fe, Suite A
Oklahoma City, OK 73116

Clyde Edward Elkins
3820 Spyglass Rd.
Oklahoma City, OK 73120

Jay Michael Bogdahn
191409 E. County Road 44
Fargo, OK 73840

Shelby Stratham
Paralegal

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

JUN - 4 2024

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

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

**ORDER STRIKING CROSS-CLAIM OF DEFENDANT DDI ADVISORY GROUP, LLC**

On the 4th day of June 2024, Plaintiff's *Motion to Strike Cross-Claim of Defendant DDI Advisory Group, LLC* ("Motion to Strike") came before the undersigned Judge of the District Court for consideration. Plaintiff Oklahoma Department of Securities appeared through counsel of record, Shaun Mullins, Brad Davenport and Patty Labarthe, Defendant DDI appeared by and through counsel of record, Aimee Majoue of Steptoe & Johnson, and the Receiver Eric Johnson appeared through counsel of record, Hilary S. Allen of Spencer Fane, LLP. Upon reviewing the briefs and hearing the arguments of counsel, the Court finds that the *Motion to Strike* should be and hereby is **GRANTED**.

The claims asserted in the Cross Claim of DDIA are tolled effective April 4, 2024.

**IT IS SO ORDERED.**

JUDGE OF THE DISTRICT COURT

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

JUN - 4 2024

RICK WARREN COURT CLERK Oklahoma County

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EXHIBIT
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Approved.

Hilary Allen, OBA #16979
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***Attorneys for Defendant, DDI Advisory Group, LLC***

CJ24 6121 - Dishman

*1059844236*

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

| | |
|---|---|
| DDIA Advisory Group, LLC, and Richard Dale Dean, Plaintiffs, | ) |
| v. | ) Case No. CJ-2024-6121 |
| Steve J. Parish and Premier Global Corp., Defendants. | ) |

CJ-2024-6121

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

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**PETITION**

Plaintiffs Richard Dale Dean and DDI Advisory Group, LLC ("DDIA"), for their claims against Defendants Steve J. Parish and Premier Global Corporation allege and state as follows:

**INTRODUCTION**

As shown below, Richard Dale Dean, the sole member of DDIA, first became acquainted with Steve J. Parish when mutual acquaintances suggested that Parish might be interested in investing in one or more life settlements managed by Mr. Dean. Mr. Dean had a long history in the insurance industry, which included a successful record managing life settlements for investors. Ultimately, Parish did choose to invest in multiple life settlements, both on his own behalf and on behalf of corporations he controlled, including Premier Global Corporation, the company through which Parish engaged in invoice factoring.

Through his conversations with Parish and with Parish's employees and investors, Mr. Dean learned that Premier Global was a successful invoice factoring company. Invoice factoring is a type of business financing where a company or operator sells their outstanding invoices, or accounts receivable, to a third party at a discount in exchange for cash. This type of financing allows the company or operator to manage short-term cash flow needs. For example, a contractor

EXHIBIT
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may expect payment on a particular job or invoice within 30 days, while they pay their employees weekly. This can create short-term cash flow needs. The company or operator could take out a loan or secure a line of credit through a bank for these short-term needs, but it could also factor its invoices. By selling the 30-day invoice to a factoring company, the operator then has cash available to pay its employees weekly. The factoring company purchases the invoice at a discount and collects the full invoice amount in 30 days[1] from the original customer of the operator.

Premier Global and Parish had experience and success in the construction business and, later, in factoring construction-related invoices. Like many factoring entities, experience in the industry helps make for a successful factoring business. Parish, his employees, and his investors informed Mr. Dean that Parish had earned returns in excess of 20% annually for his investors through his factoring activity. Mr. Dean had no reason to doubt these representations, particularly those made by the investors themselves.

In or around 2016, Parish advised Mr. Dean that his factoring business was so successful that he was having to turn clients away because of lack of funds or financing to purchase additional invoices. Parish advised that this growth was organic and had been the result of recommendations and word of mouth from his clients and their suppliers. Parish then approached Mr. Dean to enlist his help in raising additional funds to facilitate this organic growth. Parish suggested a type of credit facility where investors would provide short-term loans to Premier Global to provide the necessary funds to grow its factoring business. Premier Global would pay an annual interest rate of 10% interest on these loans and the lenders would have the option of renewing the promissory notes at the end of their term, typically 12 months, or being repaid the principal amount of their

[1] The period for collections could be longer, including up to 90 days, based on the terms of the original invoice.

note at maturity. Parish advised that he had successfully engaged in this type of financing through another entity.

Because Parish had advised Mr. Dean that Premier Global was successful and doing well in the factoring business, Mr. Dean considered this request. As Mr. Dean had no experience in the factoring business, he proceeded to speak with the owner of the other entity providing similar financing to Premier Global who confirmed his work with Premier Global and its success. The owner also confirmed that the structure used to provide Premier Global with financing had been reviewed by the Kansas Department of Securities. Mr. Dean also spoke with other investors in Premier Global and learned how their financing investments functioned. Everyone was very positive towards both Parish and Premier Global's business model.

In reliance on the representations of Premier Global and Parish's success in the invoice factoring business, Mr. Dean agreed that he would consider assisting Parish and Premier Global in finding financing to grow the business. Mr. Dean suggested that they engage counsel to determine how best to structure this venture. Mr. Dean identified counsel who could assist, and both Mr. Dean and Parish met with that counsel. Parish advised counsel of the model he had used with the other entity that provided financing, and his belief that the same model, with some minor changes to increase efficiency and reduce overhead, should be pursued again.[2] Counsel assisted in setting up the structure, which resulted in the creation of the Premier Factoring Entities ("PF Entities") as funding vehicles for Premier Global's factoring business.

Following these due diligence activities, Mr. Dean agreed that he would work with Parish to grow Premier Global's factoring business by assisting in raising capital to provide financing.

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[2] Upon information and belief, the other entity's model was reviewed by the Kansas Department of Securities, and it appears no action was taken against it. If no action was taken, it would follow that no registration violations of the securities laws were found.

This would be done through the creation of a series of limited liability companies (the PF Entities), which would raise funds by issuing 12-month Promissory Notes to individuals or entities advancing funds to the respective PF Entities. Under the terms of the Promissory Notes, the PF Entities would pay investors 10% per annum in interest on these loans. Since Premier Global purchased invoices at a discount of 6%, holding the invoices for 90 days or less before receiving payment provided theoretical annual gross returns of approximately 24%; even allowing for a sufficient allowance for bad debt, administrative expenses, interest payments to investors, as well as payment of contractors to provide loan management assistance, Parish represented to Mr. Dean that Premier Global could expect to earn a very healthy profit margin.

The PF Entities were set up by the attorney in the manner Parish had described. Premier Global (owned by Parish) was the majority owner, owning two-thirds of each PF Entity, and DDIA (owned by Mr. Dean) held the minority one-third interest. As the owner of the majority member, Parish effectively controlled the PF Entities.

In practice, investor funds would be deposited with the PF Entities and Parish or his employees would transfer funds to the bank account of Premier Global to fund the purchase of invoices. Premier Global would then make interest payments to the PF Entities for the use of these "borrowed" funds, and the PF Entities, in turn, would transmit interest payments to lenders. Neither Mr. Dean nor DDIA participated in (a) the transfer of funds from the PF Entities to Premier Global, (b) the selection or purchase of invoices to be factored by Premier Global, or (c) the transfer of funds from Premier Global to the PF Entities. Parish, through Premier Global, was also responsible for the actual invoice factoring activities. Mr. Dean was not part of Premier Global, was not engaged in the factoring activity, and did not have access to Premier Global's records. Mr.

Dean and DDIA relied upon Parish to accurately report the results of operations of the factoring business.

The first PF Entity was established in November 2016, while the remaining PF Entities were formed at intervals over the next three years. Through 2020, based on the reports of Premier Global and Parish, the factoring business was doing well, and all interest payments were made to investors in a timely manner. In June 2020, the Oklahoma Department of Securities ("ODS") opened an investigation into Premier Global's activities based on an anonymous tip that described the factoring business as a Ponzi scheme. This came as a shock to Mr. Dean, and he was anxious to set the record straight. It must not have been a shock to Parish, however, as he ultimately disappeared with much of the investor money, leaving Mr. Dean and others to try to put the pieces together to determine what happened.

Despite the tip ODS received describing Premier Global as a Ponzi scheme, ODS investigated for two years without taking any action to stop Premier Global from continuing its operations. In July 2022, after Premier Global, through Parish, produced allegedly fabricated invoices to the ODS and the Court, the Court entered an order (at the request of the ODS) prohibiting the PF Entities from issuing or renewing any Promissory Notes. Upon information and belief, it was not until after the issuance of this order that Premier Global and/or the PF Entities were for the first time unable to make all interest payments required under the Promissory Notes. Notably, these allegedly false invoices were produced by Premier Global and Parish, not by Mr. Dean. Mr. Dean did not have access to Premier Global's records and did not see the invoices before they were produced, nor did he receive a copy of that production. Additionally, neither Mr. Dean nor the PF Entities received or had access to invoices being factored by Premier during the regular course of business.

Shortly thereafter, Mr. Dean discussed with Parish that they should hire an accountant to review Premier Global's records and confirm Premier Global's business operations to the ODS. Mr. Dean thought this would resolve the issues and end the investigation as Mr. Dean believed Premier Global was a legitimate, successful factoring business. Instead of agreeing with Mr. Dean's request, Parish stopped responding to Mr. Dean, DDIA and others and simply disappeared, embezzling investor dollars when he left. By that time, Parish and Premier Global had been under investigation by the ODS for more than two years.

Upon information and belief, the Federal Bureau of Investigation ("FBI") continues to search for Parish today, but his whereabouts remain unknown. His disappearance coincided with the cessation of interest payments to numerous Promissory Note investors in the various PF Entities he controlled. His disappearance, according to the Receiver, also coincided with the liquidation of substantial holdings of cryptocurrency. In short, Parish seems to have fled with millions of dollars of investor funds stolen from the PF Entities, all while under the watchful eye of the ODS.

On October 13, 2022, after receiving multiple reports of Parish's disappearance, the ODS finally filed its Petition in *Oklahoma Dept. of Securities v. Premier Global Corp.*, Case No. CJ-2022-5066 (Okla. County), which alleged that the PF Entities received approximately $525 million from investors through the Notes and the Transferee Agreements, and that the returns paid to investors exceeded $431 million. Assuming the accuracy of the ODS allegations, that means the PF Entities should have had control of approximately $90 million of investors' funds when the Receiver was appointed in October 2023. Yet, the Operating Reports filed by the Receiver indicate that the PF Entities' bank accounts held approximately $1.2 million, or less. Even with the real and personal property held by Premier Global (totaling approximately $18 million based on reporting by the Receiver), substantial investor funds were clearly stolen from the PF Entities. **The missing funds were apparently embezzled by Steve J. Parish as he fled the jurisdiction and maybe the country**.

Parish was the Manager of the PF Entities, exercised control over the PF Entities and owed a fiduciary duty to their Members, including DDIA. Through conduct including, but not limited to, (a) defrauding the Members as to his management of the Premier Factoring entities, (b) intentionally stealing funds from the Premier Factoring entities, and (c) fleeing the jurisdiction and leaving DDIA and others to face liability for his defalcation, Parish put his personal interests before those of the Members and breached his fiduciary duties. Parish also breached the terms of the respective Operating Agreements of the PF Entities. Both Parish and Premier Global defrauded DDIA and Mr. Dean, made misrepresentations about the Premier Global's financial condition and its factoring business, and concealed information that they were required to disclose. Parish's and Premier Global's actions and the breaches of their duties, have exposed DDIA and Mr. Dean to significant damages, including attorneys' fees and potential penalties, fines, loss of reputation, and other damages.

## THE PARTIES, JURISDICTION, AND VENUE

1. Plaintiff DDIA is a Kansas limited liability company with its principal place of business in Plano, Texas.

2. Plaintiff Richard Dale Dean ("Mr. Dean") is a resident of Plano, Texas, and is the sole member and Manager of DDIA.

3. Defendant Steve J. Parish ("Parish") is an individual who, at all times material hereto, was a resident of Kansas. His current whereabouts are unknown. At all times relevant to

this Petition, Parish was the CEO of Premier Global Corporation,[3] an entity which provided factoring services to contractors and subcontractors to provide cash flow for their outstanding invoices for construction services and materials provided to construction projects. Parish regularly conducted business throughout the State of Oklahoma, including Oklahoma County.

4. Defendant Premier Global Corporation ("Premier Global") is a Kansas corporation with its principal place of business in Derby, Kansas. At all times relevant to this Petition, Premier Global was owned and operated by Defendant Steve J. Parish and regularly conducted business throughout the State of Oklahoma, including Oklahoma County.

5. Parish and Premier Global have sufficient contacts with the State of Oklahoma to warrant the exercise of *in personam* jurisdiction by this Court. Pursuant to 12 Okla. Stat. § 2004(F), this Court has proper subject matter jurisdiction. Venue is proper in this county as to these claims because a substantial part of the events giving rise to the claims against Defendants occurred in Oklahoma County.

**THE FORMATION OF THE PF ENTITIES**

6. Mr. Dean first met Parish in or around 2013 through mutual friends. Mr. Dean was active in the insurance business and in life settlements. A life settlement refers to the sale of existing insurance policy by its owner to a third party for a one-time cash payment. The purchaser of the insurance policy then becomes the beneficiary of the policy and assumes the remaining premium payment obligations. As the beneficiary, the purchaser also receives the right to the payment of the death benefits upon the death of the insured. People might choose to sell their life insurance policies in this manner because the premiums have become unaffordable, their needs have changed or because of a cash need or other emergency.

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[3] Premier Global was formerly known as Premier Construction Services, Inc.

7. After learning of Mr. Dean's business, Parish became interested in investing in life settlements and, after meeting with Mr. Dean on several occasions over a period of months, Parish decided to invest in a life settlement through Mr. Dean in 2014.

8. Over the course of their acquaintance, Mr. Dean became aware that Parish's primary business was an entity known as Premier Construction Services, Inc. (later Premier Global), which engaged in invoice factoring.

9. Invoice factoring is a type of accounts receivable financing through which a business sells its unpaid invoices to a third party at a discount in exchange for immediate cash. The third party later collects the invoice amounts at face value, with the difference between the purchase price and the collection amount representing the profit for the factoring entity. Invoice factoring allows a business to manage its short-term cash flow by receiving payment for its product or services prior to the due date of the invoice.

10. In the case of Premier Global, the focus was on construction invoices issued by contractors and subcontractors for services and/or materials, which typically require the client to make payment in 30 days, although the terms of the invoices may vary. Premier Global would pay the contractor or subcontractor ("Vendor") cash for the unpaid invoices at a discount to the face value. Premier Global would then have the right to receive the full invoice amount from the Vendor's client when it became due. The difference between the amount Premier Global paid for the invoice and the amount ultimately paid on the invoice was its gross profit.

11. In their conversations, Parish represented to Mr. Dean that he raised cash from investors to fund Premier Global's purchase of construction invoices. Parish represented to Mr. Dean that Premier Global ran a successful invoice factoring business and that the proceeds returned to investors by Premier Global represented revenue from its factoring business.

12. Parish represented that Premier Global's invoice factoring operations yielded returns in excess of 20% per year.

13. During that time, Mr. Dean also spoke with employees in Parish's office, including Jake Parish and Cheyenne Hughes, as well as another entity with which Parish had a similar financing arrangement, and Parish's investors. Everyone Mr. Dean talked to confirmed Parish's representations that Premier Global was a legitimate, successful factoring business and that Parish was a good business manager of the factoring business.

14. Mr. Dean had no expertise in invoice factoring and did not have access to the records of Premier Global. Nevertheless, in light of the representations by Parish, Premier Global employees, and particularly Premier Global's investors, Mr. Dean had no reason to believe such representations were not true. Indeed, Mr. Dean believed and relied upon Premier Global and Parish's representations.

15. In reliance on the representations by Parish, Premier Global and others, Mr. Dean agreed to work with Parish to establish certain limited liability companies that would provide the funding for Premier Global's invoice factoring activities.

16. Parish suggested the structure for this financing since he had worked with other entities utilizing a similar financing structure. Parish represented that the existing financing structure had been reviewed by the Kansas Securities Department and that no action had been taken against them, indicating that the Kansas Securities Department must not have found any violations of the securities laws.

17. Beginning on or around November 14, 2016, with the assistance of corporate counsel, Parish and Mr. Dean began to form a series of limited liability companies through their companies, Premier Global and DDIA, that would each borrow money from individual lenders in

exchange for promissory notes, the proceeds of which would be used to grow the factoring business of Premier Global. Those lending entities are: Premier Factoring, LLC ("Premier Factoring"); Premier Factoring Group, LLC; PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; PF-6, LLC; and PF-7, LLC [collectively the "PF Entities"].

18. The PF Entities were governed by substantially identical Operating Agreements. While the Operating Agreement provides that Parish and Dean were appointed as the initial Managers of each PF Entity, Parish alone exercised control over the PF Entities, transferring or directing the transfer of funds from the PF Entities to his company, Premier Global, using the PF Entities funds to finance Premier Global's factoring and transferring or directing the transfer of interest payments and other funds back to the PF Entities.

19. Premier Global (Parish) owned two-thirds of each of the PF Entities, while DDIA (Mr. Dean) owned one-third. Because Premier Global controlled two-thirds of the voting interests of each of the PF Entities, and because Parish was the owner and CEO of Premier Global, Parish had functional control over the PF Entities through Premier Global. As the minority member, DDIA did not have the power to exercise control over the PF Entities. In practice, Parish did exercise control the PF Entities. Neither DDIA nor Mr. Dean exercised any control over the PF Entities.

20. Contemporaneously with the formation of each of the PF Entities, Premier Global, Parish, DDIA, and Dean entered into a Capital and Services Agreement ("the C&S Agreement") for the applicable PF Entity. The C&S Agreement provided that Premier Global would contribute all funds required for the organization and expenses necessary for the implementation of the PF Entity's business, including the costs and expenses of a private placement offering. Premier Global held two-thirds of the voting interest and distribution rights. DDIA was to contribute services and

such cash as the parties agreed, and DDIA's voting interest and distribution percentages were one-third.

21. The Operating Agreement of each PF Entity provides that, in carrying out the duties of Manager, the Manager acts as a fiduciary for the Members. In fulfilling this fiduciary duty, the Manager must act in good faith and loyalty in a manner the Manager reasonably believes to be in the best interests of the Company and its Members. Accordingly, the Operating Agreement provides that the Manager may not (a) act in any manner contrary to the Operating Agreement, (b) receive compensation not provided for in the Operating Agreement, (c) commingle Company funds, (d) fail to disclose material facts involving transfers to or from the Company, or (d) derive any personal profit from dealing with the Company.

22. The Operating Agreement provides that a Manager will be personally liable to the Members if the Manager is guilty of fraud, intentional breach of the Operating Agreement, gross negligence, or willful misconduct regarding an act, omission, or forbearance. This would include theft of investor funds, embezzlement, and misappropriation or misuse of entity assets for personal use or failure to disclose material facts. Further, the Company is not required to indemnify the Manager for any loss, claim, expense, or damage incurred because of the Manager's willful misconduct, intentional breach of the Operating Agreement or the C&S Agreement, gross negligence, or fraud.

**THE PROMISSORY NOTE OFFERINGS**

23. The purpose of the PF Entities was to obtain loans from qualified investors to finance the invoice factoring activities of Premier Global. Such offerings were intended to be exempt from the requirements for registration of securities offerings under both federal and state

securities law, and Mr. Dean, in good faith, believed that the offerings did in fact qualify for an exemption.

24. On December 15, 2016, Premier Factoring issued a Confidential Private Placement Memorandum ("PPM") for the offer and sale of $10,000,000 in Promissory Notes. Under this offering, individuals could lend funds to Premier Factoring in exchange for a Note which provided for the payment of interest as well as repayment of principal within a specified period of time unless the Note was renewed, much like a line of credit with a bank might work. These loans would bear interest at an annual rate of 10%, which was payable monthly, quarterly, semi-annually, or annually, at the election of the lender. These interest payments were not depdent upon the performance of Premier Global. The Promissory Notes had a term of one year. The lender had the option to call the Promissory Note due at the end of one year or elect to leave the loan in place for another year. At later dates the other PF Entities also engaged in offerings of Promissory Notes with had substantially identical PPMs.

25. Notably, each of the PPMs advised potential lenders that the proceeds of the offering would be used to finance the factoring business of Premier Global and for the payment of company expenses, including expenses for management of the company ***and principal and interest payments due to lenders for the Promissory Notes***. That is, unlike a Ponzi scheme, the PPMs specifically advised lenders that a portion of the proceeds could be used to make interest payments to other lenders. Parish represented this was necessary because Premier Global wanted to be selective in purchasing invoices for factoring and not be forced to use all available loan funds

if a sufficient number of quality invoices could not be identified in the short term[4]. Parish's representation seemed reasonable to Mr. Dean, especially as it was fully disclosed.

26. The PPMs also notified potential lenders that the PF Entities would engage contractors to provide services to DDIA in connection with its management duties and that these contractors would be compensated for their services based on agreements with the PF Entities. The services provided by these contractors included ensuring that lenders received interest payments on the schedule they preferred (monthly, quarterly, semi-annually or annually), updating and maintaining bank account and contact information for lenders, ensuring that all lender questions were addressed in a timely manner and that lenders were aware of the expiration of their twelve month term so they could make a decision as to whether they wished to terminate their lending arrangement or renew it for another twelve months.[5] This customer service fee was not paid at the time of the transaction by the lender and it did not reduce the total amount the lender was contributing.

27. Lenders warranted that they had not paid a commission in connection with the issuance of the Promissory Notes through their Subscription Agreements.

28. The PPMs further notified potential lenders that the Promissory Notes were ***not*** registered as securities and were being sold ***in reliance upon exemptions*** under Section 17-

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[4] If the proceeds of the Notes could not be used to make interest payments, and any note holder chose to have interest payments monthly, that could require Premier Global to immediately invest all proceeds in invoices and at least some of those invoices would have to be payable in less than 30 days to meet the interest payments. By allowing the proceeds to be used to make interest payments, Premier Global had more time to select the invoices to be factored.

[5] The compensation paid to the Contractors was not a "commission" for the sale of Promissory Notes, it was a fee for loan-management services provided to DDIA. Indeed, lenders were required to warrant in their Subscription Agreements that they had not paid a commission in connection with the issuance of the Promissory Notes.

12a202(14) of the Kansas Uniform Securities Act[6] and similar state laws for offerings in other states.

29. The PPMs repeatedly cautioned potential lenders that the Promissory Notes were risky, highly speculative, and appropriate only for investors capable of withstanding a loss of their entire investment.[7] The PPMs identified risk factors specific to the PF Entities and the business of invoice factoring and advised lenders to consult with their own tax advisors, accountants, attorneys, and others as to those risks.

30. The PF Entities loaned money to Premier Global to fund its factoring business in the following manner: (a) lender funds would be deposited in the bank account of the particular PF Entity; (b) Parish or his employees at Premier Global (*not* DDIA or Mr. Dean) would transfer funds from the bank account of the PF Entity to the bank account of Premier Global and Premier Global would use those funds to purchase invoices; (c) at the end of the month, Premier Global would owe interest to the PF Entity on the borrowed funds, and Parish or his employees at Premier Global would transfer funds from the bank account of Premier Global to the bank account of the Premier Entity to pay that interest; (d) the PF Entity would pay any interest due to the lender; (e)

[6] Section 17-12a202(14) of the Kansas Uniform Securities Act provides an exemption from registration for : [A] sale or an offer to sell securities by an issuer, if the transaction is part of a single issue in which: (A) Not more than 25 purchasers are present in this state during any 12 consecutive months, other than those designated in paragraph (13); (B) a general solicitation or general advertising is not made in connection with the offer to sell or sale of the securities; (C) a commission or other remuneration is not paid or given, directly or indirectly, to a person other than a broker-dealer registered under this act or an agent registered under this act for soliciting a prospective purchaser in this state; and (D) the issuer reasonably believes that all the purchasers in this state, other than those designated in paragraph (13), are purchasing for investment. Oklahoma provides an identical exemption under Section 1-202 (14) of the Oklahoma Uniform Securities Act.

[7] While the ODS alleges this was a Ponzi scheme, Ponzi schemes typically promise investors above market returns with little or no risk. The PPMs make clear that was the not what the lenders here were told.

the PF Entity would also pay a fee to the loan servicing representative(s) for customer service provided to the lenders for the benefit of the PF Entity; and, if applicable, (f) the PF Entity would pay a management fee to DDIA.

31. Parish's son, Jacob Parish, served as Vice President of each of the PF Entities and managed the movement of funds between the PF Entities and Premier Global. Neither DDIA nor Mr. Dean moved funds between PF Entities and Premier Global, and Dean's signature was not required for Premier Global to move the funds.

32. The role of DDIA and Mr. Dean was to locate potential lenders and raise funds by which the PF Entities would invest in Premier Global's invoice factoring operations.

33. Because Mr. Dean understood from Parish and other employees of Premier Global that Premier Global had made returns in excess of 20% annually on its invoice factoring operations, Mr. Dean believed that the returns for the PF Entities would yield sufficient funds to pay 10% interest to lenders, pay the customer service fees to the loan servicing representatives and to DDIA, and yield net profits for the Members of the PF Entities.

## THE ODS INVESTIGATION

34. On June 8, 2020, the ODS received an anonymous tip that Premier Global might be operating a fraudulent Ponzi scheme and opened an investigation of Premier Global and the PF Entities.[8]

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[8] A Ponzi scheme is an investment fraud in which investors are told that they are making high returns on their investments when, in fact, they are being paid with funds collected from new investors, not from investment activity. Ponzi scheme organizers generally promise to invest clients' money and generate high returns with little or no risk. In contrast, lenders to the PF Entities were informed (a) that their funds could be used to pay principal and interest due to prior investors, and (b) that the Promissory Notes were risky, highly speculative investments. *See supra* at ¶¶ 24, 27. Further, Premier Global's factoring business was not fictitious when the PF Entities were established. Rather, Parish appears to have later embezzled investors funds and fled while under investigation by ODS.

35. At the time the ODS began its investigations, ***none*** of the PF Entities had defaulted on any Promissory Note.

36. Despite the fact that the ODS alleges it to have been obvious that the PF Entities were engaged in the sale of unregistered securities by issuing the Promissory Notes, the ODS took no action in 2020 to issue a cease and desist letter, to freeze the assets of Premier Global or any of the PF Entities or to seek an injunction to prevent further offerings of Promissory Notes, such as the Fund 2 offering by PF-4, LLC, on August 14, 2020. While the ODS could have taken immediate action, it chose instead to wait more than two years to take such actions.

37. The ODS could have acted against Premier Global or the PF Entities upon its determination that the Promissory Notes were unregistered securities and sought to freeze the assets of Premier Global and/or the PF Entities to preserve funds for the benefit of existing lenders.

38. Rather than act on the alleged unregistered securities violation in 2020, the ODS issued subpoenas for documents to Premier Factoring Group, LLC, and PF-7, LLC on August 11, 2020, which were served on Jeffrey Frazee, the Registered Agent, and Parish's brother-in-law.

39. On August 21, 2020, the ODS issued subpoenas *duces tecum* to Premier Global, Premier Factoring, PF-2, LLC; PF-3, LLC; PF-4, LLC; PF-5, LLC; and PF-6, LLC. The subpoenas were personally served on Parish.

40. No subpoena was served on Mr. Dean, and no subpoena was issued for DDIA.

41. The subpoenaed entities produced numerous documents responsive to the subpoenas generally but objected to one category of document production — all invoices and receivables acquired and/or purchased by the subpoenaed entities— on the ground that the request was overly broad and unduly burdensome. Only Premier Global has access to these invoices. The PF Entities did not receive or have access to any invoices factored by Premier Global.

42. On October 15, 2021, ***more than a year after the ODS opened its investigation***, the ODS filed an action in the Oklahoma County District Court to enforce the administrative subpoenas. *See Oklahoma Dep't of Securities ex rel. Melanie Hall, Administrator v. Premier Global Corporation*, Case No. CJ-2021-4397 (Okla. Cty.). The ODS represented to the Court that the Promissory Notes issued by the PF Entities constituted securities and that these securities had not been registered, no notice of a claim of exemption from registration had been filed, and that the PF Entities had failed to identify any specific exemption from registration that would be applicable to the Promissory Notes.

43. *Despite these allegations*, the ODS still took no action in 2021 to freeze the assets of Premier Global or any of the PF Entities **or to seek an injunction to prevent further offerings of Promissory Notes**.

44. The ODS alleges that, during the proceedings in Case No. CJ-2021-4397, Premier Global produced several invoices that were "fabricated."

45. Neither DDIA nor Mr. Dean had access to the invoices, which were records of Premier Global, and neither DDIA nor Mr. Dean knew that Premier Global was producing or intended to produce any false invoices. Further, neither DDIA nor Mr. Dean reviewed the invoices prior to their production to the ODS.

46. It was not until June 10, 2022 — ***more than two years after ODS received the anonymous "Ponzi scheme" tip*** — that the ODS asked the Court to prohibit any further offerings of Promissory Notes and to assess a penalty on Premier Global of $250,000 for its failure to comply with the ODS subpoenas. Still, the ODS did not seek to freeze the accounts of Premier Global and the PF Entities. Had the ODS done so, even at this late date, Parish might have been prevented

from embezzling investor funds. This two-year delay by the ODS resulted in unnecessary harm to investors, to the PF Entities, and to Mr. Dean and DDIA.

47. Although the ODS stated that it was aware by early June 2022 that Premier Global had made use of investor funds for lavish personal expenses of Parish, his family members, and Premier Global employees (such as payments for personal homes and an NFL suite), the ODS ***still*** did not ask the Court to freeze the assets of Premier Global or any of the PF Entities at that time.

48. The ODS did ***not*** allege that DDIA or Mr. Dean used investor money to fund a lavish lifestyle.

49. On July 11, 2022, the Court issued an Order Imposing Sanctions for failing to produce all documents requested by the ODS. The Order for Sanctions imposed a civil penalty in the amount of $250,000 against Premier Global. The Order further enjoined Premier Global and the PF Entities from any further offers, sales, or renewals of any securities. Because the Promissory Notes could not be renewed, the principal amounts of the loans would have to be repaid to lenders as they reached maturity.

50. Although the ODS has stated that it became aware from July 1, 2022, through August 18, 2022, that Premier Global had submitted "fabricated" invoices in response to the ODS subpoenas, the ODS ***still*** did not ask the Court to freeze the assets of Premier Global or any of the PF Entities at that time. Further, Mr. Dean and DDIA did not have access to any of these alleged fabricated invoices, all of which were owned and produced by Premier Global.

**PARISH DISAPPEARS WITH CORPORATE FUNDS**

51. In September or early October 2022, Mr. Dean discussed with Parish that Premier Global should hire an accountant to show that Premier Global was a legitimate and successful factoring company, that it was not a Ponzi scheme.

52. Shortly thereafter, Parish suddenly stopped returning Mr. Dean's calls, which went directly to voicemail.

53. The Kanas Department of Securities has filed a similar case, Case No. 2022-CV-2052-OT. Its Petition alleges that, beginning on **October 12, 2022**, the ODS and KSC investigators received "numerous phone calls" from investors stating that Parish had gone missing.

54. ODS did not allege that Mr. Dean or DDIA was missing or nonresponsive.

55. It was not until October 13, 2022 — ***the day after*** the ODS was informed that Parish had disappeared — that the ODS filed its Petition for Permanent Injunction and Other Relief.

56. It was not until **October 14, 2022** – *after* Parish had fled with stolen investor funds - that the ODS filed an application for an emergency order to freeze the assets of and appoint a Receiver for Premier Global and the PF Entities, as well as Parish, Mr. Dean, and DDIA.

57. Although the ODS Petition alleges that approximately $90 million of investor funds should have been in the accounts of Premier Global and/or the PF Entities, the Receiver's initial Operating Report, filed on December 28, 2022, revealed that only $1.6 million was in the bank accounts of those entities. The Operating Report identified real and personal property worth an estimated $18 million that was owned by Premier Global. This means that by the ODS's calculations approximately $70 million in funds belonging to the PF Entities was missing at the hands of Parish or his son, Jake.

58. As previously noted, neither Mr. Dean nor DDIA had any involvement in the transfer of funds from the PF Entities to Premier Global.

59. To date, Parish remains missing along with those investor funds. The ODS has stated before the Court that it is not currently looking for Parish and does not consider his location

significant for its case. The Operating Reports of the Receiver do not identify any actions taken to locate Parish either.

60. Parish remains missing, leaving Mr. Dean as the scapegoat for the ODS's failure to take action for more than two years, despite the ODS's own very public representations in its earlier court filings that the PF Entities were obviously engaged in the unregistered sales of securities and dispute allegations that Parish / Premier Global fabricated invoices. During the more than two years in which the ODS failed to act to stop such activities — but gave very public statements that served to alert Parish — Parish was permitted to disappear with embezzled investor funds.

61. In Parish's absence, the ODS has taken a default judgment against Parish, Premier Global, and the PF Entities[9] for: (a) violation of 71 Okla. Stat. § 1-301 for the offer and/or sale of unregistered securities; (b) violation of 71 Okla. Stat. § 1-402 for offers and sales of securities by unregistered agents and employing unregistered agents; (c) violation of 71 Okla. Stat. § 1-501 for making an untrue statement of material fact or omitting to state a material fact; (d) violation of 71 Okla. Stat. § 1-501 for engaging in any act, practice, or course of business that operates or would operate as a fraud or deceit upon another person; and (e) violation of 71 Okla. Stat. § 1-505 for misleading filings.

62. DDIA, along with Mr. Dean, remains a Defendant, and is actively engaged in defending the false allegations made against them.

## FIRST CAUSE OF ACTION

## (BREACH OF FIDUCIARY DUTY)

[9] Because the PF Entities were controlled by Parish, no individual or entity had the authority to enter an appearance or mount a defense for the PF Entities.

63. This claim is brought by DDIA against Parish. DDIA adopts and incorporates herein paragraphs 1 through 62 above, as if fully set out herein, and further alleges and states as follows:

64. As the Manager of the PF Entities, Parish owed a fiduciary duty to the Members, including DDIA.

65. In violation of his fiduciary duty to DDIA, Parish (a) took funds from the PF Entities in excess of any compensation that was provided for in the Operating Agreements, (b) commingled funds properly belonging to the PF Entities with his own funds, (c) failed to disclose material facts involving transfers to or from the PF Entities, and (d) derived substantial and undisclosed personal benefit from dealing with the PF Entities.

66. Put more simply, Parish stole funds from the PF Entities and took them for his own benefit.

67. Parish then disappeared with the funds, which he has apparently converted to his own use.

68. Parish also made misrepresentations about, or failed to disclose, information about the transfer of funds between the PF Entities and Premier Global, as well as the true financial condition of Premier Global.

69. As a result of Parish's breach of his fiduciary duty, DDIA has suffered and continues to suffer damages including, but not limited to, significant pecuniary losses. DDIA faces the possibility of further financial harm as a result of Parish's breach of his fiduciary duty in that the ODS is seeking restitution, disgorgement, and civil penalties in the civil enforcement action against all defendants in that case, including DDIA.

70. The actions of Parish, as described above, were wanton, willful, and malicious and were done with reckless disregard of his fiduciary duty to DDIA. Therefore, the actions of Parish warrant an award to DDIA of punitive damages.

71. Further, because Parish intentionally breached his fiduciary duty, the Operating Agreement provides that he is personally liable for these amounts.

## SECOND CAUSE OF ACTION

## (BREACH OF CONTRACT)

72. DDIA brings this claim against Parish. DDIA adopts and incorporates herein paragraphs 1 through 71 above, as if fully set out herein, and further alleges and states as follows:

73. As the Manager of the PF Entities, Parish executed an Operating Agreement for each entity. That Operating Agreement provides that a Manager must act in good faith and with loyalty to the Company. The Operating Agreement further provides that a Manager: may not "act in any manner contrary to this Agreement"; may not "receive compensation not provided in this Agreement"; may not "commingle Company funds; may not "fail to disclose material facts involving transfers to or from the Company; and may not "derive any personal profit from dealing with the Company."

74. Parish violated each of these contractual commitments.

75. As a result of Parish's breach of his contractual obligations to DDIA, DDIA has suffered and continues to suffer damages including, but not limited to, significant pecuniary losses. DDIA faces the possibility of further financial harm as a result of Parish's breach of his fiduciary duty in that the ODS is seeking restitution, disgorgement, and civil penalties in the civil enforcement action against all defendants in that case, including DDIA.

76. Further, because Parish intentionally breached his contractual obligations, the Operating Agreement provides that he is personally liable for these amounts.

**THIRD CAUSE OF ACTION**

**(FRAUD/FALSE REPRESENTATION)**

77. Mr. Dean and DDIA bring this claim against Parish and Premier Global. Mr. Dean and DDIA adopt and incorporate herein paragraphs 1 through 76 above, as if fully set out herein, and further alleges and states as follows:

78. As the CEO and owner of Premier Global, Parish represented to Mr. Dean and DDIA that Premier Global was successfully engaged in invoice factoring and that all funds transferred from the PF Entities to Premier Global were used by Premier Global solely for its legitimate invoice factoring activity.

79. Parish intended that Mr. Dean and DDIA would rely on this representation.

80. Mr. Dean and DDIA did, in fact, rely on Parish's representation. If Mr. Dean and/or DDIA had been or became aware that Parish was diverting funds for his personal use or otherwise embezzling such funds, Mr. Dean and/or DDIA would have reported Premier Global.

81. Parish's representations were false, and he did not use all funds transferred from the PF Entities to Premier Global solely for its invoice factoring activity. To the contrary, Parish stole investor funds for his personal use, including his "lavish lifestyle" and has now disappeared with such funds.

82. Mr. Dean and DDIA have suffered injury as a result of Parish's material misrepresentations. Mr. Dean and DDIA have suffered and continue to suffer damages including, but not limited to, significant pecuniary losses. Mr. Dean and DDIA face the possibility of further financial harm as a result of Parish's material misrepresentation in that the ODS is seeking

restitution, disgorgement, and civil penalties in the civil enforcement action against all defendants in that case, including Mr. Dean and DDIA.

83. The actions of Parish, as described above, were wanton, willful, and malicious. Therefore, the actions of Parish warrant an award to Mr. Dean and DDIA of punitive damages.

84. Further, because Parish intentionally engaged in such wrongful conduct, the Operating Agreement provides that he is personally liable for these amounts.

**FOURTH CAUSE OF ACTION**

**(NONDISCLOSURE OR CONCEALMENT)**

85. Mr. Dean and DDIA bring this claim against Parish and Premier Global. Mr. Dean and DDIA adopt and incorporate herein paragraphs 1 through 84 above, as if fully set out herein, and further alleges and states as follows:

86. Both Parish and Premier Global had a duty to disclose to Mr. Dean and DDIA that he was using investor funds for personal, improper and/or unauthorized purposes. Neither Parish nor Premier Global disclosed this fact, which was material.

87. Parish and Premier Global concealed or failed to disclose this information with the intent of creating a false impression in the mind of Mr. Dean and DDIA of the actual facts.

88. Parish and Premier Global concealed or failed to disclose this information with the intent that it should be acted on by Mr. Dean and DDIA, and Mr. Dean and DDIA did, in fact, rely on it. Had Mr. Dean and DDIA become aware that Parish and/or Premier Global was using investor funds for personal, improper and/or unauthorized purposes, Mr. Dean and/or DDIA would have reported such activities.

89. Mr. Dean and DDIA have suffered injury as a result of Parish and Premier Global's nondisclosure or concealment. Mr. Dean and DDIA have suffered and continues to suffer damages

including, but not limited to, significant pecuniary losses. Mr. Dean and DDIA face the possibility of further financial harm as a result of Parish's nondisclosure or concealment in that the ODS is seeking restitution, disgorgement, and civil penalties in the civil enforcement action against all defendants in that case, including Mr. Dean and DDIA.

90. The actions of Parish and Premier Global, as described above, were wanton, willful, and malicious. Therefore, the actions of Parish warrant an award to Mr. Dean and DDIA of punitive damages.

91. Further, because Parish intentionally engaged in such wrongful conduct, the Operating Agreement provides that he is personally liable for these amounts.

WHEREFORE, Plaintiffs Richard Dale Dean and DDIA pray for judgment in its favor against Defendants Steve J. Parish and Premier Global Corporation as set forth above, together with costs and interest thereon, attorney fees, and for such further relief as this Court deems just and equitable.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

This certifies that on this 20th day of September, 2024, a true and correct copy of the above and foregoing was delivered to:

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