

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

**FILED**

DISTRICT COURT

Oklahoma Department of Securities *ex rel.* )  
Melanie Hall, Administrator, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
Freeman Financial Group, LLC, and )  
Byron Kent Freeman, )  
 )  
Defendants, )  
 )  
and )  
 )  
Karen Lynne Freeman, )  
 )  
Relief Defendant. )

OKLAHOMA COUNTY, OKLAHOMA

March 13, 2026 1:11 PM

RICK WARREN, COURT CLERK

Case Number CJ-2025-9405

Case No. CJ-2025-9405

Judge Stinson

**ANSWER AND AFFIRMATIVE DEFENSES OF DEFENDANTS**

Defendants, Freeman Financial Group, LLC, Byron Kent Freeman (“Freeman”) and Karen Lynne Freeman (Collectively “Defendants” or “Freeman”), respectfully submit their Answer and Affirmative Defenses to Plaintiff’s Petition for Permanent Injunction and Other Relief (“Petition”). Unless specifically admitted herein, all allegations are denied by all Defendants. Many allegations are just against Freeman so Defendants will attempt to differentiate.

**OVERVIEW**

1. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 1 of the Petition and therefore deny the allegations pled in Paragraph 1 of the Petition as written, but admits Freeman was registered as an agent or investment advisor at one time.

2. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 2 of the Petition and therefore deny the allegations pled in Paragraph 2 of the Petition as written.

3. Freeman denies the allegations pled in Paragraph 3 of the Petition.

4. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 4 of the Petition and therefore deny the allegations pled in Paragraph 4 of the Petition as written.

5. Freeman denies the allegations pled in Paragraph 5 of the Petition.

6. Freeman denies the allegations pled in Paragraph 6 of the Petition.

#### **JURISDICTION**

7. Paragraph 7 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 7 of the Petition as written.

8. Paragraph 8 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 8 of the Petition as written.

9. Defendants admit the allegations in Paragraph 9 of the Petition.

#### **DEFENDANTS**

10. Defendants admit the allegations in Paragraph 10 of the Petition.

11. Freeman admits the allegations in Paragraph 11 of the Petition as to certain facts of his licenses and training.

12. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 12 of the Petition and therefore deny the allegations pled in Paragraph 12 of the Petition as written.

### **RELIEF DEFENDANT**

13. Karen Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 13 of the Petition and therefore deny the allegations pled in Paragraph 13 of the Petition as written, but admits she was registered at one point in time and has been married to Freeman twice.

### **LIFE SETTLEMENT INTERESTS**

14. Freeman denies the allegations pled in Paragraph 14 of the Petition as written but admits he has sold life settlements from time to time.

15. Freeman denies the allegations pled in Paragraph 15 of the Petition as written.

16. Freeman denies the allegations pled in Paragraph 16 of the Petition as written.

#### **A. The Direct Life Settlement Interests**

17. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 17 of the Petition and therefore deny the allegations in Paragraph 17 of the Petition as written but see prior responses.

18. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 18 of the Petition and therefore deny the allegations in Paragraph 18 of the Petition as written, but see prior responses.

19. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 19 of the Petition and therefore deny the allegations in Paragraph 19 of the Petition as written.

20. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 20 of the Petition and therefore denies the allegations in Paragraph 20 of the Petition as written.

21. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 21 of the Petition and therefore denies the allegations in Paragraph 21 of the Petition as written, but admits life settlements have been sold.

22. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 22 of the Petition and therefore denies the allegations in Paragraph 22 of the Petition as written.

23. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 23 of the Petition and therefore denies the allegations in Paragraph 23 of the Petition as written.

**B. The Ten Percent Life Settlement Interests**

24. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 24 of the Petition and therefore denies the allegations in Paragraph 24 of the Petition as written.

25. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 25 of the Petition and therefore denies the allegations in Paragraph 25 of the Petition as written.

26. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 26 of the Petition and therefore deny the allegations in Paragraph 26 of the Petition as written, but admits clients were provided with paperwork.

27. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 27 of the Petition and therefore denies the allegations in Paragraph 27 of the Petition as written.

28. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 28 of the Petition and therefore denies the allegations in Paragraph 28 of the Petition as written.

29. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 29 of the Petition and therefore deny the allegations in Paragraph 29 of the Petition as written.

30. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 30 of the Petition and therefore denies the allegations in Paragraph 30 of the Petition as written.

31. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 31 of the Petition and therefore denies the allegations in Paragraph 31 of the Petition as written but admits life settlements were sold.

32. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 32 of the Petition and therefore deny the allegations in Paragraph 32 of the Petition as written.

### **FACTORING PROMISSORY NOTES**

33. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 33 of the Petition and therefore deny the allegations in Paragraph 33 of the Petition as written, but Freeman admits Premier notes were sold to investors.

34. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 34 of the Petition and therefore deny the allegations in Paragraph 34 of the Petition as written, but any documents speak for themselves.

35. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 35 of the Petition and therefore deny the allegations in Paragraph 35 of the Petition as written.

36. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 36 of the Petition and therefore deny the allegations in Paragraph 36 of the Petition as written.

37. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 37 of the Petition and therefore deny the allegations in Paragraph 37 of the Petition as written.

38. Defendants deny the allegations pled in Paragraph 38 of the Petition.

39. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 39 of the Petition and therefore deny the allegations in Paragraph 39 of the Petition as written.

40. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 40 of the Petition and therefore deny the allegations in Paragraph 40 of the Petition as written.

41. Paragraph 41 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 41 of the Petition as written.

42. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 42 of the Petition and therefore deny the allegations in Paragraph 42 of the Petition as written.

### **OUTSIDE BUSINESS ACTIVITY**

#### **A. Failure to Disclose Sales of the Direct Life Settlement Interests and Ten Percent Life Settlement Interests**

43. Paragraph 43 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 43 of the Petition as written.

44. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 44 of the Petition and therefore denies the allegations in Paragraph 44 of the Petition as written, but the documents speak for themselves.

45. Freeman denies the allegations contained in paragraph 45 of the Petition as written and demand strict proof thereof.

46. The first and second sentence of Paragraph 46 of the Petition calls for legal conclusions and requires no response. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in the last sentence of Paragraph 46 and therefore denies the allegations contained therein as written.

#### **B. Failure to Disclose the Sale of Promissory Notes**

47. Defendants deny the allegations contained in paragraph 47 of the Petition as written and demand strict proof thereof.

48. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 48 of the Petition and therefore deny the allegations in Paragraph 48 of the Petition as written.

49. Freeman admits he was registered at times.

50. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 50 of the Petition and therefore deny the allegations in Paragraph 50 of the Petition as written.

51. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 51 of the Petition and therefore deny the allegations in Paragraph 51 of the Petition as written, but Freeman admits he was involved in the sale.

52. Paragraph 52 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 52 of the Petition as written.

53. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 53 of the Petition and therefore deny the allegations in Paragraph 53 of the Petition as written.

54. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 54 of the Petition and therefore denies the allegations in Paragraph 54 of the Petition as written, but documents speak for themselves.

55. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 55 of the Petition and therefore denies the allegations in Paragraph 55 of the Petition as written .

### **BORROWING MONEY FROM CLIENTS**

56. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 56 of the Petition and therefore denies the allegations in Paragraph 56 of the Petition as written.

57. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 57 of the Petition and therefore denies the allegations in Paragraph 57 of the Petition as written, but Freeman admits he has borrowed money from clients from time to time. Defendants admit that Freeman filed for bankruptcy.

58. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 58 of the Petition and therefore denies the allegations in Paragraph 58 of the Petition as written, but documents will speak for themselves.

59. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 59 of the Petition and therefore denies the allegations in Paragraph 59 of the Petition as written, but documents will speak for themselves.

60. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 60 of the Petition and therefore denies the allegations in Paragraph 60 of the Petition as written, but documents will speak for themselves.

### **FALSE STATEMENTS UNDER OATH TO THE DEPARTMENT**

61. Freeman denies the allegations contained in paragraph 61 of the Petition as written and demand strict proof thereof.

62. Paragraph 62 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 62 of the Petition as written.

63. Paragraph 63 of the Petition is a statement of fact and requires no response.

64. Admitted to the extent there is a full written record, which has not been seen, but denies any attempt to hide anything as implied.

65. Freeman asserts the document speaks for itself.

66. Freeman denies the allegations contained in paragraph 66 of the Petition as written and demand strict proof thereof.

67. Freeman admits he was terminated.

#### **DEFENDANT KENT FREEMAN'S FRAUDULENT SCHEME**

68. Freeman denies the allegations contained in paragraph 68 of the Petition as written and demand strict proof thereof.

#### **A. The Fraudulent "Limited Investor Contracts"**

69. Freeman denies the allegations contained in paragraph 69 of the Petition as written and demands strict proof thereof.

70. Freeman denies the allegations contained in paragraph 70 of the Petition as written and demands strict proof thereof.

71. Freeman denies the allegations contained in paragraph 71 of the Petition as written and demands strict proof thereof.

72. Freeman denies the allegations contained in paragraph 72 of the Petition as written and demands strict proof thereof.

73. Freeman denies the allegations contained in paragraph 73 of the Petition as written and demands strict proof thereof, but admits he has recommended the sale of investments to clients.

74. Freeman denies the allegations contained in paragraph 74 of the Petition as written and demands strict proof thereof.

75. Paragraph 75 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 75 of the Petition as written.

76. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 76 of the Petition and therefore denies the allegations in Paragraph 76 of the Petition as written.

#### **B. The Unsecured Promissory Notes**

77. Freeman denies the allegations contained in paragraph 77 of the Petition as written and demands strict proof thereof.

78. Freeman denies the allegations contained in paragraph 78 of the Petition as written and demands strict proof thereof.

79. Freeman denies the allegations contained in paragraph 79 of the Petition as written and demands strict proof thereof.

80. Paragraph 80 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 80 of the Petition as written.

81. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 81 of the Petition and therefore denies the allegations in Paragraph 81 of the Petition as written.

#### **C. Sale of Non-Existent Investment**

82. Freeman denies the allegations contained in paragraph 82 of the Petition as written and demand strict proof thereof, but admits he has placed clients in investments.

83. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 83 of the Petition and therefore denies the allegations in Paragraph 83 of the Petition as written.

84. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 84 of the Petition and therefore denies the allegations in Paragraph 84 of the Petition as written.

85. Freeman denies the allegations contained in paragraph 85 of the Petition as written and demand strict proof thereof.

86. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 86 of the Petition and therefore denies the allegations in Paragraph 86 of the Petition as written.

**D. The Ponzi Scheme**

87. Freeman denies the allegations contained in paragraph 87 of the Petition as written and demand strict proof thereof.

88. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 88 of the Petition and therefore denies the allegations in Paragraph 88 of the Petition as written.

89. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 89 of the Petition and therefore denies the allegations in Paragraph 89 of the Petition as written.

90. Freeman is without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 90 of the Petition and therefore denies the allegations in Paragraph 90 of the Petition as written.

**RELIEF DEFENDANT KAREN FREEMAN**

91. Defendants deny the allegations contained in paragraph 91 of the Petition as written and demand strict proof thereof.

**FIRST CAUSE OF ACTION**

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

92. Paragraph 92 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 92 of the Petition as written.

93. Paragraph 93 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 93 of the Petition as written.

94. Freeman admits he sold securities from time to time. The remaining Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 94 of the Petition and therefore deny the allegations in Paragraph 94 of the Petition as written.

95. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 95 of the Petition and therefore deny the allegations in Paragraph 95 of the Petition as written.

96. Defendants deny the allegations contained in paragraph 96 of the Petition as written and demand strict proof thereof.

## **SECOND CAUSE OF ACTION**

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

97. Paragraph 97 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 97 of the Petition as written.

98. Paragraph 98 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 98 of the Petition as written.

99. Paragraph 99 of the Petition calls for a legal conclusion and is denied.

100. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 100 of the Petition and therefore deny the allegations in Paragraph 100 of the Petition as written.

101. Defendants deny the allegations contained in paragraph 101 of the Petition as written and demand strict proof thereof.

## **THIRD CAUSE OF ACTION**

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

102. Paragraph 102 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 102 of the Petition as written.

103. Paragraph 103 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 103 of the Petition as written.

104. Paragraph 104 of the Petition calls for a legal conclusion and is denied.

105. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 105 of the Petition and therefore deny the allegations in Paragraph 105 of the Petition as written.

106. Defendants deny the allegations contained in paragraph 106 of the Petition as written and demand strict proof thereof.

#### **FOURTH CAUSE OF ACTION**

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

107. Paragraph 107 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 107 of the Petition as written.

108. Paragraph 108 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 108 of the Petition as written.

109. Paragraph 109 of the Petition calls for a legal conclusion and is denied.

110. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 110 of the Petition and therefore deny the allegations in Paragraph 110 of the Petition as written.

111. Defendants deny the allegations contained in paragraph 111 of the Petition as written and demand strict proof thereof.

**FIFTH CAUSE OF ACTION**

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

112. Paragraph 112 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 112 of the Petition as written.

113. Paragraph 113 of the Petition calls for legal conclusions and requires no response. To the extent a response is required Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 113 of the Petition as written.

114. Paragraph 114 of the Petition calls for a legal conclusion and is denied.

115. Defendants are without information or knowledge sufficient to form a belief as to the truth of the allegations pled in Paragraph 115 of the Petition and therefore deny the allegations in Paragraph 115 of the Petition as written.

116. Defendants deny the allegations contained in paragraph 116 of the Petition as written and demand strict proof thereof.

**SIXTH CAUSE OF ACTION**

**(Violation of Section 1-501(2) of the Act: Making an Untrue  
Statement of Material Fact or Omitting to State a Material Fact)**

117. Paragraph 117 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 117 of the Petition as written.

118. Defendants deny the allegations contained in paragraph 118 of the Petition as written and demand strict proof thereof.

119. Defendants deny the allegations contained in paragraph 119 of the Petition as written and demand strict proof thereof.

#### **SEVENTH CAUSE OF ACTION**

##### **(Violation of Section 1-501(3) of the Act: Engaging in any Act, Practice, or Course of Business that Operates or Would Operate as a Fraud Or Deceit upon Another Person)**

120. Paragraph 120 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 120 of the Petition as written.

121. Defendants deny the allegations contained in paragraph 121 of the Petition as written and demand strict proof thereof.

122. Defendants deny the allegations contained in paragraph 122 of the Petition as written and demand strict proof thereof.

#### **EIGHTH CAUSE OF ACTION**

##### **(Violation of Section 1-501(3) of the Act: Engaging in any Act, Practice, or Course of Business that Operates or Would Operate as a Fraud or Deceit upon Another Person)**

123. Paragraph 123 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 123 of the Petition as written.

124. Defendants deny the allegations contained in paragraph 124 of the Petition as written and demand strict proof thereof.

125. Defendants deny the allegations contained in paragraph 125 of the Petition as written and demand strict proof thereof.

### **NINTH CAUSE OF ACTION**

#### **(Violation of Section 1-505 of the Act: Unlawful Statements in a Record)**

126. Paragraph 126 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 126 of the Petition as written.

127. Defendants deny the allegations contained in paragraph 127 of the Petition as written and demand strict proof thereof.

128. Defendants deny the allegations contained in paragraph 128 of the Petition as written and demand strict proof thereof.

### **TENTH CAUSE OF ACTION**

#### **(Violation of Section 1-505 of the Act: Unlawful Statements in a Record)**

129. Paragraph 129 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 129 of the Petition as written.

130. Defendants deny the allegations contained in paragraph 130 of the Petition as written and demand strict proof thereof.

131. Defendants deny the allegations contained in paragraph 131 of the Petition as written and demand strict proof thereof.

## ELEVENTH CAUSE OF ACTION

### **(Violation of Rule 660:11-7-42: Dishonest and Unethical Practices of Investment Advisers and Investment Adviser Representatives)**

132. Paragraph 132 of the Petition is merely a restatement of the previous allegations that were previously presented and requires no answer. To the extent a response is necessary, Defendants deny the allegations contained in Paragraph 132 of the Petition as written.

133. Defendants deny the allegations contained in paragraph 133 of the Petition as written and demand strict proof thereof.

WHEREFORE, Defendants, Freeman Financial Group, LLC, Byron Kent Freeman and Karen Lynne Freeman, request pray that Plaintiff take nothing by way of its Petition for Permanent Injunction and Other Relief.

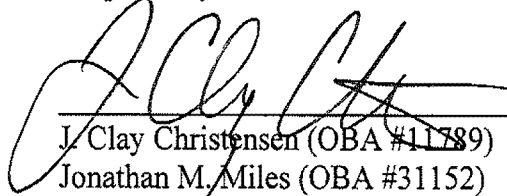
### AFFIRMATIVE DEFENSES

By pleading the following affirmative defenses, Defendants do not concede that each of the matters covered by the numbered defenses have to be proven by Defendants. Defendants reserve the position that Plaintiff retains the burden of proof on all matters necessary to state and prove the claims asserted in the Petition.

1. Plaintiff's claims, in whole or in part, fail to state a claim upon which relief can be granted.
2. At all times, Defendants acted in a professional and proper manner.
3. Defendants performed any and all duties in a manner that was in conformity with all industry standards.
4. Plaintiff's claims are barred as no alleged duty was breached by Defendants.
5. Another action is pending. This action should be stayed.

6. Discovery has not yet commenced, and Defendants reserve the right to assert additional defenses or claims which may become known during the course of discovery and in accordance with Oklahoma Rules of Civil Procedure.

Respectfully submitted,




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*Attorneys for Defendants*

**CERTIFICATE OF MAILING**

This certifies that on the 13 day of March 2026, the above and foregoing instrument was mailed via First Class U.S. Mail, postage prepaid to the following:

Patricia A. Labarthe  
Shaun M. Mullins  
Bradley E. Davenport  
Katelyn A. Romeike  
Oklahoma Department of Securities  
204 North Robinson, Suite 400  
Oklahoma City, Oklahoma 73102



J. Clay Christensen