

IN THE SUPREME COURT OF THE STATE OF OKLAHOMA

FILED  
SUPREME COURT  
STATE OF OKLAHOMA

JUN 13 2016

MICHAEL S. RICHIE  
CLERK

Oklahoma Department of Securities )  
*ex rel.* Irving L. Faught, Administrator, )  
 )  
Plaintiff/Appellee, )

vs. )

Case No. 115025

Seabrooke Investments LLC, an Oklahoma )  
limited liability company; )  
Seabrooke Realty LLC, an Oklahoma )  
limited liability company; )  
Oakbrooke Homes LLC, an Oklahoma )  
limited liability company; )  
Bricktown Capital LLC, an Oklahoma )  
limited liability company; )  
KAT Properties LLC, an Oklahoma )  
limited liability company; )  
Cherry Hill LLC, an Oklahoma limited liability )  
company; )  
Cherry Hill Apartments; )  
Tom W. Seabrooke, individually and as trustee of )  
the Tom Seabrooke 2007 Revocable Trust and )  
J. Karyn Seabrooke 2007 Revocable Trust; and )  
Judith Karyn Seabrooke, individually and as trustee )  
of the Tom Seabrooke 2007 Revocable Trust and )  
J. Karyn Seabrooke 2007 Revocable Trust, )

Defendants. )

and )

Ryan Leonard, )  
 )  
Court Appointed Receiver/Appellee, )

and )

Wayne Doyle, )  
 )  
Intervenor/Appellant. )

**RESPONSE OF OKLAHOMA DEPARTMENT OF SECURITIES  
TO PETITION IN ERROR**

Is appellee willing to participate in an attempted settlement of the appeal by predecisional conference under Rule 1.250?

  X   YES            NO

Attached as Exhibit "A" is the statement of the case of the Appellee, Oklahoma Department of Securities.

In accelerated appeals from orders granting motion for summary judgment or motion to dismiss **only** appellee shall either file the counter-designation of record, if any, with the response to the petition in error, or shall also file concurrently with response any supplement to record on accelerated appeal. See Rule 1.36(e)(1) and (2).

DATE: June 3~~rd~~ 2016.

Verified by:

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### Statement of the Case

On August 11, 2014, the Oklahoma Department of Securities filed a civil action against Tom and Karyn Seabrooke and their companies (Defendants) for violations of the Oklahoma Uniform Securities Act of 2004. The Oklahoma County District Court (Court) appointed Ryan Leonard as receiver (Receiver) for all Defendants. Appellant Wayne Doyle (Doyle), a unique Intervenor in this case, had a close relationship with Defendants. He was part owner of a Defendant entity and guaranteed two of that entity's large commercial loans. He also paid invoices and payrolls on behalf of Defendants and was a party to numerous business transactions with Defendants. In August 2015, Doyle made his first claim to Defendants' funds and his relationship with Defendants was a primary focus of the Court following a two day hearing. On August 15, 2015, the Court issued *Findings of Fact and Conclusions of Law* (Doyle 2015 Order) denying Doyle's claim and classifying all Doyle funds as capital contributions. Defendants subsequently agreed to the payment of restitution to investors to be determined through a claims process. The Receiver evaluated all claims filed, including the second claim of Doyle, and recommended that Doyle's claim be denied. Doyle objected and a hearing was held. On March 1, 2016, the Court emailed a decision to all parties, denying the objection of Doyle. Subsequently, after parties were unable to agree to the language of an order, the Court directed the Receiver to notify the parties to submit proposed orders to her. On April 15, 2016, the Department submitted its proposed order to the Court and all parties. On April 19, 2016, the Receiver submitted his proposed order to the Court and all parties. The Department did not receive notice that Doyle submitted a proposed order to the Court. On April 27, 2016, the Court, incorporating the Doyle 2015 Order, issued the *Order and Judgment Approving Receiver's Report on Claims and Authorizing Receiver's Distribution to Creditors*.

EXHIBIT

A

CERTIFICATE OF MAILING TO ALL PARTIES AND COURT CLERK

I hereby certify that a true and correct copy of the Response to Petition in Error was mailed this 3~~1~~ day of June, 2016 by depositing it in the U.S. Mail, with postage prepaid or by electronic mail to:

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I further certify that a copy of the Response to Petition in Error was mailed to, or filed in, the Office of the Oklahoma County Court Clerk on the 13<sup>th</sup> day of June, 2016.

Patricia A. Labutte