

Objection to Compensation01
IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

Oklahoma Department of Securities)	
ex rel. Irving L Faught,)	
Administrator,)	
Plaintiff,)	Case No. CJ-2009-2773
)	
v.)	
)	
Brian McKye,)	
Defendant))	

**DEFENDANT'S OBJECTION TO SPECIAL MASTERS REQUEST
FOR COMPENSATION AND MOTION FOR HEARING ON
SPECIAL MASTERS FUTURE ROLE ON COURT APPOINTMENT**

Comes now the Defendant and respectfully requests the Court to deny Stephen Moriarty court appointed Special master compensation for the following reasons:

Stephen Moriarty has been ineffectual in his role as Special Master. He has depleted the assets of the companies with his actions and the actions of his assistant.

1. No inventory was taken of the assets placed into his control on April 1 2009.(see Deposition 12/16/09)
2. The first sale of the Defendants' assets was not supervised by Mr. Moriarty or his assistant. Amounting to only approx \$71,000 from the sale of seven retail loan stores. (see Deposition testimony).
3. Mr. Moriarty turned over keys to the buyers of Defendants' notes for the buyers to collect assets of those offices as they pleased. The note buyers ransacked the offices of assets not approved by this Court for sale. (Deposition 12/16/2009)
4. Mr. Moriarty never visited two of the offices of which he was put in control. He never inventoried those two offices nor any of the other offices by his testimony in deposition (see Deposition of Stephen Moriarty of December 16 2009).
5. Mr. Moriarty is not qualified to run a business under court order. He has only one other experience of being a receiver, that of the Hickman case. Mr. Moriarty had just changed jobs when this action began. He has no formal collection procedures. No formal procedures for keeping clients financial information private. (see Deposition testimony of 12/16/09 and exhibits P and Q)
6. Mr. Moriarty is overcharging the Court for his level of knowledge and experience, that of \$425.00 dollars per hour; \$100.00 per hour for his assistant and \$325.00 for his time.
7. Only one report of the actions of Special Master has been furnished to this Court. Any Court officer should be submitting quarterly reports if not

Objection to Compensation01

actually every month. Defendant claims that Special Master is guilty of laches and undue delay in furnishing timely reports to this Court.

8. Special Master sold and delivered to the "winning bidder" assets which they did not pay for, including loans, the work stations of more than 28 employees cubicles, phone systems, tv's, copiers, printers, and loans to customers and clients of Defendants stores.

9. Special Master failed to pay clients of Defendant any amounts of money since his appointment.

(see Deposition testimony 12/16/09)

10. Special Master failed to pay payroll with full disclosure of the withholdings from their checks.

(see exhibit A)

For these reasons and many more as will be submitted by Defendant upon receiving the actual Deposition of Special Master which was finally conducted on 12/16.09. Defendant respectfully requests the court to deny Special Masters request for funds until which time a hearing can be held to study a recent report from the Special Master about his operations and management of Defendants assets.

Respectfully submitted



Brian McKye
Brian McKye -Defendant