

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

Securities and Exchange Commission,	:	
	:	
Plaintiff,	:	Case No. 2:08-cv-667
	:	
v.	:	Judge Edmund A. Sargus, Jr.
	:	
One Equity Corporation, et al.,	:	Magistrate Judge Mark R. Abel
	:	
Defendants.	:	

**ORDER ON FIRST OMNIBUS OBJECTION TO CLAIMS
(STOCK OPTION CLAIMS, EMPLOYEE CLAIMS AND OTHER LOAN CLAIMS)**

This matter came before the Court for hearing on June 28, 2011 upon the First Omnibus Objection to Claims (Stock Option Claims, Employee Claims, and Other Loan Claims) (Doc. No. 196); Receiver’s Hearing Brief in Support of the First Omnibus Objection to Claims (Doc. No. 214); Fred Johnson’s Responsive Pleading and Objection to Receiver’s First Omnibus Objection to Claims (Doc. No. 201); Roosevelt Johnson’s Responsive Pleading and Objection to Receiver’s First Omnibus Objection to Claims (Doc. No. 206, under seal); and Kiazen Consulting, Inc.’s Responsive Pleading and Objection to Receiver’s First Omnibus Objection to Claims (Doc. No. 207, under seal).

The Court hereby finds that on July 17, 2008 (the “Receivership Date”), the Receiver was appointed the receiver of One Equity Corporation, Triangle Equities Group, Inc., Dafcan Finance, Inc. and Victory Management Group, Inc. pursuant to the Order Granting Motion to Appoint Receiver (Doc. No. 14). On September 16, 2010, the Receiver was appointed the receiver of Marshal-Light Trading Partners, Inc. and Resource Property Management pursuant to the Order Approving the Preliminary Report of Court Appointed Receiver (Doc. No. 39)

(collectively, One Equity, Triangle Equities, Dafcan Finance, Victory Management, Marshal-Light and Resource Property Management hereinafter referred to as the “Receivership Entities”)

This Court further finds that on April 5, 2011, the Receiver filed the First Omnibus Objection to Claims (Stock Option Claims, Employee Claims, and Other Loan Claims) (hereinafter referred to as “First Omnibus Objection”). On the same date, the Receiver served the First Omnibus Objection upon the Master Service List and claimants subject to said First Omnibus Objection. Those parties were notified that if they disagreed with the proposed treatment in the First Omnibus Objection that they had until April 28, 2011 to file and serve a responsive pleading. The parties were also notified that if they filed a responsive pleading, that a hearing was scheduled for June 28, 2011 at 10:00 a.m. to consider the omnibus objections and any responsive pleadings.

This Court further finds that three parties filed formal objections/responses to the First Omnibus Objection. Fred Johnson filed a Responsive Pleading and Objection to Receiver’s First Omnibus Objection (Doc. No. 201). Roosevelt Johnson filed a Responsive Pleading and Objection to Receiver’s First Omnibus Objection (Doc. No. 206). Kiazen Consulting, Inc. filed a Responsive Pleading and Objection to Receiver’s First Omnibus Objection (Doc. No. 207). Fred Johnson filed Proof of Claim No. 38, Roosevelt Johnson filed Proof of Claim No. 1 and Kiazen Consulting filed Proof of Claim No. 2. The Receiver reported that he resolved the objections of Fred Johnson, Roosevelt Johnson and Kiazen Consulting as reported in the Hearing Brief in Support of the First Omnibus Objection. Accordingly, the Court finds good cause to resolve these claims as proposed by the Receiver in his Hearing Brief.

This Court further finds that a number of claimants initiated informal discussions with the Receiver in an attempt to resolve their claims. As reported by the Receiver in the Hearing Brief

in Support of First Omnibus Objections, those parties that initiated informal discussions are Paul Kirkham (Proofs of Claim Nos. 34 and 36), Lawrence Finnegan (Proofs of Claim Nos. 47-51, 74), Frances Hildebrand-Baker (Proofs of Claim Nos. 61-64), Sean Finnegan (Proofs of Claim Nos. 65-67), Heather Finnegan-Cox and James Cox (Proof of Claim No. 70) and David L. Brannon (Proof of Claim No. 90). The Receiver reported that these claimants continued to provide documentation and information supporting their claims. As a result of further reconciliation, the Receiver reported that he resolved the parties' disputes. Accordingly, the Court finds good cause to resolve these claims as proposed by the Receiver in his Hearing Brief.

As to the other filed claims identified in the First Omnibus Objection, this Court finds as follows:

1. Lawrence Taylor filed proofs of claim in the amount of \$3,145.00 and \$3,423.00 (Proofs of Claim Nos. 9-10). The Receiver objected to his claims for the reasons set forth in the First Omnibus Objection. Taylor did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Taylor's claims.

2. Richard Hunter, Jr. filed a proof of claim in the amount of \$1,850.00 (Proof of Claim No. 11). The Receiver objected to his claims for the reasons set forth in the First Omnibus Objection. Hunter did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Hunter's claim.

3. Colt Byers filed a proof of claim in the amount of \$888.00 (Proof of Claim No. 12). The Receiver objected to his claims for the reasons set forth in the First Omnibus Objection. Byers did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Byers' claim.

4. Tadd Byers filed proofs of claim in the amount of \$20,400.00 (Proof of Claim No. 13), \$31,500.00 (Proof of Claim No. 14), \$3,400.00 (Proof of Claim No. 15), \$3,400.00 (Proof of Claim No. 16) and \$1,461.00 (Proof of Claim No. 17). The Receiver objected to his claims for the reasons set forth in the First Omnibus Objection. Byers did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Byers' claims.

5. Coreen Byers filed proofs of claim in the amount of \$11,700.00 and \$1,000.00 (Proofs of Claim Nos. 18 and 19). The Receiver objected to her claims for the reasons set forth in the First Omnibus Objection. Byers did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Byers' claims.

6. Christine Hunter filed proofs of claim in the amount of \$3,400.00 (Proof of Claim No. 20), \$13,505.00 (Proof of Claim No. 21) and \$3,400.00 (Proof of Claim No. 22). The Receiver objected to her claims for the reasons set forth in the First Omnibus Objection. Hunter did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Hunter's claims.

7. Charles Dorton filed a proof of claim in the amount of \$20,658.40 (Proof of Claim No. 35). The Receiver objected to his claim for the reasons set forth in the First Omnibus Objection. Dorton did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Dorton's claim.

8. Todd Byers filed proofs of claim in the amount of \$30,405.00 (Proof of Claim No. 39), \$255,000.00 (Proof of Claim No. 40), \$5,100.00 (Proof of Claim No. 41), \$10,000.00 (Proof of Claim No. 42) and \$31,000.00 (Proof of Claim No. 68). The Receiver objected to his

claims for the reasons set forth in the First Omnibus Objection. Byers did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Byers' claims.

9. Brittany Rambacher filed a proof of claim in the amount of \$650.00 (Proof of Claim No. 45). The Receiver objected to her claim for the reasons set forth in the First Omnibus Objection. Rambacher did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Rambacher's claim.

10. Emma Baker filed proofs of claim in the amount of \$39,775.00 plus interest (Proofs of Claim Nos. 52-53) and \$17,000.00 plus interest (Proof of Claim No. 54). The Receiver objected to her claims for the reasons set forth in the First Omnibus Objection. Baker did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Baker's claims.

11. Richard Baker filed proofs of claim in the amount of \$209,150.00 plus interest (Proofs of Claim Nos. 55-60). The Receiver objected to his claims for the reasons set forth in the First Omnibus Objection. Baker did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Baker's claims.

12. Danny R. Barnhart filed a proof of claim in the amount of \$463,662.50 (Proof of Claim No. 71). The Receiver objected to his claim for the reasons set forth in the First Omnibus Objection. Barnhart did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Barnhart's claim.

13. Marcus Bostic filed a proof of claim in the amount of \$1,538.00 (Proof of Claim No. 73). The Receiver objected to his claim for the reasons set forth in the First Omnibus

Objection. Bostic did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Bostic's claim.

14. Wayne Bard filed a proof of claim in the amount of \$3,566.23 (Proof of Claim No. 89). The Receiver objected to his claim for the reasons set forth in the First Omnibus Objection. Bard did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Bard's claim.

15. Melissa Stevens filed a proof of claim in the amount of \$1,670.00 (Proof of Claim No. 91). The Receiver objected to her claim for the reasons set forth in the First Omnibus Objection. Stevens did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Stevens' claim.

16. Ann M. Levingston filed a proof of claim in the amount of \$1,164.00 (Proof of Claim No. 98). The Receiver objected to her claim for the reasons set forth in the First Omnibus Objection. Levingston did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Levingston's claim.

17. Melanie Dille filed a proof of claim in the amount of \$1,580.00 (Proof of Claim No. 99). The Receiver objected to her claim for the reasons set forth in the First Omnibus Objection. Dille did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Dille's claim.

18. Robert Maier filed a proof of claim in the amount of \$46,000.00 plus interest (Proof of Claim No. 106). The Receiver objected to his claim for the reasons set forth in the First Omnibus Objection. Maier did not file a response to the Receiver's objection. Therefore, this Court finds that there is good cause to sustain the Receiver's objection to Maier's claim.

Based upon the First Omnibus Objection and the Receiver's Hearing Brief, this Court finds that there is good cause to allow the following timely filed claims, in the following amounts:

- a. Melissa Jarrell in the amount of \$1,921.35 (Proof of Claim No. 68);
- b. Alvin C. Tucker in the amount of \$1,092.00 (Proof of Claim No. 85); and
- c. Alan Beavers in the amount of \$1,960.00 (Proof of Claim No. 108).

The Court further finds that said allowed claims shall be subject to further order(s) pertaining to distribution to be entered by this Court.

Based upon the foregoing, it is hereby ORDERED, ADJUDGED AND DECREED as follows:

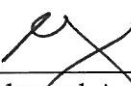
- a) The claims of Lawrence Taylor (Claim No. 9 and Claim No. 10) are denied and not allowed in any amount.
- b) The claim of Richard Hunter, Jr. (Claim No. 11) is denied and not allowed in any amount.
- c) The claim of Colt Byers (Claim No. 12) is denied and not allowed in any amount.
- d) The claims of Tadd Byers (Claim Nos. 13, 14, 15, 16, and 17) are denied and not allowed in any amount.
- e) The claims of Coreen Byers (Claim No. 18 and Claim No. 19) are denied and not allowed in any amount.
- f) The claims of Christine Hunter (Claim Nos. 20, 21, and 22) are denied and not allowed in any amount.
- g) The claim of Paul Kirkham (Claim No. 34) is allowed in the amount of \$4,500.00 and a subordinated allowed claim in the amount of \$3,150.00.

- h) The claim of Paul Kirkham (Claim No. 36) is denied and not allowed in any amount.
- i) The claim of Charles Dorton (Claim No. 35) is denied and not allowed in any amount.
- j) The claims of Todd Byers (Claim Nos. 39, 40, 41, 42 and 68) are allowed in the total amount of \$56,000.00 and a subordinated allowed amount of \$228,505.00.
- k) The claim of Brittany Rambacher (Claim No. 45) is denied and not allowed in any amount.
- l) The claims of Lawrence Finnegan (Claim Nos. 47, 48, 49, 50, 51, and 74) are allowed in the total amount of \$6,400.00.
- m) The claims of Emma Baker (Claim Nos. 52, 53, and 54) are allowed in the total amount of \$20,000.00 and a subordinated allowed amount of \$36,775.00.
- n) The claims of Richard Baker (Claim Nos. 55, 56, 57, 58, 59, and 60) are allowed in the total amount of \$77,400.00 and a subordinated allowed amount of \$111,750.00.
- o) The claims of Frances Hildebrand-Baker (Claim Nos. 61, 62, 63, and 64) are allowed in the total amount of \$5,000.00 and a subordinated allowed amount of \$23,139.00.
- p) The claims of Sean Finnegan (Claim Nos. 65, 66, and 67) are allowed in the total amount of \$1,000.00 and a subordinated allowed amount of \$3,024.00.
- q) The claim of Heather Finnegan-Cox/James Cox (Claim No. 70) is allowed in the amount of \$26,650.00 and a subordinated allowed amount of \$65,850.00.
- r) The claim of Danny R. Barnhart (Claim No. 71) is allowed in the amount of \$32,586.40 and a subordinated allowed amount of \$431,076.10.
- s) The claim of Marcus Bostic (Claim No. 73) is denied and not allowed in any amount.
- t) The claim of Wayne Bard (Claim No. 89) is allowed in the amount of \$1,066.23.

- u) The claim of David L. Brannon (Claim No. 90) is allowed in the amount of \$15,000.00.
- v) The claim of Melissa Stevens (Claim No. 91) is denied and not allowed in any amount.
- w) The claim of Ann M. Levingston (Claim No. 98) is denied and not allowed in any amount.
- x) The claim of Melanie Dille (Claim No. 99) is denied and not allowed in any amount.
- y) The claim of Robert Maier is allowed in the amount of \$46,000.00.
- z) The claim of Fred Johnson (Claim No. 38) is denied and not allowed in any amount.
The Receiver shall release the Receivership Entities' lien on that certain Chrysler 300M.
- aa) The claim of Roosevelt Johnson (Claim No. 1) is denied and not allowed in any amount.
- bb) The claim of Kiazen Consulting Inc. (Claim No. 2) is allowed in the amount of \$15,000.00 and a subordinated allowed claim in the amount of \$56,035.00.
- cc) The claim of Melissa Jarrell (Claim No. 68) is allowed in the amount of \$1,921.35.
- dd) The claim of Alvin C. Tucker (Claim No. 85) is allowed in the amount of \$1,092.00.
- ee) The claim of Alan Beavers (Claim No. 108) is allowed in the amount of \$1,960.00.
- ff) Said allowed claims shall be subject to distribution, as approved and ordered by this Court in subsequent orders.

IT IS SO ORDERED.

Date: 7-5-2011



Edmund A. Sargus, Jr.
United States District Judge