IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	**CIVIL ACTION NO. 4:17-CV-00336-ALM**
	§	
THURMAN P. BRYANT, III and BRYANT UNITED CAPITAL FUNDING, INC., ARTHUR F. WAMMEL, WAMMEL GROUP, LLC, THURMAN P. BRYANT, JR., CARLOS GOODSPEED a/k/a SEAN PHILLIPS a/k/a GC d/b/a TOP AGENT ENTERTAINMENT d/b/a MR. TOP AGENT ENTERTAINMENT,	§	
	§	
Defendants,	§	
	§	
THURMAN P. BRYANT, JR.,	§	
	§	
Relief Defendant.	§	

DEFENDANT CARLOS GOODSPEED'S RESPONSE TO SECURITY AND EXCHANGE COMMISSION'S EMERGENCY MOTION FOR EXPANSION OF RECEIVERSHIP, ASSET FREEZE, PRELIMINARY INJUNCTION, AND ORDER TO MAKE ACCOUNTING

Defendant Carlos Goodspeed ("Goodspeed") files this response to Plaintiff Security and Exchange Commission's ("SEC") Emergency Motion for Expansion of Receivership, Asset Freeze, Preliminary Injunction, and Order to Make Accounting (Dkt. No. 199) and respectfully shows the Court as follows:

I. SUMMARY OF RESPONSE

Goodspeed had no involvement, of any kind or nature, with the solicitation of any alleged investors made a subject of any of the SEC's claims in this suit, or with any alleged representations to any such investors, which the SEC pleads began in 2011. This is largely

undisputed. He does not know, and has never met, any of them. In fact, it is undisputed that Goodspeed did not even know any of the other named Defendants until just last year, when he was contacted in early 2017 by Defendant Bryant.

The SEC filed its Original Complaint (Dkt. No. 1) in this matter nearly a year ago. Despite the protracted length since the filing of this litigation, the SEC has now decided to seek the extraordinary relief of appointment of a receiver, preliminary injunction, asset freeze, and sworn accounting (Dkt. No. 199) (the "Motion") against Goodspeed.

To begin, the SEC's Motion is improperly framed as an "emergency". The alleged violations of federal securities laws and Court orders that are the subject of the Motion undisputedly occurred months ago. The Motion provides no specific basis for its emergency filing, and deprives Goodspeed of a reasonable opportunity to adequately respond.

The SEC's Motion seeking the extension of extraordinary relief against Goodspeed is based almost entirely on unsupported presumptions—grounds that are insufficient to warrant a sweeping asset freeze and imposition of a receiver. As detailed herein, the SEC incorrectly asserts that a receivership and asset freeze are necessary because Goodspeed is purportedly: "(1) using BUCF investor funds for new investments initiated after the entry and service of the Asset Freeze Order and the Receivership Order; and (2) funneling BUCF investor funds from Goodspeed to Bryant and Mrs. Bryant." (Dkt. No. 201). Both of these claims are incorrect and not supported by the evidence.

Moreover, even if the SEC's allegations in the Motion were accurate, since retention of counsel, Goodspeed has fully cooperated with the SEC and the Court-appointed Receiver, and has voluntarily agreed to enter into a preliminary injunction enjoining him from engaging in any conduct the SEC deems are violations of the federal securities laws or this Court's prior orders. Goodspeed has also agreed to provide the SEC and the Receiver with a sworn accounting of his

assets (Dkt. No. 199)[1]. These measures will adequately address the issues presented in the Motion.

For these reasons, Goodspeed opposes the SEC's request to extend this Court's receivership order and impose an asset freeze, and requests the Court deny the Motion.

II. PROCEDURAL HISTORY

On May 15, 2017, the SEC initiated this action by filing a Complaint against Bryant and naming several other parties, including Goodspeed, as relief defendants (Dkt. No. 1). On January 26, 2018, the SEC filed a First Amended Complaint, naming Goodspeed as a Defendant (Dkt. No. 154).

The SEC's First Amended Complaint asserts most of the same facts and evidence the SEC is currently issuing in support of its emergency Motion (Dkt. No. 154).

On May 15, 2017, the Court entered an Order Appointing Receiver over Defendants Thurman P. Bryant, III ("Defendant Bryant") and Defendant Bryant United Capital Funding, Inc. ("BUCF") (Dkt. No. 17). On July 19, 2017, this Court granted the SEC's emergency motion to expand the Receivership against Defendant Wammel Group, LLC (Dkt. No. 49).

III. FACTUAL BACKGROUND

Goodspeed has worked as a booking agent in the music and entertainment industry for the past fifteen (15) years (Dec. at ¶ 1). In this capacity, he has made connections in the industry and uses those relationships to assist in the booking of celebrity concerts, events, and parties (Dec. at ¶ 1). This long history is a fact. For the booking services Goodspeed provides, he is generally paid booking fees that vary depending on the artist, location and other event specific factors (Dec. at ¶ 1).

[1] Nothing in this Response shall be deemed an admission by Goodspeed concerning any of the allegations the SEC has asserted against him, either in its Motion, or First Amended Complaint (Dkt. No. 1), (Dkt. No. 154), (Dkt. No. 199), (Dkt. No. 201).

Although Goodspeed works with public figures in the entertainment industry, the process of booking events, appearances, and concerts is an extremely private and confidential process that is not done with the agent of the artist (Dec. at ¶ 2). The process of setting up these events is not public knowledge, and the celebrities and representatives Goodspeed works with are protective of their confidential relationship (Dec. at ¶ 2). Goodspeed is able to preserve his relationships with these individuals by maintaining their confidentiality (Dec. at ¶ 3).

Goodspeed first met Defendant Bryant in January of 2017. Goodspeed has never met any of the other named defendants in this suit or any of the alleged investors made subject of this suit (Dec. at ¶¶ 5, 6). Defendant Bryant approached Goodspeed about booking concert events (Dec. at ¶ 8). Defendant Bryant paid Goodspeed for proposed concert events including, in part, Taylor Swift and Drake (Dec. at ¶ 12). After receiving the funds, Goodspeed began attempting to book these concert events, and had numerous communications relating to availability and potential scheduling of the events (Dec. at ¶ 12).

About a year later, and during this litigation, Defendant Bryant communicated with Goodspeed regarding inability to pay for necessary living expenses (Dec. at ¶ 13). Beginning in December 2017 and on a few other occasions in the following months, Goodspeed transferred requested funds to Defendant Bryant for their living expenses (Dec. at ¶ 13, 14). None of the funds Goodspeed transferred to Defendant Bryant and his family had anything to do with any of the 2017 transactions (Dec. at ¶ 14). All of the funds provided were borrowed by Goodspeed from his family and/or friends who have never met, communicated, or have any known connection to any of the named defendants or any of the alleged investors involved in this suit (Dec. at ¶ 14).

Goodspeed has not entered any other event booking (or other) transactions of any kind with any of the defendants, other than the transactions in early 2017 (Dec. at ¶ 15). None of the

communications made subject of the SEC's Motion ever used any assets or related to, contemplated, or resulted in any other transactions, concerts, or events. (Dec. at ¶ 15).

IV. ARGUMENT AND AUTHORITIES

A. The Underlying Motion is not an Emergency.

On April 30, 2018, on an emergency basis, the SEC filed the Motion for expansion of receivership, asset freeze, preliminary injunction, and order to make accounting (Dkt. No. 199). On May 1, 2018, this Court entered an order requiring any response by Goodspeed be filed no later than 5:00 pm on May 4, 2018 (Dkt. No. 205).

Goodspeed objects to the emergency nature for the Motion as the SEC has undisputedly been aware of Goodspeed's alleged conduct forming the basis of the Motion for months (Dkt. No. 201). Due to the short response timeframe combined with the fact that Goodspeed's recently retained counsel is in the process of becoming acquainted with the facts, pleadings, and previously completed discovery in this matter[2], Goodspeed has been unable to file a complete response to the SEC's 135 page Motion and supporting Memorandum/Appendix (Dkt. No. 201). Goodspeed should not be deprived of the normal response timeline for responding to motions of this type provided by the Court. *See* Local Rule CV-7(e) (14-day deadline for Response and Briefing).

The Motion includes no specific facts representing the emergency nature of the relief requested (Dkt. No. 199). The SEC summarily claims that the Motion is an emergency that needs to be heard by this Court on an expedited basis to halt "ongoing" fraudulent securities fraud violations by Goodspeed related to a $1.37 million investment he received from Bryant over a year ago (Dkt. No. 199).

[2] Goodspeed, since retaining counsel just over a week ago, has made every effort to cooperate with, and been in almost constant communications with, the SEC and Receiver. Moreover, Goodspeed and the SEC have recently agreed to Goodspeed's supplement of discovery and completion of the remainder of his oral deposition next week, on May 10, 2018. This week the SEC has also graciously provided a copy of prior discovery and transcripts in this matter to counsel for Goodspeed to help expedite counsel's review, which is underway.

None of the conduct alleged in the Motion is ongoing. Although not disclosed in the Motion, Goodspeed has agreed – *prior* to the filing of the Motion - to the entry of a permanent injunction enjoining any of the conduct made a subject of the SEC's Motion, as well as a sworn account of his assets. There is no emergency, and the SEC's effort to manufacture one deprives Goodspeed of adequate time to respond.

B. The Court Should Not Expand the Receivership.

The SEC must make a substantial showing in order to obtain the entry of the extraordinary relief it seeks, namely, the appointment of a receiver with virtually unlimited powers. *See S.E.C. v. Spence and Green Chem Co.*, 612 F.2d 896, 904 (5th Cir. 1980). "Receivership is an extraordinary remedy that should be employed with the utmost caution and is justified only where there is a clear necessity to protect a party's interests in property, legal and less drastic equitable remedies are inadequate, and the benefits of receivership outweigh the burden on the effected parties." *Netsphere, Inc. v. Baron*, 703 F.3d 296 (5th Cir. 2012) (internal citations omitted); Fed. R. Civ. P. 66.

Where, as here, the SEC seeks extraordinary relief that goes beyond mere prevention of future securities violations, it is critical that such relief be narrowly tailored. *See S.E.C. v. Am. Bd. of Trade, Inc.*, 751 F.2d 529, 535 (2d Cir. 1984). The appointment of a receiver requires a showing that a receiver is strictly necessary to preserve the status quo or prevent the dissipation of assets. *See S.E.C. v. First Financial Group of Texas*, 645 F.2d 429, 435 (5th Cir. 1981) (explaining the purpose of a receiver is to preserve the status quo); *S.E.C. v. R.J. Allen*, 386 F.Supp. 866, 879 (S.D. Fla. 1974) (explaining appointment of receiver appropriate where there is a risk of dissipation of assets); *S.E.C. v. Republic Nat. Life Ins. Co.*, 378 F.Supp. 430, 438 (S.D.N.Y. 1974) (explaining that a receiver should not be appointed where it is not obvious that there is imminent danger that defendant will waste or dissipate assets).

The SEC's evidence in support of the Motion does not meet the high burden necessary for the imposition of a receiver.

The SEC's Motion refers to Goodspeed's failure to successfully set up Drake and Taylor Swift concert series with funds Goodspeed received from Defendant Bryant (Dkt. No. 201). These allegations have been part of the SEC's compliant in this matter for over a year, and they certainly are not grounds for an emergency motion.

Goodspeed has been in the entertainment industry, assisting in the booking of concert and private events of various music artists, for over 15 years (Dec. at ¶ 1). The SEC Motion concedes that Goodspeed is a private booking agent for celebrity concerts, events, and appearances and that Bryant "first" paid Goodspeed in January 2017 to book a Lil Wayne Super Bowl Party in Houston, Texas (Dkt. No. 201). Goodspeed booked this event and the event was performed. That performance and follow-through by Goodspeed is not conduct that lends itself to someone intent on committing fraud.

The Motion further relies upon Goodspeed's conversations with Defendant Bryant which occurred six months ago (Dkt. No. 201). Again, Goodspeed contends these are not proper grounds for an emergency motion. Goodspeed has already agreed, and made it clear to the SEC, that such communications are no longer occurring (Dec. at ¶¶ 16, 17). Goodspeed has further agreed to the entry of a preliminary injunction enjoining such communications (Dec. at ¶ 17). The Motion asserts these conversations "directly violate the Court's Asset Freeze Order" (Dkt. No 201). These conversations, alone, do not violate such order. Moreover, Goodspeed has not entered into any additional transactions with Defendant Bryant or dissipated any alleged investor assets based on these conversations (Dec. at ¶ 15).

Next, the Motion argues that a receivership is necessary due to transfers made by Goodspeed to Bryant, and his wife, between December 2017 and March 2018. (Dkt. No. 201).

The SEC asserts this misuses "investor assets", but such claim is premised entirely on speculation and supported by no evidence that the funds Goodspeed provided were alleged investor funds (*See* Dkt. No. 201, Appx. 000001-000007). Goodspeed would show the Court that none of the funds transferred were alleged investor funds (Dec. at ¶ 14). Specifically, the December 11, 2017 transfer of $4,500.00, February 9, 2018 transfer of $35,000.00, and March 27, 2018 transfer of $10,000.00 to Bryant were all funds borrowed from Goodspeed's friends or family who have never met, communicated, or have any known connection to any of the named defendants in this suit or any of the alleged investors in this suit (Dec. at ¶ 14). Further yet, all of these transfers were requested by Bryant for living expenses (Dec. at ¶ 13).

Admittedly, Goodspeed did not have counsel during this time period, and did not understand such transfers for requested living expenses would potentially be construed as a violation of any prior order of the Court, and has now retained counsel in this matter to better follow and comprehend such matters (Dec. at ¶¶ 16, 17).

Moreover, Goodspeed has volunteered to agree to the entry of a preliminary injunction enjoining all such future transfers (Dec. at ¶ 17).

Lastly, the Motion's appointment/extension of a receiver over Goodspeed is grossly overbroad in light of the alleged conduct and Goodspeed's agreement to enter a preliminary injunction.

The SEC's Motion makes no attempt to narrowly tailor the relief it seeks through the receivership. *S.E.C. v. Am. Bd. of Trade, Inc.*, 751 F.2d 529, 535 (2d Cir. 1984).

Indeed, the proposed receivership is so broad that it does not discriminate between any assets and does not allow for any core expenditures, including those for Goodspeed's living expenses, child care or payment of defense counsel (Dkt. No. 17). The effect of this overbroad and indiscriminate proposed receivership will have the effect of crippling Goodspeed's defense

before it even begins, and destroying any real possibility of resolving this litigation in the near future (Dec. at ¶ 18).

Should the Court be inclined to impose a receivership over Goodspeed in this case, which Goodspeed maintains is not supported by the Motion, an evidentiary hearing should be held to narrowly tailor the scope of any such receivership order.

Accordingly, because the Motion does not meet the high evidentiary burden of imposing a broad receivership upon Goodspeed, and because an already agreed preliminary injunction adequately protects the status quo, the request for appointment of a receiver made a subject of the Motion should be denied.

C. Goodspeed does not oppose a limited Preliminary Injunction

The SEC requests a preliminary injunction in the Motion, specifically seeking to enjoin Goodspeed from committing violations of the federal securities laws or dissipating assets that could be returned to investors.

While disputing the arguments presented in the Motion, Goodspeed does not oppose this preliminary injunction.

Further yet, Goodspeed has voluntarily offered (and will agree) to a broader preliminary injunction that includes enjoining Goodspeed from transferring funds or assets to any of the Defendants named in this action, engaging in any course of conduct that violates federal securities laws, engaging in any course of conduct that constitutes fraud or deceit, communicating with any of the Defendants in this action regarding the use of any funds of any kind, interfering with the Receiver's efforts to manage and control the existing receivership property, hindering in any manner the Receiver's performance of its duties, and from dissipating any assets not essential to his living expenses, child care, or legal defense costs (Dec. at ¶ 17).

Goodspeed is not the subject to any preliminary injunction, and has not previously been

found by the Court to have violated any preliminary injunction imposed in this case. A preliminary injunction as proposed will adequately protect the SEC's interest in preserving the status quo of this litigation and prevent any transfers, or allegedly contemplated transfers, of assets pending final trial on the merits. *Grupo University of Texas v. Camenisch*, 451 U.S. 390,395, 101 S.Ct. 1830,1834 (1981); *Authority of Florida v. Callaway*, 489 F.2d 567, 576 (5th Cir. 1974) (finding the purpose of a preliminary injunction is always to prevent irreparable injury so that the trial court's ability to render a meaningful decision on the merits is preserved).

D. The Court Should Not Issue an Order Freezing Goodspeed's Assets.

Where an asset freeze is sought against a defendant who is accused of wrongdoing, the SEC must demonstrate: (1) a concern that defendants will dissipate their assets or transfer them beyond the jurisdiction of the United States, and (2) a basis to infer securities violations. *See S.E.C. v. AmeriFirst Funding, Inc*., CIV A 307-CV-1188-D, 2007 WL 2192632, at *3 (N.D. Tex. July 31, 2007).

Neither of these elements has been met by the SEC in the Motion.

The Motion presents no evidence that Goodspeed will dissipate or transfer any assets beyond the jurisdiction of the United States. Similarly, there is no history of such dissipation or transfer by Goodspeed. The SEC's Motion supports this. (*See* Dkt. No. 201, Appx. 000001-000007); (Dec. at ¶ 4).

Asset freeze orders are only appropriate when there is sufficient evidence of a threat that an individual will dissipate assets and are necessary to preserve the status quo. *Newby v. Enron Corp.*, 188 F.Supp.2d 684, 707 (S.D. Texas 2002). Courts disfavor issuing broad asset freezes that encompass more assets than actually relate to the fraud, because such an excessively broad asset freeze impedes personal and business activities without actually helping injured investors. *S.E.C. v. Manor Nursing Centers, Inc.*, 458 F.2d 1082, 1105 (2d Cir. 1972) (finding "the

disadvantages and possible deleterious effect of a freeze must be weighed against the considerations indicating the need for such relief").

Goodspeed would further show there is no basis to infer future securities violations (Dec. at ¶¶ 16, 17). Goodspeed has agreed to enter into a preliminary injunction preventing not only any future violations of the federal securities laws, but as detailed above, also enjoining any dissipation of assets that could be returned to investors following the resolution of this litigation (Dec. at ¶¶ 16, 17).

Additionally, the requested asset freeze purports to cover all of Goodspeed's assets, and not just those that relate to the alleged securities violations (Dkt. No. 17). Specifically, the proposed asset freeze will prohibit Goodspeed from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling, or otherwise disposing of any of Goodspeed's assets—regardless of whether such assets are associated with the subject of this litigation (Dkt. No. 17).

Indeed, the asset freeze will impede Goodspeed's unrelated personal and business activities, and will have the effect of preventing Goodspeed from conducting his business or earning funds (Dec. at ¶ 18). The imposition of an asset freeze in the present case will not benefit any alleged investors. In light of the deleterious and crippling effect an asset freeze will have in the present case balanced with the minimal considerations the SEC has presented in support of such relief, the Court should deny this portion of the SEC's Motion (Dec. at ¶18). Accordingly, because the Motion and supporting evidence does not support the imposition of a broad asset freeze upon Goodspeed, and because the preliminary injunction protects the SEC's stated interests and will protect the status quo of the proceedings, the requested asset freeze made a subject of the Motion should be denied.

E. Goodspeed Does Not Oppose Providing the SEC A Sworn Accounting.

In the Motion, the SEC has requested Goodspeed provide a sworn accounting of the assets he possesses and controls, on an expedited basis, to the SEC and Receiver (Dkt. No. 201). Goodspeed does not oppose providing the requested sworn accounting (Dec. at ¶ 17).

F. A Preliminary Injunction and Sworn Accounting will Adequately Protect the SEC.

Goodspeed opposes the alleged emergency nature of the Motion, and contends the Motion does not support the extension of any receivership or asset freeze upon Goodspeed. Nevertheless, Goodspeed does not oppose to the entry of a preliminary injunction and sworn account, as agreed above, and believes it will maintain the status quo of this litigation and adequately protect the SEC's interests. *Mississippi Power & Light Co v. United Gas Pipe Line Co.*, 760 F.2d 618, 627 (5th Cir. 1985); *Parks v. Dunlop*, 517 F.2d 785, 787 (5th Cir. 1975).

V. CONCLUSION

Based on the foregoing facts and for the reasons set forth above, Goodspeed respectfully requests that the Court deny the Motion. To the extent the Motion is not denied in its entirety, Goodspeed requests enter the proposed preliminary injunction and order for sworn account, afford Goodspeed an opportunity to serve a full response in conformity with the local rules of this Court, and after such response conduct an evidentiary hearing as to the requested receivership and asset freeze portions made a subject of the Motion.

Dated: May 4, 2018

Respectfully submitted,

SCHEEF & STONE, L.L.P.

By: */s/ Mark L. Hill*
MARK L. HILL
State Bar No. 24034868
mark.hill@solidcounsel.com

ANNA S. BROOKS
State Bar No. 24074147
anna.brooks@solidcounsel.com

2600 Network Blvd., Suite 400
Frisco, Texas 75034
(214) 472-2100 Telephone
(214) 472-2150 Facsimile
ATTORNEYS FOR DEFENDANT CARLOS GOODSPEED

CERTIFICATE OF SERVICE

I certify that on the 4th of May, 2018, the foregoing pleading was served by electronic notification using the electronic case filing system of the court, to the persons and/or entities registered with CM/ECF, and Via Electronic Email and U.S. Mail to *pro se* parties pursuant to the Federal Rules of Civil Procedure.

/s/ *Mark L. Hill*
Mark L. Hill

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	**CIVIL ACTION NO. 4:17-CV-00336-ALM**
	§	
THURMAN P. BRYANT, III and BRYANT UNITED CAPITAL FUNDING, INC., ARTHUR F. WAMMEL, WAMMEL GROUP, LLC, THURMAN P. BRYANT, JR., CARLOS GOODSPEED a/k/a SEAN PHILLIPS a/k/a GC d/b/a TOP AGENT ENTERTAINMENT d/b/a MR. TOP AGENT ENTERTAINMENT,	§	
	§	
Defendants,	§	
	§	
THURMAN P. BRYANT, JR.,	§	
	§	
Relief Defendant.	§	

DECLARATION OF CARLOS GOODSPEED

I, Carlos Goodspeed, declare under penalty of perjury, in accordance with 28 U.S.C. § 1746, that the following is true and correct and that I have personal knowledge of, and am competent to testify to, the matters stated herein.

1. "I have worked as a booking agent in the music and entertainment industry for the past 15 years. In this capacity, I have made connections in the industry and use these relationships to assist in the booking of celebrity concerts, events, and parties. For the booking services, I am generally paid a booking fee that varies depending on the artist, location, and other event-specific factors.

2. Although I work with public figures in the entertainment industry, the process of

booking events, appearances, and concerts is an extremely private and confidential process. It is also frequently not done directly with the agent of the artist. The process of setting up these events is not public knowledge, and the celebrities and representatives I work with are protective of our confidential relationship.

3. I am able to preserve the relationships with my celebrity booking connections by maintaining their confidentiality.

4. While some of my bookings are outside of the United States, I am not aware of ever transferring any money related to any of these business dealings outside of the United States.

5. I first met Thurman P. Bryant, III ("Bryant") in January of 2017. I have never met any of the other named defendants in this suit.

6. I am also not aware of ever meeting any of the other named defendants in this suit, or any of the alleged investors made a subject of this suit.

7. Bryant did not identify or disclose to me where he obtained any of the money he paid to me in early 2017.

8. Bryant was introduced and called me about booking concert events. When we spoke, there was no request that the funds paid be segregated, earmarked, or otherwise used for any particular event.

9. The contracts that Bryant requested are not used in my normal course of business dealings. Almost all of my business dealings do not use contracts of that nature or anything similar to it.

10. In fact, I have never entered into another contract similar to the one Bryant requested.

11. I had no knowledge that the funds Bryant transferred to me were allegedly ill-gotten in any manner. I had no knowledge that any investors were ever upset in any manner with Bryant. At no time, prior to learning of this suit, were any of these allegations disclosed to me.

12. After receiving the funds from Bryant, I began attempting to book concert events, and had numerous communications relating to potential Drake and Taylor Swift events. None of these communications were with the agents of Drake or Taylor Swift.

13. In 2017, Bryant reached out and communicated with me about needing money for living expenses. I agreed to lend Bryant and his family money to help them pay for these expenses. These funds were not associated in any manner, to my knowledge, with any booking of any concert events.

14. None of the funds I transferred to Bryant and his family had anything to do with any Taylor Swift or Drake concert, party, or event. The December 11, 2017 transfer of $4,500.00, February 9, 2018 transfer of $35,000.00, and March 27, 2018 transfer of $10,000.00 to Bryant were all funds borrowed from my friends or family who have never met, communicated, or have any known connection to any of the named defendants in this suit or any of the alleged investors involved in this suit.

15. I have not entered into any other booking transactions of any kind with Bryant, or any of the other named defendants, other than the transactions in early 2017. None of the communications made a subject of the Security and Exchange Commission's Motion ever resulted in any other transactions, concerts, or events or used any assets.

16. In late April, 2018, I engaged the law firm Scheef & Stone, LLP to represent me in this litigation. At this time, I was advised of the substance of the prohibitions of the prior preliminary injunction, asset freeze, and receivership placed over the other defendants in this

litigation. I now understand that I cannot transfer any funds or assets to Bryant or any of the other defendants or communicate with Bryant regarding the disposition of any of the funds he transferred to me in connection with the Taylor Swift and Drake concert series.

17. I will not transfer any further funds to Bryant or any of the other Defendants, or communicate with Bryant regarding the disposition of any of the funds he transferred to me in connection with any concert events. I do not oppose entering into a preliminary injunction preventing me from doing engaging in this activity. I also do not oppose providing the Security and Exchange Commission and receiver over the other named defendants with a sworn accounting of my assets.

18. In the event a broad receivership or asset freeze is imposed against me, as requested by the Security and Exchange Commission in its Motion, it will substantially impair my ability to complete bookings of future events unrelated to the parties or subject matter of this litigation.

I declare under penalty of perjury that the foregoing is true and correct."

Executed on 5-4-18

Carlos Goodspeed