

IN THE DISTRICT COURT OF TULSA COUNTY  
STATE OF OKLAHOMA

W. STUART PRICE, individually as a  
member of Tulsa Pro Hoops, LLC, and  
derivatively on behalf of Tulsa Pro Hoops,  
LLC,

Plaintiff,

v.

WILLIAM ("BILL") CAMERON,  
individually,

CHRIS CHRISTIAN, individually,

CAMERON SPORTS LLC, an Oklahoma  
limited liability company,

CB HOOPS, LLC, an Oklahoma limited  
liability company,

TEXASOU, LLC, an Oklahoma limited  
liability company,

Defendants,

and

TULSA PRO HOOPS, LLC, an Oklahoma  
limited liability company,

Nominal Party and  
Defendant.

DISTRICT COURT  
**FILED**

AUG 27 2015

SALLY HOWE SMITH, COURT CLERK  
STATE OF OKLA. TULSA COUNTY

Case No. CJ 2015-02676

SALLY HOWE SMITH  
COURT CLERK  
2015 AUG 27 PM 4:17

**ANSWER AND COUNTERCLAIMS**

The defendants, William Cameron ("Cameron"), Cameron Sports, LLC ("Cameron Sports"), CB Hoops, LLC ("CB Hoops"), TexasOU, LLC ("TexasOU"), and Tulsa Pro Hoops, LLC ("TPH"), (collectively "Defendants"), for their Answer to the Petition of the plaintiff, allege and state a follows:

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## PARTIES JURISDICTION AND VENUE

1. Defendants admit W. Stuart Price is an individual and a member of Tulsa Pro Hoops, LLC. Defendants deny he is a member in good standing because W. Stewart Price (hereinafter “Delinquent Member Price”) failed to support TPH and the Tulsa Shock basketball team by failing to make over \$145,000 in capital contributions, making him a “Delinquent Member” as defined by Section 4.1 of the TPH Operating Agreement. Further, Defendants state that Delinquent Member Plaintiff Price was given notice of the meeting at which relocation was discussed but chose not to attend.

2. Defendants admit the allegations in Paragraph 2.

3. Defendants admit William Cameron is an individual and a manager of TPH who resides in Oklahoma City, and is an owner and manager of Cameron Sports and CB Hoops. Defendants deny the remaining allegations in Paragraph 3.

4. Defendants deny “Cameron Hoops, LLC” is a party to this lawsuit. Defendants admit the remaining allegation in Paragraph 4.

5. Defendants admit the allegations in Paragraph 5.

6. Defendants deny Chris Christian has a controlling ownership or other interest in TexasOU. Defendants admit remaining allegations in Paragraph 6.

7. Defendants deny that “TexasOU is dominated and controlled by Christian” and that TexasOU owns more than 5% of TPH’s membership units. Defendants admit the remaining allegations in Paragraph 7.

8. Defendants deny that any “causes of action” have arisen.

9. Paragraph 9 contains legal conclusions not factual allegations to admit or deny.

10. Defendants admit that TPH was formed on or about April 23, 2009, and the Operating Agreement of TPH (the "Operating Agreement") speaks for itself. Defendants deny any remaining allegations in Paragraph 10.

11. Defendants admit the allegations in Paragraph 11.

12. Defendants admit that Delinquent Member Price invested in and owns a membership interest in TPH. Defendants deny it was represented the Tulsa Shock would remain in Tulsa. The Operating Agreement speaks for itself and states in Section 6.6 the TPH Board may "relocate the Team to a new geographic playing location outside the Tulsa area." Defendants deny the remaining allegations in Paragraph 12.

13. Defendants admit Delinquent Member Price paid approximately \$250,000 to acquire a membership interest in TPH. Defendants deny the remaining allegations in Paragraph 13.

14. Defendants deny the allegations in Paragraph 14.

15. Defendants deny the allegations in Paragraph 15.

16. Defendants deny the allegations in Paragraph 16.

17. Defendants admit that, in light of the operating losses suffered by TPH each year since its inception, they explored potential alternative venues for the Tulsa Shock and eventually decided North Texas was the best such venue. Defendants deny the remaining allegations in Paragraph 17.

18. Defendants deny the allegations in Paragraph 18.

19. Defendants state that the Operating Agreement speaks for itself. Defendants deny any allegations inconsistent therewith, and deny the remaining allegations in Paragraph 19.

20. Defendants state the Operating Agreement speaks for itself. Defendants deny any allegations inconsistent therewith. Defendants deny the remaining allegations in Paragraph 20.

21. Defendants state the Oklahoma Limited Liability Act speaks for itself and deny any allegations inconsistent therewith. Defendants deny the remaining allegations in Paragraph 21.

22. Defendants deny the allegations in Paragraph 22.

23. Defendants admit Delinquent Member Price sent the letter attached as exhibit B (the "Letter"), which speaks for itself. Defendants deny the remaining allegations in Paragraph 23.

24. Defendants admit Cameron and TPH produced documents for inspection in response to the Letter. Defendants deny the remaining allegations in Paragraph 24.

25. Defendants deny the allegations in Paragraph 25.

26. Defendants deny the allegations in Paragraph 26.

27. Defendants state the Operating Agreement speaks for itself and deny any allegations inconsistent therewith. Defendants deny the remaining allegations in Paragraph 27.

28. Defendants state the Operating Agreement speaks for itself and deny any allegations inconsistent therewith.

29. Defendants deny the allegations in Paragraph 29.

30. Defendants deny the allegations in Paragraph 30.

31. Defendants state the Operating Agreement speaks for itself and deny any allegations inconsistent therewith.

32. Defendants state the Operating Agreement speaks for itself and deny any allegations inconsistent therewith.

33. Defendants deny the allegations in Paragraph 33.

34. Defendants deny the allegations in Paragraph 34.

35. Defendants deny the allegations in Paragraph 35.

36. Defendants admit Delinquent Member Price owns TPH units. Defendants deny the remaining allegations in Paragraph 36.

37. Defendants admit that Delinquent Member Price has not made a demand on the Board to file suit for supposed breaches of fiduciary duty. Defendants state that Delinquent Member Price has not complied with the statutory pre-requisites to bring a derivative claim under 18 Okla. Stat. §§ 2051 and 2052, so that any such claim should be dismissed for failure to state a claim as set forth in Defendants' Motion to Dismiss, such that the remaining allegations contained in Paragraph 37 are denied.

- a. Denied. Subject to motion to dismiss.
- b. Denied. Subject to motion to dismiss..
- c. Denied. Subject to motion to dismiss.
- d. Denied. Subject to motion to dismiss.
- e. Denied. Subject to motion to dismiss.

38. Defendants admit the written statement attached to the Petition as Exhibit C was distributed to all TPH unit holders on July 20, 2015 (the "Relocation Statement"). The Relocation Statement speaks for itself, and Defendants deny any allegations inconsistent therewith. Defendants deny the remaining allegations in Paragraph 38.

39. Defendants state the Relocation Statement and Operating Agreement speak for themselves. Defendants deny any actions regarding relocation were inconsistent with the requirements of the Operating Agreement, and deny the remaining allegations in Paragraph 39.

40. Defendants admit the allegations in the second sentence of Paragraph 40. Defendants deny the remaining allegations in Paragraph 40.

### **CLAIMS FOR RELIEF**

#### **COUNT I Accounting**

41. Defendants incorporate all preceding paragraphs.

42. Defendants deny TPH has “refus[ed]” to provide Delinquent Member Price with financial information to which he is entitled and deny the allegations contained in Paragraph 42.

#### **COUNT II Declaratory Judgment**

43. Defendants incorporate all preceding paragraphs.

44. Paragraph 44 states a legal conclusion to which no response is necessary.

45. Defendants admit they have expressed their intent to relocate the Tulsa Shock to North Texas and that Delinquent Member Price, a minority member, does not consent. Defendants state that Delinquent Member Price chose not to attend the meeting at which relocation was discussed, despite having been given notice of the meeting, where he could have made arguments against relocation. Defendants deny their actions have been inconsistent with the requirements of the Operating Agreement or Oklahoma law. Defendants deny the remaining allegations in Paragraph 45.

46. Defendants deny the allegations in Paragraph 46.

47. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 47.

48. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 48.

49. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 49.

50. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 50.

51. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 51.

52. Defendants deny any actions inconsistent with the Operating Agreement or Oklahoma law, and deny the allegations in Paragraph 52.

53. Defendants deny the allegations in Paragraph 53.

54. Defendants deny the allegations in Paragraph 54.

### **COUNT III**

#### **Derivative Claim for Breach of Fiduciary Duty, Mismanagement, and Self-Dealing**

Defendants have filed a Motion to Dismiss Delinquent Member Price's derivative claims and accordingly need not respond to Delinquent Member Price's allegations in Paragraphs 55 through 61 of the Petition, pursuant to 12 Okla. Stat. §2012(A)(5). To the extent a response is required Defendants deny the allegations in Paragraphs 55 through 61.

### **COUNT IV**

#### **Squeeze-Out/Oppression of Minority Shareholder**

62. Defendants incorporate all preceding paragraphs.

63. Paragraph 63 states a legal conclusion to which no response is necessary.

64. Defendants admit the allegations in Paragraph 64.

65. Defendants admit that Cameron owns a controlling interest in TPH. Defendants deny the remaining allegations in Paragraph 65.

66. Paragraph 66 contains a legal conclusion regarding legal duties that cannot be admitted or denied. To the extent necessary, Defendants deny the factual allegations stated or implied in Paragraph 66.

67. Defendants deny the allegations in Paragraph 67.

68. Defendants deny the allegations in Paragraph 68.

**COUNT V  
Breach of Contract**

69. Defendants incorporate all preceding paragraphs.

70. Defendants deny the allegations in Paragraph 70.

71. Defendants deny the allegations in Paragraph 71.

**COUNT VI  
Misappropriation of Confidential Business Information**

72. Defendants incorporate all preceding paragraphs.

73. Defendants deny the allegations in Paragraph 73.

74. Defendants deny the allegation in Paragraph 74.

75. Defendants deny the allegations in Paragraph 75.

76. Defendants deny the allegations in Paragraph 76.

77. Defendants deny the allegations in Paragraph 77.

**COUNT VII  
Civil Conspiracy**

78. Defendants incorporate all preceding paragraphs.

79. Defendants deny the allegations in Paragraph 79.

80. Defendants deny the allegations in Paragraph 80.

81. Defendants deny the allegations in Paragraph 81.



82. Defendants deny the allegations in Paragraph 82.

83. Defendants deny the allegations in Paragraph 83.

84. Defendants deny the allegations in Paragraph 84.

Defendants state that no response is necessary to Delinquent Member Price's Prayer for Relief or "Wherefore" Paragraph. To the extent that a response may be deemed required, Defendants deny Delinquent Member Price is entitled to any of the relief sought therein.

Defendants pray that the Court:

1. Dismiss Delinquent Member Price's Petition with prejudice;
2. Enter judgment against Delinquent Member Price;
3. Award Defendants their costs and attorney fees;
4. Grant Defendants such other relief as may be just and equitable.

#### **DEFENSES**

1. The Petition does not state a claim upon which relief can be granted.
2. Delinquent Member Price and the nominal party have suffered no damages.
3. Delinquent Member Price's claims are barred by the business judgment rule.
4. Delinquent Member Price's claims are barred, in whole or in part, by the doctrines of estoppel, laches, unclean hands, and/or waiver.

5. Delinquent Member Price has not complied with the statutory demand requirements to bring a derivative action and his claims are therefore barred.

#### **COUNTERCLAIMS**

1. As a result of revenue shortfalls, TPH issued capital calls to its members – including Delinquent Member Price – in 2011 and 2012, under Article IV of the Operating Agreement.

2. Under Section 4.1 of the Operating Agreement, “each Member agrees to make Capital Contributions in addition to its initial Capital Contribution...when and as called by the Board.”

3. Delinquent Member Price was informed of the capital calls and chose not to contribute his *pro rata* portions of the requested capital, making him a “Delinquent Member,” as defined by the Operating Agreement.

4. That Delinquent Member Price did not respond to the capital calls was a breach of the Operating Agreement.

5. In contrast, Cameron Sports and CB Hoops have together contributed more than \$2.5 million to the operations of TPH beyond their original investments.

#### **The First Capital Call**

6. At the time of the first capital call, in 2011, Delinquent Member Price was 5% owner of TPH.

7. The first capital call was for \$1,800,000, meaning that, under the Operating Agreement, Delinquent Member Price, as 5% owner of TPH, was required to contribute \$90,000.

8. Delinquent Member Price did not do so.

9. Other members – including Defendants Cameron Sports and CB Hoops – did answer the first capital call, making the required capital contributions (the “First Contributing Members”).

#### **The Second Capital Call**

10. The second capital call was for \$1,500,000, meaning that, under the Operating Agreement, Delinquent Member Price was required to contribute over \$59,000.

11. Price did not do so.

12. Other members – including Defendants Cameron Sports and CB Hoops – did answer the second capital call, making the required capital contributions (the “Second Contributing Members”).

13. In this lawsuit, Delinquent Member Price has taken the position that the capital contributions made by Defendants Cameron Sports and CB Hoops – and the TPH units they received as a result – somehow improperly diluted his interest in TPH, despite the fact that Delinquent Member Price breached the Operating Agreement by choosing not to support TPH and the Tulsa Shock and failing to answer the capital calls.

**Count I  
Breach of Contract**

14. Defendants incorporate the allegations and answers in the preceding paragraphs as if fully set forth herein.

15. Pursuant to the Operating Agreement, Delinquent Member Price was required “to make Capital Contributions in addition to [his] initial Capital Contribution...when and as called by the Board.”

16. The Board issued two such Capital Calls, one in 2011 and one in 2012.

17. Under the Operating Agreement, in response to these Capital Calls, Price was required to contribute \$90,000 and over \$59,000, respectively.

18. Delinquent Member Price breached the Operating Agreement by not doing so.

19. TPH suffered damages as a result of Delinquent Member Price’s breach.

**Count II  
Declaratory Judgment**

20. Defendants incorporate the allegations and answers in the preceding paragraphs as if fully set forth herein.

21. There is a real and justiciable controversy regarding the nature of Defendants Cameron Sports' and CB Hoops' capital contributions.

22. Pursuant to Section 4.1 of the Operating Agreement, in exchange for the First Capital Call, the First Contributing Members received additional TPH units, increasing their proportional ownership of TPH relative to the other members who failed to make capital contributions, including Delinquent Member Price.

23. As a result of Delinquent Member Price's failure to make the first capital call, Delinquent Member Price owned 3.94% of TPH's units.

24. In exchange for the second capital call, the Second Contributing Members received additional TPH units, increasing their proportional ownership of TPH relative to the other members that failed to make capital contributions, including Delinquent Member Price.

25. As a result, after the second capital call Delinquent Member Price owned 3.33% of TPH's units.

26. In addition, after the second capital call, in 2012, certain of the Second Contributing Members – including Defendants Cameron Sports and CB Hoops – exercised their rights under Section 4.2 of the Operating Agreement to buy some of the Delinquent Members' – including Delinquent Member Price's – unpurchased capital call amounts (the "Purchasing Members").

27. In exchange for buying these unpurchased capital call amounts, the Purchasing Members received additional TPH units, increasing their proportional ownership of TPH relative to the other members who failed to make capital contributions, including Delinquent Member Price.

28. As a result, Delinquent Member Price now owns 3.19% of TPH's units.

29. Defendants pray for declaratory judgment that any units they received in exchange for answering the capital calls and/or for purchasing Delinquent Members' unpaid capital call amounts were properly issued, and that any dilution to Delinquent Member Price's ownership interest in TPH is a result of his knowing refusal and failure to support TPH and the Tulsa Shock and answer the capital calls, and not any improper act by any Defendant.

WHEREFORE, Defendants pray that they be granted judgment against Delinquent Member Price as follows:

- A. Judgment in favor of Defendants and against Delinquent Member Price on Defendants' breach of contract claim in an amount to be proven at trial;
- B. Declaratory judgment in the form described in Paragraph 29;
- C. Costs and attorney's fees;
- D. All other relief to which Defendants are entitled at law or in equity.

DATED this 27th day of August 2015.

Respectfully submitted,



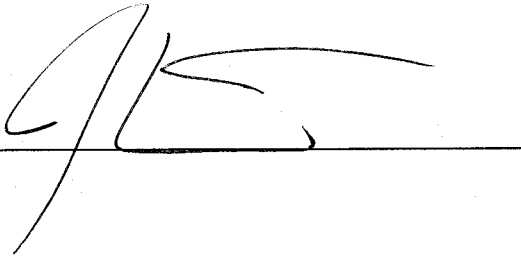
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**ATTORNEYS FOR DEFENDANTS WILLIAM  
CAMERON, CAMERON SPORTS, LLC, CB  
HOOPS, LLC, TEXASOU, LLC, AND TULSA PRO  
HOOPS, LLC**

**CERTIFICATE OF SERVICE**

This is to certify that on this 27th day of August, 2015, a true and correct copy of the above and foregoing document was mailed via U.S. Mail, postage prepaid, to the following:

Joel L. Wohlgemuth  
Ryan A. Ray  
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2900 Mid-Continent Tower  
401 South Boston Ave.  
Tulsa, OK 74103  
*Attorneys for Plaintiff, W. Stuart Price*

A handwritten signature in black ink, appearing to be 'W. Stuart Price', is written over a horizontal line. The signature is stylized and cursive.