



*SW Bluffs, LC*, 3:08-CV-0569-N, 2008 WL 11349994, at \*2 (N.D. Tex. Oct. 31, 2008) (holding that Rule 9(b) applies to TUFTA claims and granting motion to dismiss where Plaintiff failed to state fraudulent transfer claim under TUFTA with particularity). The Response only re-emphasizes that Plaintiffs have not, and cannot, satisfy pleading standards for fraud based claims under the Federal Rules with respect to Taylor and Alden Adams.

What Plaintiffs have attempted to do with respect to Taylor, a lower level employee at the underlying company, and Alden Adams, the LLC through which Taylor was paid his salary, constitutes a textbook example of “group pleading” – which is fundamentally not permitted under Rule 9(b). *United States ex rel. Capshaw v. White*, 3:12-CV-4457-N, 2018 WL 6068806, at \*4 (N.D. Tex. Nov. 20, 2018) (“The Fifth Circuit and this district have clearly spelled out Rule 9(b)’s group pleading requirements. Parties cannot merely lump all defendants together.”) (internal quotation marks omitted); *VeroBlue Farms USA, Inc. v. Wulf*, 2020 WL 3036661 (N.D. Tex. June 5, 2020) (stating that the Fifth Circuit “has never adopted the ‘group pleading’ doctrine”). To comply with Rule 9(b), “[t]here has to be some work that segregate[s] the alleged wrongdoing of one [defendant] from another.” *Capshaw*, 2018 WL 6068806, at \*4.

The Response clearly illuminates that Plaintiffs’ effort “claims” against Taylor and Alden Adams are the epitome of improper group pleading. Indeed, even the vast majority of the allegations referenced in the Response have nothing to with Taylor and Alden and Adams. For instance:

In this regard, the Receiver alleges that Faulkner and others (including Parker Hallam and Dustin Michael Miller Rodriguez), primarily through BOG2, BRC, BECC, Crude Energy, Crude Royalties, and Patriot (who), orchestrated and implemented a multi-million-dollar fraudulent scheme through the offer and sale of oil and gas-related securities (what). Compl. at ¶11. Breitling “solicited and received funds from investors regularly from approximately January 2011 through at least February 2016, totaling almost \$150 million in gross proceeds” (when, where).

Response at 3. The Response is replete with these types of descriptions, **specifically involving individuals and companies other than Taylor or Alden Adams.** The Response, while incredibly never even specifically mentioning Taylor or Alden Adams by name, simply attempts to “lump” them in with “Hallam, Miller, and the salespeople (including Defendants).” See Response at 4; see *Capshaw*, 2018 WL 6068806, at \*4. If Plaintiffs’ claims against Taylor and Alden Adams were allowed to proceed, it would blow the doors wide open for suing every employee of any company where there is alleged fraud. This is something the Federal Rules do not permit.

**PRAYER**

Taylor and Alden Adams request that the Court dismiss Plaintiffs’ claims against them with prejudice and without granting leave to amend.

Respectfully submitted,

**BELL NUNNALLY & MARTIN LLP**

By: /s/ Benjamin L. Riemer  
Benjamin L. Riemer  
State Bar No. 24065976  
briemer@bellnunnally.com

3232 McKinney Avenue, Suite 1400  
Dallas, Texas 75204-2429  
Telephone: (214) 740-1400  
Facsimile: (214) 740-1499

**ATTORNEYS FOR DEFENDANTS DEREK  
TAYLOR AND ALDEN ADAMS, LLC**

**CERTIFICATE OF SERVICE**

I hereby certify that on October 16, 2020, I electronically filed the foregoing paper(s) with the Clerk of the Court using the ECF system which will send notification to all parties of record.

*/s/ Benjamin L. Riemer*

\_\_\_\_\_  
Benjamin L. Riemer

5429430\_1.docx/10890.00002