



IN THE DISTRICT COURT WITHIN AND FOR TULSA COUNTY  
STATE OF OKLAHOMA DISTRICT COURT

**FILED**

JUL 29 2009

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

J.C.M., an individual resident of Tulsa  
County, Oklahoma, Mr. J.C.M. and  
Mrs. J.C.M., husband, wife and par-  
ents of J.C.M., individual residents of  
Tulsa County,

Plaintiffs,

versus

GRACE FELLOWSHIP, INC. an  
Oklahoma corporation, GRACE FEL-  
LOWSHIP CHRISTIAN SCHOOL,  
INC., an Oklahoma corporation,  
GRACE FELLOWSHIP TITLE  
HOLDING CORPORATION, an  
Oklahoma corporation, BOB  
YANDIAN, JOHN DUNLAVEY, MI-  
CHAEL GOOLS BAY, MARY ELLEN  
HOOD, DEE ANN MCKAY and  
KATHLEEN WATTS

Defendants.

CASE NO. CJ 2009 05428

Judge

**P THOMAS THORNBRUGH**

Jury Trial Demanded  
Attorneys' Lien Claimed

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**PETITION**

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For their claims against the Defendants, Plaintiffs show as follows:

**SECTION I - THE PARTIES**

1. Plaintiff J.C.M. ("JCM") is an adult resident of Tulsa County, Oklahoma, however, at all times relevant to Defendants' liability and wrongful acts described herein, he was a minor child and a student at Grace Fellowship Christian School located in Tulsa County, Oklahoma.
2. Plaintiffs Mr. J.C.M. ("Mr. JCM") and Mrs. J.C.M. ("Mrs. JCM") are individual residents of Tulsa County, Oklahoma, are husband and wife and are, and have, at all times relevant hereto been, JCM's parents.
3. Plaintiffs' identities will be disclosed, with leave of Court, under seal, pursuant to the *Motion for Protective Order and to Proceed Under Fictitious Names*, filed contemporaneously herewith and incorporated herein by reference.

4. Defendant Grace Fellowship, Inc. is an Oklahoma corporation d/b/a "Grace Fellowship", "Grace Fellowship Church", "Grace Church", "Bob Yandian Ministries, Inc.", "The Word Shoppe", "The School of the Local Church" and "Real Answers Bookstore" and is individually referred to hereinafter as "the Church".

5. Grace Fellowship Christian School, Inc., is an Oklahoma corporation d/b/a "Grace Christian School" and "Grace Fellowship Christian School" and is individually referred to hereinafter as "the School".

6. Defendant Grace Fellowship Title Holding Corporation ("Grace Holding") is an Oklahoma corporation, formed to receive and hold assets transferred from The Church and/or The School and is individually referred to hereinafter as "the Holding Company".

7. The Church, the School and the Holding Company are referred to hereinafter as "the Grace Defendants". Together, for purposes of the claims made herein, they constitute a unified legal and organizational entity, each alter egos and mere instrumentalities of the other.

8. Defendants Bob Yandian ("Yandian") John Dunlavey ("Dunlavey") and Michael Goolsbay ("Goolsbay") are Tulsa County residents and were at all times relevant hereto acting as agents, employees, officers, and/or trustees of the Grace Defendants, and/or one or more of them, such that they established and/or substantially influenced the actions, decisions, policies and procedures of said entities

9. Defendants Mary Ellen Hood ("Hood"), Dee Ann McKay ("McKay"), Kathleen Watts ("Watts"), are Tulsa County residents and were at all times relevant hereto acting as agents, employees, officers, and/or trustees, on behalf of the School, as elementary school principals. In so acting, they established and/or substantially influenced the School's actions, decisions, policies and procedures.

10. Unless otherwise indicated, Defendants Yandian, Dunlavey, Goolsbay, Hood, McKay and Watts are collectively referred hereinafter as the "Individual Defendants."

## **SECTION II – JURISDICTION AND VENUE**

11. This case relates to wrongful, *ex delicto*, acts by one, more or all of the Defendants, all of which, upon information and belief, occurred within Tulsa County, Oklahoma. Upon further in-

formation and belief, all defendants are domiciled within Tulsa County, Oklahoma, and/or are amenable to process therein.

12. Jurisdiction is proper in Oklahoma State Court and venue is properly laid in Tulsa County.

### **SECTION III – FACTUAL ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

13. At all times relevant hereto, the Defendants jointly operated a private school from kindergarten through 12<sup>th</sup> grade in Tulsa, Oklahoma, said school being previously identified herein as the School. The School was operated by the Grace and Individual Defendants so as to satisfy the legal requirements of the compulsory education laws of the State of Oklahoma. The Church was involved in the School's mission, administration, curriculum, formulation and application of policies, teacher and staff employment, performance evaluation, management of school finance, and direct involvement over the School's day-to-day operations. The teachers of the School were members and ordained ministers of the Church. The role and responsibilities of the staff and teachers were specifically intended to be that of the spiritual and religious emissaries of the Church to the students of the School and their families. The operation of the School, including decisions and the staff and teachers, was firmly grounded in the administration of the Church and the furtherance of its mission.

14. The relationship between the School and the Church deliberately and specifically made teachers the Church's agents, representatives and employees. The permeation of the School's mission, policies, management and operation so blended the organizations that they were actually, *de facto*, one and the same.

15. Prior to the commencement of the 1995 school year, Mr. and Mrs. JCM enrolled JCM at the School as a kindergarten (K-4) student. JCM remained a student at the School, continuously, through the Spring of 2001, the end of his fourth grade year. Throughout that entire time, the Defendants owed a duty to the Plaintiffs to provide JCM with a safe and secure environment in which he could learn, grow and prosper intellectually, personally and spiritually. They failed in said duty, miserably, as stated with greater particularity hereinafter.

16. In or about 1996, the School, with the consent of the Church, hired Aaron Thompson ("Thompson") as a physical education teacher, youth leader, minister and coach. At the time of

said hiring, Thompson was utterly unqualified, by age, education, training, credentials or experience to fill any of said roles. Neither the Church nor the School established or followed any adequate screening procedures through which unqualified candidates for the role(s) of teacher, youth leader, minister or coach, such as Thompson, could be identified. Had the Defendants conducted a reasonable investigation it would have identified Thompson as unsuitable for the positions for which he was employed at Grace.

17. Neither did any of the Defendants adequately train Thompson regarding his responsibilities, acceptable and non-acceptable conduct, appropriate and inappropriate conduct, appropriate boundaries for student-teacher relationships, and appropriate conduct and behavior of a teacher and coach, nor were there at any relevant time, rules, policies or procedures that provided for such training.

18. Thompson was a sexual predator who victimized many of the young, male students at the School. Plaintiff was amongst his victims. Exploiting his authority as teacher, coach and minister (vested and routinely confirmed in him by the Defendants' insistence that the boys "respect their elders" and "obey their superiors"), Thompson established "special" relationships with certain young boys, including Plaintiff. These boys were favored with special attention and opportunities. This "special" attention provided by Thompson to the favored boys was withheld from other boys. Thus, Thompson had a group of "teacher's pets". It was these boys with respect to whom Thompson initiated and engaged in long-standing courses of psychological, physical and sexual exploitation and abuse. This abuse included, but was not limited to, psychological manipulation, stalking, touching, fondling, molestation, sexual assault, mutual masturbation, and other sexual acts. Specifically, on multiple occasions, Thompson sexually assaulted JCM, by direct physical contact, at the School purportedly monitored by the Defendants.

19. The Defendants failed to put into place and follow reasonable policies and procedures for training staff, teachers, students and parents to recognize and prevent child sexual abuse. By way of example, on November 2, 1996, child protection specialists and others advised Defendants that they needed to regularly and periodically train all staff, students and parents of the ways to detect and prevent child sexual abuse. Other than one such half-day training for some staff in 1996, Defendants failed, neglected and refused to provide any training for staff and provided no such training for students and parents. These shortcomings made it possible for Thompson's psy-

chological and sexual abuse of JCM to continue unabated over an extended period of time. Grace did not adequately or sufficiently train its staff, students and parents regarding the prevention of sexual abuse, identification of sexual abuse, reporting of sexual abuse and responding to warning signs regarding possible sexual abuse. This failure to respond to warning signs, concerns and criticisms, and to take reasonable steps to circumscribe Thompson's conduct, supervise his conduct, and evaluate and oversee his performance, allowed JCM's psychological and sexual abuse to continue long after it should have been identified and stopped.

20. Upon information and belief, soon after Defendants' hiring of Thompson, complaints, notations and questions regarding Thompson's inappropriate and unusual behavior toward young male students began coming into the Defendants from parents of children attending the School. None of the Defendants took any action in response to these complaints, notations and questions.

21. With the passage of time, more and more complaints and questions about Thompson's inappropriate behavior towards the boys came to Defendants' collective attention. A number of the reported incidents, even when considered in isolation from the pattern of reported incidents and parent complaints, required the School, its agents and employees and the Individual Defendants to report the matter to the Oklahoma Department of Human Services ("DHS"), pursuant to Child Abuse Reporting and Prevention Act ("CARPA"), 10A O.S. §§ 1-2-101, *et seq.* This law – and/or the version of it in effect at the time of the facts here at issue - provides that every teacher and every other person having reason to believe that a child is a victim of sexual abuse shall report the matter promptly. In violation of this legal duty, the Defendants made the intentional, reckless and/or deliberately indifferent choice to *not* report the conduct of Thompson until late March of 2002. By then, the damage to Plaintiffs was already done. An earlier reporting of Thompson's misconduct by the Defendants would have set in motion an investigation which would have brought an end to the long-standing abuse by Thompson much earlier than it was. The Defendants' acts and omissions in this regard constitute negligence per se.

22. The complaints and questions received by the Defendants had the common theme that Thompson was behaving inappropriately toward young males. This pattern was, or should have been, readily apparent to the Defendants, who knew or should have known that Thompson had no ability to establish appropriate boundaries between himself and young males. The Defendants knew or should have known that Thompson was using his role as coach, minister, youth leader

and teacher to cultivate personal favorites, engage in "romantic" solicitations, stalk them, and integrate himself into the boys' personal lives and the lives of their families, including JCM.

23. As a direct and proximate result of Defendants' negligence and recklessness, JCM has experienced deep psychological injury, embarrassment, humiliation, shock and loss of self-esteem. He is the victim of psychological manipulation and abuse and repeated, non-consensual sexual assaults. The effect upon JCM is direct, immediate and poisonous, eroding his long-term mental health, compromising his ability to maintain close, trusting and emotionally fulfilling relationships and substantially reducing his earning capacity. JCM has undergone substantial psychological counseling and will need to continue to do so well into the future. He has already experienced the corrosive effect of the psychological manipulation and sexual abuse by Thompson, experiencing, *inter alia*, adverse impacts on his sibling and parent/child relationships. Future family counseling and individual counseling will be necessary for the remainder of JCM's life.

24. As direct and proximate consequences of the Defendants' negligent and reckless behavior and the harm that it caused JCM, Mr. JCM and Mrs. JCM, Jake's parents, have incurred substantial expenses in securing for JCM necessary medical treatment. Further, as a direct and proximate consequence of the Defendants' negligent and reckless behavior and the harm that it caused JCM, Mr. JCM and Mrs. JCM, Jake's parents, have incurred substantial expenses in securing for JCM necessary legal representation. Further, as a direct and proximate consequence of the Defendants' negligent and reckless behavior and the harm that it caused JCM, Mr. JCM and Mrs. JCM, Jake's parents, have been severely alienated from JCM and completely deprived of his love, affection and services.

25. The acts and omissions of the Defendants were not simply negligent. They were made up of a series of deliberate decisions made, one after another, over an extended period of time, by which the Defendants turned their collective backs upon reports and complaints of Thompson's evil activities, and by which the Defendants repeatedly and knowingly breached their duties to provide Plaintiffs a safe and secure environment in which JCM could grow and prosper mentally, physically and spiritually. Instead, as a direct and proximate result of Defendants' flawed, self-serving, decisions, Thompson was hired and retained over a long period of time, well after Defendants' knew or should have known of the evil Thompson was visiting upon the School's students, especially JCM.

**FIRST CAUSE OF ACTION**  
**(Common law negligence in hiring and retaining Thompson)**

26. Plaintiffs here repeat and restate the allegations made above.

27. Defendants owed Plaintiffs a duty to provide JCM a safe and secure environment in which he could grow and prosper mentally, physically and spiritually.

28. Defendants' collective acts and omissions in hiring an individual that was wholly unqualified to be placed in a position of trust with young children, and in retaining that individual well after they knew, or should have known, that he was not only unqualified but that he was actually exploiting students sexually and psychologically, constituted a breach of that duty.

29. Thus, Defendants' breach of duty was and is characterized by intentional and malicious decisions made over an extended period of time.

30. As direct and natural consequences of said breach, JCM has suffered extensive damages, including past, present and future medical and legal expenses, temporary and permanent psychological injury, loss and alienation of parental love, affection, companionship and consortium and substantially reduced earning capacity. Mr. JCM and Mrs. JCM have suffered past, present and future medical and legal expenses, temporary and permanent psychological injury and loss and alienation of JCM's love, affection, companionship and consortium.

**SECOND CAUSE OF ACTION**  
**(Negligence per se – 10A O.S. § 1-2-101)**

31. Plaintiffs here repeat and restate the allegations made above.

32. Defendants all had a duty to report to the Oklahoma Department of Human Services ("DHS"),

33. Defendants failed to report to the DHS, notwithstanding that they had information which required reporting

34. Defendants failures to report were in direct violation of the Child Abuse Reporting and Prevention Act ("CARPA"), and were independent criminal acts under the laws of the State of Oklahoma. Such criminal behavior by Defendants was the direct and proximate cause of Thompson's continued sexual abuse of the JCM.

35. Defendants had a duty to adopt and employ internal child abuse reporting procedures that were consistent with CARPA.

36. Defendants adopted internal procedures that were inconsistent with CARPA and which relieved individuals of their obligation to personally report child abuse.

37. CARPA was promulgated by the Oklahoma Legislature to prevent the very type of injuries inflicted upon JCM by Thompson.

38. Defendants acts and omissions in this regard were criminal, intentional and grossly negligent.

39. As direct and natural consequences of Defendants' failures to report, JCM has suffered extensive damages, including past, present and future medical and legal expenses, temporary and permanent psychological injury, loss and alienation of parental love, affection, companionship and consortium and substantially reduced earning capacity. Mr. JCM and Mrs. JCM have suffered past, present and future medical and legal expenses, temporary and permanent psychological injury and loss and alienation of JCM's love, affection, companionship and consortium.

**THIRD CAUSE OF ACTION  
(Intentional or Reckless Infliction of Emotional Distress)**

40. Plaintiffs here repeat and restate the allegations made above.

41. Given that the Defendants acquired information very early on that Thompson's conduct toward young males was inappropriate, and the fact that they did nothing with that information for so long and that, in the interim, several boys were sexually and psychologically abused and preyed upon, the Defendants' inaction went beyond all possible bounds of decency and would be considered atrocious and utterly intolerable in a civilized society.

42. Defendants intentionally and/or recklessly caused severe emotional distress to the Plaintiff by refusing to take action, by refusing to report and by giving Thompson continued unsupervised access to Grace students and youth, including the JCM.

43. As direct and natural consequences of Defendants' outrageous conduct, JCM has suffered extensive damages, including past, present and future medical and legal expenses, temporary and permanent psychological injury, loss and alienation of parental love, affection, companionship and consortium and substantially reduced earning capacity. Mr. JCM and Mrs. JCM have

suffered past, present and future medical and legal expenses, temporary and permanent psychological injury and loss and alienation of JCM's love, affection, companionship and consortium.

**FOURTH CAUSE OF ACTION  
(Breach of Fiduciary Duty)**

44. Plaintiffs here repeat and restate the allegations made above.

45. Defendants, by holding themselves out as a religious institution, school, administrators and spiritual and educational leaders, and by undertaking JCM's religious and traditional education and instruction, reasonably led Plaintiffs to repose confidence in each of them, together with trust in their integrity and fidelity, so as to create a fiduciary relationship between Plaintiffs and Defendants.

46. Grace and the Individual Defendants breached their fiduciary duty to Plaintiff by engaging in the negligent and wrongful conduct described herein.

47. As direct and natural consequences of Defendants' outrageous conduct, JCM has suffered extensive damages, including past, present and future medical and legal expenses, temporary and permanent psychological injury, loss and alienation of parental love, affection, companionship and consortium and substantially reduced earning capacity. Mr. JCM and Mrs. JCM have suffered past, present and future medical and legal expenses, temporary and permanent psychological injury and loss and alienation of JCM's love, affection, companionship and consortium.

**FOURTH CAUSE OF ACTION  
(Fraudulent Transfers/Conveyances, 24 O.S. §112, et. seq. and 21 O.S. §1671)**

48. Plaintiffs here repeat and restate the allegations made above.

49. In late March of 2002, Thompson was charged with crimes against the Plaintiff, including, *inter alia*, lewd molestation.

50. After the criminal charges and Thompson's arrest, Grace became aware that claims would likely be made against its assets by numerous Thompson victims, specifically including JCM.

51. In anticipation of these claims, and beginning not later than October 24, 2002, substantial assets, and interests therein, have been fraudulently conveyed from Grace Fellowship, Inc. to Grace Holding and third parties, in direct contravention of the Oklahoma Uniform Fraudulent Transfers Act, 24 O.S. § 112 et. seq ("UFTA"). The Grace Defendants have transferred assets amongst themselves, and to third parties, without exchanges of reasonable value, reassigned as-

sets, reorganized assets, reorganizing the administration and governance of the school, and renegotiated financial commitments with the intent to protect themselves from the claims of the Plaintiffs and other victims

52. The conveyances include, but are not limited to, the following:

- a. The November 1, 2002, conveyance by General Warranty Deed of Grace Fellowship Inc 's real property to Grace Holding as recorded in Book 6871, Page 2429 of the Tulsa County land records;
- b. The November 1 1, 2002, Mortgage from Grace Fellowship Inc to Bank of the West in the amount of \$7,500,000 00, as recorded in Book 6871, Page 2442 of the Tulsa County land records;
- c. The November 11, 2002, Memorandum of Lease from Grace Holding to Grace School, Inc. and Grace Fellowship Inc., as recorded in Book 6871, Pages 2503-2505 of the Tulsa County land records; and
- d. The November 11, 2002, Memorandum of Assumption of Loan from Grace Fellowship, Inc., Grace School, Inc , and Bank of the West to Grace Holding, as recorded in Book 6871, Page 243 1 of the Tulsa County land records.

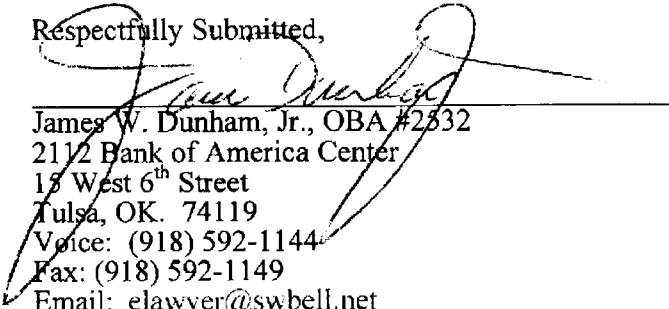
53. The violation of the UFTA by the Grace Defendants creates an immediate jeopardy to the Plaintiffs and threatens their ability to obtain fair compensation. Accordingly, Plaintiffs are entitled to the following relief:

- a. An injunction prohibiting the future transfer, conveyance, andlor encumbrance of any real property held by Grace Fellowship Inc., Grace Holding, and Grace School Inc.;
- b. An appointment of a receiver over the assets of the Church, the School and Grace Holding, to prevent further waste, encumbrance, transfer and alienation of assets to third parties;
- c. An immediate discovery of and over, the assets of the Church, the School and Grace Holding and all of its affiliates;

- d. A finding that conveyances of real property from the Church and the School to Grace Holding violated the UFTA;
- e. A judgment attaching to all assets transferred in contravention of the UFTA by the Church or the School, upon trial of this cause and entry of judgment, or confession of judgment by Grace herein; and;
- f. Such further relief as this Court deems just and equitable

**WHEREFORE**, Plaintiffs pray for money judgments against all Defendants in amounts greater than \$10,000.00 as and for actual damages, \$10,000.00 as and for punitive damages, relief pursuant to the UFTA, costs herein expended, attorneys fees allowed by law and any and all further relief to which this Court may deem them entitled.

Respectfully Submitted,



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