

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF RAMSEY

SECOND JUDICIAL DISTRICT

Case Type: Other Civil

State of Minnesota, by its  
Attorney General, Keith Ellison,

Court File No. 62-CV-26-2438

Plaintiff,

vs.

Les Jolies Petites School of Dance d/b/a Les  
Jolies Petites School of Dance Gymnastics,Real Believers Faith Center d/b/a Poppy  
Construction R-B-F-C Builders d/b/a RBFC  
5000 Men's Ministries d/b/a RBFC Cultivators  
Ministries d/b/a Cookhouse Fullgospel  
Ministries d/b/a RBFC Lion's Den Africa d/b/a  
RBFC Music Group Real Roudy Righteous  
Reloaded Kingdom Kings & Mad Love d/b/a  
Power Generation,**FINDINGS OF FACT, CONCLUSIONS  
OF LAW, AND ORDER GRANTING  
TEMPORARY RESTRAINING ORDER**Sharon Cook, Larry Cook, Danyale Potts,  
Emily Neuhaus, Risheka Remus, Makada  
Williams, and Sunsearay Washington,  
individually,

Defendants.

The above-entitled matter came before the undersigned Judge of the District Court on \_\_\_\_\_, upon the *Ex Parte* Motion for a Temporary Restraining Order (“TRO”) and Temporary Injunction (“TI”) brought by the State of Minnesota, by its Attorney General Keith Ellison (“the State” or “AGO”), against the above-named Defendants.

Based upon the pleadings, exhibits, files, records, and proceedings herein, the arguments and submissions of the State, as well as the three affidavits the State submitted to the Court from the following affiants:

- Heather Caulkins, Assistant Attorney General, Minnesota Attorney General's Office, 445 Minnesota Street, Suite 800, St. Paul, MN 55101;
- Mechelle Karels, Senior Financial Investigator, Minnesota Attorney General's Office, 445 Minnesota Street, Suite 800, St. Paul, MN 55101; and
- Julie Brengman, Charities Registrar, Minnesota Attorney General's Office, 445 Minnesota Street, Suite 800, St. Paul, MN 55101,

the Court makes the following findings of fact, conclusions of law, and enters the following Order:

### **FINDINGS OF FACT**

1. Les Jolies Petites School of Dance ("Les Jolies") was a Minnesota nonprofit corporation incorporated under Minn. Stat. ch. 317A that provided dance classes in Minneapolis, Minnesota. (Karels Aff. Exs. 1-2, 11-12.) Les Jolies dissolved without providing proper notice to the AGO as required by Minn. Stat. § 317A.811. (Karels Aff. Ex. 10.) Les Jolies continues to own real property at 1106 West Broadway, Minneapolis, MN 55411 ("Dance Studio"). (Karels Aff. Exs. 11-12.) Les Jolies solicited contributions by applying for grant funds, hosting fundraisers, asking for donations on its website, and charging tuition and fees, representing that those funds would be used for a charitable purpose. (Caulkins Aff. Ex. A at 9; Karels Aff. Exs. 8-9, 11, 51-52.) Les Jolies has not been registered as a soliciting charitable organization in the State of Minnesota since July 15, 2008. (Brengman Aff. ¶ 3.)

2. Real Believers Faith Center ("Real Believers") is a Minnesota nonprofit corporation incorporated under Minn. Stat. ch. 317A that operates as a church and offers weekly services and weekly bible study. (Karels Aff. ¶ 19, Exs. 13-14, 18, 47.) Real Believers owned property at 2010 Fremont Avenue North in Minneapolis, which it used as its church location ("Church Building"). (Karels Aff. Exs. 18-19.) Real Believers sold the Church Building to AKY Group LLC and subsequently entered a contract for deed with the same for the Church Building.

(Karels Aff. Exs. 19, 68.) Real Believers also owns property at 1105 25th Avenue North in Minneapolis (“Woods House”).<sup>1</sup> (Karels Aff. Ex. 20.)

Les Jolies’ and Real Believers’ directors and officers overlap significantly: Sharon Cook is the president of Les Jolies and a director of Real Believers; Larry Cook is the president of Real Believers and a director of Les Jolies; Makada Williams is an officer and director of Les Jolies and a director of Real Believers; Sunsearay Washington is an officer and director of Les Jolies and a director of Real Believers; Danyale Potts is a director of Les Jolies and Real Believers; Emily Neuhaus is a director of Les Jolies and an officer and director of Real Believers; and Risheka Remus is a director of Les Jolies. (Caulkins Aff. Ex. A at 3-4; Karels Aff. ¶¶ 16-18, Exs. 8 at 12; 9 at 13; 15; 16 at 33-35; 17.)

3. From at least 2018 to 2025, Defendants Larry and Sharon Cook (“the Cooks”) diverted over \$2 million in Les Jolies’ and Real Believers’ charitable assets for personal use, including luxury travel, clothing, restaurants, large cash withdrawals, and Cash App and Zelle transfers to family members and directors. (Karels Aff. Exs. 26, 41.) Examples of misuse include a Louis Vuitton store payment for \$1,105.95, a \$2,690 payment for Nassau Jeep Adventures Ltd., a \$9,140.30 payment to a luxury travel company, a \$9,482.37 payment to Marriott Hotel in London, a \$2,398.50 payment at Moschino London, and \$22,000 and \$56,010 withdrawals made by Larry Cook. (Karels Aff. Exs. 27 at 2; 28 at 2; 29 at 12; 44 at 5; 46 at 25.)

4. Defendants Larry and Sharon Cook deposited charitable funds into for-profit accounts, including LJP Costumes LLC (owned by Sharon Cook) and Lions Den Pride Covenant Enterprises (owned by the Cooks) (“Covenant Enterprises”). (Caulkins Aff. Ex. A at 11; Karels

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<sup>1</sup> The legal description for the property is Highland Park Addition to the City of Minneapolis, Block 30, Lot(s) 1, 2. (Karels Aff. Ex. 20.)

Aff. Exs. 36 at 3; 37 at 7-10; 38; 41; 43 at 5-7; 84.) Defendants also formed for-profit corporations, Real Believers Faith Center LLC and Poppy Construction R-B-F-C Builders LLC, with names almost identical to the nonprofits' names, facilitating the movement of charitable assets into for-profit accounts. (Karels Aff. Exs. 70-71; 72 at 4-6; 88; 89 at 8.)

5. The officers and directors of Les Jolies and Real Believers repeatedly encumbered nonprofit real property with multiple loans. Sharon and Larry Cook signed two mortgage agreements with The Money Man LLC ("Money Man"), obtaining loans for \$75,000 and \$32,500 and representing they were authorized to bind Les Jolies. (Karels Aff. Exs. 63 at 1, 44; 92 at 18-19.) The Dance Studio was the collateral for both mortgages. (Karels Aff. Exs. 63 at 1; 92 at 24.) Of the \$32,500 loan, the Money Man received \$10,500 to cover two months of overdue interest on a separate Real Believers loan. (Karels Aff. Ex. 63 at 26.) Real Believers also incurred multiple loans secured by nonprofit property: a \$210,000 loan secured by the Church Building in 2019 (Karels Aff. Ex. 65 at 16), a \$151,760.48 loan renewal secured by the Church Building in 2021 (Karels Aff. Ex. 66 at 1-5), a \$375,000 loan secured by the Church Building in 2023 (Karels Aff. Ex. 16 at 3-7), and a \$182,000 loan secured by the Woods House in 2023 (Karels Aff. Ex. 69 at 2-9).

6. Defendants failed to follow the statutory framework for running a nonprofit including failure to record and maintain meeting minutes from its board meetings (Karels Aff. Exs. 30 at 15:15-24, 24:12-21; 31 at 11:9-10), failure to follow conflict of interest procedures (Karels Aff. Exs. 30 at 17:2-4; 32 at 18:25-19:14; 33 at 15:14-16:4), failure to maintain books and records (Caulkins Aff. Ex. A at 18), and failure to answer reasonable written interrogatories (Caulkins Aff. ¶¶ 4-5).

7. Defendants have already taken steps to obstruct oversight of the nonprofits and move assets beyond the State's reach. During the AGO's investigation, Sharon Cook dissolved Les Jolies without providing proper notice to the AGO as required by Minn. Stat. § 317A.811. (Karels Aff. Ex. 10.) During the same period, Real Believers sold its Church Building to AKY Group LLC and subsequently entered a contract for deed with the same to repurchase the Church Building for \$1,080,000. (Karels Aff. Exs. 19, 68.)

8. Defendants have continuously delayed the investigation and avoided responding to the AGO's reasonable interrogatories and other attempts to gather information: for example, Les Jolies failed to respond to a deficiency letter (Caulkins Aff. ¶ 4), Real Believers failed to respond to a civil investigative demand (Caulkins Aff. ¶ 5), multiple Defendants pleaded the Fifth to essentially every substantive question during investigative depositions (Karels Aff. Exs. 30-34), and Larry Cook withheld information relevant to the AGO's investigation. (Karels Aff. Ex. 31 at 28:6-12.)

### **CONCLUSIONS OF LAW**

9. This Court has jurisdiction over the subject matter of this case and the parties hereto and makes the following Conclusions of Law.

10. The State filed a complaint against Defendants, alleging violations of the Minnesota Nonprofit Corporation Act ("Nonprofit Act"), Minn. Stat. ch. 317A; the Minnesota Charitable Solicitation Act ("Charitable Solicitation Act"), Minn. Stat. ch. 309; and the Minnesota Supervision of Charitable Trusts and Trustees Act ("Charitable Trust Act"), Minn. Stat. ch. 501B.

#### **I. THE STATE IS ENTITLED TO A TEMPORARY RESTRAINING ORDER PURSUANT TO MINNESOTA RULE OF CIVIL PROCEDURE 65.01.**

11. The State moved the Court for a temporary restraining order ("TRO") and temporary injunction ("TI") pursuant to Minnesota Rule of Civil Procedure 65.01. The State's

motion was accompanied by a supporting memorandum, affidavits, and evidence, which set forth in detail the basis of the State's claims.

12. A TRO may be granted without notice to the adverse party to prevent immediate irreparable injury and maintain the status quo, as is the case here, until a court can determine the need for a TI at a hearing. Minn. R. Civ. P. 65.01; *see also Miller v. Foley*, 317 N.W.2d 710, 712 (Minn. 1982); *Pickerign v. Pasco Mktg., Inc.*, 228 N.W.2d 562, 564 (Minn. 1975).

13. The State seeks a TRO and TI, as authorized by statute, pursuant to the Nonprofit Act, the Charitable Solicitation Act, and the Charitable Trust Act, and section 8.31. Accordingly, the Court does not need to make findings on the *Dahlberg* factors and, instead, can grant temporary injunctive relief upon a showing that Defendants "violated or were about to violate the statutes involved" and that "injunctive relief would fulfill the legislative purpose of the statutes." *State ex rel. Hatch v. Cross Country Bank, Inc.*, 703 N.W.2d 562, 573 (Minn. Ct. App. 2005); *see also Wadena Implement Co. v. Deere & Co.*, 480 N.W.2d 383, 389 (Minn. Ct. App. 1992) ("[W]here injunctive relief is explicitly authorized by statute . . . proper exercise of discretion requires the issuance of an injunction if the prerequisites for the remedy have been demonstrated . . .").

**A. The State Has Shown Violations or Potential Violations of the Nonprofit Act, the Charitable Solicitation Act, and the Charitable Trust Act.**

14. There is good cause to believe that the State will likely prevail on the merits of its claims that Defendants have violated or are violating the Nonprofit Act, the Charitable Solicitation Act, and the Charitable Trust Act.

15. Defendants Les Jolies' and Real Believers' actions here triggered *all three* conditions provided in Minn. Stat. § 317.751, subd. 5(4), which constitute grounds for equitable relief and each individually justifies a TRO: flagrantly violating a provision of chapter 317A,

violating a provision of chapter 317A more than once, and violating more than one provision of chapter 317A.

16. Les Jolies and Real Believers “flagrantly violated” the Nonprofit Act through extensive misuse of nonprofit assets, conflicted transactions, and governance failures. Sharon Cook and Larry Cook misused more than \$2 million in charitable funds for personal income and personal expenses. (Karels Aff. Exs 26, 41; *see, e.g.*, Ex. 27 (Louis Vuitton store payment for \$1,105.95, a \$2,690 payment for Nassau Jeep Adventures Ltd.), Ex. 45 at 2 (\$1,029.56 payment at Watch Master Las Vegas), Ex. 46 at 25 (\$56,010 withdrawal made by Larry Cook). For these reasons, the State’s requested injunctive relief is appropriate.

17. Les Jolies and Real Believers violated more than one provision of the Nonprofit Act and these violations occurred on more than one occasion because Les Jolies and Real Believers persistently failed to operate under proper corporate governance standards. For these reasons, the State’s requested injunctive relief is appropriate.

18. Equitable relief is also appropriate here because Les Jolies and Real Believers failed to answer the AGO’s reasonable written interrogatories. *See* Minn. Stat. § 317A.751, subd. 5(11). (Caulkins Aff. ¶¶ 4-5.)

19. The State has also submitted evidence that Defendant Les Jolies has violated the Charitable Solicitation Act. Les Jolies solicited charitable contributions in multiple ways, including via fundraisers and grant fund applications. (Karels Aff. Exs. 8-9, 54-56.) To solicit funds in Minnesota, nonprofit corporations must register with the AGO. Minn. Stat. § 309.52. In addition, soliciting nonprofit corporations must file annual reports with the AGO. Minn. Stat. § 309.53. Les Jolies filed its last complete annual report for the 2006 fiscal year in 2007. (Breneman Aff. ¶ 3.) Les Jolies has not been registered as a soliciting charitable organization in

the State of Minnesota since July 15, 2008. (*Id.*) Les Jolies' multiple acts of charitable solicitation, without being registered with the AGO, are violations of both Minn. Stat. § 309.52 and Minn. Stat. § 309.53. For these reasons, the State's requested injunctive relief is appropriate.

20. An injunction against Larry Cook and Sharon Cook is further appropriate because they violated the Charitable Trust Act. *See* Minn. Stat. § 501B.41, subd. 7 (stating "the attorney general may sue for and obtain," among other things, "injunctive relief against the breach of trust or threatened breach of trust"). As trustees, Larry and Sharon Cook were "vested with the control or responsibility of administering property held for a charitable purpose." Minn. Stat. § 501B.35, subd. 4. A trustee's failure to administer and manage property held for charitable purposes in accordance with law or consistent with fiduciary obligations constitutes a breach of trust. Minn. Stat. § 501B.41, subd. 6. Here, Defendants Larry and Sharon Cook breached their fiduciary duties and violated the law when they misused Les Jolies' assets held in charitable trust. They committed a further breach of trust by failing to file required documents with the AGO under Minn. Stat. chapter 501B.

**B. The Legislative Purpose of the Nonprofit Act, the Charitable Solicitation Act, and the Charitable Trust Act Will Be Served by a TRO.**

21. There is good cause to believe that the temporary injunctive relief the State seeks would fulfill the legislative purpose of the Nonprofit Act, the Charitable Solicitation Act, and the Charitable Trust Act, which is to protect the public and charitable assets from misuse. Both statute and common law authorize, and more importantly, require the AGO to protect and preserve charitable assets in Minnesota, as well as oversee and regulate soliciting charitable organizations, charitable trusts, and nonprofit corporations. *See, e.g.,* Minn. Stat. §§ 309.533, 317A.813, 501B.34, 501B.40; *In re Quinlan's Estate*, 45 N.W.2d 807, 811 (Minn. 1951). Under this broad, longstanding authority, the State seeks a TRO and TI to protect Les Jolies' and Real Believers'

remaining charitable assets for the benefit of the Minnesota public. Enjoining unlawful conduct, like the misuse of funds donated and held for charitable purposes, as seen in this case, is consistent with the purpose of the statutes noted above. Accordingly, the State is entitled to a TRO and TI.

22. Furthermore, the State has established that it is entitled to a TRO before Defendants can be heard in opposition, pursuant to Minnesota Rule of Civil Procedure 65.01. The facts as stated in the State's memorandum and affidavits show that, if the State were required to notify Defendants of its intention to request a TRO, assets would likely be improperly transferred prior to a hearing, creating an immediate and irreparable injury. Real Believers sold its church building on or about June 2025 and then, the same day, entered a contract for deed with the purchaser. (Karels Aff. Ex. 19.) While under active investigation, Sharon Cook dissolved Les Jolies without providing the required statutory notice to the AGO. (Karels Aff. Ex. 10.)

23. Thus, the State has established that it is entitled to a TRO pursuant to Minnesota Rule of Civil Procedure 65.01.

24. No security is required by the State of Minnesota for issuance of a TI or a TRO. Minn. Stat. § 574.18 ("No undertaking or bond need be given upon any appeal or other proceeding instituted in favor of the state."); *see also State v. Nelson*, 248 N.W. 751, 752 (Minn. 1933) (holding that the State is exempt from a bond requirement for injunctive relief).

### **TEMPORARY RESTRAINING ORDER**

WHEREFORE, IT IS HEREBY ORDERED THAT:

1. The State's motion for a temporary restraining order pursuant to Minnesota Rule of Civil Procedure 65.01 is **GRANTED**.

2. Effective from the date of this Order, Defendants, whether acting individually or through any entity or assumed name, including but not limited to Les Jolies and Real Believers, as well as Defendants' officers, agents, servants, employees, attorneys, and any other persons who

have acted or are acting in concert or participation with them, who receive actual notice of this Order, are enjoined and prohibited from:

a. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, granting a lien or security interest or other interest in, or otherwise disposing of, any manner, directly or indirectly, any real or personal property, contracts, shares of stocks, or other assets, or any interest therein, that are or will be:

- i. Owned or controlled, directly or indirectly, by either Les Jolies or Real Believers in whole or in part;
- ii. In the actual or constructive possession of, or controlled by either Les Jolies or Real Believers; or
- iii. Owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed, or controlled by, or under common control with Les Jolies or Real Believers, including but not limited to any assets held by, for, or subject to access by Defendants at any bank or savings and loan institution, credit union, financial institution, brokerage house, escrow agent, money market or mutual fund, title company, payment processor, credit card processor, merchant bank, third party processor, payment gateway, or any other financial institution or depository of any kind, specifically including assets in the name of Les Jolies and Real Believers or any assumed name of Les Jolies and Real Believers; or

b. Incurring liens or other encumbrances on real property, personal property, or other assets held, controlled, or subject to access by, or held for the benefit of one Les Jolies or Real Believers or any assumed name of Les Jolies or Real Believers; or

c. Incurring cash advances on any credit or bank card issued in the name of Les Jolies or Real Believers; or

d. Incurring charges, other than those necessary for maintaining the daily operations of Les Jolies and Real Believers, on any credit or bank card issued in the name of Les Jolies or Real Believers; or

e. Transferring, liquidating, converting, encumbering, pledging, loaning, selling, concealing, dissipating, disbursing, assigning, relinquishing, spending, withdrawing, or otherwise disposing of, in any manner, directly or indirectly, any funds or bank accounts for any purpose other than maintaining the daily operations of the nonprofit organizations Les Jolies and Real Believers, that are:

- i. Owned or controlled, directly or indirectly, by either Les Jolies or Real Believers in whole or in part; or
- ii. Owned or controlled by, in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, asset protection trust, or other entity that is directly or indirectly owned, managed, or controlled by, or under common control with Les Jolies or Real Believers, including but not limited to any assets held by, for, or subject to access by Defendants at any bank or savings and loan institution, credit union, financial institution, brokerage house, escrow agent, money market or mutual fund, title company, payment processor, credit card processor, merchant bank, third party processor, payment gateway, or any other financial institution or depository of any kind, specifically including assets in the name of Les Jolies and Real Believers or any assumed name of Les Jolies and Real Believers.

### **I. DUTIES OF ASSET HOLDERS**

3. IT IS FURTHER ORDERED that, except as stipulated by the parties or as directed by further order of this Court, any person that holds, controls, or maintains custody of any account or asset of Les Jolies or Real Believers subject to this Order, including but not limited to, real property, personal property, or any account or asset that Defendants may control by virtue of being a signatory on said account or asset shall:

a. Provide to the State, within ten business days of receiving a copy of this Order, a sworn statement setting forth:

- i. The identification number of each account or asset titled in the name individually or jointly of Les Jolies or Real Believers or held on behalf of, or for the benefit of Les Jolies and Real Believers;
  - ii. The balance of each identified account or a description of the name and value of the asset as of the close of business on the day on which this Order is served, and, if the account or other asset has been closed or removed since January 1, 2019, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom the account or other asset was remitted; and
  - iii. The identification and location of any safe deposit box or storage facility that is either titled in the name of, individually or jointly, of Les Jolies or Real Believers, or holds nonprofit assets or property owned individually or jointly by Les Jolies or Real Believers.
- b. Upon request and within ten (10) business days, provide to counsel for the State copies of all records or other documentation pertaining to the account or asset described in paragraph 3.a. above, including but not limited to originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from the accounts, including wire transfers and wire transfer instructions, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and all logs and records pertaining to safe deposit boxes and storage facilities.

## **II. DISTRIBUTION OF ORDER BY DEFENDANT**

4. IT IS FURTHER ORDERED that Defendants shall immediately provide a copy of this Order to their officers, agents, servants, employees, attorneys, independent contractors, affiliates, successors, assignees, and any persons who have acted or are acting in concert or participation with them. Minn. R. Civ. P. 65.04. A copy of this Order may be served by first-class mail upon all persons or parties with full force and effect without regard to the exhibition of the original. Within ten days from the date of the entry of this Order, Defendants shall provide the State with a sworn statement that they have complied with this provision, which statement shall

include the name, address, and telephone number of each person or entity that received a copy of this Order.

### III. CORRESPONDENCE AND SERVICE ON PLAINTIFF

5. IT IS FURTHER ORDERED that for the purpose of this Order, all correspondence and service of pleadings on the Plaintiff shall be addressed to:

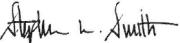
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### TEMPORARY INJUNCTION HEARING

6. IT IS FURTHER ORDERED that pursuant to Minn. R. Civ. P. 65.01, counsel for Plaintiff and Defendants shall appear before this Court on \_\_\_\_\_, 2026, at \_\_\_\_\_, at \_\_\_\_\_, for a hearing on Plaintiff's motion for a temporary injunction pending final ruling on the Complaint against Defendants, continuing the TRO, and imposing such additional relief as may be appropriate.

7. IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes and this Order shall remain in effect until further order of the Court.

Dated: \_\_\_\_\_

  
\_\_\_\_\_  
The Honorable Judge \_\_\_\_\_  
Judge of District Court

Smith, Stephen (Judge)  
Apr 15, 2026 3:55 PM