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BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

<p>IN THE MATTER OF:</p> <p>KEVIN LAWRENCE WRIGHT;</p> <p>Respondent.</p>	<p>RESPONDENT'S ANSWER TO ORDER TO SHOW CAUSE</p> <p>Docket No. <u>SD-07-0001</u></p>
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Respondent Kevin Lawrence Wright, by and through his counsel of record, Mark H. Graff of the law firm of MATTHEW T. GRAFF & ASSOCIATES, hereby respectfully submits his Answer to the Division of Securities Order to Show Cause.

STATEMENT OF JURISDICTION

1. Respondent admits that the Utah Division of Securities' jurisdiction is proper pursuant to §61-1-1, et seq. Respondent denies any and all further allegations contained in paragraph 1 of the Order to Show Cause.

STATEMENT OF FACTS

THE RESPONDENT

2. Respondent admits the allegations contained in Paragraph 2 of the Order to Show Cause.

GENERAL ALLEGATIONS

3. With regard to Paragraph 3 of the Order to Show Cause, Respondent alleges that J.T. approached Respondent regarding potential investment opportunities.
4. Respondent denies the allegations contained in Paragraph 4 of the Order to Show Cause.
5. Respondent denies the allegations contained in Paragraph 5 of the Order to Show Cause.
6. With regard to Paragraph 6 of the Order to Show Cause, Respondent admits that J.T.'s potential profit could be approximately \$489,000.00, however; this was conditioned upon the sale of the three Clark County, Nevada properties. These properties did not sell. Respondent denies all other allegations contained in Paragraph 6 of the Order to Show Cause.
7. Respondent denies the allegations contained in Paragraph 7 of the Order to Show Cause.
8. Respondent denies the allegations contained in Paragraph 8 of the Order to Show Cause.
9. With regard to Paragraph 9 of the Order to Show Cause, Respondent admits that J.T. invested \$100,000.00 as earnest money towards real estate investment in Henderson, Nevada.
10. With regard to Paragraph 10 of the Order to Show Cause, Respondent admits that he gave three (3) promissory notes to J.T. Respondent further admits that three (3) drafts of Trust Deeds were given to J.T.; however, J.T. knew that these Trust Deeds could not be recorded until the Clark County properties were purchased and a closing was

scheduled at First American Title. Respondent admits that the Trust Deeds were not recorded because the Clark County properties were never purchased.

11. Respondent admits the allegations contained in Paragraph 11 of the Order to Show Cause.
12. With regard to Paragraph 12 of the Order to Show Cause, Respondent admits that J.T. was not paid by the extended due date. With regards to the transfer of property to J.T., Respondent admits that he could not transfer the Clark County properties to J.T. because the attempted purchase of the Clark County properties fell through.
13. With regard to Paragraph 13 of the Order to Show Cause, Respondent admits that J.T. was paid \$25,000.00. Respondent denies all other allegations contained in Paragraph 13 of the Order to Show Cause.
14. With regard to Paragraph 14 of the Order to Show Cause, Respondent admits that no further payments have been accepted by J.T., however, this is due to J.T.'s unwillingness to accept multiple good faith offers of resolution tendered by Respondent.

CAUSES OF ACTION

COUNT I

Securities Fraud under §61-1-1(2) of the Act

15. Respondent denies the allegations contained in Paragraph 15 of the Order to Show Cause.
16. Respondent is without knowledge or information sufficient to form a belief as to the allegations contained in Paragraph 16 and therefore denies the same and puts the Plaintiffs to their proof.

17. Respondent denies the allegations contained in Paragraph 17 of the Order to Show Cause.
18. Respondent is without knowledge or information sufficient to form a belief as to the allegations contained in Paragraph 19 (a) (b) (c) (d) of the Order to Show Cause, and therefore denies the same and puts the Plaintiffs to their proof.
19. Respondent denies the allegations contained in Paragraph 20 of the Order to Show Cause.
20. Respondent denies the allegations contained in Paragraph 21 of the Order to show Cause.

COUNT II

Fraudulent Practices Under §61-1-1(3) of the Act

21. With regard to Paragraph 22 of the Order to Show Cause, Respondent admits that J.T. was a partner not an investor. Respondent denies any and all other allegations contained in Paragraph 22 of the Order to Show Cause.
22. Respondent denies the allegations contained in Paragraph 23 of the Order to Show Cause.

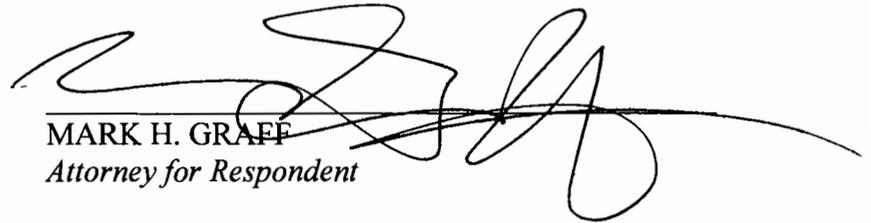
AFFIRMATIVE DEFENSES

1. Respondent did exercise his due diligence and as such, no action by Respondent was with wonton disregard for the rights and interests of others, and there was no display of willful or egregious conduct by Respondent. As such, Plaintiff has failed to state a claim upon which relief can be granted.
2. Respondent did not act willfully or intentionally with respect to any misrepresentations or non-disclosures as alleged by Plaintiff.

WHEREFORE, the Respondent prays that the Division of Securities' Order to Show Cause be dismissed, with prejudice, no cause of action, and that the Respondent be awarded any and all such further relief as appears proper.

DATED this 20th day of February 2007.

MATTHEW T. GRAFF & ASSOCIATES



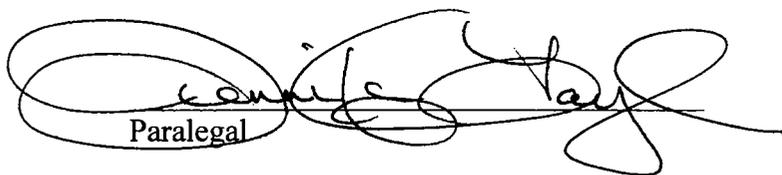
MARK H. GRAFF
Attorney for Respondent

CERTIFICATE OF MAILING

I hereby certify that on the 20th day of February, 2007, I caused to be mailed, by certified mail, return receipt requested, a true and correct copy of the above and foregoing *Respondent's Answer to Order to Show Cause* to the following:

Administrative Court Clerk
c/o Pam Radzinski
Division of Securities
160 East 300 South, Second Floor
Box 146760
Salt Lake City, Utah 84114-6760

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