

1 DAVID E. DOXEY, ESQ.
Utah Bar No. 7506
2 DAVID J. WINTERTON & ASSOC., LTD.
211 No. Buffalo, Suite A
3 Las Vegas, NV 89145
(702) 363-0317

4 Attorneys for Respondent
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6 BEFORE THE DIVISION OF SECURITIES
7 OF THE DEPARTMENT OF COMMERCE
8 OF THE STATE OF UTAH

9 In the matter of:

Docket No. SD-07-0052

10 DONALD WESLEY DENNETT

RESPONSE TO ORDER TO SHOW CAUSE

11 Respondent.

12 COMES NOW, Respondent DONALD WESLEY DENNETT, by and through his attorneys
13 of record, David J. Winterton & Assoc., Ltd., and hereby responds to the ORDER TO SHOW
14 CAUSE as follows:

- 15 1. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 1.
- 16 2. Respondent admits the allegations set forth in the Order to Show Cause, paragraph 2.
- 17 3. Respondent admits that on or about 2003 there was an administrative action, but is without
18 sufficient information to form an answer to the remaining allegations set forth in the Order to
19 Show Cause, paragraph 3.
- 20 4. Respondent is without sufficient information to form an answer to the allegations set forth in
21 the Order to Show Cause, paragraph 4.
- 22 5. Respondent is without sufficient information to form an answer to the allegations set forth in
23 the Order to Show Cause, paragraph 5.
- 24 6. Respondent is without sufficient information to form an answer to the allegations set forth in
25 the Order to Show Cause, paragraph 6.
- 26 7. Respondent is without sufficient information to form an answer to the allegations set forth in
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- 1 the Order to Show Cause, paragraph 7.
- 2 8. Respondent admits that there was a Stipulation and Order entered into requiring Respondent
3 to cease and desist from engaging in conduct that violates the Act, and admits to paying a
4 \$1,000.00 fine, but denies the remaining allegations set forth in the Order to Show Cause,
5 paragraph 8.
- 6 9. Respondent is without sufficient information to form an answer to the allegations set forth in
7 the Order to Show Cause, paragraph 9.
- 8 10. Respondent is without sufficient information to form an answer to the allegations set forth in
9 the Order to Show Cause, paragraph 10.
- 10 11. Respondent is without sufficient information to form an answer to the allegations set forth in
11 the Order to Show Cause, paragraph 11.
- 12 12. Respondent is without sufficient information to form an answer to the allegations set forth in
13 the Order to Show Cause, paragraph 12.
- 14 13. Respondent is without sufficient information regarding the date, but admits the remaining
15 allegations set forth in the Order to Show Cause, paragraph 13.
- 16 14. Respondent admits the allegations set forth in the Order to Show Cause, paragraph 14.
- 17 15. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 15.
- 18 16. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 16.
- 19 17. Respondent admits the allegations set forth in the Order to Show Cause, paragraph 17.
- 20 18. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 18.
- 21 19. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 19.
- 22 20. Respondent admits the allegations set forth in the Order to Show Cause, paragraph 20.
- 23 21. Respondent is without sufficient information to form an answer to the allegations set forth in
24 the Order to Show Cause, paragraph 21.
- 25 22. Respondent is without sufficient information to form an answer to the allegations set forth in
26 the Order to Show Cause, paragraph 22.
- 27 23. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 23.

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- 1 24. Respondent admits the allegations set forth in the Order to Show Cause, paragraph 24.
- 2 25. Respondent is without sufficient information to form an answer to the allegations set forth in
- 3 the Order to Show Cause, paragraph 25.
- 4 26. Respondent is without sufficient information to form an answer to the allegations set forth in
- 5 the Order to Show Cause, paragraph 26.
- 6 27. Respondent is without sufficient information to form an answer to the allegations set forth in
- 7 the Order to Show Cause, paragraph 27.
- 8 28. Respondent is without sufficient information to form an answer to the allegations set forth in
- 9 the Order to Show Cause, paragraph 28.
- 10 29. Respondent is without sufficient information to form an answer to the allegations set forth in
- 11 the Order to Show Cause, paragraph 29.
- 12 30. Respondent is without sufficient information to form an answer to the allegations set forth in
- 13 the Order to Show Cause, paragraph 30.
- 14 31. Respondent is without sufficient information to form an answer to the allegations set forth in
- 15 the Order to Show Cause, paragraph 31.

16 Count I

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

- 18 32. Respondent restates his previous answers in answer to the allegations set forth in the Order to
- 19 Show Cause, paragraph 32.
- 20 33. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 33.
- 21 34. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 34.
- 22 35. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 35.
- 23 36. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 36.

24 Count II

25 Sale of an Unregistered Security Under §61-1-7 of the Act

- 26 37. Respondent restates his previous answers in answer to the allegations set forth in the Order to
- 27 Show Cause, paragraph 37.

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1 38. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 38.

2 39. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 39.

3 40. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 40.

4 41. Respondent denies the allegations set forth in the Order to Show Cause, paragraph 41..

5 Respondent denies all claims for relief.

6 **AFFIRMATIVE DEFENSES**

7 **FIRST AFFIRMATIVE DEFENSE**

8 Plaintiff on file herein fails to state a claim against the Respondent upon which relief can be
9 granted.

10 **SECOND AFFIRMATIVE DEFENSE**

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12 Plaintiff's are barred by the doctrine of waiver, estoppel, res judicata, collateral estoppel, and
13 double jeopardy.

14 **THIRD AFFIRMATIVE DEFENSE**

15 Plaintiff's are barred by the applicable statute of limitations and/or the doctrine of laches.

16 **FOURTH AFFIRMATIVE DEFENSE**

17 Respondent has fully filled its contractual and legal obligations to Plaintiff and/or Plaintiffs
18 has received full performance of all obligations and duties to which it is entitled under the agreements
19 with the Respondent.

20 **FIFTH AFFIRMATIVE DEFENSE**

21 Respondent at all times acted reasonable and in good faith in discharging its obligations to
22 Plaintiff.

23 **SIXTH AFFIRMATIVE DEFENSE**

24 Plaintiff is not entitled to any relief as Plaintiff breached its contract with Respondent.

25 **SEVENTH AFFIRMATIVE DEFENSE**

26 The Plaintiff has received full performance of all obligations and duties to which it is entitled
27 under any agreements with the Respondents.

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EIGHTH AFFIRMATIVE DEFENSE

Any and all contractual/legal obligations which the Plaintiff claims against Respondent were waived or ratified by the Plaintiff.

NINTH AFFIRMATIVE DEFENSE

All possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of Plaintiff's response to Respondent's Counterclaim and therefore, Plaintiff reserves the right to amend their answer to allege additional affirmative defenses if subsequent investigations so warrants.

DATED this 10 day of September, 2007



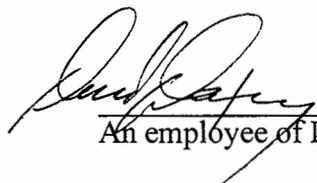
DAVID E. DOXEY, ESQ.
Nevada Bar No. 8429
DAVID J. WINTERTON & ASSOC., LTD.
211 N. Buffalo, Ste. A.
Las Vegas, Nevada 89129
Attorneys for Respondent

CERTIFICATE OF MAILING

I hereby certify that I am an employee of David J. Winterton & Assoc., Ltd., and that on the 10 day of September, 2007, I caused to be deposited in the United States mail, via first class, postage prepaid, at Las Vegas, Nevada a true and correct copy of the **RESPONSE TO ORDER TO SHOW CAUSE** addressed to the following:

Jeffrey Buckner, Esq.
Assistant Attorney General
Commercial Enforcement Division
160 East 300 South
P.O. Box 140872
Salt Lake City, Utah 84114-0872

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



An employee of David J. Winterton & Assoc.