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FARRIS & ASSOCIATES, P.C.
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Attorney for Respondent Prosperity Investment, LLC & Brandon McBride

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

IN THE MATTER OF:	**ANSWER TO ORDER TO SHOW CAUSE**
PROSPERITY INVESTMENT, LLC	Docket No. SD08-0009
PROSPERITY CAPITAL, LLC	Docket No. SD08-0010
BRANDON MARK MCBRIDE	Docket No. SD08-0011
DOUGLAS KENT BROOKS	Docket No. SD08-0012
JOHN LEWIS WEBSTER	Docket No. SD08-0013
COREY JAMES WOOD	Docket No. SD08-0014
Respondents.	

COMES NOW Respondents, Prosperity Investment, LLC and Brandon Mark McBride, by and through their counsel of record, Bryan R. Farris of FARRIS & ASSOCIATES, P.C., and answers the allegations set forth in The Division of Securities Order to Show Cause and alleges and states as follows:

First Affirmative Defense

Answers to Specific Allegations

1. Admits.

2. Admits.

3. Respondent is without information to admit nor deny such allegations and therefore denies such.

4. Admits.

5. Respondent is without information to admit nor deny such allegations and therefore denies such.

6. Respondent is without information to admit nor deny such allegations and therefore denies such.

7. Respondent is without information to admit nor deny such allegations and therefore denies such.

8. Admits in so far as McBride collected funds into Prosperity Investments, LLC. Respondent is without information to admit nor deny any further allegations as to funds collected by other Respondents and therefore denies such.

9. Admits as to any statements made by McBride on behalf of Respondent, Prosperity Investment, LLC, but denies any statements made by any other Respondent.

10. Admits.

11. Respondent is without information to admit nor deny such allegations and therefore denies such. Respondent affirmatively states that all money collected by Respondent Prosperity Investment, LLC was paid in accordance with the issued promissory notes and the principal was paid back to each of the investors brought into Prosperity Investments, LLC through the efforts of any of the other Respondents. (*See Attached Exhibits* **A:** Regarding Aaron Crandall; **B:** Regarding Corey Wood; **C:** Regarding John Webster; **D:** Ronald Miles; **E:** Regarding Checks made out to Prosperity Capital from Prosperity Investment, LLC; **F:** Regarding Kent Brooks; **G:** Regarding Doug Brooks; and **H:** Regarding Jeremiah Cochran)

12. Respondent is without information to admit nor deny such allegations and therefore denies such.

13. Respondent is without information to admit nor deny such allegations and therefore denies such.

14. Respondent is without information to admit nor deny such allegations and therefore denies such.

15. Respondent is without information to admit nor deny such allegations and therefore denies such.

16. Respondent is without information to admit nor deny such allegations and therefore denies such.

17. Respondent is without information to admit nor deny such allegations and therefore denies such.

18. Respondent is without information to admit nor deny such allegations and therefore denies such.

19. Respondent is without information to admit nor deny such allegations and therefore denies such.

20. Admits.

21. Respondent is without information to admit nor deny such allegations and therefore denies such.

22. Respondent is without information to admit nor deny such allegations and therefore denies such.

23. Admits in so far as Aaron Crandall met with McBride on or about November 14, 2005 at the FranklinSquires building in Utah County and invested $13,000 with Prosperity Investment. Respondent is without information to admit nor deny any further allegations and therefore denies such.

24. Admits.

25. Respondent is without information to admit nor deny such allegations and therefore denies such.

26. Admits in so far as a promissory note was issued by Prosperity Investments, LLC to Aaron Crandall.

27. Admits in so far as interest payments, as called for under the promissory note, were made monthly by check by Prosperity Investments, LLC to Aaron Crandall. Respondent is without information to admit nor deny such allegations regarding proportionate share payments between Crandall and Wood and therefore denies such.

28. Admits in so far as McBride and Wood ceased working together in January or February 2006. Respondent is without information to admit nor deny such allegations concerning the start of Prosperity Capital nor the relationship between Brooks, Wood and Webster and therefore denies such.

29. Respondent is without information to admit nor deny such allegations and therefore denies such.

30. Respondent is without information to admit nor deny such allegations and therefore denies such.

31. Respondent is without information to admit nor deny such allegations and therefore denies such.

32. Respondent is without information to admit nor deny such allegations and therefore denies such.

33. Respondent is without information to admit nor deny such allegations and therefore denies such.

34. Respondent is without information to admit nor deny such allegations and therefore denies such.

35. Respondent is without information to admit nor deny such allegations and therefore denies such.

36. Respondent is without information to admit nor deny such allegations and therefore denies such.

37. Admits in so far as all principal and accrued interest owed to Aaron Crandall as of April 26, 2006 was paid back by Respondent Prosperity Investment to such at his request. Respondent is without information to

admit nor deny such allegations concerning where such returned funds were deposited and therefore denies such.

38. Respondent is without information to admit nor deny such allegations and therefore denies such.

39. Respondent is without information to admit nor deny such allegations and therefore denies such.

40. Respondent is without information to admit nor deny such allegations and therefore denies such.

41. Respondent is without information to admit nor deny such allegations and therefore denies such.

42. Respondent is without information to admit nor deny such allegations and therefore denies such.

43. Respondent is without information to admit nor deny such allegations and therefore denies such.

44. Respondent is without information to admit nor deny such allegations and therefore denies such.

45. Respondent is without information to admit nor deny such allegations and therefore denies such.

46. Respondent is without information to admit nor deny such allegations and therefore denies such.

47. Respondent is without information to admit nor deny such allegations and therefore denies such.

48. Respondent is without information to admit nor deny such allegations and therefore denies such.

49. Respondent is without information to admit nor deny such allegations and therefore denies such.

50. Respondent is without information to admit nor deny such allegations and therefore denies such.

51. Respondent is without information to admit nor deny such allegations and therefore denies such.

52. Respondent is without information to admit nor deny such allegations and therefore denies such.

53. Respondent is without information to admit nor deny such allegations and therefore denies such.

54. Respondent is without information to admit nor deny such allegations and therefore denies such.

55. Respondent is without information to admit nor deny such allegations and therefore denies such.

56. Respondent is without information to admit nor deny such allegations and therefore denies such.

57. Respondent is without information to admit nor deny such allegations and therefore denies such.

58. Respondent is without information to admit nor deny such allegations and therefore denies such.

59. Respondent is without information to admit nor deny such allegations and therefore denies such.

60. Respondent is without information to admit nor deny such allegations and therefore denies such.

61. Respondent is without information to admit nor deny such allegations and therefore denies such.

62. Respondent is without information to admit nor deny such allegations and therefore denies such.

63. Respondent is without information to admit nor deny such allegations and therefore denies such.

64. Respondent is without information to admit nor deny such allegations and therefore denies such.

65. Respondents, Prosperity Investment, LLC and Brandon Mark McBride incorporate all answers previously set forth as if set forth in the whole.

66. Admits in so far as Respondent Prosperity Investment, LLC issued such.

67. Denies in so far as any representations were made by Respondents McBride or Prosperity Investment, LLC. Respondents affirmatively states that no money of any investors brought by other Respondents was lost by Prosperity Investment, LLC, but was all paid in full, including interest.

68. Respondent is without information to admit nor deny such allegations and therefore denies such.

69. Denies all allegations contained in Paragraph 69 in so far as any representations were made by Respondents McBride or Prosperity Investment, LLC. Respondent affirmatively states that it has done a Rescission Offering through a Private Placement Memorandum, including registration of a Form D offering with the State of Utah Division of Securities as well as the Securities and Exchange Commission. Such Rescission was not offered to Respondents, nor to Aaron Crandall since all amounts owed to such had been previously paid off at the time. *See Attached Exhibit* **I.**

70. Respondent is without information to admit nor deny such allegations and therefore denies such.

71. Respondent is without information to admit nor deny such allegations and therefore denies such.

Second Affirmative Defense

Failure to State a Violation of Utah Securities Act 61-1-1

The Division has failed to state a violation of the Utah Securities Act against Respondents Prosperity Investment, LLC or Brandon McBride.

Third Affirmative Defense

Estoppel

The Divisions claims are barred, waived and estopped based on the fact that all amounts paid into Prosperity Investment, LLC by anyone related to the other Respondents has been paid off in full. The claims are also barred, waived and estopped by Respondent's Rescission Offering and Form D, Rule 506 filing.

Fourth Affirmative Defense

Cause of Others

The Division's purported claims and any damages sustained by such, the fact and extent of which Respondent denies, was wholly proximately caused by the fault of other Respondents, for which Defendant is not responsible. Respondent, as admitted by the Division and as set forth in the attached Exhibits, made all payments, including principal withdrawal and interest payments to the other Respondents or to the alleged investors directly. What such investors or alleged victims did with such money was not in the control of Respondent Prosperity Investment, LLC nor McBride.

Fifth Affirmative Defense

Lack of Reasonable Reliance

The Division's purported claims fail as a matter of law for lack of reasonable reliance.

Sixth Affirmative Defense

No Privity of Contract

The Division's purported claims are barred, in whole or in part, because there was no privity of contract between Respondent and alleged victim/investors, nor was there any privity of contract between Respondent and other Respondents.

Seventh Affirmative Defense

Other Defenses

Respondent reserves the right to allege such other and additional defenses as may be discovered in this action.

WHEREFORE, Respondents, Prosperity Investment, LLC and Brandon Mark McBride pray that Division's Order to Show Cause be dismissed.

DATED this 11 of March, 2008.

FARRIS & ASSOCIATES, P.C.

BRYAN R. FARRIS

Mailing Certificate

I hereby certify that on 11 day of March 2008, I caused a copy of the withing and foregoing Response to Order to Show Cause to be sent via U.S. Mail, first class, with postage pre-paid, to the following:

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160 E. 300 S., Fifth Floor
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Salt Lake City, Utah 84114-0872

Administrative Court Clerk
c/o Pam Radzinski
Division of Securities
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