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Utah Department of Commerce
Division of Securities

1 David J. Winterton, Esq.
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3 DAVID J. WINTERTON & ASSOCIATES, LTD.
4 211 No. Buffalo Drive, Suite A
5 Las Vegas, Nevada 89145
6 (702) 363-0317

Attorneys for Respondent

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

IN THE MATTER OF:

**CHRISTOPHER H. ZOCKOLL
CRD#2954654**

Respondent

ANSWER TO ORDER TO SHOW CAUSE

Respondent, CHRISTOPHER H. ZOCKOLL (hereinafter referred to as "Zockoll"), by and through his attorney, David J. Winterton, Esq., of the firm of David J. Winterton & Assoc., hereby files this Answer to Order To Show Cause as follows:

STATEMENT OF FACTS

1. Answering Paragraph 1, of the Divisions's Order to Show Cause, Zockoll denies each and every allegation contained therein.
2. Answering Paragraph 2, of the Divisions's Order to Show Cause, Zockoll denies each and every allegation contained therein.
3. Answering Paragraph 3, of the Divisions's Order to Show Cause, Zockoll denies each and every allegation contained therein.
4. Answering Paragraph 4, of the Divisions's Order to Show Cause, Zockoll denies each and every allegation contained therein.
5. Answering Paragraph 5, of the Divisions's Order to Show Cause, Zockoll denies each and every allegation contained therein.
6. Answering Paragraph 6, of the Divisions's Order to Show Cause, Zockoll denies

1 each and every allegation contained therein.

2 **Vescor Sales by Zockoll**

3 7. Answering Paragraph 7, of the Divisions's Order to Show Cause, Zockoll denies
4 each and every allegation contained therein.

5 8. Answering Paragraph 8, of the Divisions's Order to Show Cause, Zockoll denies
6 each and every allegation contained therein.

7 9. Answering Paragraph 9, of the Divisions's Order to Show Cause, Zockoll denies
8 each and every allegation contained therein.

9 10. Answering Paragraph 10, of the Divisions's Order to Show Cause, Zockoll denies
10 each and every allegation contained therein.

11 **Investor J.G.**

12 11. Answering Paragraph 11, of the Divisions's Order to Show Cause, Zockoll denies
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14 12. Answering Paragraph 12, of the Divisions's Order to Show Cause, Zockoll denies
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16 13. Answering Paragraph 13, of the Divisions's Order to Show Cause, Zockoll denies
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18 14. Answering Paragraph 14, of the Divisions's Order to Show Cause, Zockoll denies
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20 15. Answering Paragraph 15, of the Divisions's Order to Show Cause, Zockoll denies
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23 a. Answering Paragraph 16a, of the Divisions's Order to Show Cause,
24 Zockoll denies each and every allegation contained therein.

25 b. Answering Paragraph 16b, of the Divisions's Order to Show Cause,
26 Zockoll denies each and every allegation contained therein.

27 c. Answering Paragraph 16c, of the Divisions's Order to Show Cause,
28 Zockoll denies each and every allegation contained therein.

d. Answering Paragraph 16d, of the Divisions's Order to Show Cause,

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2 e. Answering Paragraph 16e, of the Divisions's Order to Show Cause,
3 Zockoll denies each and every allegation contained therein.

4 17. Answering Paragraph 17, of the Divisions's Order to Show Cause, Zockoll denies
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6 18. Answering Paragraph 18, of the Divisions's Order to Show Cause, Zockoll denies
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8 19. Answering Paragraph 19, of the Divisions's Order to Show Cause, Zockoll denies
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10 20. Answering Paragraph 20, of the Divisions's Order to Show Cause, Zockoll denies
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12 21. Answering Paragraph 21, of the Divisions's Order to Show Cause, Zockoll denies
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14 22. Answering Paragraph 22, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 23. Answering Paragraph 23, of the Divisions's Order to Show Cause, Zockoll denies
17 each and every allegation contained therein.

18 24. Answering Paragraph 24, of the Divisions's Order to Show Cause, Zockoll denies
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20 25. Answering Paragraph 25, of the Divisions's Order to Show Cause, Zockoll denies
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- 3 26. Answering Paragraph 26, of the Divisions's Order to Show Cause, Zockoll denies
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- 13 e. Answering Paragraph 26e, of the Divisions's Order to Show Cause,
14 Zockoll denies each and every allegation contained therein.
- 15 f. Answering Paragraph 26f, of the Divisions's Order to Show Cause, Zockoll
16 denies each and every allegation contained therein.
- 17 g. Answering Paragraph 26h, of the Divisions's Order to Show Cause,
18 Zockoll denies each and every allegation contained therein.
- 19 h. Answering Paragraph 26h, of the Divisions's Order to Show Cause,
20 Zockoll denies each and every allegation contained therein.
- 21 i. Answering Paragraph 26i, of the Divisions's Order to Show Cause, Zockoll
22 denies each and every allegation contained therein.
- 23 27. Answering Paragraph 27, of the Divisions's Order to Show Cause, Zockoll denies
24 each and every allegation contained therein.
- 25 28. Answering Paragraph 28, of the Divisions's Order to Show Cause, Zockoll denies
26 each and every allegation contained therein.
- 27 29. Answering Paragraph 29, of the Divisions's Order to Show Cause, Zockoll denies
28 each and every allegation contained therein.
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1 each and every allegation contained therein.

2 31. Answering Paragraph 31, of the Divisions's Order to Show Cause, Zockoll denies
3 each and every allegation contained therein.

4 32. Answering Paragraph 32, of the Divisions's Order to Show Cause, Zockoll denies
5 each and every allegation contained therein.

6 33. Answering Paragraph 33, of the Divisions's Order to Show Cause, Zockoll denies
7 each and every allegation contained therein.

8 34. Answering Paragraph 34, of the Divisions's Order to Show Cause, Zockoll denies
9 each and every allegation contained therein.

10 35. Answering Paragraph 35, of the Divisions's Order to Show Cause, Zockoll denies
11 each and every allegation contained therein.

12 **FIRST CAUSE OF ACTION**
13 **Unlicensed Agent Under § 61-1-3 of the Act**

14 36. Answering Paragraph 36, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 37. Answering Paragraph 37, of the Divisions's Order to Show Cause, Zockoll denies
17 each and every allegation contained therein.

18 38. Answering Paragraph 38, of the Divisions's Order to Show Cause, Zockoll denies
19 each and every allegation contained therein.

20 39. Answering Paragraph 39, of the Divisions's Order to Show Cause, Zockoll denies
21 each and every allegation contained therein.

22 40. Answering Paragraph 40, of the Divisions's Order to Show Cause, Zockoll denies
23 each and every allegation contained therein.

24 **SECOND CAUSE OF ACTION**
25 **Securities Fraud Under § 61-1-1-(2) of the Act**

26 41. Answering Paragraph 41, of the Divisions's Order to Show Cause, Zockoll denies
27 each and every allegation contained therein.

28 **THIRD CAUSE OF ACTION**
Securities Fraud Under §61-1-1(3) of the Act

42. Answering Paragraph 42, of the Divisions's Order to Show Cause, Zockoll denies

1 each and every allegation contained therein.

2 a. Answering Paragraph 42a, of the Divisions's Order to Show Cause,
3 Zockoll denies each and every allegation contained therein.

4 b. Answering Paragraph 42b, of the Divisions's Order to Show Cause,
5 Zockoll denies each and every allegation contained therein.

6 c. Answering Paragraph 42c, of the Divisions's Order to Show Cause,
7 Zockoll denies each and every allegation contained therein.

8 d. Answering Paragraph 42d, of the Divisions's Order to Show Cause,
9 Zockoll denies each and every allegation contained therein.

10 e. Answering Paragraph 42e of the Divisions's Order to Show Cause, Zockoll
11 denies each and every allegation contained therein.

12 **FOURTH CAUSE OF ACTION**
13 **False Statements of Division Under § 61-1-16 of the Act**

14 43. Answering Paragraph 43, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 **AFFIRMATIVE DEFENSES**

17 **FIRST AFFIRMATIVE DEFENSE**

18 The Division fails to state a claim against Counter-Defendants, upon which relief can be
19 granted.

20 **SECOND AFFIRMATIVE DEFENSE**

21 The Division is barred by the doctrine of waiver, estoppel, unclean hands and other
22 equitable defenses.

23 **THIRD AFFIRMATIVE DEFENSE**

24 The Defendant was not the agent that received payment in this matter but it was the licensed
25 Broker that received payment.

26 **FOURTH AFFIRMATIVE DEFENSE**

27 The Defendant NEVER sent any solicitation to the State of Utah. The Clark
28 County Association of School Administrators sent a letter to the various administrators. The
Administrator in this case moved to Utah and the Clark County Association of School
Administrators sent it to Utah, not the Defendant.

1 FIFTH AFFIRMATIVE DEFENSE

2 The Defendant never created it own documents for solicitation.

3 SIXTH AFFIRMATIVE DEFENSE

4 The Defendant provided a Private Placement Memorandum to the parties.

5 SEVENTH AFFIRMATIVE DEFENSE

6 The Defendant did a investigation into the matter. The Defendant, after his investigation,
7 personally invested a large amount of money in this case.

8 EIGHTH AFFIRMATIVE DEFENSE

9 The Defendant never signed or approved any application for payment in this case.

10 NINTH AFFIRMATIVE DEFENSE

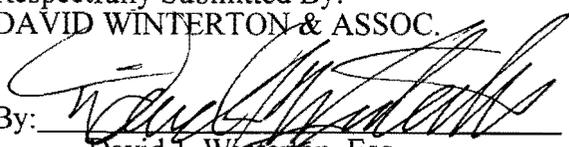
11 A number of the injured parties alleged in the complaint have been paid back.

12 TENTH AFFIRMATIVE DEFENSE

13 Pursuant to Rule 11, as amended all possible affirmative defenses may not have been
14 alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing
15 of Defendants' answer and therefore, Defendants reserve the right to amend their answer to allege
16 additional affirmative defenses if subsequent investigations so warrants.

17 DATED this 9 day of April, 2010.

18 Respectfully Submitted By:
19 DAVID WINTERTON & ASSOC.

20 By: 
21 David J. Winterton, Esq.
22 Nevada Bar No. 004142
23 211 N. Buffalo Dr. Suite A
24 Las Vegas, NV. 89145

25 Attorney for Christopher H. Zockoll
26
27
28

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- 25 28. Answering Paragraph 28, of the Divisions's Order to Show Cause, Zockoll denies
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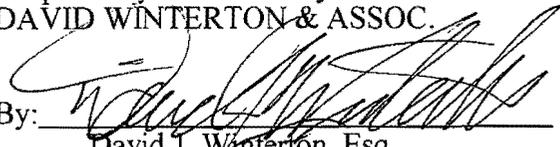
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15 of Defendants' answer and therefore, Defendants reserve the right to amend their answer to allege
16 additional affirmative defenses if subsequent investigations so warrants.

17 DATED this 9 day of April, 2010.

18 Respectfully Submitted By:
19 DAVID WINTERTON & ASSOC.

20 By: 

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22 Nevada Bar No. 004142
23 211 N. Buffalo Dr. Suite A
24 Las Vegas, NV. 89145

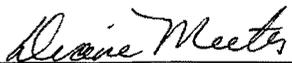
25 Attorney for Christopher H. Zockoll
26
27
28

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I am an employee of David J. Winterton & Assoc., Ltd., and that on the
3 9 day of April, 2010, I caused to be deposited in the United States mail, via first class,
4 postage prepaid, at Las Vegas, Nevada a true and correct copy of the ANSWER TO DIVISION OF
5 SECURITIES ORDER TO SHOW CAUSE addressed to the following:

6 Administrative Court Clerk
7 c/o Pam Radzinski
8 Utah Division of Securities
9 160 E. 300 South, 2nd Floor
10 Box 146760
11 Salt Lake City, UT 84114-6760

12 D. Scott Davis
13 Assistant Attorney General
14 Utah Division of Securities
15 160 East 300 South, 5th Floor
16 Salt Lake City, UT 84114-0872

17
18 
19 _____
20 An employee of David J. Winterton & Assoc
21
22
23
24
25
26
27
28

1 David J. Winterton, Esq.
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 - 27 c. Answering Paragraph 16c, of the Divisions's Order to Show Cause,
28 Zockoll denies each and every allegation contained therein.
 - d. Answering Paragraph 16d, of the Divisions's Order to Show Cause,

1 Zockoll denies each and every allegation contained therein.

2 e. Answering Paragraph 16e, of the Divisions's Order to Show Cause,
3 Zockoll denies each and every allegation contained therein.

4 17. Answering Paragraph 17, of the Divisions's Order to Show Cause, Zockoll denies
5 each and every allegation contained therein.

6 18. Answering Paragraph 18, of the Divisions's Order to Show Cause, Zockoll denies
7 each and every allegation contained therein.

8 19. Answering Paragraph 19, of the Divisions's Order to Show Cause, Zockoll denies
9 each and every allegation contained therein.

10 20. Answering Paragraph 20, of the Divisions's Order to Show Cause, Zockoll denies
11 each and every allegation contained therein.

12 21. Answering Paragraph 21, of the Divisions's Order to Show Cause, Zockoll denies
13 each and every allegation contained therein.

14 22. Answering Paragraph 22, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 23. Answering Paragraph 23, of the Divisions's Order to Show Cause, Zockoll denies
17 each and every allegation contained therein.

18 24. Answering Paragraph 24, of the Divisions's Order to Show Cause, Zockoll denies
19 each and every allegation contained therein.

20 25. Answering Paragraph 25, of the Divisions's Order to Show Cause, Zockoll denies
21 each and every allegation contained therein.

22 a. Answering Paragraph 25a, of the Divisions's Order to Show Cause,
23 Zockoll denies each and every allegation contained therein.

24 b. Answering Paragraph 25b, of the Divisions's Order to Show Cause,
25 Zockoll denies each and every allegation contained therein.

26 c. Answering Paragraph 25c, of the Divisions's Order to Show Cause,
27 Zockoll denies each and every allegation contained therein.

28 d. Answering Paragraph 25d, of the Divisions's Order to Show Cause,
Zockoll denies each and every allegation contained therein.

- 1 e. Answering Paragraph 25e, of the Divisions's Order to Show Cause,
2 Zockoll denies each and every allegation contained therein.
- 3 26. Answering Paragraph 26, of the Divisions's Order to Show Cause, Zockoll denies
4 each and every allegation contained therein.
- 5 a. Answering Paragraph 26a, of the Divisions's Order to Show Cause,
6 Zockoll denies each and every allegation contained therein.
- 7 b. Answering Paragraph 26b, of the Divisions's Order to Show Cause,
8 Zockoll denies each and every allegation contained therein.
- 9 c. Answering Paragraph 26c, of the Divisions's Order to Show Cause,
10 Zockoll denies each and every allegation contained therein.
- 11 d. Answering Paragraph 26d, of the Divisions's Order to Show Cause,
12 Zockoll denies each and every allegation contained therein.
- 13 e. Answering Paragraph 26e, of the Divisions's Order to Show Cause,
14 Zockoll denies each and every allegation contained therein.
- 15 f. Answering Paragraph 26f, of the Divisions's Order to Show Cause, Zockoll
16 denies each and every allegation contained therein.
- 17 g. Answering Paragraph 26h, of the Divisions's Order to Show Cause,
18 Zockoll denies each and every allegation contained therein.
- 19 h. Answering Paragraph 26h, of the Divisions's Order to Show Cause,
20 Zockoll denies each and every allegation contained therein.
- 21 i. Answering Paragraph 26i, of the Divisions's Order to Show Cause, Zockoll
22 denies each and every allegation contained therein.
- 23 27. Answering Paragraph 27, of the Divisions's Order to Show Cause, Zockoll denies
24 each and every allegation contained therein.
- 25 28. Answering Paragraph 28, of the Divisions's Order to Show Cause, Zockoll denies
26 each and every allegation contained therein.
- 27 29. Answering Paragraph 29, of the Divisions's Order to Show Cause, Zockoll denies
28 each and every allegation contained therein.
30. Answering Paragraph 30, of the Divisions's Order to Show Cause, Zockoll denies

1 each and every allegation contained therein.

2 31. Answering Paragraph 31, of the Divisions's Order to Show Cause, Zockoll denies
3 each and every allegation contained therein.

4 32. Answering Paragraph 32, of the Divisions's Order to Show Cause, Zockoll denies
5 each and every allegation contained therein.

6 33. Answering Paragraph 33, of the Divisions's Order to Show Cause, Zockoll denies
7 each and every allegation contained therein.

8 34. Answering Paragraph 34, of the Divisions's Order to Show Cause, Zockoll denies
9 each and every allegation contained therein.

10 35. Answering Paragraph 35, of the Divisions's Order to Show Cause, Zockoll denies
11 each and every allegation contained therein.

12 **FIRST CAUSE OF ACTION**
13 **Unlicensed Agent Under § 61-1-3 of the Act**

14 36. Answering Paragraph 36, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 37. Answering Paragraph 37, of the Divisions's Order to Show Cause, Zockoll denies
17 each and every allegation contained therein.

18 38. Answering Paragraph 38, of the Divisions's Order to Show Cause, Zockoll denies
19 each and every allegation contained therein.

20 39. Answering Paragraph 39, of the Divisions's Order to Show Cause, Zockoll denies
21 each and every allegation contained therein.

22 40. Answering Paragraph 40, of the Divisions's Order to Show Cause, Zockoll denies
23 each and every allegation contained therein.

24 **SECOND CAUSE OF ACTION**
25 **Securities Fraud Under § 61-1-1(2) of the Act**

26 41. Answering Paragraph 41, of the Divisions's Order to Show Cause, Zockoll denies
27 each and every allegation contained therein.

28 **THIRD CAUSE OF ACTION**
Securities Fraud Under §61-1-1(3) of the Act

42. Answering Paragraph 42, of the Divisions's Order to Show Cause, Zockoll denies

1 each and every allegation contained therein.

2 a. Answering Paragraph 42a, of the Divisions's Order to Show Cause,
3 Zockoll denies each and every allegation contained therein.

4 b. Answering Paragraph 42b, of the Divisions's Order to Show Cause,
5 Zockoll denies each and every allegation contained therein.

6 c. Answering Paragraph 42c, of the Divisions's Order to Show Cause,
7 Zockoll denies each and every allegation contained therein.

8 d. Answering Paragraph 42d, of the Divisions's Order to Show Cause,
9 Zockoll denies each and every allegation contained therein.

10 e. Answering Paragraph 42e of the Divisions's Order to Show Cause, Zockoll
11 denies each and every allegation contained therein.

12 **FOURTH CAUSE OF ACTION**
13 **False Statements of Division Under § 61-1-16 of the Act**

14 43. Answering Paragraph 43, of the Divisions's Order to Show Cause, Zockoll denies
15 each and every allegation contained therein.

16 **AFFIRMATIVE DEFENSES**

17 **FIRST AFFIRMATIVE DEFENSE**

18 The Division fails to state a claim against Counter-Defendants, upon which relief can be
19 granted.

20 **SECOND AFFIRMATIVE DEFENSE**

21 The Division is barred by the doctrine of waiver, estoppel, unclean hands and other
22 equitable defenses.

23 **THIRD AFFIRMATIVE DEFENSE**

24 The Defendant was not the agent that received payment in this matter but it was the licensed
25 Broker that received payment.

26 **FOURTH AFFIRMATIVE DEFENSE**

27 The Defendant NEVER sent any solicitation to the State of Utah. The Clark
28 County Association of School Administrators sent a letter to the various administrators. The
Administrator in this case moved to Utah and the Clark County Association of School
Administrators sent it to Utah, not the Defendant.

1 FIFTH AFFIRMATIVE DEFENSE

2 The Defendant never created it own documents for solicitation.

3 SIXTH AFFIRMATIVE DEFENSE

4 The Defendant provided a Private Placement Memorandum to the parties.

5 SEVENTH AFFIRMATIVE DEFENSE

6 The Defendant did a investigation into the matter. The Defendant, after his investigation,
7 personally invested a large amount of money in this case.

8 EIGHTH AFFIRMATIVE DEFENSE

9 The Defendant never signed or approved any application for payment in this case.

10 NINTH AFFIRMATIVE DEFENSE

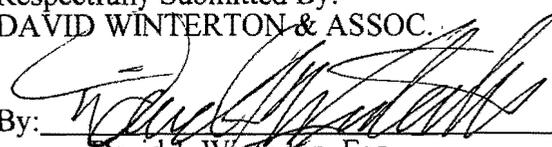
11 A number of the injured parties alleged in the complaint have been paid back.

12 TENTH AFFIRMATIVE DEFENSE

13 Pursuant to Rule 11, as amended all possible affirmative defenses may not have been
14 alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing
15 of Defendants' answer and therefore, Defendants reserve the right to amend their answer to allege
16 additional affirmative defenses if subsequent investigations so warrants.

17 DATED this 9 day of April, 2010.

18 Respectfully Submitted By:
19 DAVID WINTERTON & ASSOC.

20 By: 

21 David J. Winterton, Esq.
22 Nevada Bar No. 004142
23 211 N. Buffalo Dr. Suite A
24 Las Vegas, NV. 89145

25 Attorney for Christopher H. Zockoll
26
27
28

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I am an employee of David J. Winterton & Assoc., Ltd., and that on the
3 9 day of April, 2010, I caused to be deposited in the United States mail, via first class,
4 postage prepaid, at Las Vegas, Nevada a true and correct copy of the ANSWER TO DIVISION OF
5 SECURITIES ORDER TO SHOW CAUSE addressed to the following:

6 Administrative Court Clerk
7 c/o Pam Radzinski
8 Utah Division of Securities
9 160 E. 300 South, 2nd Floor
10 Box 146760
11 Salt Lake City, UT 84114-6760

12 D. Scott Davis
13 Assistant Attorney General
14 Utah Division of Securities
15 160 East 300 South, 5th Floor
16 Salt Lake City, UT 84114-0872

17
18 
19 _____
20 An employee of David J. Winterton & Assoc
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