

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

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**IN THE MATTER OF  
TROY B. KOTTER d.b.a.  
ANOMALY GROUP, INC.**

**SCHEDULING ORDER  
ON MOTION TO ENTER DEFAULT  
CASE NO. SD-10-0079**

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**BY THE ADMINISTRATIVE LAW JUDGE:**

This adjudicative proceeding was initiated pursuant to a November 29, 2010 Notice of Agency Action. A response to the Order to Show Cause was due by December 30, 2010. A prehearing teleconference was scheduled to be conducted on January 4, 2011.

The notice was sent to Respondent at the address of 870 W. Halstead Dr., North Salt Lake, UT 84054 by certified mail and that notice was thus received. The Division received the proof of service for the certified mailing from postal authorities on December 6, 2010. The notice recites that, if Respondent failed to file a response or failed to appear at any scheduled hearing, the presiding office may enter a default order against Respondent without further notice to him.

Respondent did not file a response and he did not appear for the January 4, 2011 prehearing conference. The Court twice attempted to contact Respondent by telephone on that date, but the Court was not able to directly contact Respondent on either

occasion. The Court thus left two (2) messages for Respondent on that date.

Respondent did not subsequently contact the Court.

Based on the consent of the Division, the prehearing conference was rescheduled to be conducted on February 8, 2011. This record does not reflect the manner in which Respondent was notified of that conference. No prehearing conference was conducted on the just-stated date. The Division's records do not reflect any contact with Respondent on or about that time.

The Court contacted Thomas Brady (Securities Analyst for the Division) on or about May 11, 2011 to inquire regarding the present status of this proceeding. Mr. Brady informed the Court that the Division was aware of a related criminal proceeding which had been filed as to Respondent. Mr. Brady further stated the Division would address Respondent's possible filing of a motion to stay enforcement of this proceeding pending the resolution of the criminal case.

The Court next contacted Mr. Brady or or about June 23, 2011 to address the ongoing status of this proceeding. Mr. Brady informed the Court that he has reviewed this case with Respondent and he thus informed Respondent that a motion to stay this proceeding must be filed if any stay of enforcement would be entered by the Division.

Mr. Brady also informed the Court that Respondent is represented by legal counsel in the criminal proceeding, but Respondent is representing himself in this adjudicative

proceeding. Mr. Brady further informed the Court that the Division has not received any such motion by Respondent, but that the Division remains willing to consider entry of a stay of enforcement of this proceeding upon Respondent's filing of a motion seeking that action.

The Court next contacted Mr. Brady on July 7, 2011 to review the ongoing status of this proceeding. Mr. Brady informed that Court that Respondent has still not filed a motion to stay this proceeding. Accordingly, Mr. Brady stated the Division is reviewing the possible filing of a motion to enter Respondent's default, absent a motion by Respondent to stay enforcement of this proceeding.

The Division filed a July 20, 2011 motion for a default order. The motion recites Respondent "failed to participate in the proceedings", he "never filed a response" and that efforts to contact Respondent "have been unsuccessful". The July 20, 2011 motion was sent to Respondent at the above stated address on July 20, 2011. The certificate of service does not recite whether the Division sent notice of the pending motion to by regular or certified mail. Respondent has not filed any reply to that motion as of the date of the Order herein.

Given the relatively unique circumstances of this case, the Court understands why the Division's pending motion was sent to Respondent as his last known address rather than merely being filed without notice thereof to Respondent. The Court similarly

concludes a scheduling order should be entered to expressly establish the time when Respondent is to file any response to the pending motion.

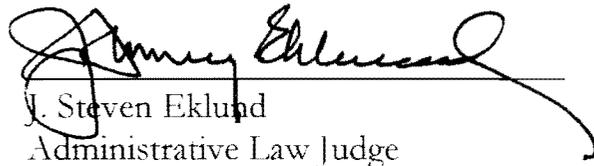
If Respondent fails to timely file a response to the pending motion within one (1) week from the date of this Scheduling Order, the Court will summarily review and act on the Division's motion and enter findings of fact and conclusions of law consistent with the Order to Show Cause. Such findings, conclusions and a recommended order will then be submitted to the Division for its review and action.

**ORDER**

Respondent shall file any response to the pending motion no later than August 4, 2011. If a response is timely filed, the Division shall file a final reply no later than August 10, 2011. The Court will enter and submit a recommended order to the Division no later than August 17, 2011.

If Respondent does not file a timely response to the pending motion as set forth herein, the Court will prepare and submit Findings of Facts, Conclusions of Law and a Recommended Order to the Division.

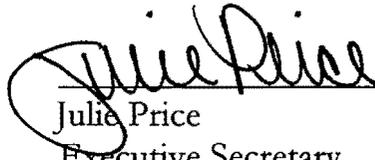
Dated this 28<sup>th</sup> day of July 2011.

  
J. Steven Eklund  
Administrative Law Judge  
Department of Commerce

## CERTIFICATE OF SERVICE

I certify that I have this day served the foregoing document on the parties of record in this proceeding set forth below, by delivering a copy thereof in person to, Jeff Buckner, Assistant Attorney General, Heber M. Wells Building, Second Floor, 160 East 300 South, Salt Lake City, UT; and by mailing a copy thereof, properly addressed by first class mail with postage prepaid, to Troy B. Kotter, 870 W. Halstead Dr., North Salt Lake, UT 84054.

Dated this 28<sup>th</sup> day of July 2011.

  
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Julie Price  
Executive Secretary  
Division of Securities