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Utah Department of Commerce
Division of Securities

Geoffrey William Watson
Attorney-in-fact
c/o 12186 South Jerema Court
Draper, Utah 84020
801-541-3245

**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**

**GREGORY B. BALDWIN,
CRD# 1027488
GEOFFREY WILLIAM WATSON
a.k.a.
HA CORP. INTERNATIONAL LTD,**

**DOCKET # ??-11-0041
DOCKET #??-11-0042**

Respondents,

Comes now Respondent, Geoffrey William Watson, to answer the order to show cause.

- 1.) **Denied.** The certificates represented gold in the ground not yet mined. They were not presented nor represented by myself or Greg Baldwin as being stock. I was told by Greg and by the mining company president that the certificates were given to me so that they could be exchanged for gold in 180 days as the mine was too difficult to get to in the winter to mine the gold. But the gold would be available when the mine opened up again in the spring. It was never represented to me that the certificates were anything more and certainly not stock in the company. Additionally, this was not an offer to sell anything. The certificates, that I owned, were brought forward as collateral for a loan. The certificates were never offered for sale.

- 2.) **Denied.** I do not have enough information on Greg Baldwin's situation to know anything about his being securities licensed.
- 3.) **Denied.** I, Geoffrey William Watson do not have any ownership, title, rights or interest in HA CORPORATION INTERNATIONAL, LTD. I was told that I would be receiving documents that I did have a position with HA CORPORATION INTERNATIONAL, LTD. However, the documents were never sent to me. Mr. Craig Franco was told over the phone by Ann Delvechio that I, Geoffrey Watson, had her power of attorney to sign the documents on her behalf for the purposes of the proposed loan from Mr. Franco to HA CORPORATION INTERNATIONAL, LTD.
- 4.) **Denied.** I, Geoffrey Watson, do not have first hand knowledge, nor was I present or informed at any time, of the conversations between Craig Franco and Greg Baldwin prior to the meeting on January 13, 2011.
- 5.) **Denied.** I, Geoffrey Watson, did not make an offer for a sale of a security to Mr. Franco or his alleged partner (the investigator). The certificates for units of gold were brought forward as collateral only, **not for sale.**
- 6.) **Denied.** I, Geoffrey Watson, was not present on the phone during this conversation and did not have first hand knowledge of any alleged offer to sell securities.
- 7.) **No #7 listed.**
- 8.) **Denied.** The investigator has made misstatements of facts as follows:

- a.) Not true. I, Geoffrey Watson, did at that time corrected Greg Baldwin by stating that these were units of gold not stock in a local company called NATIONAL GOLD, INC.
- b.) Not true. I, Geoffrey Watson, told Mr. Franco that Ann Delvechio had authorized us to tell him that in return for a \$40,000.00 loan she (Delvechio) would pay Mr. Franco 100% interest within 48 hours.
- c.) Not true. Greg Baldwin had informed me that Mr. Franco wanted collateral for the loan. So My certificates for 46 units of gold from NATIONAL GOLD, INC. was brought forward after I had offered 2 invoices for work I was performing on two Corvettes. When I had finished the work, I would be receiving \$100,000.00 + for the work performed. I offered that as collateral for the loan. Mr. Franco wanted more collateral. That is when the gold certificates were brought forward as collateral--- NOT FOR SALE.
- d.) Not True. The Loan (not investment) funds would be used to “free up” Ann Delvechio’s money that was being detained by U.S. Homeland Security. Interpol was involved in getting the funds secured for Delvechio.
- e.) Not true. It was never disclosed as a 501(c)(3) charitable organization because it wasn’t. It is a humanitarian foundation. Completely different.
- f.) Not true. The \$40,000.00 (not 38,000) loan (not investment) funds would complete a cash portion purchase of a \$2.250 Million bond which was required BY INTERPOL to release the funds.

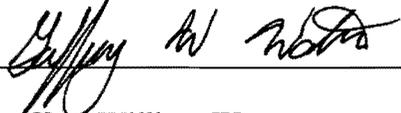
- g.) **Denied.** Mr. Franco was told that Delvechio had promised that an additional \$1 million dollar bonus would be paid within 30 days if he made the loan in time to secure the bond as required by Interpol.
- 9.) **Denied.** During a third conversation, Delvechio was brought forward on a speaker phone. Mr. Franco was informed by Delvechio, that Interpol had obtained the funds from U.S. Homeland Security and was attempting to secure a bond for the purpose of releasing the funds.
- a.) Delvechio told Mr. Franco that the release of her funds was an urgent matter because a helicopter was already at the Salt Lake airport with the CASH aboard. She told them that as soon as the bond's cash portion was completed, the bond would be purchased to release the funds.
- b.) Delvechio told them that once the bond was purchased, the funds would be released and funds would be dispersed as promised. IF THE INVESTIGATOR THOUGHT THIS WAS A SCAM, WHY DIDN'T THEY CHECK OUT THE AIRPORT FOR THE TRUTH OF THIS STORY? WHY ASSUME THIS WAS NOT TRUE, WHEN THEY HAD THE CAPABILITY OF CHECKING OUT THE STORY? THEN WE WOULD ALL KNOW FOR SURE!
- 10.) **Denied.** This was the same conversation as #9 and again it was not an investment, it was a loan.
- 11.) I, Geoff Watson, have no first hand knowledge of this conversation and cannot speak to the truth or falsity of the event.

- 12.) I, Geoff Watson, have no first hand knowledge of this conversation and cannot speak to the truth or falsity of the event.
- 13.) **Agreed.** Except that I, Geoff Watson, had just been invited to be one of the new founders of ISM and was just starting to be trained.
- 14.) **Agreed.**
- 15.) **Agreed.**
- 16.) **Agreed.**
- 17.) **Denied.** Ann Delvechio was on the phone and was telling Mr. Franco and the alleged partner (investigator) the points in the section. In #j. Delvechio said that the bond was for 2.250 million. In #p. Delvechio said that Mr. Franco and the alleged partner (investigator) would get \$80,000.00 cash within 48 hours (not the next day) and an additional \$1 million within one Month (not one week). All of the statements were stated by Delvechio and on occasion parroted by myself.
- 18.) **Denied.** Baldwin did not state this, Delvechio did.
- 19.) **Denied.** The loan *Agreement* was signed by Mr. Franco, Baldwin and me, Geoff Watson AS POWER OF ATTORNEY FOR ANN DELVECHIO, as per the phone conversation to Mr. Franco.
- 20.) The disclosures made by Baldwin at that time were a complete surprise to me. I did not know of these issues until that time.
- 21.) **Denied.** Baldwin called it a loan not an investment.
- 22.) **Denied.**

- 23.) **Denied.** This was not a sale of securities. The units of gold were brought forward as collateral only, not a sale.
- 24.) **Denied.** Again this was not a sale of securities.
- a.) I, Geoff Watson had no knowledge of this and cannot speak to it.
- b.) I, Geoff Watson had brought forward labor on the 2 Corvettes as collateral. Labor is considered property and I was putting up my property for collateral. The units of gold are in my name and were also put up as collateral.
- c.) Lenders were offered a bonus by DELVECHIO and were repeated by Geoff Watson after that offer was given by Delvechio. I, Geoff Watson, had a reasonable basis for making such a statement because I had checked out Delvechio's statements about her money. See Motion to Quash affidavit of Probable Cause served to you. And again this was not an investment, it was for a loan.
- d.) Humanitarian foundations are tax free under the IRS code. So there is a reasonable basis to show that these funds would be tax free if used for humanitarian purposes. Ask the Rockefeller Foundation if you need more evidence.
- 25.) Again, this was not an offer for sale of a security to investors, it was a plea for a hard money loan from a potential lender. As such, the disclosures being asked for were not relevant. In any event, I, Geoff Watson was not aware of Greg Baldwin's issues at that time. At #1. See the due diligence done by

myself in the motion to quash the affidavit of probable cause served on this agency. At #m. The funds were to be sent to Interpol Agents and that was disclosed to Mr. Franco. At #n. It was disclosed to Mr. Franco that Delvechio had promised to take care of Baldwin and myself. At #o. Again this is not a sale of Securities and this does not apply. It was only for a collateralization of a loan.

These answers are respectfully submitted on this 3rd day of August, 2011.



Geoffrey William Watson