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2003 MAY 19 P 4: 23

AZ CORP COMMISSION
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8 **BEFORE THE ARIZONA CORPORATION COMMISSION**

9 COMMISSIONERS

10 MARC SPITZER, Chairman
 11 JIM IRVIN
 12 WILLIAM A. MUNDELL
 13 JEFF HATCH-MILLER
 14 MIKE GLEASON

DOCKET NO. S-03530A-03-0000

**ANSWER OF RESPONDENTS
 DOUGLAS AND KAREN
 SANCHEZ, DMS POWER CASH
 FLOW, L.L.C., AND PERSANCO,
 L.L.C.**

15 **In the matter of:**

16 DOUGLAS SANCHEZ and KAREN
 17 SANCHEZ, husband and wife,
 18 837 West Kiowa
 19 Mesa, Arizona

20 DMS POWER CASH FLOW, L.L.C.
 21 1125 W. Baseline, #2-3
 22 Mesa, Arizona 85210

23 PERSANCO, L.L.C.
 24 1125 W. Baseline, #2-3
 25 Mesa, Arizona 85210

Arizona Corporation Commission

DOCKETED

MAY 19 2003

DOCKETED BY	<i>CAJ</i>
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26 Respondents.

27 Respondents Douglas and Karen Sanchez, DMS Power Cash Flow, L.L.C., and
 28 Persanco, L.L.C., (together "Respondents"), admit, deny and allege:

- 29 1. Admit.
 30 2. Admit.

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22. Deny.

23. Deny.

VIOLATION OF A.R.S. § 44-1842

(Transactions by Unregistered Dealers or Salesmen)

24. Deny.

25. Deny.

VIOLATION OF A.R.S. § 44-1991

(Fraud in Connection with the Offer or Sale of Securities)

26. Deny.

27. Deny.

28. Respondents deny each and every allegation not specifically admitted herein.

29. Allege the following affirmative defenses:

- a. The Notice fails to state a claim upon which relief can be based; and
- b. Respondents deny any violation of applicable rules, regulations and statutes.

30. Respondents reserve the right to add any affirmative defenses that become apparent through discovery.

WHEREFORE, Respondents ask that this case be dismissed, that they receive their costs and attorneys' fees, and for any of the relief just and proper under the circumstances.

RESPECTFULLY SUBMITTED this 19 day of May, 2003.

RENAUD, COOK & DRURY, P.A.

By: 
 Michael Salcido
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Attorneys for Respondents

1 **ORIGINAL** and ten (10) copies
2 filed with:

3 Arizona Corporation Commission
4 Docket Control Center
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Cynthia A. Jansero