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DOCKET NO. S-20843A-12-0121

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Application pending before the Arizona Corporation Commission.

2012 JUN 12 A 9:45

Answer to allegations.

ARIZONA CORPORATION COMMISSION
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Section I, Jurisdiction.

1. Venue should remain in Colorado, the State of domicile for Sterling Investment Group International.

Section II, Respondents.

2. Denied. Organizing a company under the laws of the State of Colorado or under Federal regulation do not require the registration of a security should a person be seeking investors into a company he or she is organizing with membership of less than 30 people. This was the case with SIGI and therefore no securities violation has taken place.
3. See number two (2) above regarding this allegation.
4. Denied. Though Mr. Pruden is in fact a married man, at no time were more than 30 potential members of the LLC solicited. Therefore no violation has occurred.
5. Denied. At no time was Janet F. Pruden involved with, present at or in any way associated with Sterling Investments Group LLC.
6. Denied. No actions were taken on behalf of Sterling Investments Group LLC by Mrs. Pruden.
7. No comment.

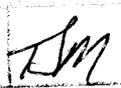
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Section III, Facts.

8. Denied.
9. Denied.
10. Denied.
11. Denied.
12. Denied.
13. Denied.
14. Expectations were no different than any other startup business venture. Most people enter into a business venture with the intent of receiving a profit.
15. Denied. Securities rules regarding accredited investors do not apply to the solicitation of fewer than 30 members of a LLC regardless of the business activity of said LLC.
16. Denied.
17. Denied. No member of the LLC was explicitly denied an opportunity to participate actively in the trading process. In point of fact some followed the trading activity directly.
18. Denied.
19. Denied.
20. Denied. These facts are utterly inaccurate. A lien was attempted and within 24 hours was reversed. The personal matter of Mr. Cvetkovich had absolutely no effect on the accounts used or the operation of the LLC. Perhaps reasonable due diligence on the part of the commissioners would have brought this fact to light.

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21. Denied. Any income to the respondents was contingent upon profits being earned. No profits were earned, therefore no commissions were actually paid.
22. Denied. All information presented was accurate. Risks were clearly disclosed both verbally and in writing. All discussion on proposed earnings due to the strategy being employed were the result of actual trades that had taken place.
23. Denied, information is inaccurate and incomplete.
 - a. Denied
 - b. Denied
 - c. Denied
 - d. Denied
 - e. Denied
 - f. Denied
 - g. Denied
24. Denied.
25. Accepted.
26. Denied. A business decision was entered into by the management of the LLC and all investors were informed of the change with the option to opt out and remain in the original strategy.
27. Denied, information is inaccurate and incomplete.
28. As in all business ventures, LLC members are subject to the profitability of a company. The information in item is incomplete and lacks sufficient due diligence to properly explain the point. All funds were always at risk. Once the capital of the company was replenished after a trade, those funds were available to the company and funds that were in excess of the capital account could be removed at will. Unfortunately, the expected profits did not materialize and therefore excess capital did not exist.
29. While this statement is true over the life of the LLC, it is inaccurate as it relates to specific trade transactions.

Section IV, Violation of A.R.S. (Offer or Sale of Unregistered Securities)

30. Denied. In the State of Colorado we organized a LLC with fewer than 30 members and did not qualify under the laws of the State of Colorado or Federal regulations as to any requirements for registering or selling a security. All sales were done with people who were known either by one of the respondents or a friend of a person who knew the respondent. At no time was this endeavor marketed publicly or to individual other than through known persons or their friends.
31. Denied. See item 30 above.
32. Denied. See item 30 above.

Section V, Violation of A.R.S. (Transactions by Unregistered Dealers or Salesmen)

33. Denied.
34. Denied.

Section VI, Violation of A.R.S. 44-1991

35. Denied.
 - a. Denied.
 - b. Denied.
 - c. Denied.
 - d. Denied.

- e. Denied.
- f. Denied. This allegation demonstrates the frivolous nature of this action. Just as the allegation that Mr. Cvetkovich is a married man was inaccurate this allegation is a complete misrepresentation of the facts. Had the Plaintiff made appropriate investigations, it would have realized that the lien never presented a risk to the investment of SIGI members. Upon being provided with documentation that the funds in the trading accounts were not the monies of Mr. Cvetkovich, the IRS immediately released all liens and no funds were removed from the account by them. This lack of appropriate due diligence on such a serious matter brings into question all of the allegations contained herein and might represent a frivolous action.

36. Denied.

37. Denied.

Section VII, Requested Relief

1. SIGI LLC went out of business and ceased to exist in 2009 or early 2010.
2. We seek relief from all penalties, assessments and penalties. Two (2) of the claims can be easily disproved through a thorough check of public records. Larimer county Colorado has a record of the divorce of Benjamin M. Cvetkovich and it is easily available on line at the county web site. The IRS lien was filed and removed. A call to the IRS or a call to TD Ameritrade would have confirmed that no funds were ever removed from the account and sent to the IRS to satisfy any lien. This lack of due diligence for such simple yet serious allegations demonstrates the lack of credibility to any of the allegations.
3. Relief from any further harassment by the Plaintiff.
4. Relief from any further harassment by the Plaintiff.
5. Relief from any further harassment by the Plaintiff.



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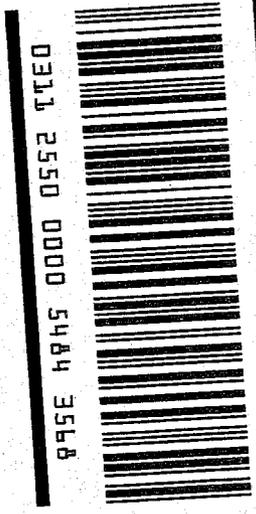
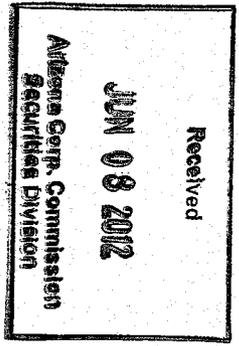
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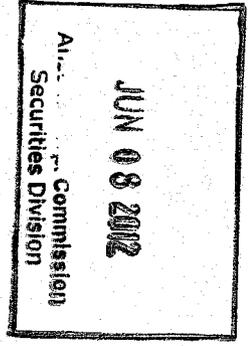
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