

ORIGINAL



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1 **Brian Hageman**
2 18832 M. 95th Street
3 Scottsdale, Arizona 85255
4 Respondent In Pro Per
5
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7 **BEFORE THE ARIZONA CORPORATION COMMISSION**

47 CORP COMMISSION
DOCKET CONTROL

8
9 COMISSIONERS

Arizona Corporation Commission

DOCKETED

DEC 02 2013

DOCKETED BY

10
11 BOB STUMP, Chairman
12 GARY PIERCE
13 BRENDA BURNS
14 BOB BURNS
15 SUSAN BITTER-SMITH
16

17 _____) DOCKET NO. S-20896A-13-0378

In the matter of:)

DELUGE, INC)

Respondent.)

ANSWER

18
19 COMES NOW the Respondent DELUGE, INC in answering the allegations
20 of the Arizona Corporation Securities Division DOCKET NO S-20896A-13-
21 0378 JURISDICTION, RESPONDENTS, FACTS, VIOLATIONS and REQUESTED RELIEF
22 on file herein, affirms, denies and alleges as follows:
23

24 DELUGE, INC denies any violation of A.R.S 44-1999 and affirms
25 compliance with all A.R.S. Securities Act Rules.
26

1 Answering Section I. JURISDICTION, Respondent affirms
2 jurisdiction.

3
4 Answering Section II. Paragraph 2. Respondent DELUGE, INC denies
5 allegations and affirms Respondent's BRIAN C. HAGEMAN's response.

6
7 Answering paragraph 3. Respondent DELUGE, INC denies that the
8 company is dissolved in Delaware and DELUGE, INC denies owing \$388,000
9 in taxes to Delaware. DELUGE, INC is not required to be registered as
10 a securities dealer or salesman.

11
12 Answering paragraph 4. By other Respondents.

13
14 Answering paragraph 5. Respondent affirms all facts.

15
16 Answering paragraph 6. Respondents will answer "FACTS" presented
17 separated by each Respondent because each entity is unique.

18
19 Answering Section III. FACTS Paragraph 7. Respondent Brian C.
20 Hageman denies allegations that securities in Deluge and Hydrotherm
21 were sold at all relevant times. Respondent also denies allegations
22 that Deluge and Hydrotherm are in the same business. Also to be clear,
23 Hydrotherm is the majority shareholder in Deluge, not a "parent" as a
24 corporate structure.

25
26 Answering Paragraph 8. Respondent affirms all facts.

27

1 Answering paragraph 9. Respondent denies all facts. DELUGE had a
2 page on the website to allow current shareholders to access DELUGE
3 management directly. Deluge has sold no securities through the
4 website.

5 Answering paragraph 10 - 19 Respondent DELUGE denies all
6 allegations. The imposter investors described never completed a due
7 diligence process to validate the credentials of the imposter
8 investors. The imposter investors never reached the point in the
9 conversations to inform that the potential investment would be in a
10 project and not in securities. Respondent DELUGE, INC has not sold
11 securities since 2008.

12

13 Answering paragraph 20 Respondent affirms fact.

14

15 Answering paragraph 21 Respondent denies allegations.

16

17 Answering paragraph 22 Respondent denies allegations.

18

19 Answering paragraph 23 answered by other Respondents.

20

21 Answering paragraph 24 Respondent affirms fact.

22

23 Answering paragraph 25 Respondent affirms fact.

24

25 Answering to Section IV. VIOLATION OF A.R.S. 44-1841 (Offer or
26 Sale of Unregistered Securities) paragraphs 26, 27, 28 Respondent
27 denies all allegations. Respondent affirms that securities were sold
28 only in compliance with Federal and State regulations.

1
2 Answering Section V. VIOLATION OF A.R.S. 44-1842 (Transactions by
3 Unregistered Dealers or Salesmen) paragraphs 29. and 30. Respondent
4 denies all allegations. Respondent was not required to register as a
5 stock broker, dealer or salesman.

6
7 Answering Section VI. VIOLATION OF A.R.S. 44-1991 (Fraud in
8 Connection with the Offer or Sale of Securities) paragraphs 31, 31a,
9 31b, 31c and paragraph 32. Respondent denies all allegations.
10 Respondent followed rules and always remained in compliance with
11 Federal and State Securities rules.

12
13 Answering paragraph 33. Respondent denies all allegations

14
15 Answering to Section VII. REQUESTED RELIEF paragraphs 1, 2, 3, 4
16 Respondent denies all allegations in these and paragraphs above and
17 asks that no relief is required.

18
19 Dated this 29th day of November, 2013

20
21 

22 Brian C. Hageman for Respondent DELUGE

23 18832 N. 95TH Street

24 Scottsdale, AZ 85255

25 Respondent In Pro Per