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AZ CORP COMMISSION  
DOCKET CONTROL

2014 SEP 18 AM 10 57

ORIGINAL

1 Timothy D. Moran  
Patricia Moran  
2 4545 E. Joshua Tree  
Paradise Valley, Az. 85253

4 BEFORE THE ARIZONA CORPORATION COMMISSION

5 COMMISSIONERS

6 BOB STUMP, Chairman  
7 GARY PIERCE  
8 BRENDA BURNS  
9 BOB BURNS  
SUSAN BITTER SMITH

Arizona Corporation Commission

DOCKETED

SEP 18 2014

DOCKETED BY 

10 In the matter of:

11 THOMAS LAURENCE HAMPTON,  
12 CRD#2470192, and STEPHANIE  
YEAGER, husband and wife,

13 TIMOTHY D. MORAN, CRD#2326078,  
14 and PATRICIA MORAN, husband and  
wife,

15 PATRICK MORAN, CRD#1496354, and  
16 KELLY MORAN, husband and wife, and

17 HAMPTON CAPITAL MARKETS,  
18 LLC, an Arizona limited liability  
company,

19 Respondents

DOCKET NO. S-20823A-11-0407

ANSWER TO THIRD AMENDED  
NOTICE OF OPPORTUNITY FOR  
HEARING REGARDING PROPOSED  
ORDER TO CEASE AND DESIST,  
ORDER FOR RESTITUTION, ORDER  
FOR ADMINISTRATIVE  
PENALTIES, ORDER OF  
REVOCATION, AND ORDER FOR  
OTHER AFFIRMATIVE ACTION

20  
21 Respondents Timothy D. Moran ("T. Moran") and Patricia Moran (together  
22 "Moran"), hereby answers as follows:

23  
24 I.

25 JURISDICTION

26 1. Answering paragraph 1, Moran is without sufficient information to form a  
27 belief as to the allegations contained in said paragraph and therefore denies same.  
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**II.**  
**RESPONDENTS**

- 2. Moran admits the allegations in second paragraph mis-numbered as paragraph 1.
- 3. Moran admits the allegations in paragraph 2.
- 4. Moran admits the allegations in paragraph 3.
- 5. Moran admits the allegations in paragraph 4.
- 6. No response to paragraph 5 is required because it contains no factual allegations.
- 7. Moran admits the allegations in paragraph 6.
- 8. Moran admits the allegations in paragraph 7.
- 9. Answering paragraph 8, Moran is without sufficient information to form a belief as to the allegations contained in said paragraph and therefore denies same.
- 10. Moran denies the allegations in paragraph 9.

**III.**  
**FACTS**

**A. Background**

- 11. Moran admits the allegations in paragraph 10.
- 12. Moran admits the allegations in paragraph 11.
- 13. Moran denies the allegations in paragraph 12.
- 14. Moran admits the allegations in paragraph 13.
- 15. Moran denies the allegations in paragraph 14.
- 16. Moran denies the allegations in paragraph 15.
- 17. Moran admits the allegations in paragraph 16.
- 18. Moran admits the allegations in paragraph 17.
- 19. Moran admits the allegations in paragraph 18.

1           20. Moran admits the allegations in paragraph 19, but affirmatively alleges  
2 that Hampton and or HCM rented space from T. Moran within the same suite or leased  
3 space where T. Moran operated other businesses.

4           21. Moran admits the allegations in paragraph 20.

5           22. Moran denies the allegations in paragraph 21.

6           23. Moran denies the allegations in paragraph 22.

7           24. Answering paragraph 23, Moran is without sufficient information to form  
8 a belief as to the allegations contained in said paragraph and therefore denies same.

9           25. Moran denies the allegations in paragraph 24.

10          26. Moran denies the allegations in paragraph 25.

11          27. Moran denies the allegations in paragraph 26.

12          28. Answering paragraph 27, Moran is without sufficient information to form  
13 a belief as to the allegations contained in said paragraph and therefore denies same.

14          29. Answering paragraph 28, Moran affirmatively alleges that the  
15 Subscription Agreement speaks for itself.

16          30. Answering paragraph 29, Moran affirmatively alleges that the  
17 Subscription Agreement speaks for itself.

18          31. Answering paragraph 30, Moran affirmatively alleges that the  
19 Subscription Agreement speaks for itself.

20          32. Answering paragraph 31, Moran is without sufficient information to form  
21 a belief as to the allegations contained in said paragraph and therefore denies same.

22          33. Answering paragraph 32, Moran is without sufficient information to form  
23 a belief as to the allegations contained in said paragraph and therefore denies same.

24          **Trading Account #1**

25          34. Answering paragraph 33, Moran is without sufficient information to form  
26 a belief as to the allegations contained in said paragraph and therefore denies same  
27  
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1           35.     Answering paragraph 34, Moran is without sufficient information to form  
2 a belief as to the allegations contained in said paragraph and therefore denies same.

3           36.     Answering paragraph 35, Moran is without sufficient information to form  
4 a belief as to the allegations contained in said paragraph and therefore denies same.

5           37.     Answering paragraph 36, Moran is without sufficient information to form  
6 a belief as to the allegations contained in said paragraph and therefore denies same.

7           38.     Answering paragraph 37, Moran is without sufficient information to form  
8 a belief as to the allegations contained in said paragraph and therefore denies same.

9           39.     Answering paragraph 38, Moran is without sufficient information to form  
10 a belief as to the allegations contained in said paragraph and therefore denies same.

11          40.     Answering paragraph 39, Moran is without sufficient information to form  
12 a belief as to the allegations contained in said paragraph and therefore denies same.

13     **Trading Account #2**

14          41.     Answering paragraph 40, Moran is without sufficient information to form  
15 a belief as to the allegations contained in said paragraph and therefore denies same.

16          42.     Answering paragraph 41, Moran is without sufficient information to form  
17 a belief as to the allegations contained in said paragraph and therefore denies same.

18          43.     Answering paragraph 42, Moran is without sufficient information to form  
19 a belief as to the allegations contained in said paragraph and therefore denies same.

20          44.     Answering paragraph 43, Moran is without sufficient information to form  
21 a belief as to the allegations contained in said paragraph and therefore denies same.

22          45.     Answering paragraph 44, Moran is without sufficient information to form  
23 a belief as to the allegations contained in said paragraph and therefore denies same.

24          46.     Answering paragraph 45, Moran is without sufficient information to form  
25 a belief as to the allegations contained in said paragraph and therefore denies same.

26          47.     Answering paragraph 46, Moran is without sufficient information to form  
27 a belief as to the allegations contained in said paragraph and therefore denies same.  
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1           48.    Answering paragraph 47, Moran is without sufficient information to form  
2 a belief as to the allegations contained in said paragraph and therefore denies same.

3           49.    Answering paragraph 48, Moran is without sufficient information to form  
4 a belief as to the allegations contained in said paragraph and therefore denies same.

5           50.    Answering paragraph 49, Moran is without sufficient information to form  
6 a belief as to the allegations contained in said paragraph and therefore denies same.

7           **Joint Allegations**

8           51.    Moran denies the allegations in paragraph 50.

9           52.    Answering paragraph 51, Moran is without sufficient information to form  
10 a belief as to the allegations contained in said paragraph and therefore denies same.

11          53.    Answering paragraph 52, Moran is without sufficient information to form  
12 a belief as to the allegations contained in said paragraph and therefore denies same.

13          54.    Moran denies the allegations in paragraph 53.

14          **Hampton's Consent Order**

15          55.    Answering paragraph 54, Moran affirmatively alleges that the Order to  
16 Cease and Desist, For Administrative Penalties, and Consent to Same speaks for itself.

17          **Timothy D. Moran FINRA Action and Bar**

18          56.    Answering paragraph 55, Moran admits that FINRA filed a disciplinary  
19 proceeding against T. Moran and affirmatively alleges that the complaint speaks for  
20 itself.

21          57.    Moran admits the allegations in paragraph 56.

22          58.    Answering paragraph 57, Moran admits that FINRA found against T.  
23 Moran, ordered disgorgement of certain monies and T. Moran was served with  
24 FINRA's findings.

25          59.    Answering paragraph 58, Moran affirmatively alleges that FINRA Rule  
26 9311 speaks for itself.



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**AFFIRMATIVE DEFENSES**

71. Insufficiency of service of process.

72. Failure to state a claim upon which relief can be granted.

73. Moran affirmatively alleges that because Moran has not had an opportunity to undertake any discovery, Moran may learn of certain applicable affirmative defenses of which it is not presently aware. Accordingly, should later developed or discovered facts suggest that additional affirmative defenses exist, Moran reserves the right to amend the Answer to assert any affirmative defenses available at law or in equity.

WHEREFORE Respondents Timothy D. Moran and Patricia Moran pray for relief as follows:

- A. That the Commission's Proposed Order to Cease and Desist, Order for Restitution, Order for Administrative Penalties, Order of Revocation, and Order for Other Affirmative Action be dismissed with prejudice in favor of Respondents Moran;
- B. That Respondents Moran, if appropriate, be awarded reasonable attorneys' fees and costs incurred defending this proceeding; and
- C. For such other and further relief as the Commission may deem just in the premises.

DATED this 4 day of August, 2014.

  
Timothy D. Moran

  
Patricia Moran

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**ORIGINAL FILED** and **COPY**  
of the foregoing mailed this  
4 day of August 2014 to:

Matthew J. Neubert  
Director of Securities  
1300 W. Washington St., 3<sup>rd</sup> Floor  
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*Movant*

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Maynard Cronin Erickson Curran & Reiter, P.L.C.  
3200 N. Central Avenue, Suite 1800  
Phoenix, AZ 85012  
*Attorney for Respondents Patrick  
Moran and Kelly Moran*

/s/ Timothy D. Moran