

ORIGINAL



BEFORE THE ARIZONA CORPORATION COMM

In the matter of:)
)
 Robert J. Moss and Jennifer L. Moss, husband)
)
 and wife,)
)
 The Fortitude Foundation, an Arizona)
 corporation,)
)
 Ventures 7000, LLC, an Oklahoma limited)
 liability company,)
)
 Jeffrey D. McHatton and Starla T. McHatton,)
 husband and wife,)
)
 Robert D. Sproat and Jane Doe Sproat,)
 husband and wife,)
)
 Kevin Krause, a single man, and)
)
 Vernon R. Twyman, Jr., a single man,)
)
 Respondents.)

DOCKET NO. S-20953A-16-0061
**ANSWER OF VENTURES 7000,
 LLC TO TEMPORARY ORDER
 TO CEASE AND DESIST AND**

Arizona Corporation Commission
DOCKETED
 MAY 17 2016

DOCKETED BY *JK*

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 AZ CORP COMMISSION
 DOCKET CONTROL

Respondent, Ventures 7000, LLC ("Ventures 7000") hereby admits, denies and alleges as follows with response numbers corresponding to the numbers in the Temporary Cease and Desist Order:

1. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
2. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
3. Respondent admits that Moss was previously a director of Ventures 7000, however, MOSS resigned as a Director on February 29, 2016.

4. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
5. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
6. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
7. Admitted.
8. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
9. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
10. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
11. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
12. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
13. Respondent admits that Twyman is a manager, director and executive officer of Ventures 7000 and that Twyman has not been registered by the Commission as a securities salesman or dealer.
14. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.

15. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
16. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
17. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
18. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
19. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
20. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
21. Respondent denies that Twyman is a principal of TFF. Although Respondent does not have sufficient information to know what was told to third parties by TFF, it denies that the above information regarding Twyman was not fully disclosed to TFF and other parties. At the very outset of the relationship between TFF and Twyman,

Wycliffe Trust, and Ventures 7000, Twyman fully disclosed, both verbally and in writing, the S.E.C. Consent Order against Twyman.

22. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
23. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
24. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
25. a-e Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
26. a-c Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
27. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
28. Respondent admits that Twyman is a principal of Wycliffe Trust and a director and executive officer of Ventures 7000.

29. Respondent admits that Wycliffe Trust is not affiliated with Wycliffe Bible Translators, Inc. and also stipulates that it has never represented that it was or is now affiliated in any way with Wycliffe Bible Translators.
30. Respondent admits that the statements made about Wycliffe Trust are accurate, however, Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
31. Respondent admits that the statements made about Wycliffe Trust are accurate, however, Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
32. Respondent denies that Ventures 7000 ever made such a representation, however, it does not have sufficient knowledge or information with which to form a belief as to the truth of these allegation as it relates to TFF.
33. Respondent admits that the SEC did bring this action, however, these allegations were never proven to be true and, in fact, in a parallel proceeding, a minority shareholder's lawsuit titled Howard W. Iddings, et al vs. BeneFund Inc., et al (Case No. 94-C-1056-H) dealing with the exact same allegations in the exact same court, the United States District Court for the Northern District Court of Oklahoma, on February 27, 1997, Twyman was totally vindicated as the allegations were proven to be completely false and totally without merit.
34. Respondent affirms that after being fully vindicated in the Howard W. Iddings, et al

vs. BeneFund Inc., et al (Case No. 94-C-1056-H), Twyman, without admitting to any wrongdoing, did consent to a permanent injunction with the S.E.C., but only to avoid further legal fees and financial losses, which after a four year battle had already run into millions of dollars.

35. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
36. a-g Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
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40. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
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42. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of

these allegations.

43. Respondent admits that a Financing Proposal containing the above (or similar) language had previously been given to TFF in relation to a proposed Joint Venture between TFF and Wycliffe Trust and was not intended for further distribution. Respondent does not know whether or not this Financing Proposal was shown to any other individual.
44. Respondent admits that a Financing Proposal containing the above (or similar) language had previously been given to TFF in relation to a proposed Joint Venture between TFF and Wycliffe Trust and was not intended for further distribution. Respondent does not know whether or not this Financing Proposal was shown to any other individual.
45. Respondent admits that a Financing Proposal containing the above (or similar) language had previously been given to TFF in relation to a proposed Joint Venture between TFF and Wycliffe Trust and was not intended for further distribution. Respondent does not know whether or not this Financing Proposal was shown to any other individual.
46. Respondent admits that a Financing Proposal containing the above (or similar) language had previously been given to TFF in relation to a proposed Joint Venture between TFF and Wycliffe Trust and was not intended for further distribution. Respondent does not know whether or not this Financing Proposal was shown to any other individual.
47. Respondent admits that a Financing Proposal containing the above (or similar)

language had previously been given to TFF in relation to a proposed Joint Venture between TFF and Wycliffe Trust and was not intended for further distribution. Respondent does not know whether or not this Financing Proposal was shown to any other individual.

48. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
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66. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations. However, at the very outset of the relationship between TFF and Twyman, Wycliffe Trust, and Ventures 7000, Twyman fully disclosed, both verbally and in writing, the S.E.C. Consent Order against Twyman.
67. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.

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94. Respondent was not involved in these communications and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
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sufficient knowledge or information with which to form a belief as to the truth of these allegations.

98. Respondent was not involved in these communications and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
99. Respondent was not involved in these communications and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations. However, TFF had been informed about the Consent Order against Twyman since the beginning of the relationship between TFF and Twyman, Wycliffe Trust, Ventures 7000 and related entities.
100. Respondent admits that Ventures 7000 allowed TFF to transfer a portion of the financial interests of the majority of its Revenue Sharing interests to some its lenders. However, since the INVESTORS referenced in the proposed Cease & Desist Order have not been identified by name, it is impossible for Respondent to admit or deny the allegation.
101. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
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106. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
107. Respondent admits that the update was prepared and distributed to existing Revenue Sharing Interest Holders.
108. Respondent admits that this sentence was included in the aforementioned update, however, no subsequent offer to "increase investment position" was made to existing Revenue Sharing Interest Holders in the State of Arizona nor were any further funds received from citizens or residents of the State of Arizona. In fact as of December 2015, that offering was closed and Ventures 7000 has no intention of soliciting any citizens or residents of the State of Arizona for any investment of any type in the future.
109. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of

these allegations.

110. Respondent asserts that the Revenue Sharing Units issued to TFF were exempt from registration pursuant to Arizona law. It also asserts that permitting the subsequent transfer of a portion of the TFF's income rights under the Revenue Sharing Agreement was merely an accommodation for the benefit of TFF creditors and that in so doing neither Respondent nor its affiliates violated Arizona securities statutes..
111. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
112. Respondent was not a party to these purported dealings and, therefore, does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
113. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
110. NOTE THAT THE NUMBERING SYSTEM IN THE ORDER STARTED OVER AT 110. Respondent denies these allegations as to Ventures 7000.
111. Respondent denies these allegations as to Ventures 7000.
112. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
113. Respondent denies these allegations as to Ventures 7000.
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115. Respondent denies these allegations as to Ventures 7000.
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121. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
122. Respondent does not have sufficient knowledge or information with which to form a belief as to the truth of these allegations.
123. Respondent admits that Twyman is a manager, a director and an executive officer of Ventures 7000, however, it denies that MOSS is a director of Ventures 7000.
124. Respondent denies these allegations as to Ventures 7000.

AFFIRMATIVE DEFENSES

125. Respondent denies each and every allegation not expressly admitted herein.

126. Respondent alleges that it has not knowingly waived any defenses available to it under Arizona law. Respondent reserves the right to amend its Answer to assert any additional defenses.
127. Respondent alleges that it did not sell a "security" (as defined under governing Arizona law) within or from Arizona.
128. Respondent did not knowingly participate in any acts that violate Arizona law or the Arizona Securities Act.
129. Respondent did not aid or abet the violation of Arizona law or the Arizona Securities Act.
130. Respondent is not liable for administrative penalties or the payment of restitution based on its actions as alleged.
131. Any alleged misstatement by Respondent was not made in connection with a transaction involving the offer or sale of a security within or from Arizona.
132. Loss causation cannot be established against Respondent for the actions alleged.
133. Any alleged facts that were allegedly omitted by Respondent are immaterial to a reasonable investor.

Respectfully,

Ventures 7000, LLC



By: Vernon R. Twyman, Jr., Manager
11063D S. Memorial Drive
Suite 320
Tulsa, OK 74133

CERTIFICATE OF SERVICE

I hereby certify that on the 17th day of May, 2016, I mailed, by first-class, United States mail with sufficient postage prepaid thereon, a true and correct copy of the foregoing instrument to:

COASH & COASH
COURT REPORTING, VIDEO AND VIDEOCONFERENCING
1802 North 7th Street
Phoenix, Arizona 85006

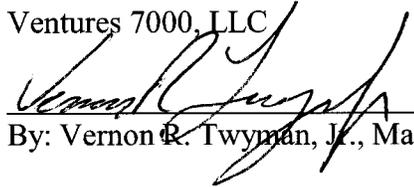
Matthew Neubert
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Arizona Corporation Commission
Dwight Nodes
1200 W. Washington
Phoenix, Arizona 85007-2927

Robert J. & Jennifer L. Moss
125 West Baylor Lane
Gilbert, Arizona 85233

Christopher Lonn
MARGRAVE CELMINS, P.C
8171 East Indian Bend Rd, Suite 101
Scottsdale, Arizona 85250

Ventures 7000, LLC



By: Vernon R. Twyman, Jr., Manager