

3. In response to the allegations contained in paragraph three, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

4. In response to the allegations contained in paragraph four, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

5. In response to the allegations contained in paragraph five, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

6. In response to the allegations contained in paragraph six, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

7. In response to the allegations contained in paragraph seven, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

8. In response to the allegations contained in paragraph eight, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

9. In response to the allegations contained in paragraph nine, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

10. In response to the allegations contained in paragraph ten, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

11. In response to the allegations contained in paragraph eleven, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

12. In response to the allegations contained in paragraph twelve, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

13. In response to the allegations contained in paragraph thirteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

14. In response to the allegations contained in paragraph fourteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

15. In response to the allegations contained in paragraph fifteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

16. In response to the allegations contained in paragraph sixteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

17. In response to the allegations contained in paragraph seventeen, Defendant admits all allegations therein.

18. In response to the allegations contained in paragraph eighteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

19. In response to the allegations contained in paragraph nineteen, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

Jurisdiction and Venue

20. In response to the allegations contained in paragraph twenty, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

21. In response to the allegations contained in paragraph twenty-one, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

Background Facts

22. In response to the allegations contained in paragraph twenty-two, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

23. In response to the allegations contained in paragraph twenty-three, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

24. In response to the allegations contained in paragraph twenty-four, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

25. In response to the allegations contained in paragraph twenty-five, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

26. In response to the allegations contained in paragraph twenty-six, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

27. In response to the allegations contained in paragraph twenty-seven, Defendant denies that he received \$59,300.00 of investor proceeds, Defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations contained in said paragraph, and on that basis denies those allegations contained therein.

COUNT ONE

28. In response to the allegations contained in paragraph twenty-eight Defendant incorporates his answers to paragraphs 1 through 27 herein as if set forth at length.

29. In response to the allegations contained in paragraph twenty-nine, defendant denies that any funds he received were from the defrauded investors, Defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations contained in said paragraph, and on that basis denies those allegations contained therein.

30. In response to the allegations contained in paragraph thirty, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

COUNT TWO

31. In response to the allegations contained in paragraph thirty-one Defendant incorporates his answers to paragraphs 1 through 27 herein as if set forth at length.

32. In response to the allegations contained in paragraph thirty-two, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

33. In response to the allegations contained in paragraph thirty-three, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

34. In response to the allegations contained in paragraph thirty-four, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

COUNT THREE

35. In response to the allegations contained in paragraph thirty-five Defendant incorporates his answers to paragraphs 1 through 27 herein as if set forth at length.

36. In response to the allegations contained in paragraph thirty-six, Defendant denies that any conduct in locating, soliciting and selling the program to lenders/investors constitutes aiding and abetting of corporate waste, Defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations contained in said paragraph, and on that basis denies those allegations contained therein.

37. In response to the allegations contained in paragraph thirty-seven, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

COUNT FOUR

38. In response to the allegations contained in paragraph thirty-eight Defendant incorporates his answers to paragraphs 1 through 27 herein as if set forth at length.

39. In response to the allegations contained in paragraph thirty-seven, Defendant is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in said paragraph, and on that basis denies each and every allegation contained therein.

DEFENDANT'S FIRST AFFIRMATIVE DEFENSE

40. The complaint, and each purported cause of action contained therein, fails to state facts sufficient to constitute a cause of action against this answering Defendant.

DEFENDANT'S SECOND AFFIRMATIVE DEFENSE

41. Plaintiff is barred from recovering all or part of the amounts it seeks as damages in the Complaint, and the performance, if any, required by Defendants, is excused under the doctrine of equitable estoppel.

DEFENDANT'S THIRD AFFIRMATIVE DEFENSE

42. Plaintiff, by its conduct, has waived any and all rights against Defendants which it may have had to recover the damages it seeks.

WHEREFORE, PREMISES CONSIDERED, Defendant, Christopher J. Carlson, prays:

1. That Plaintiff's complaint and claims therein be dismissed with prejudice and that Plaintiff take nothing thereby;
2. That judgment be rendered against Plaintiff and in favor of Defendant for costs of suit incurred herein;
3. That Defendant recover his reasonable and necessary attorneys' fees; and
4. For such other and further relief as this court may deem just and proper.

DATED: December 1, 2000

Respectfully submitted,



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ATTORNEYS FOR DEFENDANT
CHRISTOPHER J. CARLSON

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing Defendant Christopher J. Carlson's Original Answer was served upon attorney of record for Plaintiff on this the 15th day of December 2000, in accordance with the Federal Rules of Civil Procedure:

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