



those statutes rather than the traditional minimum contacts analysis. *SEC v. Vision Comm., Inc.*, 74 F.3d 287, 290 (D.C. Cir. 1996); *Am. Freedom Train Found. v. Spurney*, 747 F.2d 1069, 1073 (1st Cir. 1984); *Haile v. Henderson Nat'l. Bank*, 657 F.2d 816, 823-24 (6th Cir. 1981); *SEC v. Cook*, Cause No. 3-01-CV-0480-R, 2001 WL 803791, \*2-3 (N.D. Tex. July 11, 2001). Section 754 allows the District Court to extend its territorial jurisdiction to any district where property of the receivership estate is present. To accomplish this, the Receiver must “within ten days after the entry of the his order of appointment, file copies of the complaint and such order of appointment in the district court for each district in which property is located.” 28 U.S.C. § 754. The Receiver has not filed those records in a district where Respondent resides. The Court, therefore, lacks personal jurisdiction over Respondent on that basis.

3. Second, Respondent did not voluntarily consent to personal jurisdiction by signing the Application for Review and Potential Release of Stanford Group Company Brokerage Accounts or in any other manner.

4. The Court should, therefore, dismiss the Receiver’s cause of action for lack of personal jurisdiction under Rule 12(b)(2).

## **II. ANSWER**

### **SUMMARY**

5. Respondent denies the allegations in Paragraphs 1 to 6 for lack of knowledge or information sufficient to form a belief.

### **PARTIES**

6. Respondent admits the allegation in Paragraph 7 that the parties to this complaint are the Receiver and the investors named in an Appendix to the Complaint.

7. Respondent admits the allegation in Paragraph 8 that the undersigned attorney accepts service of the Receiver's Complaint.

**JURISDICTION & VENUE**

8. Respondent denies the allegations in Paragraphs 9 to 13 for lack of knowledge or information sufficient to form a belief.

**STATEMENT OF FACTS**

9. Respondent denies the allegations in Paragraphs 14 to 25 for lack of knowledge or information sufficient to form a belief.

**REQUESTED RELIEF / PRAYER**

10. Respondent denies the allegations in Paragraphs 26 to 27 for lack of knowledge or information sufficient to form a belief.

11. The allegations in Paragraph 28 require no response because they are legal conclusions. To the extent a response is required, Respondent denies them for lack of knowledge or information sufficient to form a belief.

12. Respondent denies the allegations in Paragraphs 29 to 30 for lack of knowledge or information sufficient to form a belief.

13. The allegations in Paragraphs 31 to 42 require no response because they are legal conclusions. To the extent a response is required, Respondent denies them for lack of knowledge or information sufficient to form a belief.

**APPENDIX**

14. Respondent denies that the amounts stated in the Receiver's Appendix to his Complaint are correct.

**III.  
AFFIRMATIVE DEFENSES**

**UNIFORM FRAUDULENT TRANSFER ACT**

15. The Receiver cannot prevail upon his claims because any amounts Respondent allegedly received were not fraudulent transfers as a matter of law and Respondent has an affirmative defense under TEX BUS. & COM. CODE § 24.010.

**ESTOPPEL / PROMISSORY ESTOPPEL**

16. The Receiver cannot prevail upon his claims because any amounts Respondent allegedly received were the result of reasonable reliance upon misrepresentations made by the Receiver's predecessor in interest.

**FAILURE TO MITIGATE**

17. The Receiver cannot prevail upon his claims because, in pursuing them, he has failed to mitigate damages to the receivership estate.

18. The Receiver cannot prevail upon his claims because his predecessor in interest failed to mitigate damages for the amounts now sought from Respondent.

**FRAUD / MISREPRESENTATION**

19. The Receiver cannot prevail upon his claims because they are the result of fraud or misrepresentation by the Receiver's predecessor in interest.

**ILLEGALITY**

20. The Receiver cannot prevail upon his claims because they are the result of illegality by the Receiver's predecessor in interest.

**LACHES**

21. The Receiver cannot prevail because he improperly rested on his claims and Respondent would be prejudiced as a result.

**STATUTE OF LIMITATIONS / STATUTE OF REPOSE**

22. The Receiver cannot prevail upon his claims because the limitations period has expired and all or a part of the claims or remedies are extinguished.

**UNCLEAN HANDS**

23. The Receiver cannot prevail upon his claims due to the comparative lack of equity by the Receiver and his predecessor in interest.

**IN PARI DELICTO**

24. The Receiver cannot prevail upon his claims due to wrongful conduct by the Receiver and his predecessor in interest.

**PRINCIPLES OF EQUITY**

25. The Receiver cannot prevail upon his claims because they are not consistent with applicable principles of equity.

**PREMATURE / STANDING**

26. The Receiver cannot prevail upon his claims until this Court determines the Antiguan Liquidators' petition for recognition under Chapter 15 of the Bankruptcy Code. If granted, the Receiver would not have standing to assert his claims.

**OFFSET**

27. The Receiver's claims must be offset by any amounts the Respondent paid in penalties and taxes.

**IV.  
JURY DEMAND**

28. Respondent requests that this matter be tried before a jury.

**V.  
PRAYER FOR RELIEF**

Respondent respectfully asks this Court for an Order that (1) dismisses the Receiver's claims for fraudulent conveyance, unjust enrichment, and constructive trust or, alternatively, denies them and (2) awards Respondent the costs of this lawsuit, attorneys' fees, and pre-judgment and post-judgment interest. Respondent also seeks a jury trial and for such other and further relief, general or special, at law or in equity, that the Court may find appropriate.

Respectfully submitted,

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By: /s/ Michael J. Quilling

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ATTORNEYS FOR RESPONDENT

#### **CERTIFICATE OF SERVICE**

On May 14, 2010, I electronically submitted this pleading to the Clerk of Court for the U.S. District Court, Northern District of Texas, using the electronic case filing system of the Court. I hereby certify that I have served all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/ Michael J. Quilling