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JSS INVESTMENT VENTURES, LLC;
JSS TRUST; GERALD D. SPANGLER;
and STEPHENIE SPANGLER.

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

FEDERAL TRADE COMMISSION, and
UTAH DIVISION OF CONSUMER
PROTECTION,,

Plaintiffs,

vs.

ZURIXX, LLC, a Utah limited liability
company, BRAND MANAGEMENT
HOLDINGS, LLC, a Delaware limited liability
company, CAC INVESTMENT VENTURES,
LLC, a Utah limited liability company, CAC
INVESTMENT VENTURES, LLC, a Puerto
Rico limited liability company,
CARLSON DEVELOPMENT GROUP, LLC,
a Utah limited liability company, CARLSON
DEVELOPMENT GROUP, LLC, a Puerto
Rico limited liability company, CJ SEMINAR
HOLDINGS, LLC, a Utah limited liability
company, DORADO MARKETING AND
MANAGEMENT, LLC, f/k/a Zurixx, LLC, a
Puerto Rico limited liability company, JSS
INVESTMENT VENTURES, LLC, a Utah

**ANSWER TO SECOND AMENDED
COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER
EQUITABLE RELIEF**

Civil No. 2:19-cv-00713-DAK-EJF

The Honorable Judge Dale A. Kimball

<p>limited liability company, JSS TRUST, individually and as an owner of JSS INVESTMENT VENTURES, LLC, ZURIXX FINANCIAL, LLC, a Utah limited liability company, ZURIXX FINANCIAL, LLC, a Puerto Rico limited liability company, CRISTOPHER A. CANNON, individually and as an officer of ZURIXX, LLC, JAMES M. CARLSON, individually and as an officer of ZURIXX, LLC, JEFFREY D. SPANGLER, individually and as an officer of ZURIXX, LLC, and GERALD D. SPANGLER, as trustee for the JSS TRUST,</p> <p>Defendants, and</p> <p>STEPHENIE J. SPANGLER,</p> <p>Relief Defendant.</p>	
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Defendants JSS Investment Ventures, LLC (“JSS Ventures”), the JSS Trust, Gerald D. Spangler, and Stephenie J. Spangler (collectively, “Defendants”), through undersigned counsel, respectfully submits this Answer to Plaintiffs’ First Amended Complaint.

FIRST DEFENSE

Plaintiffs fail to state a cause of action against Defendants upon which relief can be granted.

SECOND DEFENSE

Defendants respond as follows to the allegations contained in the following numbered paragraphs of the First Amended Complaint. The headings and numbers set forth below correspond with the numbering employed by Plaintiffs in their First Amended Complaint.

1. Answering paragraph 1 of the Second Amended Complaint, Defendants admit the allegations contained therein.

2. Answering paragraph 2 of the Second Amended Complaint, Defendants admit the allegations contained therein.

JURISDICTION AND VENUE

3. Answering paragraph 3 of the Second Amended Complaint, and only for the purpose of standing, Defendants admit the Court has subject matter jurisdiction.

4. Answering paragraph 4 of the Second Amended Complaint, and only for the purpose of standing, Defendants admit the Court has subject matter jurisdiction.

5. Answering paragraph 5 of the Second Amended Complaint, and only for the purpose of standing, Defendants admit the Court has subject matter jurisdiction.

SUMMARY OF THE CASE

6. Answering paragraph 6 of the Second Amended Complaint, Defendants deny the allegations contained therein.

7. Answering paragraph 7 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

8. Answering paragraph 8 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

9. Answering paragraph 9 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

10. Answering paragraph 10 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

11. Answering paragraph 11 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

12. Answering paragraph 12 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

13. Answering paragraph 13 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

14. Answering paragraph 14 of the Second Amended Complaint, Defendants deny the allegations contained therein.

PLAINTIFFS

15. Answering paragraph 15 of the Second Amended Complaint, Defendants state that the allegations of paragraph 15 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

16. Answering paragraph 16 of the Second Amended Complaint, Defendants state that the allegations of paragraph 16 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

17. Answering paragraph 17 of the Second Amended Complaint, Defendants state that the allegations of paragraph 17 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

18. Answering paragraph 18 of the Second Amended Complaint, Defendants state that the allegations of paragraph 18 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein..

DEFENDANTS

19. Answering paragraph 19 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

20. Answering paragraph 20 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

21. Answering paragraph 21 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

22. Answering paragraph 22 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

23. Answering paragraph 23 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

24. Answering paragraph 24 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

25. Answering paragraph 25 of the Second Amended Complaint, Defendants admit that CJ Seminar is a Utah limited liability company with its principal place of business at 2750 East Cotton wood Parkway, Suite 200, Cottonwood Heights, Utah 84121 but are without sufficient knowledge or information as to form a belief as to the truth or falsity of the other allegations and therefore deny the same.

26. Answering paragraph 26 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

27. Answering paragraph 27 of the Second Amended Complaint, Defendants admit that JSS Ventures is a Utah limited liability company with its principal place of business at 814A Saiz Lane, Bloomfield, New Mexico 87413 but are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

28. Answering paragraph 28 of the Second Amended Complaint, Defendants admit that the JSS Trust is a Utah trust for which Jeffrey D. Spangler was the grantor. Defendants also admit that JSS Trust is an owner of JSS Ventures but deny all other allegations contained therein.

29. Answering paragraph 29 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

30. Answering paragraph 30 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

31. Answering paragraph 31 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

32. Answering paragraph 32 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

33. Answering paragraph 33 of the Second Amended Complaint, Defendants admit that Jeffrey D. Spangler is an officer of Zurrxxx, LLC and the grantor of the JSS Trust but deny all other allegations contained therein.

34. Answering paragraph 34 of the Second Amended Complaint, Defendants admit that Gerald D. Spangler is the trustee of the JSS Trust and that he holds legal title to all of JSS Trust's assets solely in his capacity as trustee, but deny all other allegations contained therein.

35. Answering paragraph 35 of the Second Amended Complaint, Defendants admit that Stephenie J. Spangler is the spouse of Jeffrey Spangler that she resides in this District, and that she is a beneficiary of the JSS Trust, but deny all other allegations contained therein.

DEFENDANTS ARE A COMMON ENTERPRISE

36. Answering paragraph 36 of the Second Amended Complaint, Defendants deny the allegations contained therein.

37. Answering paragraph 37 of the Second Amended Complaint, Defendants deny the allegations contained therein.

38. Answering paragraph 38 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

39. Answering paragraph 39 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

40. Answering paragraph 40 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

41. Answering paragraph 41 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

42. Answering paragraph 42 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

43. Answering paragraph 43 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

44. Answering paragraph 44 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

45. Answering paragraph 45 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

46. Answering paragraph 46 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

COMMERCE

47. Answering paragraph 47 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

ZURIXX'S BUSINESS ACTIVITIES

48. Answering paragraph 48 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

49. Answering paragraph 49 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

50. Answering paragraph 50 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

51. Answering paragraph 51 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

52. Answering paragraph 52 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

53. Answering paragraph 53 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

54. Answering paragraph 54 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

55. Answering paragraph 55 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx's Free Teaser Event

56. Answering paragraph 56 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

57. Answering paragraph 57 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

58. Answering paragraph 58 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

59. Answering paragraph 59 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

60. Answering paragraph 60 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

61. Answering paragraph 61 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

**Misrepresentations At The Free Event That Consumers Are Likely To Earn
Thousands Of Dollars In Profit Through Real Estate Investing**

62. Answering paragraph 62 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

63. Answering paragraph 63 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

**Misrepresentations At The Free Event That Consumers Will Receive
100% Funding For Their Real Estate Investments**

64. Answering paragraph 64 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

65. Answering paragraph 65 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

66. Answering paragraph 66 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

**Misrepresentations At The Free Event That Making Thousands of Dollars In Profit From
Real Estate Investing Requires Little Time And Effort**

67. Answering paragraph 67 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

68. Answering paragraph 68 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

69. Answering paragraph 69 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Misrepresentations At The Free Event That Consumers Who Attend The 3-Day Workshop Will Learn Everything They Need To Know To Make Thousands of Dollars In Profit From Real Estate Investing

70. Answering paragraph 70 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

71. Answering paragraph 71 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

72. Answering paragraph 72 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Failure to Disclose Material Aspects Of Zurixx's Refund Policy at the Free Event

73. Answering paragraph 73 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

74. Answering paragraph 74 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

75. Answering paragraph 75 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

76. Answering paragraph 76 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

77. Answering paragraph 77 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

78. Answering paragraph 78 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

79. Answering paragraph 79 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

80. Answering paragraph 80 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

81. Answering paragraph 81 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

The 3-Day Workshop

82. Answering paragraph 82 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

83. Answering paragraph 83 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

84. Answering paragraph 84 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

85. Answering paragraph 85 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

86. Answering paragraph 86 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

87. Answering paragraph 87 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

**Misrepresentations At The 3-Day Workshop That Consumers
Are Likely To Make Thousands of Dollars In Profit Through Real Estate Investing**

88. Answering paragraph 88 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

89. Answering paragraph 89 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

90. Answering paragraph 90 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

91. Answering paragraph 91 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

92. Answering paragraph 92 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx Instructs Consumers At The 3-Day Workshop To Provide Speculative And Unsubstantiated Future Income On Credit Applications

93. Answering paragraph 93 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

94. Answering paragraph 94 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

95. Answering paragraph 95 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

96. Answering paragraph 96 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

97. Answering paragraph 97 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

98. Answering paragraph 98 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Misrepresentations At The 3-Day Workshop That Profitable Real Estate Investing Requires Little Time And Effort

99. Answering paragraph 99 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

100. Answering paragraph 100 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

101. Answering paragraph 101 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

102. Answering paragraph 102 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx's Telemarketing Activities

103. Answering paragraph 103 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

104. Answering paragraph 104 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

105. Answering paragraph 105 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

106. Answering paragraph 106 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

107. Answering paragraph 107 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

108. Answering paragraph 108 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

109. Answering paragraph 109 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

110. Answering paragraph 110 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

111. Answering paragraph 111 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

112. Answering paragraph 112 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

113. Answering paragraph 113 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

114. Answering paragraph 114 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Form Settlement Provisions That Prohibit Consumers From Pursuing Or Filing Complaints With Regulators And Other Entities

115. Answering paragraph 115 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

116. Answering paragraph 116 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

117. Answering paragraph 117 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

118. Answering paragraph 118 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

119. Answering paragraph 119 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

120. Answering paragraph 120 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

ZURIXX'S TIES TO UTAH

121. Answering paragraph 121 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx is Headquartered in Utah

122. Answering paragraph 122 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

123. Answering paragraph 123 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

124. Answering paragraph 124 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

125. Answering paragraph 125 of the Second Amended Complaint, Defendants admit that Spangler is a Utah resident, but Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the remaining allegations and therefore deny the same.

Zurixx's Fulfillment is Provided From Utah

126. Answering paragraph 126 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

127. Answering paragraph 127 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

128. Answering paragraph 128 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx Conducts Telesales From Utah

129. Answering paragraph 129 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

130. Answering paragraph 130 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx's Customer Service is Provided Primarily From Utah

131. Answering paragraph 131 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Zurixx Sues Consumers in Utah

132. Answering paragraph 132 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

133. Answering paragraph 133 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

Utah Has a Valid Interest in Regulating Zurixx's Conduct

134. Answering paragraph 134 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATIONS OF THE FTC ACT

135. Answering paragraph 135 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

136. Answering paragraph 136 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

137. Answering paragraph 137 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT I – MISREPRESENTATIONS REGARDING EARNINGS

(By Plaintiff Federal Trade Commission)

138. Answering paragraph 138 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

139. Answering paragraph 139 of the Second Amended Complaint, Defendants deny the allegations contained therein.

140. Answering paragraph 140 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT II – OTHER MISPRESENTATIONS REGARDING ZURIXX’S PRODUCTS OR SERVICES

(By Plaintiff Federal Trade Commission)

141. Answering paragraph 141 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

142. Answering paragraph 142 of the Second Amended Complaint, Defendants deny the allegations contained therein.

143. Answering paragraph 143 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT III – FAILURE TO DISCLOSE MATERIAL ASPECTS OF REFUND POLICY

(By Plaintiff Federal Trade Commission)

144. Answering paragraph 144 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

145. Answering paragraph 145 of the Second Amended Complaint, Defendants deny the allegations contained therein.

146. Answering paragraph 146 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT IV – MISREPRESENTATIONS REGARDING COACHING PACKAGES

(By Plaintiff Federal Trade Commission)

147. Answering paragraph 147 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

148. Answering paragraph 148 of the Second Amended Complaint, Defendants deny the allegations contained therein.

149. Answering paragraph 149 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATION OF THE CONSUMER REVIEW FAIRNESS ACT

150. Answering paragraph 150 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

151. Answering paragraph 151 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

152. Answering paragraph 152 of the Second Amended Complaint, Defendants state that the allegations of paragraph 152 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein..

153. Answering paragraph 153 of the Second Amended Complaint, Defendants state that the allegations of paragraph 153 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein..

COUNTY V – CRFA VIOLATION

(By Plaintiff Federal Trade Commission)

154. Answering paragraph 154 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

155. Answering paragraph 155 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATIONS OF THE TELEMARKETING SALES RULE

156. Answering paragraph 156 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute’s language, interpretation, and/or intent.

157. Answering paragraph 157 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

158. Answering paragraph 158 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute’s language, interpretation, and/or intent.

159. Answering paragraph 159 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute’s language, interpretation, and/or intent.

160. Answering paragraph 160 of the Second Amended Complaint, Defendants state that the allegations of paragraph 160 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

COUNTY VI – DECEPTIVE TELEMARKETING

(By Plaintiffs Federal Trade Commission and Utah Division of Consumer Protection)

161. Answering paragraph 161 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

162. Answering paragraph 162 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATIONS OF THE UCSPA

163. Answering paragraph 163 of the Second Amended Complaint, Defendants admit the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

164. Answering paragraph 164 of the Second Amended Complaint, Defendants deny the allegations contained therein.

165. Answering paragraph 165 of the Second Amended Complaint, Defendants deny the allegations contained therein.

166. Answering paragraph 166 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT VII – DECEPTIVE ACTS OR PRACTICES (EARNINGS CLAIMS)

(By Plaintiff Utah Division of Consumer Protection)

167. Answering paragraph 167 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

168. Answering paragraph 168 of the Second Amended Complaint, Defendants deny the allegations contained therein.

169. Answering paragraph 169 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT VIII – DECEPTIVE ACTS OR PRACTICES (PRODUCTS AND SERVICES PROVIDED)

(By Plaintiff Utah Division of Consumer Protection)

170. Answering paragraph 170 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

171. Answering paragraph 171 of the Second Amended Complaint, Defendants deny the allegations contained therein.

172. Answering paragraph 172 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT IX – FAILURE TO DISCLOSE MATERIAL ASPECTS OF REFUND POLICY

(By Plaintiff Utah Division of Consumer Protection)

173. Answering paragraph 173 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

174. Answering paragraph 174 of the Second Amended Complaint, Defendants deny the allegations contained therein.

175. Answering paragraph 175 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT X – MISREPRESENTATIONS REGARDING COACHING PACKAGES

(By Plaintiff Utah Division of Consumer Protection)

176. Answering paragraph 176 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

177. Answering paragraph 176 of the Second Amended Complaint, Defendants deny the allegations contained therein.

178. Answering paragraph 178 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATIONS OF THE BODA

179. Answering paragraph 179 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

180. Answering paragraph 180 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

181. Answering paragraph 181 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

182. Answering paragraph 182 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

183. Answering paragraph 183 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COUNT XI – FAILURE TO FILE REQUIRED INFORMATION WITH THE DIVISION

(By Plaintiff Division of Consumer Protection)

184. Answering paragraph 184 of the Second Amended Complaint, Defendants deny the allegations contained therein.

185. Answering paragraph 185 of the Second Amended Complaint, Defendants deny the allegations contained therein.

186. Answering paragraph 186 of the Second Amended Complaint, Defendants deny the allegations therein.

**COUNT XII – FAILURE TO PROVIDE REQUIRED DISCLOSURES TO
PROSPECTIVE PURCHASERS**

(By Plaintiff Utah Division of Consumer Protection)

187. Answering paragraph 187 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

188. Answering paragraph 188 of the Second Amended Complaint, Defendants deny the allegations contained therein.

189. Answering paragraph 189 of the Second Amended Complaint, Defendants deny the allegations contained therein.

VIOLATIONS OF THE TFPA

190. Answering paragraph 190 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

191. Answering paragraph 191 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

192. Answering paragraph 192 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

193. Answering paragraph 193 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

194. Answering paragraph 194 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

195. Answering paragraph 195 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

196. Answering paragraph 196 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

197. Answering paragraph 197 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

198. Answering paragraph 198 of the Second Amended Complaint, Defendants deny the allegations contained therein..

COUNT XIII – MISREPRESENTATIONS REGARDING COACHING PACKAGES

(By Plaintiff Division of Consumer Protection)

199. Answering paragraph 199 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

200. Answering paragraph 200 of the Second Amended Complaint, Defendants deny the allegations contained therein.

201. Answering paragraph 201 of the Second Amended Complaint, Defendants are without sufficient knowledge or information as to form a belief as to the truth or falsity of the allegation and therefore deny the same.

202. Answering paragraph 202 of the Second Amended Complaint, Defendants deny the allegations contained therein.

RELIEF DEFENDANT

COUNT XIV –RELIEF DEFENDANT STEPHENIE J. SPANGLER

203. Answering paragraph 203 of the Second Amended Complaint, Defendants deny the allegations contained therein.

204. Answering paragraph 204 of the Second Amended Complaint, Defendants deny the allegations contained therein.

205. Answering paragraph 205 of the Second Amended Complaint, Defendants deny the allegations contained therein.

CONSUMER INJURY

206. Answering paragraph 206 of the Second Amended Complaint, Defendants deny the allegations contained therein.

COURT’S POWER TO GRANT RELIEF

207. Answering paragraph 207 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute’s language, interpretation, and/or intent.

208. Answering paragraph 208 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

209. Answering paragraph 209 of the Second Amended Complaint, Defendants state that the allegations of paragraph 209 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

210. Answering paragraph 210 of the Second Amended Complaint, Defendants state that the allegations of paragraph 210 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

211. Answering paragraph 211 of the Second Amended Complaint, Defendants admit to the allegations contained therein to the extent they properly reflect the statute's language, interpretation, and/or intent.

212. Answering paragraph 212 of the Second Amended Complaint, Defendants state that the allegations of paragraph 212 contain legal conclusions to which no response is required. To the extent a response is required, Defendants deny the allegations contained therein.

THIRD DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred for statute of limitations.

FOURTH DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred by the doctrine of estoppel.

FIFTH DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred by the doctrine of laches.

SIXTH DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred by the doctrine of waiver.

SEVENTH DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred by the doctrine of laches

EIGHTH DEFENSE

Any consumer injury resulting from the activities alleged in the Second Amended Complaint was legally and proximately caused by other persons, entities, or forces over which Defendants exerted no control and for which they had no responsibility.

NINTH DEFENSE

Plaintiffs' Second Amended Complaint and each claim of the Second Amended Complaint is barred by the doctrine of res judicata.

TENTH DEFENSE

Plaintiffs lack authority to seek disgorgement from Defendants.

ELEVENTH DEFENSE

If Plaintiffs' claims are found to be valid then fault should be allocated pursuant to Utah Code Ann. § 78B-5-801, et seq., to non-parties that were related to, responsible for, or in charge of operating any operations for which their actions were negligent.

TWELFTH DEFENSE

Defendants acted in good faith in reliance on FTC guidance, inasmuch as guidelines could be ascertained, and complied therewith.

THIRTEENTH DEFENSE

Plaintiffs' claims for relief are barred because they constitute a penalty under applicable law.

FOURTEENTH DEFENSE

Plaintiffs' claims for relief are barred because they are not permitted under applicable law.

FIFTEENTH DEFENSE

Plaintiffs' claims are barred because they violate Defendants' due process rights guaranteed by the Fifth and/or Fourteenth Amendment to the U.S. Constitution and Section 7 of the Utah Declaration of Rights.

SIXTEENTH DEFENSE

Plaintiffs' claims are barred because the BODA compels speech in violation of the First Amendment to the U.S. Constitution.

SEVENTEENTH DEFENSE

Plaintiffs' claims are barred because Plaintiffs failed to satisfy statutory conditions precedent prior to filing suit.

EIGHTEENTH DEFENSE

Plaintiffs' monetary relief, if any, is subject to offset.

INCORPORATION

The Defendants incorporate any other affirmative defenses set forth in Rule 8 of the Federal Rules of Civil Procedure that may apply to Plaintiffs' claim, and any other affirmative defenses raised by any other defendant in this action.

RESERVATION

These answering Defendants have or may have other affirmative defenses which are not known at this time, but which may be ascertained through future discovery herein. These answering Defendants reserve the right to assert each and every affirmative defense that may be ascertained through future discovery, or as evidence is presented at trial that support such a defense.

WHEREFORE, Defendants pray for judgment as follows:

1. That Plaintiffs take nothing by the Complaint and that the Complaint be dismissed with prejudice.
2. For Defendants' attorney's fees and costs incurred herein.

Dated: March 10, 2021

Respectfully submitted,

ARMSTRONG TEASDALE LLP

/s/ Brennan Moss

Brennan H. Moss

Michael A. Gehret

Attorneys for Defendants

JSS INVESTMENT VENTURES, LLC;

JSS TRUST; GERALD D. SPANGLER

CERTIFICATE OF SERVICE

I certify that on March 10, 2021, I caused a true and correct copy of **DEFENDANTS' ANSWER TO FIRST AMENDED COMPLAINT** to be sent via the Court's electronic notification system to all counsel of record.

/s/ Brennan Moss