



5. Defendants admit the allegations in paragraph 5 of the Complaint.

6. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 6 of the Complaint.

7. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 7 of the Complaint.

## **II. JURISDICTION AND VENUE**

8. Defendants admit, without waiver of any rights, that it appears, at this time, that this Court has jurisdiction over this matter.

## **III. STATEMENT OF FACTS**

9. Based on Plaintiff's representation, Defendants admit the allegations in paragraph 9 of the Complaint.

10. Based on Plaintiff's representation, Defendants admit the allegations in paragraph 10 of the Complaint.

### **A. Allegations about the Breitling Fraudulent Scheme**

11. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 11 of the Complaint.

12. Defendants are is without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 12 of the Complaint.

13. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 13 of the Complaint.

14. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 14 of the Complaint.

15. Defendants are without knowledge or information sufficient to form a belief about

the truth of the allegations in paragraph 15 of the Complaint.

16. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 16 of the Complaint.

17. Defendants deny they were ever paid on commission. Otherwise, Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 17 of the Complaint.

18. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 18 of the Complaint.

19. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 19 of the Complaint.

20. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 20 of the Complaint.

21. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 21 of the Complaint.

22. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 22 of the Complaint.

23. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 23 of the Complaint.

24. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 24 of the Complaint.

25. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 25 of the Complaint.

26. Defendants are without knowledge or information sufficient to form a belief about

the truth of the allegations in paragraph 26 of the Complaint.

27. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 27 of the Complaint.

28. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 28 of the Complaint.

29. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 29 of the Complaint.

30. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 30 of the Complaint.

**B. Allegations about Breitling Sales of Securities**

31. Defendants contend no response is required to the allegations in paragraph 31 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 31 of the Complaint.

32. Defendants deny having ever made cold-calls. Defendants contend no response is required to the remaining allegations in paragraph 32 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 32 of the Complaint.

33. Defendants contend no response is required to the allegations in paragraph 33 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 33 of the Complaint.

34. Defendants are without knowledge or information sufficient to form a belief about

the truth of the allegations in paragraph 34 of the Complaint.

35. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 35 of the Complaint.

36. Defendants deny having ever made cold-calls or receiving commission based pay. Defendants contend no response is required to the remaining allegations in paragraph 36 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 36 of the Complaint.

37. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 37 of the Complaint.

38. Defendants contend no response is required to the allegations in paragraph 38 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 38 of the Complaint.

39. Defendants deny having ever made cold-calls or receiving commission based pay. Defendants contend no response is required to the remaining allegations in paragraph 38 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 38 of the Complaint.

**C. Allegations about Transfers to Defendants**

40. Taylor admits he worked for the Breitling Entities from October 2014 – July 2015 and that he was paid a salary. Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations in paragraph 40 of the Complaint.

41. Defendants contend no response is required to the allegations in paragraph 41 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 41 of the Complaint.

42. Defendants contend no response is required to the allegations in paragraph 42 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 42 of the Complaint.

43. Defendants contend no response is required to the allegations in paragraph 43 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 43 of the Complaint.

#### IV. CAUSES OF ACTION

44. Defendants repeat and incorporate by reference their responses to each of the foregoing paragraphs.

**COUNT I: Avoidance of Fraudulent Transfers Made to, or for the benefit of, Defendants pursuant to TUFTA §24.005(a)(1)**

45. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 45 of the Complaint.

46. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 46 of the Complaint.

47. Defendants contend no response is required to the allegations in paragraph 47 of the Complaint as there are only propositions of law and no specific allegations of fact; however,

to the extent a response is required, Defendants deny the allegations contained in paragraph 47 of the Complaint.

48. Defendants contend no response is required to the allegations in paragraph 48 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 48 of the Complaint.

49. Defendants are without knowledge or information sufficient to form a belief about the truth of the allegations in paragraph 49 of the Complaint.

50. Defendants contend no response is required to the allegations in paragraph 50 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 50 of the Complaint.

51. Defendants contend no response is required to the allegations in paragraph 51 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 51 of the Complaint.

**COUNT II: Unjust Enrichment**

52. Defendants contend no response is required to the allegations in paragraph 52 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 52 of the Complaint.

53. Defendants contend no response is required to the allegations in paragraph 53 of the Complaint as there are only propositions of law and no specific allegations of fact; however,

to the extent a response is required, Defendants deny the allegations contained in paragraph 53 of the Complaint.

54. Defendants contend no response is required to the allegations in paragraph 54 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 54 of the Complaint.

55. Defendants contend no response is required to the allegations in paragraph 55 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 55 of the Complaint.

56. Defendants contend no response is required to the allegations in paragraph 56 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 56 of the Complaint.

## **V. ACTUAL DAMAGES**

57. Defendants contend no response is required to the allegations in paragraph 57 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 57 of the Complaint.

## **VI. CONDITIONS PRECEDENT**

58. Defendants contend no response is required to the allegations in paragraph 57 of the Complaint as there are only propositions of law and no specific allegations of fact; however, to the extent a response is required, Defendants deny the allegations contained in paragraph 57 of



the Complaint.

## VII. PRAYER

Defendants deny that the Receiver is entitled to recover any funds from Taylor or Alden Adams. Defendants are without knowledge or information sufficient to form a belief about the truth of the remaining allegations in the Prayer.

### **DEFENDANTS' AFFIRMATIVE DEFENSES**

59. Plaintiff's claims against Taylor and Alden Adams are barred by the statute of limitations. The statute of limitations under TUFTA is four years. Defendants stopped working for the Receivership Entities July 2015, and this case was filed over four years later on February 18, 2020.

60. Plaintiff's claims against Taylor and Alden Adams are barred because Taylor and Alden Adams provided reasonably equivalent value to the Receivership Entities for the compensation they received.

61. Defendants reserve the right to allege and assert any additional affirmative defenses under the applicable Federal Rules of Civil Procedure, including Rule 8, as well as any other defense, at law or in equity, which may now exist or in the future be available based upon discovery and further investigation in this case.

### **RECOVERY OF ATTORNEYS' FEES**

62. Defendants seek recovery of their attorney's fees pursuant to Texas Business & Commerce Code Section 24.013. *See* TEX. BUS. & COMM. CODE § 24.013. ("in any proceeding under this chapter, the court may award costs and reasonable attorneys' fees as are equitable and just.")

**BELL NUNNALLY & MARTIN LLP**

*/s/ Benjamin L. Riemer*

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