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*Attorney for Aaron Rowsell*

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**IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF UTAH**  
**CENTRAL DIVISION**

<p>In re:</p> <p>AARON ROWSELL,</p> <p>Debtor.</p>	<p>Bankruptcy No. 16-24669 JTM Chapter 7</p> <p>Adversary Proceeding No. 16-02135</p>
<p>D. RAY STRONG AS RECEIVER FOR ISYS TECHNOLOGIES, INC., CODED INSTRUCTION SECURITY, and Xi3, INC.,</p> <p>Plaintiff,</p> <p>v.</p> <p>AARON ROWSELL,</p> <p>Defendant.</p>	

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**ANSWER OF AARON ROWSELL**

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Now comes Defendant, AARON ROWSELL, by and through his counsel, and hereby denies each allegation set forth in Plaintiffs' Complaint for Non-Dischargeability of Debt unless specifically admitted herein and further answers as follows:

**FIRST DEFENSE**

Plaintiffs' Complaint fails to state a claim upon which this Court may grant relief. Defendant responds to the specific allegations in the Complaint as follows:

**PARTIES AND JURISDICTION**

1. Defendant admits the allegations contained in Paragraph 1 of Plaintiffs' Complaint.
2. Defendant admits the allegations contained in Paragraph 2 of Plaintiffs' Complaint.
3. Defendant admits the allegation contained in Paragraph 3 of Plaintiffs' Complaint.
4. Defendant denies the allegations contained in Paragraph 4 of Plaintiffs' Complaint.
5. Defendant admits the allegations contained in Paragraph 5 of Plaintiffs' Complaint.
6. Defendant denies the allegations contained in Paragraph 6 of Plaintiffs' Complaint.

**GENERAL ALLEGATIONS**

7. Defendant incorporates all other paragraphs of this Answer.

8. Defendant denies the allegations contained in Paragraph 8 of Plaintiffs' Complaint. The Companies were involved in those activities but no longer are.

9. Defendant admits the allegations contained in Paragraph 9 of Plaintiffs' Complaint.

10. Defendant admits the allegations contained in Paragraph 10 of Plaintiffs' Complaint.

11. Defendant admits the allegations contained in Paragraph 11 of Plaintiffs' Complaint.

12. Defendant admits the allegations contained in Paragraph 12 of Plaintiffs' Complaint.

13. Defendant denies the allegations contained in Paragraph 13 of Plaintiffs' Complaint.

14. Defendant admits the allegations contained in Paragraph 14 of Plaintiffs' Complaint.

15. Defendant denies the allegations contained in Paragraph 15 of Plaintiffs' Complaint. Mr. Sullivan had full control of all companies. The companies have been adjudicated to be the alter egos of Jason Sullivan.

16. Defendant denies the allegations contained in Paragraph 16 of Plaintiffs' Complaint.

17. Defendant denies all allegations contained in Paragraph 17 of Plaintiffs' Complaint. The Complaint references Officers. All representatives, if any, were made by Sullivan not Rowsell.

18. Defendant denies all allegations contained in Paragraph 18 of Plaintiffs' Complaint. The Complaint references Officers. All representatives, if any, were made by Sullivan not Rowsell.

19. Defendant denies all allegations contained in Paragraph 19 of Plaintiffs' Complaint as to Debtor. All actions were done by Sullivan.

20. Defendant denies all allegations contained in Paragraph 20 of Plaintiffs' Complaint as to Debtor. All actions were done by Sullivan.

21. Defendant denies all allegations contained in Paragraph 21 of Plaintiffs' Complaint as to Debtor. All actions were done by Sullivan.

22. Defendant denies all allegations contained in Paragraph 22 of Plaintiffs' Complaint.

23. Defendant denies all allegations contained in Paragraph 23 of Plaintiffs' Complaint.

24. Defendant denies all allegations contained in Paragraph 24 of Plaintiffs' Complaint.

25. Defendant denies all allegations contained in Paragraph 25 of Plaintiffs' Complaint.

26. Defendant denies all allegations contained in Paragraph 26 of Plaintiffs' Complaint.

27. Defendant denies all allegations contained in Paragraph 27 of Plaintiffs' Complaint.

28. Defendant denies all allegations contained in Paragraph 28 of Plaintiffs' Complaint.

29. Defendant denies all allegations contained in Paragraph 29 of Plaintiffs' Complaint.

**FIRST CAUSE OF ACTION**

30. Defendant incorporates all other paragraphs of this Answer.

31. Defendant denies the allegations contained in Paragraph 31 of Plaintiffs' Complaint.

32. Defendant denies the allegations contained in Paragraph 32 of Plaintiffs' Complaint.

33. Defendant denies the allegations contained in Paragraph 33 of Plaintiffs' Complaint.

34. Defendant denies the allegations contained in Paragraph 34 of Plaintiffs' Complaint.

35. Defendant denies the allegations contained in Paragraph 35 of Plaintiffs' Complaint.

36. Defendant denies the allegations contained in Paragraph 36 of Plaintiffs' Complaint.

37. Defendant denies the allegations contained in Paragraph 37 of Plaintiffs' Complaint.

**SECOND CAUSE OF ACTION**

38. Defendant incorporates all other paragraphs of this Answer.

39. Defendant admits the allegations contained in Paragraph 39 of Plaintiffs' Complaint.

40. Defendant denies the allegations contained in Paragraph 40 of Plaintiffs' Complaint.

41. Defendant denies the allegations contained in Paragraph 41 of Plaintiffs' Complaint.

42. Defendant denies the allegations contained in Paragraph 42 of Plaintiffs' Complaint.

43. Defendant denies the allegations contained in Paragraph 43 of Plaintiffs' Complaint.

44. Defendant denies the allegations contained in Paragraph 44 of Plaintiffs' Complaint

45. Defendant denies the allegations contained in Paragraph 45 of Plaintiffs' Complaint.

**THIRD CAUSE OF ACTION**

46. Defendant incorporates all other paragraphs of this Answer.

47. Defendant denies the allegations contained in Paragraph 47 of Plaintiffs' Complaint.

48. Defendant denies the allegations contained in Paragraph 48 of Plaintiffs' Complaint.

49. Defendant denies the allegations contained in Paragraph 49 of Plaintiffs' Complaint.

50. Defendant denies the allegations contained in Paragraph 50 of Plaintiffs' Complaint.

51. Defendant denies the allegations contained in Paragraph 51 of Plaintiffs' Complaint.

52. Defendant denies the allegations contained in Paragraph 52 of Plaintiffs' Complaint.

53. Defendant denies all allegations in the Prayer for Relief.

54. Defendant denies all allegations not specifically admitted herein.

### **SECOND DEFENSE**

Plaintiffs have failed to plead their claims with specificity and particularly as required by Rule 7009 and Fed. R. Civ. P. 9(b) and the claims should be dismissed.

### **THIRD DEFENSE**

Plaintiffs' fraud based claims fail because Plaintiffs have failed to detail specific representations made by the Defendant and reliance by the Plaintiffs on any alleged statements by the Defendant. Plaintiffs have failed to prove or allege any specific damages based on the alleged fraud. Plaintiffs have failed to allege any representations were false or made with the intent to deceive. Next, Plaintiffs have not shown any reasonable reliance upon statements made by Defendant.

### **FOURTH DEFENSE**

Plaintiffs' claims, if any, are based by the applicable statute of limitations including, but not limited to, Utah Code Ann. §§78B-2305(2) and (3); 78B-2-306, 78B-2-307(2) and (3) and 16-10a-842(3).

**FIFTH DEFENSE**

Defendant's liability to Plaintiffs, if any, is limited or barred by the Utah Revised Business Corporates Act, including but not limited to Utah Code Ann. § 16-10a-841, 16-10a-740.

**SIXTH DEFENSE**

The Complaint fails to state a claim upon which relief can be granted.

**SEVENTH DEFENSE**

The Complaint is barred by the doctrine of unclean hands, estoppel, laches and in pari delicto. Further the Complaint is barred by res judicata and collateral estoppel.

**EIGHTH DEFENSE**

The Complaint is barred by the doctrine of accord and satisfaction.

**NINTH DEFENSE**

The Complaint is barred by the doctrine of contributory negligence and/or the fault of third parties not named as parties.

**TENTH DEFENSE**

The Complaint is barred because Plaintiffs have failed to mitigate their damages.

**ELEVENTH DEFENSE**

Plaintiffs do not have standing to assert the claims detailed herein.

**THIRTEENTH DEFENSE**

Defendant did not act willfully or with the required intent for the causes of action asserted by Plaintiffs.

**FOURTEENTH DEFENSE**

Defendant acted in good faith at all times and acted to the direction of Mr. Sullivan.

**FIFTEENTH DEFENSE**

Defendant did not owe a duty to Plaintiffs sufficient to maintain their claims. Defendant did not breach any fiduciary duty to Plaintiffs.

**SIXTEENTH DEFENSE**

The Complaint is barred because Plaintiffs have failed to plead a cause of action under §523(a)(4). Plaintiffs have failed to allege any defalcation as required. Plaintiffs have failed to properly plead a claim under §523(a)(6) as well.

DATED this 14th day of October, 2016.

SNOW, CHRISTENSEN & MARTINEAU

/s/ P. Matthew Cox

P. Matthew Cox

Attorneys for Defendant Aaron Rowsell

**CERTIFICATE OF SERVICE**

I HEREBY certify that on this 14th day of October, 2016 copies of **ANSWER OF AARON ROWSELL** which was filed electronically, upon all parties receiving notice via the Court's ECF System, including:

Sherilyn A. Olsen  
Ellen E. Ostrow  
HOLLAND & HART, LLP  
222 South Main Street, Suite 2200  
Salt Lake City, UT 84101

/s/ P. Matthew Cox  
P. Matthew Cox