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6 **UNITED STATES DISTRICT COURT**
7 **FOR THE DISTRICT OF NEVADA**

8 SECURITIES AND EXCHANGE
9 COMMISSION,

10 Plaintiff,

v.

11 MATTHEW WADE BEASLEY; BEASLEY
12 LAW GROUP PC; JEFFREY J. JUDD;
13 CHRISTOPHER R. HUMPHRIES; J&J
14 CONSULTING SERVICES, INC., an Alaska
15 Corporation; J&J CONSULTING SERVICES,
16 INC., a Nevada Corporation; J AND J
17 PURCHASING LLC; SHANE M. JAGER;
18 JASON M. JONGEWARD; DENNY
19 SEYBERT; ROLAND TANNER; LARRY
20 JEFFERY; JASON A. JENNE; SETH
21 JOHNSON; CHRISTOPHER M. MADSEN;
22 RICHARD R. MADSEN; MARK A.
23 MURPHY; CAMERON ROHNER; AND
24 WARREN ROSEGREEN;

Defendants; and

25 THE JUDD IRREVOCABLE TRUST; PAJ
26 CONSULTING INC; BJ HOLDINGS LLC;
27 STIRLING CONSULTING, L.L.C.; CJ
INVESTMENTS, LLC; JL2 INVESTMENTS,
LLC; ROCKING HORSE PROPERTIES,
LLC; TRIPLE THREAT BASKETBALL,
LLC; ACAC LLC; ANTHONY MICHAEL
ALBERTO, JR.; and MONTY CREW LLC;

Relief Defendants.

Case No.: 2:22-cv-00612-CDS-EJY

**PLAINTIFF SECURITIES AND
EXCHANGE COMMISSION'S
RESPONSE TO DEFENDANT
CHRISTOPHER HUMPHRIES AND
RELIEF DEFENDANT CJ
INVESTMENTS, LLC'S MOTION
FOR RELEASE OF FUNDS FOR
ATTORNEY'S FEES**

1 Plaintiff Securities and Exchange Commission (“SEC”) opposes Defendant Christopher
2 Humphries (“Humphries”) and Relief Defendant CJ Investments, LLC’s (together herein, the
3 “Humphries Defendants”) motion for release of funds for attorneys’ fees (Dkt. No. 209, herein,
4 the “Motion” or “Mot.”). Much like Defendant Jeffrey Judd and non-party Oberheiden P.C.,
5 whose similar requests for release of attorneys’ fees were denied (*see* Dkt. No. 235, Order at 1,
6 12), the Humphries Defendants fail to provide sufficient evidence to release the requested funds.

7 **I. COUNSEL FOR THE HUMPHRIES DEFENDANTS MAY NOT RETAIN**
8 **INVESTOR FUNDS FOR PAYMENT OF ATTORNEYS’ FEES.**

9 “No lawyer, in any case, has the right to accept stolen property, or ransom money, in
10 payment of a fee.” *Caplin & Drysdale, Chartered v. United States*, 491 U.S. 617, 626 (1989)
11 (citation and alterations omitted). The Sixth Amendment does not give a defendant—even in a
12 criminal proceeding, and even before a trial on the merits—the right to spend ill-gotten gains for
13 his defense. *Id.*; *see also U.S. v. Monsanto*, 491 U.S. 600, 615 (1989); *SEC v. Cherif*, 933 F.2d
14 403, 416–17 (7th Cir. 1991); *SEC v. Trabulse*, 526 F. Supp. 2d 1008, 1018 (N.D. Cal. 2007)
15 (quoting *SEC v. Quinn*, 997 F.3d 287, 289 (7th Cir. 1993)) (“Just as a bank robber cannot use the
16 loot to wage the best defense money can buy, so a swindler in securities markets cannot use the
17 victims’ assets to hire counsel who will help him retain the gleanings of crime.”).

18 Thus, the preliminary question in any inquiry concerning the use of frozen funds to pay
19 for legal expenses are whether the funds are, in fact, the defendant’s property, or instead the
20 property of third parties. *See, e.g., SEC v. Lauer*, 445 F. Supp. 2d 1362, 1369–70 (S.D. Fla.
21 2006); *SEC v. Current Fin. Servs.*, 62 F. Supp. 2d 66, 68 (D.D.C. 1999). Once the SEC makes a
22 preliminary showing that a defendant’s assets could be traced to fraud, the defendant is required
23 to show the assets are ultimately untainted. *See Trabulse*, 526 F. Supp. 2d at 1018.

24 As Judge Mahan found in granting the SEC’s request for a preliminary injunction, “the
25 Commission has made a proper *prima facie* showing that . . . Christopher R. Humphries . . .
26 directly and indirectly engaged in the violations alleged in the Complaint” (including violations
27 of the anti-fraud provisions of the securities laws) and that Defendants and Relief Defendants

1 (including CJ Investments, LLC), “unless restrained and enjoined by the Court,” may “dissipate,
2 conceal or transfer from the jurisdiction of this Court assets that could be subject to an order of
3 disgorgement or an order to pay a civil monetary penalty in this action,” and that “entry of a
4 preliminary injunction, asset freeze, and order for other equitable relief as set forth below is
5 necessary and appropriate.” (*See* Dkt. No. 56, Order at 2.) These findings—along with the bank
6 records analysis presented by the SEC showing that Humphries and CJ Investments, LLC
7 obtained at least \$31.1 million in likely investor funds (*see* Dkt. No. 2-8, Salimi Decl. ¶¶ 12–
8 13)—are sufficient to make a preliminary showing that the Humphries Defendants’ extant assets
9 can be traced to fraud. As a result, it is the Humphries Defendants’ burden to show that the
10 funds they seek to release from the asset freeze for payment of attorneys’ fees are ultimately
11 untainted. The Humphries Defendants provide no evidence to that effect.

12 **II. THE SEC HAS MADE A *PRIMA FACIE* SHOWING OF HUMPHRIES’**
13 **VIOLATIONS OF THE FEDERAL SECURITIES LAWS.**

14 Rather than provide evidence regarding the source of the funds, the Humphries
15 Defendants take issue with Judge Mahan’s findings. The Humphries Defendants contend—
16 citing what they call the “dying declaration” of Defendant Matthew Beasley—that “the SEC fails
17 entirely to demonstrate Mr. Humphries had any actual knowledge of the allegedly fraudulent
18 ‘Ponzi Scheme,’” and request an “adversary proceeding” on the same.¹ (Dkt. No. 209, Mot. at 5,
19 14) But Judge Mahan held that hearing, considered the very evidence the Humphries Defendants
20 now cite, and rejected the idea that Beasley’s speculative statements to FBI negotiators about the
21 mental states of his co-conspirators are somehow “exculpatory.” Nor are they—especially when
22 Humphries has since pled the Fifth and refused to provide evidence highly probative of his
23 scienter.

24
25 ¹ As discussed in the SEC’s opposition to the Humphries Defendants’ motion to dismiss, the
26 Humphries Defendants’ “actual knowledge” standard is not an accurate statement of the requisite
27 state of mind for the pled securities law violations. (*See* Dkt. No. 247, Opp. at 12–14.)

1 **A. The Humphries Defendants’ Insistence on a New “Adversary**
2 **Proceeding” Is Misplaced.**

3 The Humphries Defendants argue the Court should, “[a]t a minimum . . . hold an
4 adversary proceeding and require the SEC to make a prima facie case of fraud against Mr.
5 Humphries,”—suggesting the preliminary injunction hearing held by Judge Mahan in April was
6 somehow insufficient. (*See* Dkt. No. 209, Mot. at 14.) Not so.

7 In support of its motion for a TRO and preliminary injunction, the SEC submitted over
8 1,200 pages of evidentiary materials—including declarations from the SEC’s primary
9 investigative attorney and accountant, testimony and declarations of investors, Beasley’s
10 admissions to FBI negotiators, communications between Defendants, and the complete bank
11 records of the IOLTA Beasley used as the financial hub of the scheme. (*See* Dkt. Nos. 2-5, 2-6,
12 2-7, 2-8, 23, 23-1, 23-2, 23-3, 23-4, 23-5, 24, 24-1, 24-2, 24-3.) Humphries, in response to this
13 evidence, submitted no declarations as to Humphries’ liability,² no testimony, no documents, no
14 communications, and no bank records. (*See generally* Dkt. No. 13, Humphries Opp. to P.I.)

15 Judge Mahan, on April 21, 2022, held an “adversary proceeding” regarding the SEC’s
16 motion for a preliminary injunction. The Humphries Defendants did not subpoena any
17 witnesses’ attendance for that hearing. Nor did the Humphries Defendants present any new
18 documentary evidence at the hearing. The SEC brought its primary declarants, Joni Ostler and
19 Amir Salimi, to the hearing, but the Humphries Defendants never called them to the stand. And
20 Humphries did not offer to testify on his own behalf. Instead, Humphries submitted only lawyer
21 argument in opposition to the SEC’s request for preliminary injunctive relief and asset freeze.

22
23
24 ² The Humphries Defendants submitted two declarations: a declaration from non-party Jessica
25 Humphries regarding her and her family’s living expenses (*see* Dkt. No. 13-1), and a declaration
26 from Humphries’ counsel regarding interactions between Humphries and the U.S. Attorney’s
27 office (*see* Dkt. No. 13-2).

1 In fact, Humphries worked to prevent relevant evidence of his scienter from being
2 available for the Court’s hearing. When asked to respond to expedited discovery requests from
3 the SEC consisting of interrogatories and requests for admission regarding his involvement in the
4 fraudulent scheme, Humphries moved on an emergency basis for an extension (*see* Dkt. No. 30),
5 presumably so that he would not be required to respond to the requests (and plead the Fifth) prior
6 to the Court’s hearing. Six days after the hearing, Humphries finally responded to the SEC’s
7 expedited discovery by objecting, refusing to provide evidence, and repeatedly pleading the
8 Fifth. (*See generally* Ex. A, Apr. 27, 2022 Humphries Discovery Resps.)

9 Furthermore, rather than seriously contest the substance of the SEC’s evidence at the
10 April 21, 2022 hearing, Humphries—like Judd—simply argued the SEC’s declarations were (or
11 perhaps contained) hearsay and were thus not cognizable evidence. That is not the law. Rather,
12 as the Ninth Circuit has made clear, “[a] district court may . . . consider hearsay in deciding
13 whether to issue a preliminary injunction.” *Couturier*, 572 F.3d at 1083, citing *Republic of the*
14 *Philippines v. Marcos*, 862 F.2d 1355, 1363 (9th Cir. 1988) (*en banc*). “The urgency of
15 obtaining a preliminary injunction necessitates a prompt determination,” and allows a trial court
16 to “give even inadmissible evidence some weight.” *Flynt Distributing Co., Inc. v. Harvey*, 734
17 F.2d 1389, 1393 (9th Cir. 1984); *see also, e.g., BofI Fed. Bank v. Erhart*, No. 15-cv-02353, 2016
18 WL 4680291, *5–6 (S.D. Cal. Sept. 7, 2016) (overruling various evidentiary objections on a
19 motion for preliminary injunction). Judge Mahan was well within his authority to rely on the
20 extensive evidence submitted by the SEC—and the lack of countervailing evidence submitted by
21 the Humphries Defendants—in determining that the SEC set forth a *prima facie* case of
22 Humphries’ violations of the federal securities laws.

23 **B. Beasley’s Speculation Regarding His Co-Defendants’ State of Mind Is**
24 **Not Dispositive.**

25 In any event, there is no merit to the Humphries Defendants’ attempts to re-litigate the
26 evidence Judge Mahan reviewed and considered at the preliminary injunction hearing. For the
27 third time, the Humphries Defendants accuse the SEC of a “blatant misrepresentation” because

1 the SEC did not highlight, in its motion for a preliminary injunction, Beasley’s speculation about
2 his co-defendants’ scienter. (Dkt. No. 209, Mot. at 5; *see also* Dkt. No. 199, Humphries Mot. to
3 Dismiss at 5; Dkt. No. 13, Humphries Opp. to P.I. at 3–4.) Once again, this accusation is
4 unfounded. The SEC submitted to the Court, at the outset of this case, the entirety of the
5 transcript of Beasley’s March 3, 2022 statement to FBI negotiators—as an exhibit to the SEC’s
6 motion for a temporary restraining order. (*See* Dkt. No. 2-5.) Indeed, the only reason the
7 Humphries Defendants have a copy of that document—and the portions they cite in their
8 Motion—was the SEC’s action in submitting it to the Court. The SEC did not omit any portion
9 of the transcript or otherwise attempt to downplay its contents.

10 Judge Mahan reviewed that evidence, including the very portions the Humphries
11 Defendants highlight, before ruling on the SEC’s motion for a preliminary injunction. Notably,
12 both Defendants Judd and Humphries, in their oppositions to the SEC’s preliminary injunction
13 motion, claimed that Beasley’s unsupported assertions that he “lied to” Judd, Humphries, and
14 other Defendants about the scheme somehow exonerated them. In fact, the Humphries
15 Defendants made the very same accusation—that “the SEC, in essence, misled the Court” by not
16 highlighting those passages—in opposition to the SEC’s motion for a preliminary injunction.
17 (*Compare* Dkt. No. 13, Humphries Opp. at 3–4 *with* Dkt. No. 209, Mot. at 5–6.) But Judge
18 Mahan considered, and rejected, the notion that the “confession” of one Defendant about the
19 purported mental state of his co-conspirators should be read uncritically, and held that the whole
20 of the evidence presented a *prima facie* case that Humphries, like Judd and Beasley, had violated
21 the anti-fraud provisions of the federal securities laws. (*See* Dkt. No. 56.)

22 Furthermore, the Humphries Defendants omit that the sole reason the SEC relies on
23 circumstantial (rather than direct) evidence of Humphries’ scienter is that he has pled the Fifth.

24 For example, in its Amended Complaint, the SEC alleges that—despite Humphries’
25 admonitions to investors that they were not allowed to contact the attorneys and purported tort
26 plaintiffs whose names were listed on the Purchase Agreements—some investors contacted the
27 attorneys named in the agreements to inquire whether the Purchase Agreements were real. (Dkt.

1 No. 118, Am. Compl. ¶ 62.) The Amended Complaint further alleges that those investors
2 discovered that the attorneys had no such personal injury clients and no relationship with Beasley
3 or Beasley Law Group and, on information and belief, Humphries was informed about these
4 investors' contact with the attorneys listed on the Purchase Agreements. (*Id.* ¶¶ 62, 69.)

5 One Defendant, in response to the SEC's expedited requests for admission regarding this
6 incident, admitted that he was contacted by an accountant for an investor in or about July 2021,
7 who told him that he had contacted a law firm listed on a Purchase Agreement and was told the
8 firm had never heard of J&J Consulting. (Dkt. No. 181-3, Ostler Decl. Ex. 81, Tanner Resp. to
9 RFA No. 1.) That information was passed along to at least two other Defendants. (*See id.*)
10 Humphries, meanwhile, refused to answer an identical request for admission, objecting and
11 asserting his Fifth Amendment privilege against self-incrimination. (*See Ex. A, Apr. 27, 2022*
12 *Humphries Discovery Resps., at Resp. to RFA 1; see also id. at Resp. to RFA 2.*) Humphries
13 further refused to admit whether, *inter alia*, he "became aware that the Purchase Agreements
14 were fake" or "became aware that investor money provided to buy interests in the Purchase
15 Agreements was not used to fund personal injury settlements." (*Id.* at Resps. to RFAs 3, 4.)

16 In sum, the Humphries Defendants provide no evidentiary basis to reconsider Judge
17 Mahan's ruling that the SEC has made a *prima facie* case that Humphries—like Beasley and
18 Judd—had violated the anti-fraud provisions of the federal securities laws. (*See Dkt. No. 56.*)
19 As such, it is the Humphries Defendants burden to establish that the funds they propose to
20 release are untainted by fraud. Their Motion fails to do so.

21 **III. THE HUMPHRIES DEFENDANTS DO NOT PROVIDE A SUFFICIENT**
22 **FACTUAL BASIS TO SHOW THE FUNDS AT ISSUE ARE UNTAINTED.**

23 The Humphries Defendants do not even attempt to provide evidence that the funds they
24 now seek to release from the asset freeze are untainted. There is no declaration, no documentary
25 evidence, and no testimony in support of such argument. Instead, they rely on a back-of-the-
26 envelope calculation of Humphries' liability based on a single allegation in the SEC's Amended
27 Complaint—which they take out of context. This is not sufficient to release the requested funds.

1 To succeed on a motion to modify [a] freeze to permit payment of attorneys’ fees and
2 other expenses, [a] defendant ‘must establish that such modification is in the interest of the
3 defrauded investors.’” *Richards v. Mountain Capital Management, LLC*, Case No. 10-civ-2790,
4 2010 WL 2473588, at *2 (S.D.N.Y. June 17, 2010) (quoting *SEC v. Credit Bancorp Ltd.*, Case
5 No. 99-civ-11395, 2010 WL 768944, at *4 (S.D.N.Y. Mar. 8, 2010) (citation omitted)).
6 Accordingly, a defendant must establish that the funds he seeks to release are untainted and that
7 there are sufficient funds to satisfy any disgorgement remedy that might be ordered in the event a
8 violation is established at trial. *See, e.g., SEC v. Stein*, No. 07-civ-3125, 2009 WL 1181061, at
9 *1 (S.D.N.Y. Apr. 30, 2009); *Douglas Elsworth Wilson*, 2011 WL 6398933 (ordering return
10 from attorney trust account of tainted funds). And here, the Court’s prior order specifies that the
11 burden is Humphries’ to make such “good cause” showing. (*See* Dkt. No. 56, Order § VII.)

12 The Humphries Defendants state that because, as alleged in the Amended Complaint,
13 “Mr. Humphries began promoting the investments in August 2019” and that “he claimed to make
14 \$250,000 every three months,” his total disgorgement responsibility should be no more than
15 \$2,500,000.00. (Dkt. No. 209, Mot. at 13.) To be clear, this rough calculation is based on what
16 Humphries represented to a single investor. (*See* Dkt. 118, Am. Compl. ¶ 52.) It does not take
17 into account the more direct evidence, which the SEC presented in support of its request for a
18 preliminary injunction, showing the Humphries Defendants received at least \$31.1 million in
19 presumed investor funds.³ (*See* Dkt. No. 2-8, Salimi Decl. ¶¶ 12–13.) Nor does the Humphries
20 Defendants’ simplified calculation—which appears, from the context of Humphries’ statement,
21 to estimate Humphries’ commissions from the scheme—attempt to determine whether

22
23 ³ It is very likely the Humphries Defendants did not retain all \$31.1 million of these funds, and
24 that a large portion was sent to Beasley, Judd, and other principals in the scheme, or on occasion
25 returned to investors as Ponzi payments. The Humphries Defendants, however, do not even
26 attempt to provide the sort of tracing analysis necessary to differentiate the investor funds
27 Humphries retained (or spent) from those he sent to other Defendants or returned to investors.

1 Humphries also (1) retained investors’ principle payments; or (2) like other promoters, kept
2 some amount of the fictitious “interest” payments given to him by Judd and Beasley while
3 providing his investors with a lower rate of return. All of this evidence will be necessary to
4 determine the appropriate amount of disgorgement under *Liu v. SEC*, 140 S. Ct. 1936 (2020)—
5 and is equally necessary before any determination can be made that the Humphries Defendants
6 retain sufficient untainted funds to satisfy their attorneys’ fees and expenses.

7 **CONCLUSION**

8 For the foregoing reasons, the SEC respectfully requests that the Court deny the
9 Humphries’ Defendants motion to release funds from the asset freeze for attorneys’ fees.

10 DATED this 12th day of August, 2022.

11
12 /s/ Casey R. Fronk
13 Tracy S. Combs
14 Casey R. Fronk
15 Attorney for Plaintiff
16 SECURITIES AND EXCHANGE COMMISSION
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27

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of August, 2022, I caused the foregoing
**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S RESPONSE TO
DEFENDANT CHRISTOPHER HUMPHRIES AND RELIEF DEFENDANT CJ
INVESTMENTS, LLC'S MOTION FOR RELEASE OF FUNDS FOR ATTORNEY'S
FEES** to be served to all parties entitled to service through the Court's ECF system and to the
following individuals by the means indicated below:

By U.S. Mail, first class, postage prepaid, to:

BJ Holdings LLC
c/o Beasley Law Group PC, c/o Matthew Wade Beasley
Nevada Southern Detention Center
2190 East Mesquite Avenue
Pahrump, NV 89060

The Judd Irrevocable Trust
c/o Trustee Matthew Wade Beasley
Nevada Southern Detention Center
2190 East Mesquite Avenue
Pahrump, NV 89060

Jason M. Jongeward and JL2 Investments, LLC
[REDACTED]
Washington, UT [REDACTED]

PAJ Consulting, Inc
[REDACTED]
Huntington Beach CA [REDACTED]

Triple Threat Basketball, LLC
c/o Warren Rosegreen
[REDACTED]
Henderson, NV [REDACTED]

The Judd Irrevocable Trust
c/o Jeffrey Judd
[REDACTED]
Henderson, NV [REDACTED]

1 Jason A. Jenne

2 [REDACTED]
3 Las Vegas, NV [REDACTED]

4 Warren Rosegreen

5 Henderson, NV [REDACTED]

6 *By email to the following:*

7 Anthony Michael Alberto, Jr. and Monty Crew, LLC

8 [REDACTED]
9 Dyke Huish

10 Huish Law Firm

11 huishlaw@mac.com

Counsel for Roland Tanner

12
13
14 /s/ Casey R. Fronk

Casey R. Fronk

Exhibit A

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12 *Attorneys for Defendant Christopher R. Humphries*

13 **UNITED STATES DISTRICT COURT**

14 **DISTRICT OF NEVADA**

15 SECURITIES AND EXCHANGE
16 COMMISSION,

17 Plaintiff,

18 v.

19 MATTHEW WADE BEASLEY; BEASLEY
 20 LAW GROUP PC; JEFFREY J. JUDD;
 21 CHRISTOPHER R. HUMPHRIES; J&J
 22 CONSULTING SERVICES, INC., an Alaska
 23 Corporation; J&J CONSULTING SERVICE,
 24 INC., a Nevada Corporation; J AND J
 25 PURCHASING, LLC; SHANE M. JAGER;
 26 JASON M. JONEGARD; DENNY
 27 SEYBERT; and RONALD TANNER,

28 Defendants,

THE JUDD IRREVOCABLE TRUST; PAJ
 CONSULTING INC; BJ HOLDINGS LLC;
 STIRLING CONSULTING, L.L.C.; CJ
 INVESTMENTS, LLC; JL2
 INVESTMENTS, LLC; ROCKING HORSE
 PROPERTIES, LLC; TRIPLE THREAT
 BASKETBALL, LLC; ACAC LLC;
 ANTHONY MICHAEL ALBERTO, JR.; and
 MONTY CREW LLC;

Relief Defendants

CASE NO.: 2:22-cv-00612-JCM-EJY

**DEFENDANT CHRISTOPHER R.
 HUMPHRIES' ANSWERS TO
 PLAINTIFF SECURITIES AND
 EXCHANGE COMMISSION'S
 EXPEDITED DISCOVERY REQUESTS**



1 Defendant, Christopher R. Humphries, by and through his undersigned counsel of record,
2 Answers Plaintiff Securities and Exchange Commission’s Expedited Discovery Requests to
3 Defendants Jeffrey J. Judd, Christopher R. Humphries, Shane M. Jager, Jason M. Jongeward,
4 Denny Seybert, and Roland Tanner Pursuant to April 13, 2022 Temporary Restraining Order as
5 follows:

6 **GENERAL OBJECTIONS**

7 1. Defendant objects to Defendant’s Requests generally, and incorporates this objection
8 into each and every response, to the extent the Requests seek privileged or work-product protected
9 information, including without limitation materials protected by the attorney-client privilege or
10 other privileges held by Defendant, trial preparation materials, and work product prepared in
11 anticipation of litigation. In addition, Defendant objects to the Requests to the extent they seek
12 confidential materials, which are subject to privileges.

13 2. Defendant objects to the “Definitions and Instructions” generally, and incorporates this
14 objection into each and every response, to the extent that the “Definitions and Instructions”
15 attempt to impose upon Defendant an obligation to create a document-by-document privilege log
16 of documents protected by at least one applicable privilege. This request is overbroad, overly
17 burdensome, and not required by either the law or the Federal Rules of Civil Procedure. *See Fed.*
18 *R. Civ. P. 26(b)(5) advisory committee notes (1993 amendments)* (“The rule does not attempt to
19 define for each case what information must be provided when a party asserts a claim of privilege
20 or work product protection.”).

21 3. Defendant objects to the “Definitions and Instructions” generally, and incorporates this
22 objection into each and every response, to the extent the “Definitions” attempt to impose upon
23 Defendant obligations to respond beyond its obligations under the Federal Rules of Civil
24 Procedure.

25 4. Defendant objects to the Requests generally, and incorporates this objection into each
26 and every response, to the extent that the Requests attempt to impose upon Defendant obligations
27 to respond beyond the obligations set forth in the Court’s Temporary Restraining Order and
28 Orders: (1) Freezing Assets; (2) Requiring Accountings; (3) Prohibiting the Destruction of



1 Documents; and (4) Granting Expedited Discovery; and (5) Order to Show Cause re Preliminary
2 Injunction (herein, the “Temporary Restraining Order”).

3 **INTERROGATORIES**

4 **INTERROGATORY NO. 1:**

5 List each and every account presently owned, directly or indirectly, by or for the benefit
6 of You or Your spouse held at any bank, credit union, credit institution, savings association, trust
7 company, brokerage, or any other financial institution. Include in the list: (1) the financial
8 institution at which the account is held; (2) the owners, trustees, beneficiaries, and signatories on
9 the account; and (3) the date on which the account was opened.

10 **RESPONSE:**

11 **Objection. This Interrogatory is unintelligible as written, compound, calls for a legal**
12 **conclusion, improperly invades the province of the jury, and is premature in that discovery**
13 **is ongoing. See FRCP 33(a)(2). Further, this Interrogatory seeks information which is in**
14 **exclusive possession of the Federal Government. Subject to and without waiving said**
15 **objections: Defendant asserts the protections of the Fifth Amendment privilege against self-**
16 **incrimination. U.S. CONST. amend. V.**

17 **INTERROGATORY NO. 2:**

18 List each and every Asset owned, directly or indirectly, by or for the benefit of You or
19 Your spouse, with a present value of \$1000 or more. In the list, describe each Asset, where it is
20 held or located (if applicable), and its approximate fair market value.

21 **RESPONSE:**

22 **Objection. This Interrogatory is unintelligible as written, compound, calls for a legal**
23 **conclusion, improperly invades the province of the jury, and is premature in that discovery**
24 **is ongoing. See FRCP 33(a)(2). Further, this Interrogatory seeks information which is in**
25 **exclusive possession of the Federal Government. Subject to and without waiving said**
26 **objections: Defendant asserts the protections of the Fifth Amendment privilege against self-**
27 **incrimination. U.S. CONST. amend. V.**

28



1 **INTERROGATORY NO. 3:**

2 If You or Your spouse have transferred, assigned, sold, mortgaged, pledged, given
3 away, or donated any Asset with a present value of \$1000 or more since March 1, 2022, list
4 each such Asset, provide the name and address of the Person to whom said Asset was
5 transferred, assigned, sold, mortgaged, pledged, given away, or donated, the date of said
6 transfer, assignation, sale, mortgage, pledge, gift, or donation, and state what consideration
7 Your (or Your spouse) received in exchange.

8 **RESPONSE:**

9 **Objection. This Interrogatory is unintelligible as written, compound, calls for a legal**
10 **conclusion, improperly invades the province of the jury, and is premature in that discovery**
11 **is ongoing. See FRCP 33(a)(2). Further, this Interrogatory seeks information which is in**
12 **exclusive possession of the Federal Government. Subject to and without waiving said**
13 **objections: Defendant asserts the protections of the Fifth Amendment privilege against self-**
14 **incrimination. U.S. CONST. amend. V.**

15 **REQUESTS FOR ADMISSION**

16 **REQUEST FOR ADMISSION NO. 1:**

17 Admit that prior to January 1, 2022, You learned that one or more of the attorneys or law
18 offices identified as counsel for a personal injury plaintiff who purportedly entered one of the
19 Purchase Agreements had no record of representing the purported personal injury plaintiff named
20 in the Purchase Agreement.

21 **RESPONSE:**

22 **Objection. This Request is improper as it calls for a response beyond the scope of**
23 **FRCP 26 and FRCP 36. Requests for admissions are designed to eliminate relevant matters**
24 **of fact as to which there is no real dispute and should not be used as substitutes for discovery**
25 **processes to uncover evidence. See e.g., *Safeco of Am. v. Rawstron*, 181 F.R.D. 441, 445 (C.D.**
26 **Cal. 1998) (The “goal [of requests for admission] is to eliminate from trial matters as to**
27 **which there is no genuine dispute” and “they are not be treated as substitutes for discovery**
28 **processes to uncover evidence.”); *Ochotorena v. Adams*, 2009 WL 1953502 at *1, *5 (E.D.**



1 Cal. July 7, 2009) (same). This Request “is not simple, direct, or drafted in such a way that
2 a response can be rendered upon a mere examination of the request.” *See e.g., Henry v.*
3 *Champlain Enterprises, Inc.*, 212 F.R.D. 73, 77 (N.D.N.Y. 2003); *Diederich v. Department of*
4 *the Army*, 132 F.R.D. 614, 619 (S.D.N.Y.1990) (“To facilitate clear and succinct responses,
5 the facts stated within the request must be singularly, specifically, and carefully detailed.”).
6 Requests for admissions are designed to eliminate relevant matters of fact as to which there
7 is no real dispute and which the adverse party can admit cleanly, without qualifications. *See*
8 *e.g., Morgan v. Demille*, 106 Nev. 671, 676, 799 P.2d 561, 564 (1990).

9 Further objecting, this Request is unintelligible as written and cannot be admitted
10 or denied because it is written in counterparts and the conjunctive. Defendant also objects
11 that this Request assumes and mischaracterizes facts and improperly violates the
12 protections of the Fifth Amendment privilege against self-incrimination. U.S. CONST.
13 amend. V. Subject to and without waiving these objections, this Request is DENIED.

14 **REQUEST FOR ADMISSION NO. 2:**

15 Admit that prior to January 1, 2022, one or more investors in the Purchase Agreements
16 told you that they had communicated with one or more of the attorneys or law offices identified
17 as counsel for a personal injury plaintiff who purportedly entered one of the Purchase
18 Agreements, and the investor(s) were told that the attorney or law office contacted by the
19 investor(s) had no record of representing the purported personal injury plaintiff named in the
20 Purchase Agreement.

21 **RESPONSE:**

22 **Objection.** This Request is improper as it calls for a response beyond the scope of
23 FRCP 26 and FRCP 36. Requests for admissions are designed to eliminate relevant matters
24 of fact as to which there is no real dispute and should not be used as substitutes for discovery
25 processes to uncover evidence. *See e.g., Safeco of Am. v. Rawstron*, 181 F.R.D. 441, 445 (C.D.
26 Cal. 1998) (The “goal [of requests for admission] is to eliminate from trial matters as to
27 which there is no genuine dispute” and “they are not be treated as substitutes for discovery
28 processes to uncover evidence.”); *Ochotorena v. Adams*, 2009 WL 1953502 at *1, *5 (E.D.



1 Cal. July 7, 2009) (same). This Request “is not simple, direct, or drafted in such a way that
2 a response can be rendered upon a mere examination of the request.” *See e.g., Henry v.*
3 *Champlain Enterprises, Inc.*, 212 F.R.D. 73, 77 (N.D.N.Y. 2003); *Diederich v. Department of*
4 *the Army*, 132 F.R.D. 614, 619 (S.D.N.Y.1990) (“To facilitate clear and succinct responses,
5 the facts stated within the request must be singularly, specifically, and carefully detailed.”).
6 Requests for admissions are designed to eliminate relevant matters of fact as to which there
7 is no real dispute and which the adverse party can admit cleanly, without qualifications. *See*
8 *e.g., Morgan v. Demille*, 106 Nev. 671, 676, 799 P.2d 561, 564 (1990).

9 Further objecting, this Request is unintelligible as written and cannot be admitted
10 or denied because it is written in counterparts and the conjunctive. Defendant also objects
11 that this Request assumes and mischaracterizes facts and improperly violates the
12 protections of the Fifth Amendment privilege against self-incrimination. U.S. CONST.
13 amend. V. Subject to and without waiving these objections, this Request is DENIED.

14 **REQUEST FOR ADMISSION NO. 3:**

15 Admit that, at some point between January 1, 2017 and January 1, 2022, You became
16 aware that the Purchase Agreements were fake.

17 **RESPONSE:**

18 **Objection.** This Request is improper as it calls for a response beyond the scope of
19 FRCP 26 and FRCP 36. Requests for admissions are designed to eliminate relevant matters
20 of fact as to which there is no real dispute and should not be used as substitutes for discovery
21 processes to uncover evidence. *See e.g., Safeco of Am. v. Rawstron*, 181 F.R.D. 441, 445 (C.D.
22 Cal. 1998) (The “goal [of requests for admission] is to eliminate from trial matters as to
23 which there is no genuine dispute” and “they are not be treated as substitutes for discovery
24 processes to uncover evidence.”); *Ochotorena v. Adams*, 2009 WL 1953502 at *1, *5 (E.D.
25 Cal. July 7, 2009) (same). This Request “is not simple, direct, or drafted in such a way that
26 a response can be rendered upon a mere examination of the request.” *See e.g., Henry v.*
27 *Champlain Enterprises, Inc.*, 212 F.R.D. 73, 77 (N.D.N.Y. 2003); *Diederich v. Department of*
28 *the Army*, 132 F.R.D. 614, 619 (S.D.N.Y.1990) (“To facilitate clear and succinct responses,



1 the facts stated within the request must be singularly, specifically, and carefully detailed.”).
2 Requests for admissions are designed to eliminate relevant matters of fact as to which there
3 is no real dispute and which the adverse party can admit cleanly, without qualifications. *See*
4 *e.g., Morgan v. Demille*, 106 Nev. 671, 676, 799 P.2d 561, 564 (1990).

5 Further objecting, this Request is unintelligible as written and cannot be admitted
6 or denied because it is written in counterparts and the conjunctive. Defendant also objects
7 that this Request assumes and mischaracterizes facts and improperly violates the
8 protections of the Fifth Amendment privilege against self-incrimination. U.S. CONST.
9 amend. V. Subject to and without waiving these objections, this Request is DENIED.

10 **REQUEST FOR ADMISSION NO. 4:**

11 Admit that, at some point between January 1, 2017, and January 1, 2022, You became
12 aware that investor money provided to buy interests in the Purchase Agreements was not used to
13 fund personal injury settlements.

14 **RESPONSE:**

15 **Objection.** This Request is improper as it calls for a response beyond the scope of
16 FRCP 26 and FRCP 36. Requests for admissions are designed to eliminate relevant matters
17 of fact as to which there is no real dispute and should not be used as substitutes for discovery
18 processes to uncover evidence. *See e.g., Safeco of Am. v. Rawstron*, 181 F.R.D. 441, 445 (C.D.
19 Cal. 1998) (The “goal [of requests for admission] is to eliminate from trial matters as to
20 which there is no genuine dispute” and “they are not be treated as substitutes for discovery
21 processes to uncover evidence.”); *Ochotorena v. Adams*, 2009 WL 1953502 at *1, *5 (E.D.
22 Cal. July 7, 2009) (same). This Request “is not simple, direct, or drafted in such a way that
23 a response can be rendered upon a mere examination of the request.” *See e.g., Henry v.*
24 *Champlain Enterprises, Inc.*, 212 F.R.D. 73, 77 (N.D.N.Y. 2003); *Diederich v. Department of*
25 *the Army*, 132 F.R.D. 614, 619 (S.D.N.Y.1990) (“To facilitate clear and succinct responses,
26 the facts stated within the request must be singularly, specifically, and carefully detailed.”).
27 Requests for admissions are designed to eliminate relevant matters of fact as to which there
28



1 is no real dispute and which the adverse party can admit cleanly, without qualifications. *See*
2 *e.g., Morgan v. Demille*, 106 Nev. 671, 676, 799 P.2d 561, 564 (1990).

3 Further objecting, this Request is unintelligible as written and cannot be admitted
4 or denied because it is written in counterparts and the conjunctive. Defendant also objects
5 that this Request assumes and mischaracterizes facts and improperly violates the
6 protections of the Fifth Amendment privilege against self-incrimination. U.S. CONST.
7 amend. V. Subject to and without waiving these objections, this Request is DENIED.

8 **REQUEST FOR ADMISSION NO. 5:**

9 Admit that, at some point between January 1, 2017 and March 1, 2022, You, directly or
10 indirectly, received payment(s) for soliciting actual or potential investors to buy interests in the
11 Purchase Agreements.

12 **RESPONSE:**


13 **Objection. This Request is improper as it calls for a response beyond the scope of**
14 **FRCP 26 and FRCP 36. Requests for admissions are designed to eliminate relevant matters**
15 **of fact as to which there is no real dispute and should not be used as substitutes for discovery**
16 **processes to uncover evidence. *See e.g., Safeco of Am. v. Rawstron*, 181 F.R.D. 441, 445 (C.D.**
17 **Cal. 1998) (The “goal [of requests for admission] is to eliminate from trial matters as to**
18 **which there is no genuine dispute” and “they are not be treated as substitutes for discovery**
19 **processes to uncover evidence.”); *Ochotorena v. Adams*, 2009 WL 1953502 at *1, *5 (E.D.**
20 **Cal. July 7, 2009) (same). This Request “is not simple, direct, or drafted in such a way that**
21 **a response can be rendered upon a mere examination of the request.” *See e.g., Henry v.***
22 ***Champlain Enterprises, Inc.*, 212 F.R.D. 73, 77 (N.D.N.Y. 2003); *Diederich v. Department of***
23 ***the Army*, 132 F.R.D. 614, 619 (S.D.N.Y.1990) (“To facilitate clear and succinct responses,**
24 **the facts stated within the request must be singularly, specifically, and carefully detailed.”).**
25 **Requests for admissions are designed to eliminate relevant matters of fact as to which there**
26 **is no real dispute and which the adverse party can admit cleanly, without qualifications. *See***
27 ***e.g., Morgan v. Demille*, 106 Nev. 671, 676, 799 P.2d 561, 564 (1990).**



1 Further objecting, this Request is unintelligible as written and cannot be admitted
2 or denied because it is written in counterparts and the conjunctive. Defendant also objects
3 that this Request assumes and mischaracterizes facts and improperly violates the
4 protections of the Fifth Amendment privilege against self-incrimination. U.S. CONST.
5 amend. V. Subject to and without waiving these objections, this Request is DENIED.

6 Dated this 27th day of April, 2022.


7 CHRISTIANSEN TRIAL LAWYERS

8
9 By 
10 PETER S. CHRISTIANSEN, ESQ.
11 KENDELEE LEASCHER WORKS, ESQ.
12 KEELY A. PERDUE, ESQ.
13 *Attorneys for Defendant*
14 *Christopher R. Humphries*

15 **VERIFICATION**

16 I, PETER S. CHRISTIANSEN, ESQ., verify I have read the foregoing *Defendant*
17 *Christopher R. Humphries' Answers to Plaintiff Security and Exchange Commission's Expedited*
18 *Discovery Requests* and know the contents thereof, and that, based on the ongoing investigation,
19 and further upon information and belief, I believe them to be true.

20 DATED this 27th day of April, 2022.

21 
22 PETER S. CHRISTIANSEN, ESQ.
23 *Counsel for Defendant*
24 *Christopher R. Humphries*

CHRISTIANSEN
TRIAL LAWYERS



CERTIFICATE OF SERVICE

1 I certify that I am an employee of CHRISTIANSEN TRIAL LAWYERS, and that on this
2 27th day of April, 2022, I caused the foregoing document entitled *Defendant Christopher R.*
3 *Humphries' Answers to Plaintiff Security and Exchange Commission's Expedited Discovery*
4 *Requests* to be filed and served upon all parties and their counsel as follows:
5

6 ***By E-Mail:***

7
8 Tracy S. Combs, Esq.
9 combst@sec.gov
10 Casey R. Fronk, Esq.
11 FronkC@sec.gov
12 Securities and Exchange Commission
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Counsel for Plaintiff

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22 *Defendant Shane M. Jager*

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26 *Counsel for Defendant Denny Seybert*
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28



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 2 J and J Purchasing LLC
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 12 Trevor R. Waite, Esq.
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Counsel for Defendant Jeffrey Judd

15 ***Via U.S. Mail:***

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 18 Pahrump, Nevada 89060
 19 *Defendant*

20 J&J Consulting Services, Inc., an Alaska corporation
 21 c/o Northwest Registered Agent, Inc., Registered Agent
 125 North Willow Street, Suite B
 22 Kenai, Alaska 99611
 23 *Defendant*

24 Jason M. Jongeward &
 25 [REDACTED]
 Washington, Utah [REDACTED]
 26 *Defendant*

27 Roland Tanner
 28 [REDACTED]
 Henderson, Nevada [REDACTED]



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Defendant

PAJ Consulting, Inc.
c/o Matthew Beasley, Reg. Agent

[REDACTED]
N. Las Vegas, NV [REDACTED]
Relief Defendant

BJ Holdings, LLC
c/o Matthew Beasley, Reg. Agent

[REDACTED]
Las Vegas, NV [REDACTED]
Relief Defendant

Stirling Consulting, L.L.C.
c/o Shane Jager, Reg. Agent

[REDACTED]
Las Vegas, NV, [REDACTED]
Relief Defendant

CJ Investments, LLC
c/o Jessica Humphries, Reg. Agent

[REDACTED]
Henderson, NV [REDACTED]
Relief Defendant

JL2 Investments, LLC
c/o Jason M. Jongeward, Reg. Agent

[REDACTED]
Cheney, WA [REDACTED]
Defendant

Rocking Horse Properties, LLC
c/o Smith & Shapiro, PLLC, Reg. Agent
3333 E. Serene Ave., Suite 130
Henderson, Nevada 89074
Relief Defendant

Triple Threat Basketball, LLC
c/o BD & Associates CPAS PLLC, Reg. Agent
Attn. Brent Barlow
1671 W. Horizon Ridge Pkwy., Ste. 220
Henderson, NV 89012
Relief Defendant



1 ACAC, LLC
2 c/o Holley Driggs, Ltd., Reg. Agent
3 Attn. Ronald Thompson
4 400 South Fourth Street Third Fl.
5 Las Vegas, NV 89101
6 *Relief Defendant*

7 Anthony Michael Alberto, Jr.
8 [REDACTED]
9 Las Vegas, Nevada [REDACTED]
10 *Relief Defendant*

11 Monty Crew LLC
12 c/o Evans & Associates, Former Reg. Agent
13 Attn. Shannon L. Evans
14 2400 S Cimarron Rd., Ste. 140
15 Las Vegas, NV 89117
16 [REDACTED]
17 Philadelphia, PA [REDACTED]
18 *Relief Defendant*



19 _____
20 An employee of Christiansen Trial Lawyers

