

**In the United State District Court
For The District of New Jersey
Camden Vicinage**

Commodity Futures Trading Commission
Plaintiff,

Versus

Equity Financial Group LLC
Tech Traders, Inc., Tech Traders, Ltd.,
Magnum Investments, Ltd., Magnum
Capital Investments, Ltd., Vincent J. Firth,
Robert W. Shimer, Coyt E. Murray, and
J. Vernon Abernethy,
Defendants

Hon. Robert B. Kugler

**Civil Action No: 04-1512
(RBK)**

Answer of Defendant
J. Vernon Abernethy

I. The Parties

1. a. Admit
- b. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
- c. Admit
 - i. admit
 - ii. admit
 - iii. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
 - iv. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
- d. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
- e. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
- f. Admit
- g. Admit

II. Summary of Action

2. Denied
3. Denied
4. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
5. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
6. Denied. And by further answer:
 - a. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
 - b. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
 - c. Denied
7. Denied
8. The defendant does not know the intentions of the plaintiff and is therefore denied.

III. Jurisdiction and Venue

9. Denied
10. Denied

III. Facts

A.

11. Admit
12. Admit
13. Admit
14. Admit
15. Admit
16. Admit

B.

17. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
18. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

C.

19. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
20. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
21. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
22. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
23. Denied.
24. Denied
25. Denied
26. Denied
27. Denied
28. Denied

E.

29. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
30. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
31. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
32. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

45. Denied
46. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
47. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
- H.
48. Denied
49. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
50. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
51. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

Violations of the Commodity Exchange Act and Commission Regulations

Count I
Violations of Section 4b(a)(2) of the Act
Fraud by Misrepresentation

52. Allegation 52 is answered as above.
53. Admit
54. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
55. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
56. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
57. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
58. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
59. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

60. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

Count II
Violations of Section 4o(1)of the Act:
Commodity Pool Fraud

61. Allegation 61 is answered as above.

62. Admit

63. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

64. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

65. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

66. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

67. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

68. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

69. Denied

70. Denied

71. Denied

72. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

73. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

74. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

75. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

76. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

77. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
78. Allegation 78 is answered as above.
79. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
80. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
81. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
82. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
83. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
84. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

Count IV
Violations of Section 4k(2) of the Act
Failure to Register as an AP of a CPO

85. Allegation 85 is answered as above.
86. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
87. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
88. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
89. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
90. Denied

Count V
Violations of CPO and CTA Regulations
17 C.F.R. SS 4.20, 4.21, 4.22 and 4.30

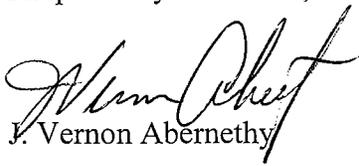
91. Allegation 91 is answered as above.

92. Admit
93. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
94. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
95. Admit.
96. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
97. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
98. Denied
99. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
100. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
101. Admit
102. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
103. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
104. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
105. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
106. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.
107. The defendant lacks sufficient knowledge as to the truth or falsity of the allegation and therefore lacks the reasonable ability to determine the truth or falsity of the allegation. Therefore, the allegation is denied.

VI. Relief Requested

Therefore the defendant J. Vernon Abernethy respectfully requests this court dismiss all actions against him.

Respectfully submitted,


J. Vernon Abernethy

August 31, 2004

Certificate of Service

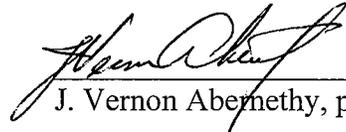
I, **J. Vernon Abernethy**, certify that I served my answer as Defendant to the allegations against me with copies of my answer by depositing copies with the United States Postal Service, postage paid and addressed to the following:

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