

**UNITED STATES DISTRICT COURT**

for the

**Western District of Texas**

FILED

2015 SEP -9 PM 4: 05

CLERK US DISTRICT COURT  
WESTERN DISTRICT OF TEXAS

BY \_\_\_\_\_   
DEPUTY

**THOMAS L. Taylor III, solely in his capacity as**

**Court-appointed Receiver for Robert Helms, et al.**

Civil Action No. 15-cv-627-LY

Plaintiff(s)

**MICHAEL SAMOUCÉ, MARK KYLE and APPLIED**

**QUANTITATIVE SOLUTIONS, LLC**

Defendant(s)

**DEFENDANT MICHAEL SAMOUCÉ**

**ADMISSIONS AND DENIALS**

NOW COMES Michael Samouce, Pro Se Defendant herein ("Samouce")

1. Samouce admits receipt of compensation but denies "---and participation in---" each and every remaining allegation contained in Paragraph 1 of the complaint.
2. Samouce admits to information contained in Paragraph 2 of the complaint.
3. Samouce admits with paragraph 3 but denies having any knowledge till after the fact that it was a "Ponzi scheme ". Samouce also denies knowledge that "Helms and Kaelin raised approximately \$31,400,000 in proceeds from investors ("Vendetta Offering")."
4. Samouce admits that "Helms and Kaelin represented to investors that Vendetta Partners generated profits from a portfolio of oil-and-gas royalty interest, which profits would be distributed to investors a partnership distributions", but denies all remaining allegations contained in Paragraph 4 of the complaint.
5. Samouce admits with paragraph 5 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased for each and every allegation contained in Paragraph 5 of the complaint.

6. Samouce admits with paragraph 6 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased for each and every allegation contained in Paragraph 6 of the complaint
7. Samouce admits to sentences 1 and 2. Samouce admits that he was a registered "Finder" with the state of Texas but denies each and every remaining allegation contained in Paragraph 7 of the complaint.
8. Samouce admits that Samouce and Kyle recruited into Vendetta but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased for each and every allegation contained in Paragraph 8 of the complaint. Samouce is unable to respond to sentence 4 of paragraph 8 of the complaint.
9. The allegations contained in paragraph 9 of the complaint appear to be argument. Defendant is not required to admit or deny the same. To the extent the allegations contained in paragraph 9 of the complaint are deemed to be allegations of fact, Defendant denies those allegations.
10. The allegations contained in paragraph 10 of the complaint appear to be argument. Defendant is not required to admit or deny the same. To the extent the allegations contained in paragraph 10 of the complaint are deemed to be allegations of fact, Defendant denies those allegations.
11. Samouce denies each and every allegation contained in Paragraph 11 of the complaint.
12. Samouce admits the information contained in Paragraph 12 of the complaint.
13. Samouce admits that he is an individual residing in Austin, Texas.
14. Samouce admits that Mark Kyle is an individual residing in Austin, Texas.
15. Samouce admits that AQS is a Texas LLC doing business in the Austin, Texas metropolitan area and received compensation through the medium of AQS, but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased that Vendetta was a Ponzi scheme.
16. Samouce admits they are domiciled in the Western District of Texas where the Enforcement Action was filed.
17. Samouce admits paragraph 17 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased.

18. Samouce admits paragraph 18 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased.
19. Samouce admits paragraph 19 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased.
20. Samouce admits paragraph 20 but denies having any knowledge and was not aware of the facts until after operations and my involvement ceased.
21. Samouce is without knowledge or information sufficient to form a belief as to the truth of each and every allegation contained in Paragraphs 21 of the complaint and therefore denies them.
22. Samouce admits that they were paid commissions for the Vendetta Offering as of August 15, 2011 of approximately \$52,000 paid to Samouce and Kyle both directly through AQS but is without knowledge or information sufficient to form a belief as to the truth of each and every remaining allegation contained in Paragraph 22 of the complaint and therefore denies them.
23. Samouce admits that "The Vendetta Offering was effectuated through a private placement memorandum ("PPM")."
24. Samouce admits that Vendetta Partners acquired funds from investors in the Vendetta Offering in exchange for equity interest in Vendetta Partners, but denies each and every remaining allegation contained in Paragraph 24 of the complaint and therefore denies them.
25. Samouce denies paragraph 25 of the complaint.
26. Samouce denies paragraph 26 of the complaint.
27. Samouce denies paragraph 27 of the complaint.
28. Samouce denies paragraph 28 of the complaint.
29. The allegations contained in paragraph 29 of the complaint appear to be argument. Defendant is not required to admit or deny the same. To the extent the allegations contained in paragraph 29 of the complaint are deemed to be allegations of fact, Defendant denies those allegations.
30. Samouce denies paragraph 30 of the complaint.
31. Samouce denies paragraph 31 of the complaint.

32. Samouce denies paragraph 32 of the complaint.
33. Samouce denies paragraph 33 of the complaint.
34. Samouce denies paragraph 34 of the complaint..
35. Samouce admits "Helms and Kaelin represented in the Vendetta Partners PPM and other offering materials that over 99% of investors' funds would be used to by royalty interest." but denies sentence 2 in paragraph 35 of the complaint.
36. Samouce denies paragraph 36 of the complaint.
37. Samouce admits sentences 1 and 3 and denies sentences 2 and 4 of paragraph 37 of the complaint.
38. Samouce denies paragraph 38 of the complaint.
39. Samouce denies paragraph 39 of the complaint.
40. Samouce denies paragraph 40 of the complaint.
41. Samouce admits Helms and Kaelin represented that the sale of Vendetta Partners portfolio was imminent, and that they had received offers to purchase the Vendetta Partners portfolio for amounts in excess of \$100 million but denies knowledge of each and every remaining allegation contained in paragraph 41 of the complaint.
42. Samouce admits to paragraph 42 but denies knowledge of ownership structure and management of Helms and Kaelin in Iron Rock Management, Barefoot Minerals, Technicolor Minerals and Haley Oil.
43. Samouce denies paragraph 43 of the complaint.
44. Samouce denies knowledge of paragraph 44 of the complaint.
45. Samouce admits that Helms and Kaelin caused extensive damages to the Vendetta Entities as evidenced after the fact.
46. Samouce denies sentence 1 and the amount of least \$10.4 million and 33% of the proceeds in sentence 2 but admits to transfers in sentence 3 of paragraph 46 of the complaint.

47. Samouce denies paragraph 47 of the complaint
48. Samouce admits that Kyle has never held a securities license from any federal, state or other authority.
49. Samouce admits to paragraph 49 of the complaint.
50. Samouce admits to paragraph 50 of the complaint.
51. Samouce admits to paragraph 51 of the complaint.
52. Samouce admits to paragraph 52 of the complaint
53. Samouce admits to paragraph 53 but was told that commissions were to be paid from the general partners of Vendetta, Helms and Kaelin, share of revenues.
54. Samouce agrees that Samouce and Kyle provided the Vendetta Partners PPM and other marketing materials to potential investors and made presentations to potential investors in person using PowerPoint presentations and other marketing materials but denies each and every remaining allegation contained in Paragraph 54 of the complaint.
55. Samouce admits to sentences 1, 2, and 3 but denies knowledge of sentences 4 and 5 of paragraph 55 of the complaint.
56. Samouce admits to paragraph 56 of the complaint.
57. Samouce denies "Over the two years", and does not have sufficient knowledge to know the total amount investors subscribed to Vendetta in the amounts exceeding \$10,400,000 but admits remaining information in paragraph 57 of the complaint. Samouce also denies paragraph D of in paragraph of the complaint.
58. Samouce denies paragraph 58 of the complaint.
59. Samouce denies sentences 1 and 3 of paragraph 59 of the complaint and admits sentence 2 of paragraph 59 of the complaint. Samouce held a Texas Finders certificate at the time.
60. Samouce admits to paragraph 60 of the complaint.
61. Samouce denies paragraph 61 of the complaint.
62. Samouce denies paragraph 62 of the complaint.
63. Samouce admits that "Samouce and Kyle agreed to, and did, receive commissions – both directly and indirectly through AQS", but denies of each and every allegation contained in Paragraph 63 of the complaint.

64. Samouce denies paragraph 64 of the complaint.
65. Samouce denies paragraph 65 of the complaint.
66. Samouce denies paragraph 66 of the complaint.
67. Samouce denies paragraph 67 of the complaint.
68. Samouce denies paragraph 68 of the complaint.
69. The allegations contained in paragraph 69 of the complaint appear to be argument. Defendant is not required to admit or deny the same. To the extent the allegations contained in paragraph 69 of the complaint are deemed to be allegations of fact, Defendant denies those allegations.
70. Samouce admits sentence 1, but denies the remaining allegations contained in paragraph 70 of the complaint
71. Samouce admits that “a limited partner in Vendetta Partners – recruited by Samouce and Kyle – who also recruited investors into the Vendetta Offering without License to do so” but denies the remaining allegations contained in paragraph 72 of the complaint.
72. Samouce denies paragraph 72 of the complaint.
73. Samouce denies each and every allegation contained in paragraph 73 of the complaint.
74. Samouce denies paragraph 74 of the complaint.
75. Samouce admits that “transfers made by Helms and Kaelin” –“were made to Samouce and Kyle through AQS” but denies “The majority of transfers” and the remaining allegations contained in paragraph 75 of the complaint.
76. Samouce admits that AQS was owned and controlled by Samouce at all times relevant to this action and that “Kyle owned 50% of AQS, or otherwise had a 50% financial interest in AQS” but denies every remaining allegation contained in paragraph 76 of the complaint.
77. Samouce admits that AQS corporate existence with the state of Texas was forfeited for the failure to file and pay franchise taxes between approximately July 2010 and March 2012 and again from approximately February 2013 to June 2014 but AQS was reinstated with the State of Texas subsequently once the franchise taxes had been filed and payment of any outstanding taxes.
78. Samouce admits to paragraph 78, but denies “he sought to use AQS to accomplish the transaction.”

79. Samouce denies Samouce and Kyle have abandoned AQS. Samouce admits that Samouce and Kyle formed new entities, including without limitation Encore Kinetics group, LLC and Encore Royalty Partners, LLC ("Encore") but denies "are carrying on essentially the same business that they conducted through AQS for compensation" Samouce admits "namely, recruiting investors to contribute money to Encore, which they invest in Richfield Energy Partners, Royalty Partners Group" but denies and/or other entities"
80. Samouce denies paragraph 80 of the complaint.
81. Samouce denies paragraph 81 of the complaint
82. Samouce denies paragraph 82 of the complaint.
83. Samouce denies paragraph 83 of the complaint.
84. Samouce denies paragraph 84 of the complaint.
85. Samouce denies paragraph 85 of the complaint
86. Samouce denies paragraph 86 of the complaint.
87. Samouce denies paragraph 87 of the complaint
88. Samouce denies each and every allegation in paragraph 88 of the complaint.
89. Samouce denies paragraph 89 of the complaint.
90. Samouce neither admits nor denies paragraph 90 of the complaint.
91. Samouce denies paragraph 91 of the complaint.
92. Samouce neither admits nor denies paragraph 92 of the complaint.
93. Samouce denies paragraph 93 of the complaint.
94. Samouce denies paragraph 94 of the complaint
95. Samouce denies each and every allegation contained in paragraph 95 of the complaint
96. Samouce denies each and every allegation contained in paragraph 96 of the complaint.
97. Samouce denies each and every allegation contained in paragraph 97 of the complaint.
98. Samouce denies each and every allegation contained in paragraph 98 of the complaint.

99. Samouce denies each and every allegation contained in paragraph 99 of the complaint.


100. Samouce denies each and every allegation in paragraph 100 of the complaint

101. Samouce denies each and every allegation in paragraph 101 of the complaint.

102. Samouce denies each and every allegation in paragraph 102 of the complaint.

103. Samouce denies each and every allegation in paragraph 103 of the complaint.

104. Samouce denies paragraph 104 of the complaint.

  
MICHAEL D. SAMOUCÉ  
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Email: msamouce@gmail.com  
(512) 461-6453



## CERTIFICATE OF SERVICE

I hereby certify that on September 9, 2015 I filed the foregoing document with the Clerk of the Court for the Western District of Texas, Austin Division and that I notified all parties in the manner listed below:

By Email and Certified Mail:

Thomas L. Taylor III Court –Appointed Receiver


4550 Post Oak Place Drive, Suite 241

Houston, Texas 77027-3117

[info@vendettaroyaltyreceivership.com](mailto:info@vendettaroyaltyreceivership.com)

Michael D Samouce

Pro Se Defendant



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