

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

R. BROOKE DUNN
and NICHOLAS P. HOWEY,

Defendants.

Case No.

COMPLAINT

Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

JURISDICTION AND VENUE

1. The Commission brings this action pursuant to the authority conferred upon it by Section 20(b) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77t(b)] and Section 21(d) of the Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78u(d)].

2. This Court has jurisdiction over this action pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Sections 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(e) and 78aa]. Venue lies in this Court pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27 of the Exchange Act [15 U.S.C. § 78aa].

3. In connection with the transactions, acts, practices, and courses of business described in this Complaint, R. Brooke Dunn (“Dunn”) and Nicholas P. Howey (“Howey”),

directly and indirectly, have made use of the means, instruments, or instrumentalities of transportation or communication in interstate commerce, or of the mails.

4. Certain of the transactions, acts, practices, and courses of business constituting the violations of the federal securities laws occurred within this district. Moreover, at the time of the acts alleged in this Complaint, Dunn resided in this district and Howey owned a home in this district.

PARTIES AND RELATED PERSONS

5. **Shuffle Master, Inc.** (“Shuffle Master”) is a Las Vegas based gaming supply company that provides casinos with products such as automatic card shufflers, roulette chip sorters, and video slot machines. Its stock is quoted on the Nasdaq, and its options trade publicly on the Chicago Board Options Exchange and elsewhere.

6. **Defendant R. Brooke Dunn** is a resident of Henderson, Nevada. Dunn joined Shuffle Master in 1996. From 2001 to 2008, Dunn was a senior vice president, a corporate officer, and a member of Shuffle Master’s senior management team. He reported directly to Shuffle Master’s chief executive officer.

7. **Defendant Nicholas Howey** is a resident of Darnestown, Maryland. During the relevant time, Howey owned a home in Nevada. Howey is the chief executive officer of a privately held company that produces musicals and other shows.

FACTS

A. Background

8. Dunn and Howey first met professionally in the early 1990s and subsequently became friends. On occasion, Howey, through his connections in the entertainment industry, gave Dunn opportunities to purchase “house tickets” at face value to theatre productions in New York and Las Vegas. Those tickets were usually for high quality seats and frequently for shows for which tickets would otherwise be difficult to acquire. Dunn and Howey also played golf and had dinner together when Howey was staying at his winter home in Las Vegas.

B. Dunn Provides Information to Howey That Causes Howey to Buy Shuffle Master Stock and Calls

9. In or around November 2006, Shuffle Master and International Game Technology, Inc. (“IGT”) began discussing a possible joint venture, called “Project Blue Sky,” to exploit one of Shuffle Master’s products called E-Tables. Shuffle Master senior management viewed the anticipated joint venture as very advantageous to Shuffle Master and Dunn was privy to information about Project Blue Sky. The discussions progressed into negotiations and, on February 14, 2007, Shuffle Master and IGT executed a non-binding term sheet. The deal did not close. No public announcement was ever made concerning Project Blue Sky.

10. On January 16, 2007, Dunn and Howey had dinner in Las Vegas and discussed Shuffle Master.

11. On January 19, three days later, Howey wrote in an email that “Brook [sic] thinks it [Shuffle Master] will go to 31 in 2 weeks.” The next day, on January 20, Howey wrote in his personal trading journal: “Put all eggs in SHFL.” Finally, on January 29, approximately two weeks before Shuffle Master and IGT signed the non-binding Project Blue Sky term sheet,

Howey wrote in his trading journal: “Stocking up on SHFL pending their IGT announcement (Vegas tip).”

12. During this time, and consistent with the entries in his trading journal, Howey bought substantial amounts of Shuffle Master stock and “calls.” A call is an option that gives the holder the right to buy a stock at a specified price (the “strike price”) at any time up to a specified date (the “expiration date”). Calls are purchased when the buyer expects the price of the underlying stock to increase.

13. On January 24, 2007, Howey sold substantially all of the Shuffle Master calls, which had varying expiration dates, that he had purchased over the previous eight days. He retained 280 shares of stock (a \$7,218 position) that he had purchased on January 17 and 18. With the proceeds from those sales, Howey then purchased large quantities of March 25 calls (calls that expired in March and had a strike price of \$25.00), acquiring a position of 653 March 25 calls (for \$158,985) between January 24 and February 21, 2007.

14. The price of Howey’s Shuffle Master calls began declining significantly around February 9. In particular, between February 8 and 15, the closing price of those calls declined nearly 40% from \$2.55 to \$1.55. At a February 15 dinner, Howey told Dunn that he was “losing money on Shuffle Master” and asked Dunn what was “going on.”

C. Dunn Discloses Material Nonpublic Information about Shuffle Master’s Planned Announcement of Preliminary Financial Results

15. On February 26, 2007, commencing at 9:00 a.m., Dunn attended Shuffle Master’s weekly executive team meeting where he learned that the company would issue a press release announcing disappointing preliminary financial results (i.e., results based on current, but not yet complete, information) for its quarter that ended January 31, 2007.

16. Dunn left the meeting at 9:20 and at 9:26, called Howey and spoke to him. Upon information and belief, Dunn disclosed during that call material nonpublic information relating to Shuffle Master's anticipated announcement, in breach of his fiduciary duty to Shuffle Master and its shareholders.

17. Howey knew that Dunn was an executive at Shuffle Master and knew or should have known that Dunn disclosed material nonpublic information in breach of his fiduciary duty to Shuffle Master and its shareholders.

D. Howey Immediately Trades Shuffle Master Securities after Receiving Material Nonpublic Information about Shuffle Master

18. At 9:29 a.m. Howey logged in to his personal E-Trade account and immediately sold all of his previously-purchased Shuffle Master calls.

19. Approximately three hours later, Howey began buying Shuffle Master March 25 "puts." A "put" is an option that gives the holder the right to sell a stock at a specified strike price at any time up to a specified expiration date. Notably, March puts were the earliest expiring puts that Howey could buy at that time, a fact that is consistent with a belief that Shuffle Master's stock price would decline soon. In a short span of minutes, Howey bought 570 such puts at a cost of \$57,185. According to Howey's brokerage account records, this was the only time between September 1, 2006 and May 30, 2007 that Howey bought puts valued at more than \$16,570 on any single stock on any single day. Indeed, Howey only bought approximately \$47,000 of puts during that entire period. Around that same time, Howey also sold his remaining 280 shares of Shuffle Master stock for \$6,905.

20. On the morning of February 27, before the markets opened, Shuffle Master issued its press release announcing disappointing preliminary results for the fiscal quarter ended

January 31. The announcement stated that the company expected revenue for its fiscal quarter that ended January 31 to be approximately \$35 to \$38 million, significantly lower than the consensus analyst estimate of \$49.6 million, with net income and earnings per share to be significantly lower than the same prior year period. The announcement also stated that, as a result of near-term uncertainty, management had decided to suspend guidance temporarily for fiscal 2007.

21. After the announcement, the price of Shuffle Master stock and calls declined dramatically, while the price of Shuffle Master puts increased dramatically.

22. Later that morning, Howey sold all of the 570 Shuffle Master March 25 puts that he had bought the day before.

23. Howey's profits and losses avoided from the foregoing transactions were at least \$237,000.

24. Dunn benefited from the foregoing by conferring a gift of confidential information on his friend Howey. That gift allowed Howey to turn a losing investment – an investment in which Dunn had played a role in Howey's decision to invest – into a profitable one.

FIRST CLAIM FOR RELIEF

(Violations of Section 17(a)(1) of the Securities Act)
[15 U.S.C. § 77q(a)(1)]

25. Paragraphs 1 through 24 are hereby realleged and incorporated by reference.

26. Dunn and Howey, in the offer or sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, with scienter, employed a device, scheme, or artifice to defraud.

27. By reason of the foregoing, Dunn and Howey violated and unless restrained and enjoined will violate Section 17(a)(1) of the Securities Act.

SECOND CLAIM FOR RELIEF

(Violations of Section 17(a)(2) and (3) of the Securities Act)
[15 U.S.C. §§ 77q(a)(2) and (3)]

28. Paragraphs 1 through 27 are hereby realleged and incorporated by reference.

29. Dunn and Howey, in the offer or sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, obtained money or property by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

30. Dunn and Howey, in the offer or sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, engaged in transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchasers of securities.

31. By reason of the foregoing, Dunn and Howey violated and unless restrained and enjoined will violate Sections 17(a)(2) and (3) of the Securities Act.

THIRD CLAIM FOR RELIEF

(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder)

32. Paragraphs 1 through 31 are hereby realleged and incorporated by reference.

33. Dunn and Howey, directly or indirectly, with scienter, by use of the means or instrumentalities of interstate commerce, or of the mails, in connection with the purchase or sale of Shuffle Master securities, have employed devices, schemes, or artifices to defraud; have made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or have engaged in acts, practices, or courses of business which have been and are operating as a fraud or deceit upon the purchasers or sellers of such securities.

34. By reason of the foregoing, Dunn and Howey violated and unless restrained and enjoined will violate Section 10(b) of the Exchange Act and Rule 10b-5.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court:

- 1) Find that Dunn and Howey committed the violations alleged;
- 2) Enter injunctions, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently restraining and enjoining Dunn and Howey, their agents, representatives, and all persons in active concert or participation with them, from violating, directly or indirectly, the provisions of law and rules alleged in this Complaint;
- 3) Order that Dunn and Howey disgorge all ill-gotten gains, with prejudgment interest;

- 4) Order that Dunn and Howey pay civil penalties;
- 5) Order that Dunn be prohibited from serving as an officer or director of any public company; and
- 6) Grant such other relief as this Court may deem just or appropriate.

Dated: November 19, 2009

Respectfully submitted,

/s/ Nancy J. Gegenheimer

Nancy J. Gegenheimer

Attorney for Plaintiff

Securities and Exchange Commission

1801 California Street, Suite 1500

Denver, Colorado 80202

Telephone: (303) 844-1050

Facsimile: (303) 844-1063

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

U.S. Securities and Exchange Commission

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

Nancy J. Gegenheimer

(c) Attorney's (Firm Name, Address, and Telephone Number)

SEC, 1801 California St., Ste. 1500, Denver, CO 80202
Phone- (303) 844-1000

DEFENDANTS

R. Brooke Dunn and Nicholas P. Howey

County of Residence of First Listed Defendant _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE
LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
☐ 2 U.S. Government Defendant
☐ 3 Federal Question (U.S. Government Not a Party)
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|---------------------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input checked="" type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury PERSONAL INJURY <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition			

V. ORIGIN

(Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
☐ 2 Removed from State Court
☐ 3 Remanded from Appellate Court
☐ 4 Reinstated or Reopened
☐ 5 Transferred from another district (specify) _____
☐ 6 Multidistrict Litigation
☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
15 U.S.C. § 77q(a) (1); 15 U.S.C. §§ 77q(a) (2) and (3); 15 U.S.C. § 78 j(b) and 17 C.F.R. § 240.10b-5]
Brief description of cause: Violations of the federal securities laws

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

11/19/2009

s/ Nancy J. Gegenheimer

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44**Authority For Civil Cover Sheet**

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553

Brief Description: Unauthorized reception of cable service

VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

VIII. Related Cases. This section of the JS 44 is used to reference related pending cases if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

AO 440 (Rev. 02/09) Summons in a Civil Action

UNITED STATES DISTRICT COURT
for the

Securities and Exchange Commission

Plaintiff

v.

R. Brooke Dunn and Nicholas P. Howey

Defendant

)
)
) Civil Action No.
)
)

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* R. Brooke Dunn
1360 Enchanted River Drive
Henderson, NV 89014

A lawsuit has been filed against you.

Within 20 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Nancy J. Gegenheimer, Esq.
1801 California St., Ste. 1500
Denver, CO 80202

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4(1))*

This summons for *(name of individual and title, if any)* _____
 was received by me on *(date)* _____ .

☐ I personally served the summons on the individual at *(place)* _____
 _____ on *(date)* _____ ; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
 _____, a person of suitable age and discretion who resides there,
 on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
 designated by law to accept service of process on behalf of *(name of organization)* _____
 _____ on *(date)* _____ ; or

☐ I returned the summons unexecuted because _____ ; or

☐ Other *(specify)*: _____ .

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc:

AO 440 (Rev. 02/09) Summons in a Civil Action

UNITED STATES DISTRICT COURT
for the

Securities and Exchange Commission

Plaintiff

v.

R. Brooke Dunn and Nicholas P. Howey

Defendant

)
)
)
)
)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* Nicholas P. Howey
11400 Braemar Crescent Way
Darnestown, MD 20878

A lawsuit has been filed against you.

Within 20 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Nancy J. Gegenheimer, Esq.
1801 California St., Ste. 1500
Denver, CO 80202

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4(1))*

This summons for *(name of individual and title, if any)* _____
 was received by me on *(date)* _____ .

☐ I personally served the summons on the individual at *(place)* _____
 _____ on *(date)* _____ ; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
 _____, a person of suitable age and discretion who resides there,
 on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
 designated by law to accept service of process on behalf of *(name of organization)* _____
 _____ on *(date)* _____ ; or

☐ I returned the summons unexecuted because _____ ; or

☐ Other *(specify)*: _____ .

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc: