

1 DAVID R. ZARO (BAR NO. 124334)
TED FATES (BAR NO. 227809)
2 ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
3 515 South Figueroa Street, Ninth Floor
Los Angeles, California 90071-3309
4 Phone: (213) 622-5555
Fax: (213) 620-8816
5 E-Mail: dzaro@allenmatkins.com
tfates@allenmatkins.com

6 Attorneys for Receiver
7 THOMAS A. SEAMAN

8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN JOSE DIVISION

11 SECURITIES AND EXCHANGE
COMMISSION,

12 Plaintiff,

13 vs.

14 SMALL BUSINESS CAPITAL CORP.;
15 MARK FEATHERS; INVESTORS
PRIME FUND, LLC; AND SBC
16 PORTFOLIOS, LLC,

17 Defendants.

Case No. CV12-03237

RECEIVER'S REPLY TO OPPOSITION
OF MR. FEATHERS TO RECEIVER'S
MOTION FOR APPROVAL OF SALE
OF 7(A) LOAN PORTFOLIO,
SERVICING RIGHTS AND SBLC
LICENSE

Date: February 25, 2016
Time: 3:00 p.m.
Ctm: 4 - 5th Floor
Judge: Hon. Edward J. Davila

18
19 Thomas Seaman ("Receiver"), court appointed receiver for Small Business
20 Capital Corp., et al., files this Reply and to Feathers Opposition To Receivers
21 Motion For Approval of Sale of 7(a) Loan Portfolio, Servicing Rights And SBLC
22 License.

23 The Receiver has not received a single opposition from an investor or anyone
24 else other than Mr. Feathers. The Securities and Exchange Commission
25 ("Commission"), has filed a brief in support of the Motion of Receiver For Approval
26 of Sale of 7(a) Loan Portfolio, Servicing Rights and SBLC License, ("Sale
27 Motion").
28

1 As the Court has repeatedly noted on the record, Mr. Feathers cannot and
2 does not speak for any of the investors or anyone else. He speaks only for himself.
3 As such, the Court should ignore Mr. Feathers' arguments concerning the wishes of
4 the investors. The balance of Mr. Feathers' opposition is simply unintelligible and
5 irrelevant to the Sale Motion.

6 In light of the arguments set forth in the Sale Motion, the support of the
7 Commission, and the lack of any meaningful opposition, the Receiver requests the
8 Court grant the Sale Motion.

9
10 Dated: February 10, 2016

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

11
12 By: /s/ David R. Zaro
13 DAVID R. ZARO
14 Attorneys for Receiver
15 THOMAS A. SEAMAN
16
17
18
19
20
21
22
23
24
25
26
27
28

PROOF OF SERVICE

Securities and Exchange Commission v. Small Business Capital Corp; Mark Feathers, et al.
USDC, Northern District of California – San Jose Division – Case No. 5:12-cv-03237-EJD

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 515 S. Figueroa Street, 9th Floor, Los Angeles, California 90071-3398.

A true and correct copy of the foregoing document(s) described below will be served in the manner indicated below:

**RECEIVER'S REPLY TO OPPOSITION OF MR. FEATHERS TO
RECEIVER'S MOTION FOR APPROVAL OF SALE OF 7(a) LOAN
PORTFOLIO, SERVICING RIGHTS AND SBLC LICENSE**

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")** – the above-described document will be served by the Court via NEF. On **February 10, 2016**, I reviewed the CM/ECF Mailing Info For A Case for this case and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

- **Eric James Adams**
eric.adams@sba.gov
- **John Brian Bulgozdy**
bulgozdyj@sec.gov, LAROfiling@sec.gov, delgadilloj@sec.gov,
mitchells@sec.gov, berryj@sec.gov, irwinma@sec.gov
- **California Business Bank**
rormond@buchalter.com
- **Lynn Marie Dean**
deanl@sec.gov, larofiling@sec.gov, mitchells@sec.gov, berryj@sec.gov
irwinma@sec.gov
- **Ted Fates**
tfates@allenmatkins.com, bcrfilings@allenmatkins.com,
jbatiste@allenmatkins.com
- **Susan Frances Hannan**
hannans@sec.gov
- **John M. McCoy , III**
mccoyj@sec.gov
- **Richard Paul Ormond**
rormond@buchalter.com, jwright@buchalter.com, clazo@buchalter.com
- **Loraine L. Pedowitz**
lpedowitz@allenmatkins.com
- **James A. Scharf**
james.scharf@usdoj.gov, mimi.lam@usdoj.gov

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- **Carol Elizabeth Schultze**
schultze@sec.gov,masseym@sec.gov,caroleschultze@gmail.com,clarket@sec.gov
- **Thomas A. Seaman**
tom@thomasseaman.com
- **David Robert Zaro**
dzaro@allenmatkins.com

2. **SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):** On **February 10, 2016**, I served the following person(s) and/or entity(ies) in this case by placing a true and correct copy thereof in a sealed envelope(s) addressed as indicated below. I am readily familiar with this firm's practice of collection and processing correspondence for mailing. Under that practice it is deposited with the U.S. postal service on that same day in the ordinary course of business. I am aware that on motion for party served, service is presumed invalid if postal cancellation date or postage meter date is more than 1 (one) day after date of deposit for mailing in affidavit.

Pro Se Defendant

U.S. First Class Mail

Mark Feathers
 1520 Grant Road
 Los Altos, CA 94024
 650.776.2496 (phone) | 650.961.2382 (fax)
 markfeathers@sbcglobal.net

I declare that I am employed in the office of a member of the Bar of this Court at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on **February 10, 2016** at Los Angeles, California.

/s/ Martha Diaz

Martha Diaz