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

12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 vs.

15 SMALL BUSINESS CAPITAL CORP.;
 16 MARK FEATHERS; INVESTORS PRIME
 FUND, LLC; and SBC PORTFOLIO
 FUND, LLC,

17 Defendants.

Case No. CV12-03237

DECLARATION OF THOMAS A.
SEAMAN IN SUPPORT OF MOTION FOR
ADMINISTRATIVE RELIEF UNDER
CIVIL L.R. 7-11:

- 1) SETTING CLAIMS BAR DATE; AND
- 2) APPROVING CLAIM FORMS

Judge: Hon. Edward J. Davila

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1 DECLARATION OF THOMAS A. SEAMAN

2 I, THOMAS A. SEAMAN, declare as follows:

3 1. I am the Court-appointed permanent Receiver for Small Business Capital
4 Corp. ("SB Capital"), Investors Prime Fund, LLC ("IPF"), SBC Portfolio Fund, LLC
5 ("SPF") and their subsidiaries and affiliates¹ (collectively, the "Receivership Entities"). I
6 have personal knowledge of the facts set forth in this Declaration and, if called as a
7 witness, could and would testify competently to such facts under oath. I submit this
8 declaration in support of the motion for order setting claims bar date and approving claim
9 forms ("Motion").

10 2. There are approximately 400 investors in the Receivership Entities. Based
11 on my review of the accounting records of the Receivership Entities, I believe that for the
12 vast majority of investors, the records of the Receivership Entities are accurate with regard
13 to the amounts invested by each investor, and principal and interest paid out to each
14 investor. Accordingly, providing investors with the information obtained from the records
15 and asking for confirmation will be a more efficient process for obtaining consensus on
16 claim information than simply soliciting information using blank forms. I propose
17 providing completed claim information to each investor in the form attached as Exhibit A
18 to the Motion. The information obtained from Exhibit A will then be used to calculate the
19 allowed amount of each investor claim, pursuant to further order of the Court.

20 3. However, because there are significantly fewer creditors than investors, I
21 propose soliciting claims from creditors using a blank form. This places the burden on the
22 creditor to submit a completed form with appropriate documentation in order to participate
23 in distributions. Given that there are only about 30 known trade creditors, it will not be
24 burdensome on my staff to review and reconcile the claims. The proposed form for
25 creditors is attached to the Motion as Exhibit B.

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27 ¹ Affiliates include, in addition to those named above, SBC Senior Commercial
28 Mortgage Fund, LLC; Small Business Capital, LLC.

1 4. Setting a bar date for filing claims and claim information forms that is 90
2 days from entry of an order on the Claims Motion will provide sufficient time for my staff
3 to prepare and send out forms and give all potential claimants at least 60 days' notice of the
4 bar date. I propose to provide notice of the bar date by mail, on my website, and by
5 publishing notice of the bar date. I propose to publish notice of the bar date twice; 60 days'
6 before the bar date, once in the San Francisco Chronicle, and once in the Northern
7 California edition of the Wall Street Journal. In addition, 60 days before the bar date, I
8 will mail to each investor and each known non-investor asserting a claim the appropriate
9 form which will provide individual notice of the bar date.

10 I declare under penalty of perjury under the laws of the United States of America
11 that the foregoing is true and correct.

12 Executed on November 16, 2012, at Irvine, California.

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THOMAS A. SEAMAN

CERTIFICATE OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) and am not a party to this action. My business address is 515 South Figueroa Street, Ninth Floor, Los Angeles, California 90071-3309.

On November 20, 2012, I served the within document(s) described as:

- DECLARATION OF THOMAS A. SEAMAN IN SUPPORT OF MOTION FOR ADMINISTRATIVE RELIEF UNDER CIVIL L.R. 7-11: 1) SETTING CLAIMS BAR DATE; AND 2) APPROVING CLAIM FORMS

BY E-MAIL OR ELECTRONIC TRANSMISSION: Based on and in accordance with a court order or agreement of the parties to accept service by e-mail or electronic transmission, I caused a true copy of the document to be sent to the persons at the corresponding electronic address as indicated above on the above-mentioned date. My electronic notification address is mlyons@allenmatkins.com. I am readily familiar with this firm's Microsoft Outlook electronic mail system and did not receive any electronic message or other indication that the transmission was unsuccessful.

BY OVERNIGHT DELIVERY: I deposited in a box or other facility regularly maintained by FedEx, or delivered to a courier or driver authorized by said express service carrier to receive documents, a true copy of the foregoing document(s) in sealed envelopes or packages designated by the express service carrier, addressed as indicated above on the above-mentioned date, with fees for overnight delivery paid or provided for.

Via Email and FedEx
Mark Feathers
1520 Grant Road
Los Altos, CA 94024
Email: markfeathers@sbcglobal.net

Via Messenger
Hon. Edward J. Davila
U.S. District Court
280 South 1st Street, Room 4
San Jose, CA 95113

I declare under penalty of perjury that I am employed in the office of a member of the bar of this Court at whose direction the service was made and that the foregoing is true and correct.

Executed on November 20, 2012, at Los Angeles, California.

Marcella Lyons
(Type or print name)



(Signature of Declarant)