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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

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

Defendants.

Case No. CV12-03237

**AMENDED [~~PROPOSED~~] ORDER
APPROVING DISTRIBUTION PLAN AND
AUTHORIZING INTERIM
DISTRIBUTIONS**

Date: February 14, 2014
Time: 9:00 a.m.
Ctrm: 4 - 5th Floor
Judge: Hon. Edward J. Davila

1 The Motion for Approval of Distribution Plan and Authorization to Make Interim
2 Distributions, Dkt. No. 628, ("Motion") of Thomas A. Seaman ("Receiver"), Court-appointed
3 Receiver for Small Business Capital Corp., Investors Prime Fund, LLC, SBC Portfolio Fund, LLC,
4 and their subsidiaries and affiliates, came before the Court. The Court, having received and read
5 the Motion and all papers in support thereof or opposition thereto, and being so advised in the
6 matter and finding good cause, orders as follows after hearing from the parties, other representatives,
and individual investors:

7 **IT IS ORDERED:**

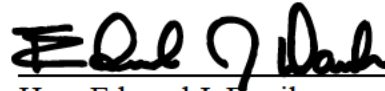
- 8 1. The Motion is granted;
- 9 2. The Distribution Plan attached to the Motion as Exhibit A is approved;
- 10 3. The rising tide method of calculating distributions as outlined in the Motion and
11 Distribution Plan is approved;
- 12 4. Pursuant to the Motion and Court-approved Stipulation between the Receiver and
13 the U.S. Small Business Administration ("Stipulation"), the Receiver is authorized and directed to
14 make an initial round of distributions totaling \$15 million;
- 15 5. Pursuant to the Stipulation, \$4 million in receivership estate funds shall be set aside
16 pending further order of the Court;
- 17 6. The remaining cash reserve of approximately \$1.8 million as of the time of this
18 order is approved;
- 19 7. Pursuant to the terms of the Motion and Distribution Plan, the Receiver is authorized
20 to make subsequent interim distributions, in his discretion, with notice to and approval of the
21 Securities and Exchange Commission; and
- 22 8. Any and all claims submitted to the Receiver after February 24, 2014 (*i.e.*, 10 days
23 after the February 14, 2014 hearing) are automatically disallowed.
- 24 9. The limited opposition to the Motion filed by California Business Bank is
25 withdrawn.

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10. The prior order entered on the Motion (Docket No. 711) is vacated.

Dated: February 26, 2014



Hon. Edward J. Davila
Judge, United States District Court