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

12 SECURITIES AND EXCHANGE
 COMMISSION,

13 Plaintiff,

14 vs.

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

18 Defendants.

Case No. CV12-03237

**RECEIVER'S OPPOSITION TO
 FEATHERS' EX PARTE APPLICATION
 FOR RECONSIDERATION AND
 CLARIFICATION OF THIS COURT'S
 ORDER [DKT. NO. 711] RE: RECEIVER'S
 PLAN OF DISTRIBUTIONS [DKT. NO. 628]**

Ctrm: 4 - 5th Floor
 Judge: Hon. Edward J. Davila

1 Thomas A. Seaman ("Receiver"), the Court-appointed permanent receiver for Small
2 Business Capital Corp. ("SB Capital"), Investors Prime Fund, LLC ("IPF"), SBC Portfolio
3 Fund, LLC ("SPF"), and their subsidiaries and affiliates (collectively, "Receivership Entities"),
4 hereby submits this Opposition to Feathers' Ex Parte Application for Reconsideration and
5 Clarification of This Court's Order [Dkt. No. 711] Re: Receiver's Plan of Distributions [Dkt.
6 No. 628].

7 To begin with, Mr. Feathers did not obtain leave from the Court to seek reconsideration,
8 which violates Local Rule 7-9. For this reason alone, the ex parte application should be denied.
9 Moreover, Mr. Feathers presents no basis on which to reconsider the Court's amended order
10 approving the Receiver's distribution motion. The ex parte application and investor declarations,
11 which appear to be forms prepared by Mr. Feathers for these misguided investors to sign, simply
12 make the same arguments Mr. Feathers has made over and over and which the Court has rejected
13 each time. In particular, Mr. Feathers' argument about the Receiver not being a CPA has been
14 made and rejected countless times.

15 The ex parte application does not address the merits of the distribution plan, which, as the
16 Court properly found, provides for a fair and equitable distribution of receivership assets to the
17 victims of Mr. Feathers' fraudulent scheme. Further delay in making distributions imposes a
18 substantial financial hardship on investors. Accordingly, the motion should be denied.

19 Moreover, it is apparent from Mr. Feathers' filings that he continues to misrepresent the
20 facts to investors, confuse and alarm them, and mislead them into thinking he acts on their behalf
21 (as he claims to do in this ex parte application). Mr. Feathers should be admonished to cease these
22 activities. The Court has determined Mr. Feathers defrauded investors and ordered him to
23 disgorge more than \$7.7 million. It is unfair to defrauded investors to allow Mr. Feathers to
24 continue to harass and manipulate them. Some investors are apparently quite susceptible to
25 Mr. Feathers' influence and could be further harmed by his conduct.

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WHEREFORE, the Receiver respectfully submits this motion should be denied.

Dated: March 5, 2014

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

By: _____ /s/ Ted Fates
TED FATES
Attorneys for Receiver
Thomas A. Seaman

PROOF OF SERVICE

I am employed in the County of San Diego, State of California. I am over the age of eighteen (18) and am not a party to this action. My business address is 501 West Broadway, 15th Floor, San Diego, California 92101.

On March 5, 2014, I served the within document(s) described as:

- **RECEIVER'S OPPOSITION TO FEATHERS' EX PARTE APPLICATION FOR RECONSIDERATION AND CLARIFICATION OF THIS COURT'S ORDER [DKT. NO. 711] RE: RECEIVER'S PLAN OF DISTRIBUTIONS [DKT. NO. 628]**

on interested parties in this action by:

BY MAIL: I placed a true and correct copy of the document in a sealed envelope or package addressed as indicated below on the above mentioned date in San Diego, California for collection and mailing pursuant to the firm's ordinary business practice. I am familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Mark Feathers
1520 Grant Road
Los Altos, California 94024

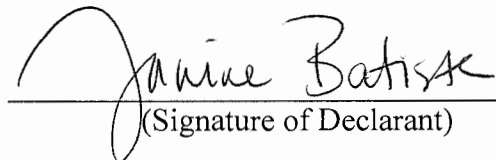
Pro Se Defendant
Tel: (650) 776-2496
Fax: (650) 961-2382
Email: markfeathers@sbcglobal.net

- BY OVERNIGHT DELIVERY:** I deposited in a box or other facility regularly maintained by an overnight courier service, 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 below on the above-mentioned date, with fees for overnight delivery paid or provided for.
- 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 herein on the above-mentioned date.

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

Executed on March 5, 2014, at San Diego, California.

JANINE L. BATISTE
(Type or print name)


(Signature of Declarant)