

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Administrative Proceedings Rulings
Release No. 6603 / June 13, 2019

Administrative Proceeding
File No. 3-17849

In the Matter of

**Angel Oak Capital Partners, LLC,
Peraza Capital & Investment,
LLC,
Sreeniwas Prabhu, and
David W. Wells**

**Order on Transcript
Corrections**

The hearing in this proceeding took place May 29–30, 2019. I ORDER that the following corrections be made to the transcript of the hearing:

Page/Line	Original Text	Corrected Text
5:10	proceeding. Could I have appearance of counsel	proceeding. Could I have appearances of counsel
5:18	for the record, the Respondent.	for the record, for the Respondent?
10:4–6	for summary disposition sort of a multiple variable algebra problem. Taking the figures that were in the OIP and trying to mirror them	for summary disposition sort of a multi-variable algebra problem. Taking the figures that were in the OIP and trying to match them
10:9–13	put all those figures because I'm stuck with the figures -- the percentages and figures that are in the OIP, so I would regard what you're talking about, trying to explain how those figures were derived would be very helpful to	put all those figures together because I'm stuck with the figures -- the percentages and figures that are in the OIP. So I would regard what you're talking about, trying to explain how those figures were derived -- would be very helpful to

Page/Line	Original Text	Corrected Text
10:16–17	any style, that's fine. That will be really helpful, so thank you.	Barney-style, that's fine. That will be really helpful. So thank you.
30:17	head around on how you explain the differences	head around how you explain the differences
45:21	figure out myself exactly how we get from here	figure out myself exactly how we get from here to
48:22	with the calculation? Let me just see this in	with the calculation? Let me just say this in
50:10–11	the OIP? I realize only \$2. We're talking about \$3 million, but what it says. Why is	the OIP? I realize it's only \$2 and we're talking about \$3 million, but that's what it says. Why is
86:4	JUDGE GRIMES: That probably be welcomed by	JUDGE GRIMES: That would probably be welcomed by
86:25	requested the witness before. I think that's	questioned the witness before. I think that's
87:2	set up. I guess we will see how this is set up	set up. I guess we will see how this comes up
98:23–25	JUDGE GRIMES: Can I just clarify this. I just want to understand. Are we saying the three sets of numbers on the right hand column	JUDGE GRIMES: Can I just clarify this? I just want to understand. Are we saying the three sets of numbers in the right hand column
99:1	are the one that was associated with branch	are the ones that were associated with the branch
99:4	JUDGE GRIMES: So the 16,200, 16,308,	JUDGE GRIMES: So the 16,200, 60,380,
113:9	to break for lunch once the parties would like	to break for lunch unless the parties would like
135:1	weight I think it deserve, depending on what is	weight I think it deserves, depending on what is
136:14	this? Or it's just the offer and acceptance?	this? Or is it just the offer and acceptance?
165:12	Q So -- and you agree to that language?	Q So -- and you agreed to that language?
168:15	least from the Division side. And, obviously,	least from the Division's side. And, obviously,
176:7	If the party is going to look at the language,	If a party is going to look at the language,
176:10	Commission will consider	Commission will consider

Page/Line	Original Text	Corrected Text
	orders in even subtle	orders in settled
178:8	JUDGE GRIMES: That's what I figure as well,	JUDGE GRIMES: That's what I figured as well,
180:6	start with -- if I look at Joint Exhibit 3, a	start with -- if I look at Joint Exhibit 3, the
189:9	difference. It doesn't just started?	difference. That's just the start?
194:18	JUDGE GRIMES: Are you saying the effectively	JUDGE GRIMES: Are you saying that effectively
196:11	JUDGE GRIMES: Where there other trades	JUDGE GRIMES: Were there other trades
196:25	what you ever saying. So you're not saying	whatever you're saying. So you're not saying
199:3	facilitated Angel Oak's operating the	facilitated Angel Oak's operating a
199:11-12	registered broker-deals who exercised control of the operation of the firm, what do you do	registered broker-dealers who exercised control over the operation of the firm. What do you do
200:17-18	have known who were not registered or exercise control."	have known" the owners, who were not registered, exercised control.
202:21	Wells, that because payments went directly to	Wells -- that because payments went directly to
207:12	Angel Oak's violation of section 15A. I think	Angel Oak's violation of Section 15(a). I think
212:11-16	whether or not offset begins the legitimate expenses. And I raise the issue because it seem to be in lot of cases and we're dealing with that issue, where ones in which the entire enterprise was fraudulent and I didn't see any	whether or not to offset against legitimate expenses. And I raised the issue because it seems to be that a lot of cases that were dealing with that issue, were ones in which the entire enterprise was fraudulent. And I didn't see any
215:8	you gone on for a --	you go on for a --
221:3-4	evidence is what you submit to the office the secretary, so you should file your -- file it	evidence is what you submit to the Office of the Secretary. So you should file your -- file it
222:10-11	JUDGE GRIMES: All right. Well, then I'll think exactly.	JUDGE GRIMES: All right. Well, then I'll think about it.

Page/Line	Original Text	Corrected Text
	But probably 30 days for the	But probably 30 days for the

I direct the court reporter to implement the above changes and issue a complete, amended transcript for the hearing held on May 29–30, 2019. The amended transcript should also be provided in electronic format to my office.

James E. Grimes
Administrative Law Judge