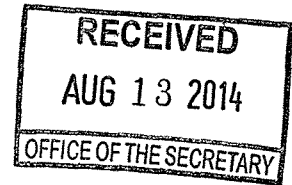


UNITED STATES OF AMERICA

BEFORE THE SECURITIES AND EXCHANGE COMMISSION

HARD COPY



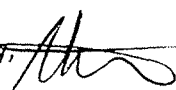
IN THE MATTER OF: : ADMINISTRATIVE PROCEEDING
MARK FEATHERS : FILE NO.: 3-15755
: RESPONDENT'S OPPOSITION RESPONSE
RESPONDENT. : TO DIVISIONS OF ENFORCEMENT MOTION FOR
SUMMARY AFFIRMANCE OF INITIAL DECISION

This Respondent's Opposition to SEC's Enforcement Motion is based upon the fact that an overt act of gross professional misconduct, at minimum, was committed by SEC's Enforcement CPA's in the lawsuit *SEC v. Small Business Capital Corp., et al.* This act, which was false financial information produced by an SEC Enforcement CPA, has led to 4th and 5th Amendment implications now under review by the 9th Circuit Court of Appeals. These false SEC illustrations were a central issue to a surprise seizure brought about by SEC's Enforcement Division of tens of millions of dollars of Respondent's assets and assets of three hundred persons who invested in the specialty mortgage funds that he founded and managed.

There can be no mistake that this act was gross misconduct, or worse, by Roger Boudreau, CPA, of SEC's Enforcement Division. Boudreau is a very highly trained CPA with over twenty years at SEC. He is extremely highly paid for his "skills", personally making some \$1,000,000 in compensation from taxpayer's funding of SEC's budget over the past five years. CPA's such as Boudreau do not make "errors" of the kind admitted to by SEC. Boudreau, by design and with substantial planning and effort on his part, concocted a scheme which had at its heart a corrupt financial formula. Boudreau used his "formula" to grossly overstate the member distributions of Respondent's investment funds by an unworldly 54%. By overstating these distributions of the Respondent's investment funds, Boudreau could then create a lie, supported, no less, by Boudreau's own sealed false financial illustrations, that the funds needed far more capital than they actually did need for their member distributions. In SEC's sealed *ex parte prima facie* Complaint, Boudreau used fabricated "pro forma" financial illustrations by the score, which had no validity whatsoever, to establish his false premise that the funds needed capital "from new members" in order to make their distributions. In fact, and in that regards, Boudreau was correct. The funds likely would have needed capital from new members in order to meet the false financial illustrations that Boudreau devised in SEC's Complaint with his vastly overstated distributions.

SEC Enforcement's false financial illustrations have caused substantial hardship to this Respondent, and to hundreds of other persons that he has caused to be victimized. Clearly, SEC's Enforcement is not "The Investors Advocate". SEC's Enforcement Division also falsely labeled their recommended Receiver as a "licensed CPA". This is also a very, very serious matter. This respondent, in part or in whole, only agreed to the appointment of this Receiver because of this Respondent's belief - by way of SEC's sworn court pleadings - that the receiver was a "licensed CPA". SEC's Enforcement Division, in fact, has a bad habit of falsely labeling this particular Receiver as a "licensed CPA". Perhaps this was caused, at least in part, by the fact that this same receiver, Thomas A. Seaman, also falsely advertised himself to be a CPA in widely distributed industry publication months before receiving his first SEC receivership appointment. The Receiver's a pretty smart guy, though. He immediately chose as his council David A. Zaro, Esq., who for the past decade has worked almost exclusively on SEC lawsuits, about a score of these in fact, and in particular those lawsuits that have been originated out of the Los Angeles Regional Office Enforcement Division. Talk about a money making operation for both the Receiver and his attorney! More than \$10,000,000 in billings over the past decade in fact, according to records available on PACER.

So, given all of these issues, this Respondent holds that the public is well served by the Secretary, Officers, Directors, and Hon. Commissioners at the highest levels of the United States Securities and Exchange Commission (and SEC's OIG, the FBI, and the U.S. Attorney General, also, for that matter) taking a close look at this Respondent's Petition for Review, as there may be a good opportunity here to consider the Commission's methods and practices, and important public policy issues, by way of their review of this Respondent's Petition brief.

Respectfully, 

Mark Feathers, Respondent

Dated: July 30th, 2014