

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING  
File No. 3-16182

In the Matter of  
  
PAUL EDWARD "ED" LLOYD, JR., CPA  
  
Respondent.

**RESPONSE OF PAUL EDWARD "ED"  
LLOYD, JR., CPA, TO DIVISION OF  
ENFORCEMENT'S RESPONSE IN  
OPPOSITION TO RESPONDENT'S  
ANSWER AND MOTIONS**

On November 7, 2014, the Division of Enforcement submitted a lengthy response opposing what it believed was a motion for summary disposition. Respondent has made no motion for summary disposition at this time, nor did he request leave of the hearing officer to make a motion for summary disposition. At such time as the respondent wishes to file a motion for summary disposition (and one is probable with respect to the jurisdictional and constitutional arguments), respondent will request leave, file the appropriate motion, the appropriate supporting materials, the appropriate briefs and supporting argument.

Consistent with the practice of virtually all federal district courts, respondent included in his answer defenses, which in a federal district court would also constitute Rule 12(b)(1) and 12 (b)(6) motions to dismiss. However, also consistent with the practice of most, if not all, federal district courts, no court would reach or rule upon such a motion until it was separately filed, in accordance with the federal rules and local rules, and properly briefed. The Commission's rules 250 and 154 appear, generally, to follow a similar practice. At present, respondent has identified significant issues which may result in the filing of a motion for summary disposition at a future time. At such time as respondent chooses to do so, he will file the appropriate motion, the appropriate supporting materials, and the appropriate argument. There is nothing before the

Commission to decide at this time. It would be inappropriate to deny a motion not yet made.

This the 11 day of November, 2014.



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Frederick K. Sharpless  
Attorney for Respondent

OF COUNSEL:

SHARPLESS & STAVOLA, P.A.  
Post Office Box 22106  
Greensboro, North Carolina 27420  
Telephone: (336) 333-6384  
[fks@sharpless-stavola.com](mailto: fks@sharpless-stavola.com)

**CERTIFICATE OF SERVICE**

I certify that the RESPONSE OF PAUL EDWARD "ED" LLOYD, JR., CPA, TO DIVISION OF ENFORCEMENT'S RESPONSE IN OPPOSITION TO RESPONDENT'S ANSWER AND MOTIONS was served upon the parties to this action by mailing a copy thereof by first-class, postage pre-paid mail to the following counsel of record:

Honorable Carol Fox Foelak  
Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549

Mr. Brent J. Fields (Original & 3 copies)  
Secretary of Commission  
Securities and Exchange Commission  
100 F Street N.E.  
Mail Stop 1090  
Washington, DC 20549

Mr. Robert F. Schroeder  
Mr. Brian Basinger  
Securities and Exchange Commission  
Atlanta Regional Office  
950 East Paces Ferry Road N.E., Suite  
900  
Atlanta, GA 30326-1382

Mr. William Woodward Webb, Jr.  
The Edmisten Webb & Hawes Law Firm  
PO Box 1509  
Raleigh, NC 27602

Mr. James Alex Rue  
Alex Rue Law, LLC  
4060 Peachtree Road, Suite D511  
Atlanta, GA 30319

This the 11 day of November, 2014.



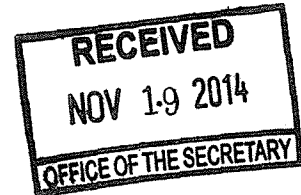
Frederick K. Sharpless  
Attorney for Respondent

**OF COUNSEL:**

SHARPLESS & STAVOLA, P.A.  
Post Office Box 22106  
Greensboro, North Carolina 27420  
Telephone: (336) 333-6384  
[fks@sharpless-stavola.com](mailto: fks@sharpless-stavola.com)

# SHARPLESS STAVOLA

FREDERICK K. SHARPLESS  
Attorney at Law  
Direct Dial: 336-333-6384  
FKS@sharpless-stavola.com



November 11, 2014

Mr. Brent J. Fields  
Secretary of Commission  
Securities and Exchange Commission  
100 F Street N.E.  
Mail Stop 1090  
Washington, DC 20549

**Re: In the Matter of Paul Edward "Ed" Lloyd, Jr., CPA;  
Administrative Proceeding File No. 3-16182; Our File No. 10965**

Dear Mr. Fields:

I enclose an original and three copies of the **RESPONSE OF PAUL EDWARD "ED" LLOYD, JR., CPA, TO DIVISION OF ENFORCEMENT'S RESPONSE IN OPPOSITION TO RESPONDENT'S ANSWER AND MOTIONS.**

Sincerely yours,

A handwritten signature in black ink, appearing to read "FKS", with a long horizontal line extending to the right.

Frederick K. Sharpless

FKS:drc

Encls.

cc: Honorable Carol Fox Foelak  
Mr. Robert F. Schroeder/Mr. Brian Basinger  
Mr. Alex Rue  
Mr. Woody Webb  
Mr. Ed Lloyd