Conformed Copy

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING

File No. 3-18011

In the Matter of **Integrated Freight Corporation,** **Respondent.**	**AMENDED OPPOSITION TO MOTION FOR RULING ON THE PLEADINGS**

Comes now, Integrated Freight Corporation, Respondent in the above styled cause, by and through its undersigned attorney, and files this Amended Opposition to the Commission's Motion for Ruling on the Pleadings (which will be treated as a motion for summary disposition per Order Following Prehearing Conference).

1. Respondent's delinquency in filing its reports required to be filed pursuant to Section 13 of the Securities Exchange Act of 1934 ("Exchange Act") is the sole basis for these proceedings and the relief of involuntary deregistration sought by the Commission in these proceedings. Involuntary deregistration would result in (a) a termination of Respondent's trading symbol of IFCR, (b) a total destruction of the public market for Respondent's common stock, a market that has already been significantly damaged by a trading suspension (*In the Matter of Integrated Freight Corporation*, File No. 500-1 (June 5, 2017)) and relegation of trading in Respondent's common stock to the "grey market" with a "caveat emptor" designation by OTCMarkets.com, and (c) a total and complete loss of value to existing public investors.

2. Respondent's delinquency in filing its reports required to be filed pursuant to Section 13 of the Exchange Act is a matter of public record. Respondent has not filed any notices of late filing on Form 12b-25, because each report required either audited financial statements or

reviewed financial statements, neither of which Respondent had a reasonable expectation of being able to obtain within the 15 day filing requirement period for annual reports on Form 10-K and the 5 day filing requirement period for quarterly reports on Form 10-Q.

3. Notwithstanding the public record supporting the Commission's allegations in its Order instituting these proceedings, the Commission's rules and regulations provide an opportunity for the Respondent to present at a hearing the reasons the relief sought by the Commission should not be granted. Respondent contends that the Administrative Law Judge has not only legal authority to grant or deny the Commission's preferred remedy, but also to grant equitable relief to Respondent to authorize by order that Respondent be permitted to voluntarily deregister its common stock which would avoid the disastrous consequences to existing public investors outlined in paragraph 1, above.

4. Notwithstanding 17 C.F.R. §201.250(b) with respect to summary disposition of administrative proceedings, such as the instant proceeding, Respondent has raised affirmative defenses to the relief sought by the Commission and a proposal for alternative relief.

5. Respondent has proposed in its Answer and Affirmative Defenses that, by order of the Administrative Law Judge, Respondent be permitted to voluntarily terminate its registration under Section 12(g) of the Exchange Act which would preserve the trading symbol and the public market (such as it now exists or in the future may exist) for Respondent's common stock, would not harm Respondent's existing public investors as described in paragraph 1, above, and would enable Respondent to immediately begin publishing current information with unaudited financial statements at OTCMarkets.com.

6. Respondent attempted to voluntarily deregister its common stock under Section 12(g) by filing a Form 15 (Commission File No. 000-14273, January 25, 2017), contending that 187

stockholders of record holding only two shares each, with a market value of less than one penny, aggregating 374 share out of a total of 4,303,721,809 shares issued and outstanding on that date are *de minimus* and should not prevent the Respondent from voluntary deregistration. Disregard of the 187 stockholders of record would put Respondent will below 500 stockholders of record need to qualify for use of Form 15. In addition, 232 stockholders of record own only three or four shares of Respondent's common stock. Stock ownership of two, three or four shares (as is the case for 419 of Respondent's stockholders of record) is not a financially viable investment, at whatever market price Respondent's common stock might reasonably be expected to bring. This was not the situation in *Gateway Int'l Holding, Inc.*, Exchange Act Release No. 53907 (May 31, 2006) where the Commission recited that "Gateway considered steps to terminate the registration of its stock . . . . however, failed to follow the requirements" [without indicating whether or not Gateway would satisfy the requirements for termination of the registration] because Gateway "was 'worn out . . . financially and emotionally' . . . . and needed a 'quiet period'". (at pages 4 and 5) [Emphasis added] The Division of Corporation Finance instructed Respondent to withdraw its Form 15 filing because the Respondent has 500 or more stockholders due to the 187 stockholders of record with only two shares each and therefore does not qualify for use of Form 15.

7. Respondent explored an escheat to the respective states of stockholder's last known residence shares held by 156 stockholders of record for whom Respondent's transfer agent does not have current addresses, as a means of consolidating those stockholders into far fewer stock positions registered in the names of the respective states. Respondent's transfer agent advised that the respective states would not accept escheatment of stock with such little value as Respondent's stock.

8. Respondent filed an information statement on Schedule 14C (July 22, 2016) for the purpose, *inter alia*, of cashing out all registered stockholders with less than 1,000 shares. The Division of Corporation Finance advised Respondent that the disclosure required by Rule 13e-3 under the Exchange Act for "going private transactions", including audited financial statements, is required in Respondent's information statement, even though approval by non-management (i.e., minority) stockholders was not needed for approval of the corporate action under Florida corporation law.

9. Respondent's failure to file the delinquent annual and quarterly reports (and pursue a Schedule 14C information statement for a reverse stock split) has been solely due its financial inability to pay an independent public accountant to audit (in the case of annual reports) and review (in the case of quarterly reports) its financial statements. Respondent has been thwarted at every turn by its financial inability to pay for audits and reviews of its financial statements. Respondent's failure to file is not a result of a "decision" made by management, such as was the case in *Gateway Int'l Holding, Inc.*, where the Commission recited that "Consalvi determined to cease reporting" on a basis of "inability to obtain access to [subsidiaries] books and records" (at page 3), notwithstanding a "rescission agreement with [one subsidiary that contained] a provision obligating [the subsidiary] to provide financial information if 'required by the Commission for the purpose of preparing fiscal year 2003 reports".

10. The Commission seems to conclude later in its opinion in *Gateway Int'l Holding, Inc.*, that it was better and in the interest of existing [public] investors to terminate the public market for Gateway's common stock and deprive existing [public] investors of any and all value for the common stock as compared to "forc[ing] [existing investors] to determine whether to sell his stock based on [a lack of current information and inaccurate financial statements]". (at page

14) Respondent suggests the Commission's reasoning in the Gateway case is specious, because it fails to enunciate any reason why existing investors would be forced to make such a decision, the fact that existing investors would know they were making the decision without adequate information and the Commission's action would deprive existing investors of any and all value (regardless of how meager) in their Gateway stock without any volitional decision on the part of individual or collective existing stockholders of Gateway. In other words, the Commission itself was forcing a decision on existing investors that made their stock worthless. Respondent suggests that such a decision by the Commission is arbitrary and capricious. The Commission also concludes (Respondent suggests speciously, once again) that potential investors would be protected by an involuntary deregistration, notwithstanding that potential investors would know they were making an investment decision (to buy or not to buy) without current information and accurate financial statements. Although Respondent has been unable to determine whether or not trading in Gateway's common stock had been suspended before its involuntary deregistration, due to the trading suspension of Respondent's common stock, there are no market makers for Respondent's common stock, Respondent's common stock is now available only in the "grey market" and Respondent's common stock has a "caveat emptor" designation at OTCMarkets.com, all of which would serve as a powerful discouragement of and warning to potential investors not to purchase Respondent's common stock. Potential investors would be harmed by lack of current information only upon making an actual purchase. Respondent suggests it is not the Commission's responsibility to assure the investment community at large that they will have current information about all issuers so that potential investors will not be deprived of making an investment that might prove profitable.

11. Respondent is expecting to receive an acceptable letter of engagement from an

independent public PCAOB qualified accounting firm for audit of the March 31, 2016 and 2017 financial statements and has a commitment from a stockholder of Respondent to pay the fees, costs and expenses of such audit (subject to receipt of an acceptable letter of engagement specifying the amount of such fees, costs and expenses). The completion of such audit will enable Respondent to file the delinquent Section 13 reports which are the basis of the Commission's claims for relief in these proceedings and thus moot these proceedings. Respondent intends to file, upon receipt of such engagement letter and written stockholder commitment, a motion for continuance in these proceedings for a sufficient period of time expected to be required for Respondent to file such delinquent reports. Respondent can provide no assurance at the date hereof that it will be able to obtain an engagement from an independent auditor.

WHEREFORE, Respondent requests that the Commission's Motion for Ruling on the Pleadings be denied and a hearing on this matter be scheduled.

Respectfully submitted:

Date: August 1, 2017

By: /s/ Jackson L. Morris
Jackson L. Morris
Florida Bar No. 120041
Counsel for
Respondent Integrated Freight Corporation
3116 West North A Street
Tampa, Florida 33609
Telephone No.: 813-892-5969
Facsimile No. 800-310-1695
Email: jackson.morris@rule144solution.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing pleading was served on August 1, 2017 by electronic mail, pursuant to agreement at the Prehearing Conference, upon The Honorable Brenda P. Murray, Chief Administrative Law Judge, attention Kathy Moore

Shields to shieldsk@sec.gov and Yosef Lindell to lindellj@sec.gov, both for The Honorable Brenda P. Murray, Chief Administrative Law Judge, and upon Michael D. Birnbaum, Esq. to birnbaumm@sec.gov and Kristin M. Pauley, Esq. to pauleyk@sec.gov.

/s/ Jackson L. Morris
Jackson L. Morris
Counsel to Respondent
Integrated Freight Corporation