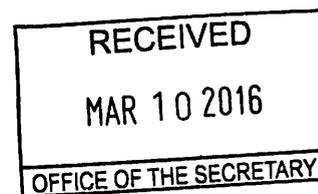


UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDING
File No. 3-16318

In the Matter of

MICHAEL W. CROW,
ALEXANDRE S. CLUG,
AURUM MINING, LLC,
PANAM TERRA, INC., and
THE CORSAIR GROUP, INC.,

Respondents.

**BRIEF OF THE DIVISION OF ENFORCEMENT OPPOSING
RESPONDENT MICHAEL W. CROW'S MOTION TO CORRECT
A MANIFEST ERROR OF FACT IN THE INITIAL DECISION**

The Division of Enforcement respectfully submits this opposition to Respondent Michael W. Crow's motion to correct the Initial Decision.

Crow's motion proposes two changes to the Initial Decision.¹ First, Crow requests that an additional sentence and a soles-to-dollars conversion be added to the sentence on page 77 of the Initial Decision (this sentence was the subject of the Division's motion to correct dated February 18, 2016). Second, Crow requests that references to his "ex girlfriend," Ines Temple, be deleted.

Crow's motion should be denied because he fails to identify any misstatement of fact in the Initial Decision. "A motion to correct a manifest error is properly filed only if the basis for the motion is a patent misstatement of fact in the Initial Decision." *In re Hirsch et al.*, No. 3-

¹ Crow's unsigned motion violates Rule 153(a), which provides that *pro se* parties "shall sign his or her individual name and state his or her address and telephone number on every filing."

14394, Rel. No. 683, 2011 WL 10902135 (Oct. 7, 2011). Rather than identify an obvious error, Crow repeats several of his unsupported arguments from the hearing, which cannot form the basis for a motion to correct. *In re Leaddog Capital Markets, LLC et al.*, No. 3-14623, Rel. No. 726, 2012 WL 8718377, at *1 (Sept. 25, 2012) (rejecting motion to correct where respondents urged ALJ to draw a different conclusion from the evidence).

Crow does not dispute the total amount received in his fifteen Peruvian accounts, and he does not identify any error in the Division's proposed change to the sentence on page 77 of the Initial Decision. Indeed, Crow appears to concede that the minor correction requested by the Division is appropriate. Instead, Crow makes a series of statements and characterizations about those deposits that are not supported by the record.

For example, Crow's proposed addition states that "this total of gross deposits includes inter bank transfers between Dollars and Soles from the related businesses." In fact, transfers between accounts were excluded, not included. As footnote 25 on page 77 of the Initial Decision makes clear: "These numbers were calculated by adding up the total inflows from outside sources, i.e., all amounts derived from inter-company transfers (denoted by entries with redacted numbers) are excluded." *See also* Div. FOF ¶ 566.

Crow also states that the money transferred into the Peru accounts was "from secure loans made by 3 non related persons that were shareholders or Board members, and deposits of salary and expenses from Crow and his ex girlfriend." This statement is not supported by any citation to the record, and it also is not tied to any specific statement in the Initial Decision. Crow's statement that these three "non related persons" are shareholders or Board members is vague and unsubstantiated, and Crow also cites to no evidence that he received "secure loans."

In addition, Crow contends that the Initial Decision “omits material information that is known and was presented at the hearing regarding the source of the deposits.” Crow did not provide deposit slips, bank transfer slips or other identifying information for any of his fifteen personal and corporate bank accounts. Further, Crow had an additional opportunity to provide a list of transfers of cash in his Sworn Financial Statement and he failed to produce records. *See* Div. FOF 563. The Initial Decision correctly states (at 77) “[i]n response to the request to list transfers of cash, Crow declined to provide a list...”

Crow also asked that the Court strike the statement “Crow did not provide bank statements.” Apart from the fact that this sentence does not appear in the Initial Decision, the fact remains that Crow failed to establish he provided all the bank statements. Contrary to his claim that “[a]ll statements were provided as well as tax returns,” Crow provided limited bank statements and tax returns for only 2012 and 2013. *See* Div. FOF ¶¶ 563, 564, 565.

Crow’s claim that “NO credit card statements were ever requested” is false: the instructions in the Sworn Financial Statement required him to produce copies of his brokerage, retirement and credit card accounts. *See* Div. FOF ¶563. As the Initial Decision (at 77) correctly states, “Crow failed to provide monthly account statements for the last twelve months for any brokerage accounts, retirement plans, credit cards, or lines of credit that were requested.” Crow’s vague suggestions that he did provide the missing records have no support in the record.

Crow also seeks to insert an incorrect soles-to-dollar conversion. As the record shows, the Division used a conversion rate of 2.70, which yielded \$655,000 U.S. dollars for the 1.77 million Peruvian soles. *See* Div. FOF ¶ 566. Crow’s request for a parenthetical approximating 1.77 million soles as \$550,000 has no basis.

Finally, Crow requests that references to his “ex girlfriend,” Ines Temple, be removed as “prejudicial to her.” In fact, there is only a single mention of Ms. Temple in the Initial Decision (at 77), in the section dealing with Crow’s inability to pay. It was Crow, moreover, who is responsible for bringing Ms. Temple into this case. By combining his finances with hers, through a joint bank account and personal loans, Crow ensured that Ms. Temple would be relevant. In addition, nothing in the Rules of Practice or in the agreed-upon redaction protocols adopted in this proceeding require redaction, and Crow never expressed such a concern previously. As a result, the one reference to Ms. Temple in the Initial Decision should not be redacted.

In conclusion, the Division respectfully requests that Crow’s motion to correct be denied in its entirety.

Dated: New York, NY
March 9, 2016

Respectfully submitted,

DIVISION OF ENFORCEMENT

/s David Stoelting

David Stoelting

Ibrahim Bah

Securities and Exchange Commission

200 Vesey Street, Suite 400

Brookfield Place

New York, NY 10281-1022

(212) 336-0174 (Stoelting)

(212) 336-0418 (Bah)

CERTIFICATE OF SERVICE

Pursuant to Rule 151(d) of the Commission's Rules of Practice, I, Ibrahim Bah, hereby certify that on March 9, 2016, I caused the following document:

- *Brief of the Division of Enforcement Opposing Respondent Michael W. Crow's Motion to Correct a Manifest Error of Fact in the Initial Decision*

To be sent by UPS Overnight Delivery to:

Office of the Secretary (original plus three copies)
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Alexandre S. Clug
150 Waters Edge Drive
Jupiter, FL 33477

And by email to:

The Honorable Jason S. Patil (copy) at alj@sec.gov;

Alexandre S. Clug, Pro Se (copy) at aclug@thedolphingroupllc.com;
On behalf of Alexandre S. Clug, Aurum Mining, LLC, PanAm Terra, Inc., and The Corsair Group, Inc.

Michael W. Crow, Pro Se (copy) at [REDACTED]

Dated: March 9, 2016
New York, New York

Respectfully submitted,

DIVISION OF ENFORCEMENT

/s Ibrahim Bah
Ibrahim Bah - (212) 336-0418
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
200 Vesey Street, Suite 400
New York, NY 10281