

EXHIBIT 142



June 6, 2012

Robert Morris
[REDACTED]
Campbell, CA 95008

Dear Mr. Morris,

We are writing you with a request for your consent to amend the Operating Agreement for Investors Prime Fund, LLC ("IPF").

Currently, Section 6.2 of IPF's Operating Agreement requires the Company to prepare financial statements pursuant to Generally Accepted Accounting Principles ("GAAP"). The Company currently prepares our tax returns, including the schedule K-1's distributed to you, using federal income tax accounting principles (the "Income Tax Basis of Accounting" or "ITBA"). It would be less expensive and less cumbersome for the Company to use ITBA to prepare the financial statements required by Section 6.2, rather than GAAP, and we believe that you would also receive your tax statement earlier, as well.

Our request is for your approval to use ITBA to prepare the financial statements required by Section 6.2, rather than GAAP. This request and consent would begin with the financial statements, reports and returns for the Fiscal Year 2011 which ended December 31, 2011, which are currently being prepared.

GAAP is a lengthy set of rules, concepts, and principles, and has become a very cumbersome financial reporting framework for small businesses and investment funds to comply with. GAAP financial statement preparation is usually more expensive compared with other financial reporting frameworks, regardless of whether the enterprise has its financial statements compiled, reviewed or audited. We believe a more cost effective and less cumbersome approach for the Company, and one which we are recommending, is to prepare IPF's financial statements using ITBA.

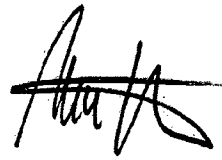
ITBA includes the equivalent basic financial statements as GAAP (balance sheet, income statement, statement of cash flows, etc.), as well as accompanying notes to financial statements. Most small businesses maintain their accounting records on an Income Tax Basis of Accounting, therefore, we will need to spend little time to convert IPF's financial statement which means that you will likely be able to receive your statements on a more expedited basis. The time required to develop the notes to IPF's financial statements will also be drastically reduced, reducing IPF's operating expenses and fund overhead.

We recommend the change to ITBA and hope you consent to the proposed change. The ITBA change is also recommended by our Fund accountants. At this time we are also requesting consent for the extension of preparation of the Fiscal Year 2011 financial statements to a date on or before July 1, 2012.

Please find the enclosed written consent for your review and approval. Please keep one copy for your records and return the other. We have also enclosed a stamped return envelope. If you approve of the changes, we appreciate your prompt return of the written consent. If you have any questions, please do not hesitate to contact me at (650) 559-5601, or by email at Mark@sbcapital.com.

Best regards,

SB Capital

A handwritten signature in black ink, appearing to read 'Mark Feathers', written over a horizontal line.

Mark Feathers, President & Founder

INVESTOR COPY

**WRITTEN CONSENT OF THE MEMBERS
OF
INVESTORS PRIME FUND, LLC**

A California Limited Liability Company

ACTIONS TAKEN IN LIEU OF A MEETING

The undersigned, being the Members of Investors Prime Fund, LLC, a California limited liability company (the “**Company**”), in accordance with the Beverly-Killea Limited Liability Company Act and the Company’s Seventh Amended and Restated Operating Agreement dated as of June 1, 2012 (the “**Operating Agreement**”), do hereby adopt the following resolutions and take the following actions by this, its written consent, as if said resolutions were adopted by a vote at a duly noticed and validly held meeting of the Members.

AMENDMENT TO OPERATING AGREEMENT

WHEREAS, Section 6.2 of the Operating Agreement currently requires the Company to prepare financial statements pursuant to Generally Accepted Accounting Principles (“**GAAP**”).

WHEREAS, the Company also is obligated to prepare its tax returns, including the schedule K-1’s distributed to the Members, using federal income tax accounting principles (the “**Income Tax Basis of Accounting**” or “**ITBA**”);

WHEREAS, inasmuch as the Company is obligated to use ITBA to prepare its tax returns, it would be less expensive and less cumbersome for the Company to use ITBA to prepare the financial statements required by Section 6.2, rather than GAAP.

WHEREAS, the Members believe that, beginning with the Company’s Fiscal Year 2011 it is in the best interests of the Company to prepare its Section 6.2 financial statements pursuant to ITBA.

WHEREAS, the Members believe it is in the best interests of the Company to amend the Operating Agreement to so provide, all as set forth in Exhibit A attached hereto;

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Company hereby authorize, consent to and approve the amendment of the Operating Agreement as set forth in Exhibit A.

DELIVERY OF FISCAL YEAR 2011 FINANCIAL REPORTS AND RETURNS

WHEREAS, pursuant to Section 6.2(a) of the Operating Agreement, the Company’s annual report shall be prepared and distributed to each Member, at the Member’s request, within one hundred twenty (120) days after the end of the Fiscal Year (i.e. December 31).

WHEREAS, the Company needs additional time for the preparation of its 2011 Fiscal Year annual report.

WHEREAS, the Members believe it is in the best interests of the Company to grant an extension for preparation of the annual report to a date or before July 1, 2012.

INVESTOR COPY

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Company hereby authorize, consent to and approve the delivery of the annual report to its Members on a date on or before July 1, 2012.

IMPLEMENTING RESOLUTION

RESOLVED, that Small Business Capital Corp. (the “**Manager**”) be, and hereby is, authorized for and on behalf of the Company to execute and deliver such other documents and to take such other action as the Manager may deem necessary or advisable to carry out the purposes of the foregoing resolutions, and that any and all such actions that may have been taken to date are hereby authorized, ratified, approved and confirmed in all respects.

INVESTOR COPY

IN WITNESS WHEREOF, the undersigned have executed this Written Consent of the Members, effective as of the date first written above. This instrument may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This instrument may be executed by facsimile copy shall be conclusive evidence of the consent and ratification of the matters contained herein by the undersigned.

Date: June ____, 2012

Print Name _____

Print Name _____

INVESTOR COPY

EXHIBIT A

AMENDED SECTIONS IN OPERATING AGREEMENT

1. Amendment to Section 6.2. Section 6.2 of the Operating Agreement is hereby deleted in its entirety and replaced with the following:

6.2 Financial Reports and Returns. The Manager shall cause to be prepared and distributed to each Member, upon such Member's written request, the following:

(a) Within one hundred twenty (120) days after the end of each Fiscal Year of the Company, an annual report which shall contain a balance sheet of the Company as of the end of each Fiscal Year, an income statement and a report of the activities of the Company during such Fiscal Year, including a statement of changes in financial position for that Fiscal Year, which financial statements shall be prepared in accordance with the same method of accounting used by the Company to prepare its federal income tax returns, and which shall be audited by an independent certified public accounting firm."

EXHIBIT 143



August 9th, 2011

Dear Mr. Morris,

It has been a few years since the financial markets were behaving erratically enough to cause me to write a mid-month reassurance letter to investors. The turbulence in financial markets is a clear reaction to many uncertainties and anxieties that people have, such as:

- unemployment remains high
- a budget reduction and debt ceiling agreement was agreed to at the last minute by Congress and the White house, causing a lot of anxiety
- S & P downgraded US government debt by a grade

I wanted to use this opportunity to point out a few more unique features of your investment into IPF that I haven't outlined in the past:

- The guarantor of our loans, (the U.S. Small Business Administration), is an actual government agency. It's not a quasi-agency like Fannie Mae or Freddie Mac, that constantly seem to be asking for tens of billions of dollars in support from the government to cover their operating losses.

On our SBA guaranteed loans, borrowers are charged an up-front fee, which fully offsets the cost of any expected future loan or agency operating losses. The agency doesn't ever look for government bail outs, as it "is" the government. Occasionally the agency is provided special appropriations by Congress as fiscal stimulus incentives to create more jobs by making more small business loans, and these increase our lending opportunities, so we like these special appropriations.

The national recovery will, as it does most of the time, come by way of the small business entrepreneur, as over 80% of all jobs today are found now with small businesses. We will continue to seek out quality lending opportunities with our capital, and apply the full guarantee of the U.S. government to our note investments. Investors Prime Fund is well positioned to assist, in a small manner, in the national economic recovery. Our focus is supported by the skills and talents of our company resources and our investors' capital, and scores of small businesses around the country have now benefitted from our program.

Thank you as always for your support, and I invite you to call or write me (or email Mark@sbcapital.com) any time that I might be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mark Feathers', written in a cursive style.

Mark Feathers

President, SB Capital, Founder & Managing Member of Investors Prime Fund, LLC

419 South San Antonio Road, Suite 213, Los Altos, CA 94022 | Phone: 650.559.5601

3466 Mt. Diablo Blvd. Suite C-205, Lafayette, CA 94549 | Phone: 925.283.2500

Newport Center, 620 Newport Center Drive, Suite 1100, Newport Beach, CA 92660 | Phone: 949.721-8834

BM00014
Exhibit 143-1

EXHIBIT 144



Newsletter – Covering August, 2011

The Economy

In August domestic stock markets continued to have ups and downs. With retractions of more than 10% from their peak, markets may be predicting another recession. “Short Sale investment activity” – those investors who speculate that the markets or individual stocks will go down - has increased substantially over the past month in national stock markets, indicating a growing belief that corporate earnings may be poised for decreases.

Trillions of dollars held around the nation for years now by individual investors sit in low yielding money market accounts and bank CD’s. This is because of a combination of concerns over stock market volatility, worries about the significant downside possibility of stock investments, and the benefit against loss of the federal deposit insurance protection offered on these bank deposits.

European and domestic bank stock prices continue to fluctuate due to the uncertainty of future earnings. With small amounts of capital relative to their total assets and liabilities (typical leverage against capital of 10:1 or more within this industry) and continued poor earnings, regulators have no choice but to closely regulate all areas of bank operations.

The domestic economy has seen little to zero net job growth over the past decade. This has negatively impacted employment rates and the housing industry, and polls show that only a small minority of persons in the country feel like they have solid control over their financial lives. Globalized economic and political activity is vast and complicated. When the U.S. or Europe gets a cold, the rest of the world starts sneezing as well, although markets have become increasingly intermeshed and subject to events which occur outside of European and US markets as well.

Politicians, bankers, and corporate CEO’s fair poorly these days in public opinion surveys. On a bright note, the “General” (General Motors) seems to have returned to substantial profitability now for several consecutive quarters, along with the Ford Motor Car Company. In another sign of long term confidence in the economy, trackings of SEC filings show that senior and middle management corporate executives are showing faith in their companies, and buying up large amounts of their own companies’ stock during market drops.

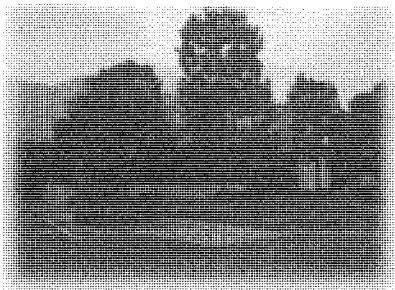
Fund Comments*

As long term investors in both of our funds know, preserving investors’ capital in these turbulent times is always our number one goal, followed closely by the goal of providing a steady, stable, and attractive yield. We limit and manage the downside risk in both funds through a combination of (1) low loan advances relative to the value of the properties securing our note investments, (2) federal repayment guarantees on note investments in Investors Prime Fund, and (3) substantial protective equity in the property or federal junior mortgages behind many of our SBC Portfolio Fund notes, (4) solid underwriting and in depth review of our borrower business and personal tax returns, personal financial statements, personal credit histories, etc.

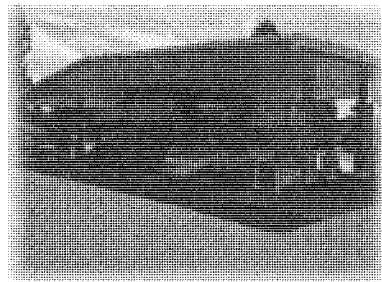
With high quality portfolio underwriting and an experienced group of employees to help me manage the funds, we know that the funds will continue to perform well regardless of stock market fluctuations, home value changes, or state or national levels of employment. Through monthly newsletters, investor events, and other correspondence we strive to keep all investors updated on their investments. In the near future we will also start to “get modern” with the use of social media to announce new loan fundings, special events for investors, etc., but we have no plans to discontinue the use of traditional methods of investor communication such as mailing out newsletters.

Individually and combined, over the past thirty days both Funds had their highest amounts of fundings ever...approaching \$10,000,000 (combined). Our need for capital remains high, and we are funding note investments with excellent underwriting profiles. We greatly appreciate our regular member referrals, which have brought in new accounts, and helped fund new loans.

Investors Prime Fund distributed at 7.50% (compounded) for August. Within our federally guaranteed SBA lending subsidiary, Small Business Capital, LLC, we had two guaranteed note investment fundings, an office & warehouse building in Simi Valley, CA (where the Reagan Presidential Library is located), and an auto fuels & convenience well located on a desirable stretch of El Camino Real in Santa Clara. The office/warehouse loan was our second Southern California funding in the past few months, which is part of our goal of geographically diversifying our note investment portfolio.



Simi Valley, CA, Office/Warehouse
Securing IPF Federally Guaranteed Note



Santa Clara Franchised Fuels & Convenience
Store Securing IPF Federally Guaranteed Note

In July we reported that the IPF had its first federal agency lender Safety & Soundness exam, with very positive results...so good, in fact, that the Federal Government awarded ***Preferred Lender*** status two weeks ago to Small Business Capital, our LLC which holds the national license. ***This is the highest level of distinction that the federal government awards.*** In just the fifteen months since we received the license, our volume was high enough, and the government impressed enough with our knowledge of the program, that we have now been given authority to directly approve our own loans in-house, without going through the Agency's national processing center located in Citrus Heights, CA. This means that even more borrowers and their referral sources will seek out our services, because our processing time will be significantly reduced on new loan requests.

The fund's capital grows on average by about five percent monthly, however, with banks still not increasing their volume of loans, I believe that we could more than double our current volume of guaranteed loan investments. ***To help meet our loan demand, SB Capital will continue to make a manager's contribution of 1% on member increases to IPF capital accounts during the remainder of the year.***

SBC Portfolio Fund distributed at 10.00% (compounded) for August. During the month the fund had a very well attended dinner, with an audience of more than seventy persons looking to obtain more knowledge about the fund's investment model. We explained to attendees that for the next thirteen months the fund has an opportunity to invest in senior notes on low loan-to-value note investments which also have federally guaranteed second mortgages behind our note. The note investments create substantial servicing income to the fund from buyers such as pension funds & insurance companies, and they offer superior safety and protection of capital to the fund.

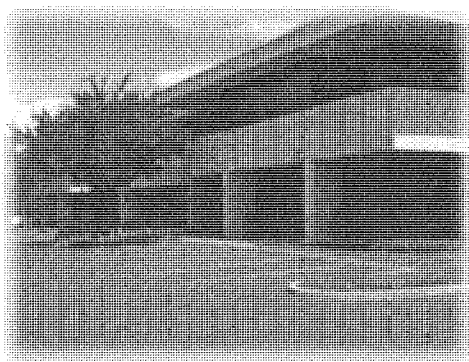
The dinner generated so much interest from new investors that we will be holding another similar dinner in the first week of October, both in the South Bay and the East Bay, for current members and their guests.



Attendees at the recent dinner for SBC Portfolio Fund, LLC.

Thanks to a referral from one of our highly regarded business partners, the fund had an excellent new note investment this past month on a commercial property located in Fremont. We financed, for a technology company, a 56,000 square foot office/research building with a \$1.95MM fund senior mortgage, which is in front of a government second mortgage. Our senior loan was for only 50% of the property's value. We were able to underwrite and close this loan in less than two weeks time, which represents superior underwriting and processing time than is typical for banks. This is also a reason why our reputation as a quick and reliable underwriting and loan funding source grows with accountants, commercial real estate agents, and commercial mortgage brokers.

The property is very well built, and located on an excellent frontage road to Highway 880, with scores of parking spaces and easy access to Highways 237, 680, 880, 101, and 85. The purchase price of the property was \$3.95MM, and the fund is very well protected with our mortgage in a senior position at only 50% of the value of the property. Part of the attraction for the buyer was their expectation that the commercial real estate market will rebound sometime in the not-too-distant future, and to buy this property and construct this building from scratch now or in the future would probably cost twice as much as they just paid for the building.



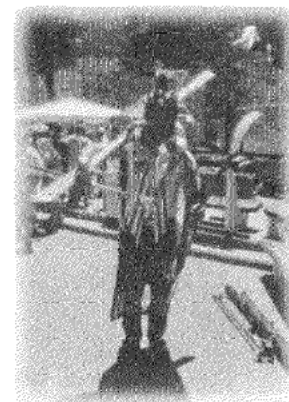
Fremont Office & Research property financed by SBC Portfolio Fund Senior Note Investment of \$1.95MM along with federal agency financing junior to our note investment. \$3.9MM appraised value.

SBC Portfolio Fund allows investments from retirement accounts, including IRA's, 401(k)'s, and SEP's. A combination of 10% yield and tax deferred earnings is hard to beat. Please call me any time if you'd like to know more about investing in SBC Portfolio Fund.

In Closing

My twin boys started third grade a few weeks ago. The beginning of a new school years means that Fall is just around the corner, so we took a quick weekend morning trip to the beaches in Pescadero, before the seasons change. We hadn't been to the Pescadero beaches for a while, and we found a few pirate's treasures that morning. Speaking of treasures, if you've never been to Duarte's Tavern in Pescadero, you should try them soon. The restaurant has been family owned for several generations. It's located about two miles off of Highway 101, so unless you stumble upon it by accident or somebody tells you about the place, you'll likely never know about it. My twins think our road trips are all about adventures on the beach and hiking opportunities in the nearby redwood forests, however...the real truth is that half my motivation over the past six or seven years of monthly trips is to stop by Duarte's to pick up a crab sandwich (on their freshly baked sourdough bread), and a hot fresh bowl of artichoke or hot pepper soup on our way back. They also offer fresh baked apricot (call ahead of time to get this) and ollalie berry pie to eat there or take with you.

I promised last month also to bring to you our own Captain America...Peter Eberle doing some downhill "grass skiing" at Lake Tahoe over the July 4th holiday. Now there's a real Patriot!



D [redacted] with a beach worm and R [redacted] with urchin shells

Captain America (Peter Eberle)

'Til Next Month,

Mark Feathers, CEO, SB Capital

*Past fund performance is no guarantee of future fund performance. Monthly fund distributions to members are based upon unaudited earnings and fund cash flows, and may not be the same as taxable fund earnings which are determined annually after a CPA audit.

EXHIBIT 145



Dear Investor,

Happy New Year!

2011 was a good year for Investors Prime Fund. Capital grew by more than 65%, and the fund's note investment servicing portfolio grew by more than 100%. Progress for the portfolio has been rapid in converting its investment portfolio, as the fund received its federal license less than twenty months ago; the fund is ending the year with more than 85% of its note investment portfolio comprised of either federally guaranteed or sponsored note investments. The fund is also ending the year with capital and liquidity levels which I believe position it to continue with solid earnings to investors in 2012.*

I would like to shortly complete our goal of converting the fund's note investment portfolio so that it has only federally sponsored or guaranteed note investments. This will ensure the continuation of a solid backdrop of safety on the fund's capital, and steadiness of earnings.

As of September 30th, fund note investments were current and performing as agreed. Commercial and residential real estate values, as you may know, continued to soften a bit in 2011. Most of our fund notes were financed over the past year, so this has no bearing on our portfolio. However, I would like to sell two of our notes which are not guaranteed (which we financed several years ago before our federal licensing) and replace these with guaranteed notes; the value of the collateral securing these notes may be less than the note amounts themselves. If the notes are sold at less than face value, SB Capital would like to assume any deficit to the note amount through a receivable to the fund, which we will accrue for on this year's (2011) capital. Any potential small deficit from these notes would be capitalized over a five year period, at less than 0.4%, per year, when measured as a percentage of this year's ending capital for the fund. This action will not likely have any material bearing on future fund member earnings.

Attached you will find a concurrence form for my requested change. With approval by majority membership, the operating agreement for the fund will be updated to reflect the change. I thank you ahead of time for your concurrence. Please call me directly at 650-559-5601 if you have any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Feathers", written over a horizontal line.

Mark Feathers
CEO, SB Capital
Manager, Investors Prime Fund, LLC

*Past earnings performance history cannot guarantee future performance.

Exhibit 145-1

419 South San Antonio Road, Suite 213, Los Altos, CA 94022 | Phone: 650.559.5601 **BM00035**

EXHIBIT 146



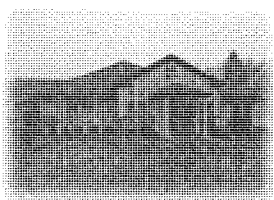
Newsletter – Covering December, 2011

The Economy

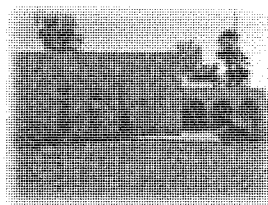
Happy New Year! Stock markets may have finished the year very similar to where they started the year, but if you're heavy in stocks, you experienced a roller coaster ride during the year. If you were heavy on cash, money markets, cd's, etc., you probably had earnings of less than 2% for the year. Residential and commercial home values continued to soften, but didn't drop anywhere near what they experienced from 2008 – 2010. Unemployment levels are steadily, if unspectacularly, making steady improvements. Auto sales and leasing, one of the largest sources of spending and job creation (or retention) in the economy, continues to show steady improvement for the past two years. Deficit spending is still high and of national concern, as is entitlement obligations for social security, healthcare, etc.

Fund Comments*

Investors Prime Fund distributed at **7.50%** (compounded) for December. The fund had an active month of loan fundings, and will be even busier this month. Here are a few of our fundings this month:



Dayton, Ohio – Doctors Office, Federally Guaranteed Loan

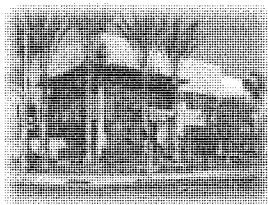


Scottsdale, Arizona – Medical/Retail Offices

We continue to add geographic **diversification** to our investment portfolio, as you can see, with two recent fundings out of state. We have now financed federally guaranteed projects in five states, with forty five more to go!

We accrued small amounts, less than 1% of year end capital, to the fund for any possible reduction to note value on our few remaining old notes; we do not expect these small write downs to have a negative impact meeting our preferred yield target (7.5%) for investors in 2011 or future years. SB Capital wishes to absorb any of these small write downs; please remember to send in your recent operating agreement request for your concurrence on this matter.

SBC Portfolio Fund distributed at **10.00%** (compounded) for December. The fund had several new note investments in December, and we anticipate several new fundings in January. This is one of the properties that we financed in December.



Diamond Bar, California – Manufacturing & Office Facilities

Other

In 2011 we paid a 1% bonus for member capital increases in IPF, and 1% for new member referrals. These were both popular with members, so we will continue this in 2012.

We wish you and your family members good health and happiness in 2012.

'Til Next Month,

Mark Feathers, CEO, SB Capital

*Past fund performance is no guarantee of future fund performance. Monthly fund distributions to members are based upon *unaudited* earnings from fund interest, servicing, loan fee, and other revenues. Distributions may not be the same as taxable fund earnings ("yield"), which are determined annually after a CPA audit.

EXHIBIT 147



January 16th, 2012

Dear Member,

I'm writing you to provide highlights for Investors Prime Fund, LLC, for year end 2011.

- It was a year of good growth. Member capital increased by more than 60%. Advertising for new members in the newspaper is very costly, so we will be advertising less this year than last year, but we will continue our 1% manager's promotion in 2012 for new capital, as well as for a referral fee for new fund members.
- All new mortgage note investments funded were either government guaranteed or government sponsored first position mortgages. We now have one full time loan originator in Southern California, and will be adding a second person shortly. We are also looking for a person to work from Sacramento.
- Substantial geographic diversity was added to the note investment portfolio. New fundings are presently a mix of approximately 40% in the Bay Area, 40% in Southern California, and 20% out of state.
- The fund's servicing income from its guaranteed note portfolio grew substantially, and we believe it will double this year. By year end, servicing income will constitute 20% of gross revenues, and continue to grow thereafter. The benefit to the fund is the creation of multiple steady revenue sources.
- SB Capital added more experienced investor representatives and support staff to manage investor services.
- The fund ended the year with substantial liquidity, enough in fact, to finance all of our projected 2012 guaranteed note fundings into the portfolio. Although this year is just starting, due to the fund's strong liquidity, we can forecast now a strong likelihood of meeting the preferred yield target (7.5%) again in 2012.
- Other fund capital and tangible assets remain within anticipated and member approved ranges. The fund's receivable asset has been paid in accordance with terms, and amortization of principal will start this year.
- The fund received numerous inquiries this each about the availability of its SBA license ("not available"). I believe the market value of the license presently to be at least 50% higher than the fund paid in 2010.
- All note investments were being paid in accordance with terms at year end. Accrual reserves have been recorded on any older non-guaranteed notes. These are not expected to have any impact on member yield or capital balances.
- Our auditors are working on tax returns for the fund, and K1 tax statements for fund members. We hope to have these available to members by the beginning of March.

Our recent change request to the fund's operating agreement was passed by fund members, thank you for your approval. In excess of one hundred "yes" responses were received, only one "no" was received, and approximately one third of fund members had not responded either way as of this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Feathers", with a stylized flourish at the end.

Mark Feathers,
CEO, SB Capital
Founder/Manager, Investors Prime Fund, LLC