

August 15, 2022

Office of the Secretary
US Securities and Exchange Commission
100 F Street NE, Mail Stop 1090
Washington, DC 20549

RECEIVED
AUG 24 2022
OFFICE OF THE SECRETARY

RE: Administrative Proceeding (File # 3-20928) In - The Matter of Richard Gearhart (Respondent)

OFFICE OF THE SECRETARY

Dear Secretary:

The following sentences required clarification(s), correction(s) and/or statements of facts.

Section 2

A. ...together w/ another individual. [Gearhart was sole owner/operator of APS, Inc until B/K (03/01/13)]

...at all times relevant to this proceeding... [Gearhart was a licensed insurance agent until the bankruptcy 03/01/13]

B. (1-4) Gearhart (and APS) w/ George McKown purchased a b/d from Washington State (cannot recall the name) that became organized under Vantage, LLC w/ George McKown, as President. APS bought this b/d as another investment. A law firm from Indianapolis (cannot recall the name) arranged ownership structure w/ Gearhart (51%) & George McKown (49%) because McKown (as a licensed rep) was not allowed to be a majority owner, as advised by counsel. Gearhart was not ever involved (ever) with the day-to-day operations of Vantage, LLC. McKown was always Gearhart's - securities rep. Gearhart has no idea of Vantage, LLC operations after my APS bankruptcy on 03/01/13. I received a couple K-1 Filings for my taxes, but nothing since. All my legal paperwork regarding this are in storage and not available to re-produce at this time.

Gearhart's Plea Agreement covered everything to do with the initial capital secured by the Promissory Notes, which were never thought of as securities. We were told by the law firm that it was definitely not a security, but if it were ever claimed as a security, it would be exempt under - Reg "D" if less than (25) twenty-five people, and if less than (5) five million dollars, which ours was less than both of those at any one time. APS had two legal opinion letters from two different law firms, that our documents were not securities. FYI - APS had two computer hard drive that crashed over that stated period of time. During the (5) five year bankruptcy 'work-out' period from [03/01/13 - 02/28/18] Gearhart had no contact with McKown or Vantage Advisors. Subsequently, the IRS audited Gearhart and APS for the period of 2008-2013 and that's when they claimed that the Promissory Notes were not securities, but rather - ordinary income. This led to their re-review of my taxes, which created a \$ 200,000 tax bill from 2010, which grew to nearly (1) one million dollars with penalties and interest by 2018. They then (as the number one B/K creditor) edged-in and blew-up the bankruptcy in it's entirety, including the payment plan.

Soon thereafter, I was indicted by the DA, since I was no longer under bankruptcy protection. On 12/16/19 I plead guilty to (1) one count of conspiracy to commit securities fraud, I self-surrendered, and I have been incarcerated at SPC - TUC since 09/13/21, rendering me incapable to comply with the Secretaries request for the supply of additional information.

Furthermore, by not having access to a computer and/or the Internet access, I have no ability for filing in accordance with the Compliance Checklist. Lastly, my understanding from the information I recently received regarding this administrative proceeding before the SEC, I will continue to experience challenges in filings and in servicing additional requests. (i.e. your eFAP electronic filing format.)

Respectfully Submitted,

Richard Gearhart
PC - TUC
3861-027