

**United States of America
Before the
SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING
File No. 3-11832**

In the Matter of)
)
 EAGLETECH)
 COMMUNICATIONS, INC.)
)
Respondent)

**Respondent Eagletech Communications, Inc.,
Representing Itself Pro Se,
Reply Brief in Support of Petition for Review of Initial Decision.**

Eagletech Communications hereby submits this Reply Brief for the consideration of the members of the Securities and Exchange Commission in support of its petition for the Review of the Administrative Law Court’s Initial Decision in this administrative matter.

Administrative Law Judge James T. Kelly ruled by summary judgment on the only question put before him, the failure of Eagletech Communications, Inc. to file is required financial reports, but in his ruling Judge Kelly acknowledges Eagletech’s allegations that the Company was put into that position by the criminal misconduct of others.

Judge Kelly provides leave in his Initial Decision for Eagletech to appeal on the following Grounds: “Eagletech Contends that a decision deregistering its securities in this proceeding will have the effect of “grandfathering” all pre-regulation SHO delivery failures by naked short sellers, who will never have to purchase shares to cover their naked short positions. This policy argument should be addressed to the Commission.”

As to Eagletech’ assertions that the SEC has chosen not to enforce the blatant criminal naked short selling evidence uncovered in an SEC investigation and provided to the company via this proceeding, Judge Kelley states “Decisions to enforce are presumptively un-reviewable. The presumption may be rebutted where the substantive statute has provided guidelines for the agency to follow in the exercising its enforcement Powers... If Eagletech wishes to pursue this line of argument, it may do so by filing a timely petition for review with the Commission.”

Quite simply, the government is prohibited by the 5th Amendment of the U.S. Constitution from taking the property of its citizens (Grandfathering pre-regulation SHO

delivery failures) and then giving that property to the perpetrators of the crime (The de-registration of the Company's shares) wherein the perpetrators who sold counterfeit shares will never be required to deliver real shares to the purchaser. 18 USC 514 – Fictitious Obligations, it's a class B felony to counterfeit U.S. currency as well as corporate securities.

In its brief in support Eagletech submitted dozens of examples of discrepancies between trade data reported by clearing agencies and that which is recorded at the DTCC. An analysis of Eagletech's trading by of former Undersecretary of Commerce and forensic economist Robert Shapiro was included with the opposition brief. Mr. Shapiro's analysis showed 37 clearing firms failing delivery in excess of required delivery dates. For example The Canadian Depository for Securities failed delivery for 212 trading days, Goldman Sachs/First Options of Chicago failed delivery for trading 252 days. The fact that 37 clearing and settlement firms could do this for this length of time demonstrates that SEC has clearly lost control of the U.S. securities clearing and settlement system. The enforcement division's opposition brief blatantly refuses to acknowledge the existence of this data, even though much of it was supplied by the SEC.

North American Securities Administrators Association, Inc. (NASAA) past president and Director of the Connecticut Division of Securities Ralph Lambiase had this to say about proposed regulation SHO in 2003:

“NASAA is unable to determine why the Commission proposes to permit significant settlement failures at all”...”If the Commission continues to allow settlement failures, it may well facilitate the harm that the proposal (Regulation SHO) is designed to remedy.”...” NASAA urges the Commission to reconsider its stance regarding the role of the Depository Trust and Clearing Corporation (the DTC). As a threshold matter, NASAA believes that the Commission should explicitly prohibit the DTC from lending more shares of a security than it actually holds.”

Mr. Lambiase in a September 8, 2005 letter of Support to one of the SEC's most vocal critics Mr. Dave Patch of www.investigatethesecc.com stated:

“Congressional legislators want and, by necessity, must have the utmost confidence in governmental agencies' capacity to carry out their legislative mandates. The SEC is moving slowly forward as REG SHO in its current state is studied and debated seemingly ad infinitum. While slight modifications to the existing Rule may result from such an approach, a far more threatening pattern of abuse is certain to continue unless wholesale reforms are made to remedy the concerns of the small business community. Without further substantive reform to REG SHO, many more small companies in our communities will succumb to failure – not through the mechanism of the marketplace but at the hands of manipulators.”

Mr. Lambiase the chief of NASAA's ever growing 11 state task force has initiated an investigation into the manipulation of Eagletech's stock, the same manipulation Eagletech has complained to the SEC about since 2002, the same manipulation Eagletech cited in this proceeding as the cause of Eagletech's failure to file its required financial reports, the same manipulation the SEC enforcement division refuses to acknowledge to this day.

Has the Commission lost control of its own Enforcement Division as it has the U.S. Clearing and Settlement system?

Relief

Once again this Respondent prays the honorable Securities Exchange Commission reverse the decision of its Administrative Court to Revoke the Registration of Eagletech Communications, Inc. securities and to take action to protect the Company's shareholders from this ongoing fraud.

Preparation for approaching Hurricane Rita causes this response brief to be abbreviated.

This Reply Brief in Support of Petition for Review of Initial Decision is respectfully submitted by:

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Dated: September 19, 2005

By: Rodney E. Young,
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