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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 vs.

15 FINBAR SECURITIES CORP., and
16 ROBERT TRINGHAM,

17 Defendants.

Case No. CV 09-2325 ODW(VBKx)

**DECLARATION OF DAVID S. BROWN
IN RESPONSE TO ORDER
REQUESTING FURTHER STATUS
REPORT**

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DECLARATION OF DAVID S. BROWN

I, David S. Brown, declare, pursuant to 28 U.S.C. § 1746, as follows:

1. I am an attorney admitted to practice law by the State Bar of California. I am employed by the U.S. Securities and Exchange Commission (the “Commission”) as a staff attorney in the Los Angeles Regional Office. I have personal knowledge of the matters set forth below.

2. I make this declaration in response to the Court’s Orders requesting Further Status Reports from the Commission every 90 days.

3. Defendant Robert Tringham (“Tringham”) is serving his prison term at the Federal Correctional Institution – Terminal Island. Tringham’s interest in certain real and personal property are subject to the following civil forfeiture actions filed by the United States Attorney’s Office in this District: USA v. Real Property Located in Diamond Bar California, Case No. 06-00609 SJO (AJWx); USA v. \$1,573,099.93 in Bank Account Funds, et al., Case No. 06-1971 SJO (AJWx); and USA v. 35,000 in U.S. Funds, Case No. CV 07-00107 SJO (AJWx) (collectively, the “Forfeiture Actions”). Tringham’s interest in the property that is the subject of the Forfeiture Actions was ordered forfeited in his criminal case.

4. Since the Commission’s last status report filed on July 15, 2011, the Forfeiture Actions were transferred on September 9, 2011 to the Honorable S. James Otero, who presided over Tringham’s criminal case, as set forth more fully below. On October 13, 2011, the Court in USA v. \$1,573,099.93 in Bank Account Funds, et al. and USA v. 35,000 in U.S. Funds set a Scheduling Conference for January 3, 2012.

5. As I have previously reported to the Court, the Receiver appointed in this action over Finbar Securities Corp. (“Finbar”) filed, and this Court granted on July 13, 2011, a motion for an order authorizing the Receiver to enter into a stipulation proposed by the United States of America providing that the Forfeiture Actions be transferred to Judge Otero because the Receiver asserts an interest in

1 the real and personal property which are the subject of the Forfeiture Actions and
2 this interest will be asserted on behalf of the receivership estate in those actions.

3 6. I was informed by the Receiver's counsel that while the terms of the
4 proposed stipulation were being negotiated with the United States Attorney's
5 Office, the United States of America transferred the Forfeiture Actions to Judge
6 Otero as related cases. I was further informed by the Receiver's counsel that, as a
7 result, the Receiver intends to file a motion before Judge Otero to participate in the
8 Forfeiture Actions in order to pursue the receivership estate's interest in the real
9 and personal property that are the subject of those actions.

10 7. Based on the above, the Commission will, consistent with the Court's
11 July 27, 2010 Order, file a further status report 90 days from today.

12 I declare under penalty of perjury under the laws of the United States of
13 America that the foregoing is true and correct.

14 Executed this 18th day of October, 2011 at Los Angeles, California.

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16 /s/ David S. Brown
17 David S. Brown
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