

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:)	Case No. 10-50494
)	
FAIR FINANCE COMPANY)	Chapter 7
)	
Debtor.)	Chief Judge Marilyn Shea-Stonum
)	

STATUS REPORT FOR APRIL 15, 2010 STATUS CONFERENCE

Brian A. Bash, Trustee herein, submits the following summary of the status of the Trustee's administration of the estate:

Since the March 12, 2010 Status Conference before this Court, the Trustee, with the assistance of his professionals, has accomplished the following:

- (a) Prepared and filed a creditor matrix.
- (b) Investigated owing from Mr. Daniel Laikin, identified properties belonging to him, filed an adversary Complaint against him and against DC Investments, LLC, and recorded a *lis pendens* on eight West Hollywood parcels belonging to Mr. Laikin.
- (c) Filed a motion for turnover to obtain funds held at KeyBank.
- (d) Retained Baker & Daniels LLP as local counsel to the Trustee for Indiana, subject to court approval.
- (e) Retained Michael Moran and David Mucklow as counsel to the Trustee.
- (f) Communicated and cooperated with Department of Justice, Securities Exchange Commission and Ohio Division of Securities regarding due diligence, and conducted significant diligence of records held by Federal Bureau of Investigation.
- (g) Reviewed insurance policies for potential claims, referred claims upon which Trustee's counsel would be conflicted to special counsel, and filed a motion to pay insurance.



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- (h) Updated Trustee's statement for website.
- (i) Investigated dealer-owned accounts and returned information enabling dealers to resume servicing their accounts.
- (j) Filed a motion to reject Debtor's real property leases.
- (k) Investigated transaction with Fortress Credit Corp. and obtained accounting of loans owned by Debtor and serviced by Duvera.
- (l) Investigated organizational structure of entities owned and controlled by common owners of Debtor.
- (m) Obtained authority regarding continuation of utility services and provided adequate assurance.
- (n) Filed notice of removal of state court proceedings.
- (o) Filed preference action against Brevet, et al. regarding bond posted in connection with Second Circuit appeal.
- (p) Filed response to Brevet motion for relief from stay.
- (q) Continued investigation regarding assets.
- (r) Investigated and identified additional contracts of the Debtor.
- (s) Monitored CLST dissolution proceedings pending in Texas state court.

In the following weeks, the Trustee intends to focus on accomplishing the following key actions:

- (a) File Schedules / Statements of Financial Affairs (NOTE: The Schedules and Statements of Financial Affairs are complete. The Trustee is working with counsel for the Debtor to address and resolve the issue of who will sign them).

- (b) Follow up with Fortress Investments LLC regarding estate's potential equity in accounts held at Key Bank.
- (c) File motion to substantively consolidate Fair Holdings, Inc. and DC Investments, LLC.
- (d) Monitor and appear in foreclosure proceedings on Laikin properties.
- (e) Commence additional actions to recover assets.
- (f) File motion for authority to sell personal property located at leased premises.
- (g) Investigate and assert claims, if any, against Debtor's insurance
- (h) Continue to monitor and appear, as necessary, in CLST dissolution proceedings.
- (i) Investigate and pursue the sale of accounts owned by the Debtor.
- (j) File additional motions, as necessary, regarding disposition of Debtor's contracts and leases.

Respectfully submitted,

/s/ Brian A. Bash

Brian A. Bash, Trustee (0000134)

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Counsel for the Trustee

CERTIFICATE OF SERVICE

A copy of the foregoing has been served via ECF or regular, U.S. Mail, on April 14, 2010, on the attached service list.

/s/ Brian A. Bash

Brian A. Bash

SERVICE LIST

Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive e-mail notice/service for this case.

- J Douglas Drushal ddrushal@ccj.com
- Kimberlie L Huff khuff@taftlaw.com, sschmidt@taftlaw.com
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- Michael J Moran moranecf@yahoo.com
- David A Mucklow davidamucklow@yahoo.com
- Clinton E. Preslan ndohbky@jbandr.com
- United States Trustee
- Wayne County Litigants ddrushal@ccj.com

Manual Notice List

The following is the list of **parties** who are **not** on the list to receive e-mail notice/service for this case (who therefore require manual noticing/service).

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