

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

*United States Attorney
LAURA E. DUFFY*

For Further Information: Assistant U. S. Attorneys Robert Ciaffa or Mark Conover, 619-546-6763

For Immediate Release

RANCHO SANTA FE CONSULTANT PLEADS GUILTY TO SECURITIES FRAUD

NEWS RELEASE SUMMARY – June 18, 2013

David Bahr, a self-employed Rancho Santa Fe consultant, pleaded guilty today to conspiracy to commit securities fraud in connection with the Florida-based penny stock company “iTrackr.”

As set forth in his Plea Agreement, Bahr admitted that he agreed with others to fraudulently manipulate and artificially inflate the price of iTrackr shares in order to make money for himself and his client-investors whom he advised. Bahr admitted that he had bought shares of iTrackr, and advised others to do so, in order to keep up the price of iTrackr stock, and had arranged for the dissemination of promotional material that overstated the likelihood of iTrackr’s success and future profits.

The guilty plea coincides with charges filed today by the Securities and Exchange Commission in connection with the same conduct.

In late November, Bahr spoke on the telephone with an undercover FBI agent posing as a businessman who could arrange for stockbrokers to secretly invest their clients’ money in iTrackr in return for a 30% kickback. The undercover officer told Bahr that the kickback would not be disclosed to the brokers’ clients, and that he could ensure that the shares would be held for approximately one year, thus keeping the shares off the market and avoiding any sales that would decrease the price.

Bahr agreed to the plan, and agreed to pay the kickback. Bahr told the undercover officer that in order to reach his desired share price, he wanted the brokers to buy 10 million shares of iTrackr at an average price

of 25 cents per share, for a total investment of \$2.5 million. Bahr agreed to pay a total kickback of \$750,000.

Bahr and the undercover officer agreed to do a test run. On various days in December 2012, the undercover officer, using FBI funds, made an initial purchase of iTrackr stock, and Bahr purchased a total of 135,000 shares of iTrackr stock. Bahr was satisfied with the purchases, and wired a \$3,000 kickback to the undercover officer's bank account. Days later, federal agents searched his Rancho Santa Fe home and seized documents and electronic evidence.

United States Attorney Duffy reiterated her continuing support for the stiff enforcement of federal securities laws, and cautioned the public to be vigilant against stock manipulators, especially in the penny stock markets. Duffy praised the hard work of the agents from the Federal Bureau of Investigation and the Internal Revenue Service for their efforts in this fraud investigation, and the continuing support of the Securities and Exchange Commission for their expertise and guidance.

Sentencing was set for September 3, 2013 before U.S. District Judge Larry A. Burns. Bahr was released on bond.

DEFENDANT

CASE NUMBER 13cr2198-LAB

David Bahr

SUMMARY OF CHARGE

Title 18, United States Code, Section 1349 - Conspiracy to Commit Securities fraud. Maximum penalty: 25 years imprisonment and \$250,000 fine.

PARTICIPATING AGENCIES

Federal Bureau of Investigation
Internal Revenue Service