

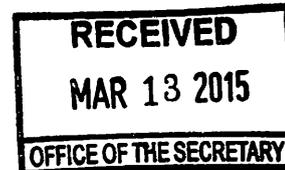
UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-16223

In the Matter of

**SANDS BROTHERS ASSET
MANAGEMENT, LLC, STEVEN
SANDS, MARTIN SANDS AND
CHRISTOPHER KELLY,**

Respondents.



DECLARATION OF NANCY A. BROWN
IN SUPPORT OF THE DIVISION OF ENFORCEMENT'S
RESPONSE TO THE COURT'S ORDER TO SHOW CAUSE

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

1. I am Senior Trial Counsel in the Division of Enforcement (the "Division"). I submit this declaration in support of the Division's response to the Court's Order to Show Cause, dated February 25, 2015. I am fully familiar with the facts and circumstances herein.

2. On August 7, 2013, during the investigation that led up to this proceeding, I participated in a telephone call with Martin Kaplan, current counsel to Sands Brothers Asset Management LLC ("SBAM"), Wendy Tepperman, Assistant Director in the Division, and a former Division staff member.

3. In that conversation, Mr. Kaplan agreed that SBAM had not distributed the audited financial statements for its managed funds to investors within the time frame set out in

the Custody Rule. He ascribed the late delivery to the fact that the Chief Compliance Officer did not understand the Custody Rule. He added that Martin Sands and Steven Sands relied on the Chief Compliance Officer and noted his view that the only issue was how responsibility for the late delivery of the financial statements should be allocated.

4. In that conversation, Mr. Kaplan said nothing to lead us to believe that he was not representing Christopher Kelly, as he had at Mr. Kelly's testimony in May 2013.

5. Attached hereto as Exhibit A is a true and correct copy of the Notice of Appeal from the court's decision denying disqualification in GEM HoldCo, LLC v. Changing World Technologies, L.P., 46 Misc. 3d 1207 (N.Y. Sup. Ct. 2015).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on March 12, 2014
New York, NY


Nancy A. Brown



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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

GEM HOLDCO, LLC, GEM VENTURES, LTD.,
GLOBAL EMERGING MARKETS NORTH
AMERICA, INC., CHRISTOPHER BROWN,
EDWARD TOBIN, and DEMETRIOS DIAKIOLOS,

Plaintiffs,

-against-

CHANGING WORLD TECHNOLOGIES, L.P., CWT
CANADA II LIMITED PARTNERSHIP, RESOURCE
RECOVERY CORPORATION, JEAN NOELTING,
RIDGELINE ENERGY SERVICES, INC., DENNIS
DANZIK, BRUCE A. MACFARLANE, TONY KER,
RICHARD CARRIGAN, DOUGLAS JOHNSON, and
KELLY SLEDZ,

Defendants.

CWT CANADA II LIMITED PARTNERSHIP,
RESOURCE RECOVERY CORPORATION and JEAN
NOELTING,

Third-Party Plaintiffs,

-against-

CHRISTOPHER BROWN, EDWARD TOBIN, RES
MANAGEMENT, INC., ELIZABETH DANZIK and
DEJA II, LLC.

Third-Party Defendants.

Index No. 650841/2013

Justice Shirley W. Kornreich

NOTICE OF APPEAL

PLEASE TAKE NOTICE that Defendants Changing World Technologies, L.P., Ridgeline Energy Services, Inc. a/k/a RDX Technologies, Inc., Dennis Danzik, Tony Ker, and Richard Carrigan (collectively, the "RDX Defendants") hereby appeal to the Appellate Division of the State of New York, First Department, from the Decision and Order of the Supreme Court of the State of New York, New York County (Kornreich, J.) dated January 9, 2015, attached hereto as Exhibit A, which was entered by the Clerk of Court on January 9, 2015 and served on

the RDX Defendants with notice of entry on January 12, 2015, denying the RDX Defendants' Motion to Disqualify Schlam Stone & Dolan LLP (Motion Sequence No. 8).

Dated: New York, New York
January 21, 2015



William C. Silverman
James M. Barton
GREENBERG TRAUIG, LLP
200 Park Avenue
New York, New York 10166

Counsel for Defendants Ridgeline Energy Services, Inc., Deja II LLC, Dennis Danzik, Elizabeth Danzik, Tony Ker, and Richard Carrigan

TO:
Jeffrey M. Eilender
SCHLAM STONE & DOLAN LLP
26 Broadway
New York, New York 10004

Attorneys for Defendants and Counterclaim/Cross-Claim/Third-Party Plaintiffs CWT Canada II Limited Partnership, Resource Recovery Corporation ("RRC") and Jean Noelting

Charles G. Berry
ARNOLD & PORTER LLP
399 Park Avenue
New York, NY 10022-4690

Attorneys for Plaintiffs



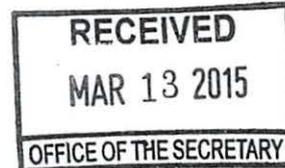
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
BROOKFIELD PLACE, 200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

NANCY A. BROWN
TELEPHONE: (212) 336-1023
EMAIL: BROWNN@SEC.GOV

March 12, 2015

VIA UPS OVERNIGHT

Hon. Cameron Elliot
Administrative Law Judge
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D. C. 20549-2557



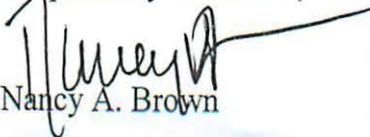
Re: In the Matter of Sands Brothers Asset Management, LLC, et al.
Admin. Proc. File No. 3-16223

Dear Judge Elliot:

We represent the Division in this matter. Pursuant to the Court's Order to Show Cause, dated February 25, 2015, we enclose a courtesy copy of the Division's Response, as well as the Declaration of Nancy Brown and the exhibit thereto.

By copy of this letter, we have delivered the original and three copies of our papers to the Office of Secretary for filing.

Respectfully submitted,


Nancy A. Brown

Enclosures
cc (w/encls.):

Martin Kaplan, Esq. (Counsel for Respondent SBAM)
Matthew Rossi, Esq. (Counsel for Respondents Steven Sands and Martin Sands)
Christopher Kelly, Esq. (Pro Se)

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