

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**MOTION FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF
RECEIVER’S AND PROFESSIONAL’S FEES AND COSTS FROM
OCTOBER 1, 2020 THROUGH MARCH 31, 2021**

The Receiver Robb Evans & Associates LLC (“Receiver”), the Receiver appointed as permanent receiver pursuant to, among other orders, the Preliminary Injunction as to Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Certain Corporate Defendants, and the Estate of John Pukke (Doc. 615), hereby moves the Court for an order approving and authorizing payment of receivership fees and costs for the six-month period from October 1, 2020 through March 31, 2020 (“Sixth Expense Period”). The Receiver specifically moves the Court for an order: (1) approving and authorizing for payment the fees of the Receiver, the Receiver’s members, staff and professionals, and reimbursement of costs during the Sixth Expense Period, comprised of (a) Receiver’s fees, including the Receiver’s members and staff, of \$261,477.90 and Receiver’s costs of \$4,447.08, for a total of \$265,924.98; and (b) Receiver’s counsel

Barnes & Thornburg LLP's fees of \$185,471.50 and costs of \$4,502.84, for a total of \$189,974.84.

Dated: August 3, 2021

By: /s/ Gary Owen Caris

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UNITED STATES DISTRICT COURT
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**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION
FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER’S
AND PROFESSIONAL’S FEES AND COSTS FROM OCTOBER 1, 2020
THROUGH MARCH 31, 2021**

I. INTRODUCTION

This lawsuit was commenced on October 31, 2018 by the Federal Trade Commission (“FTC”) with its filing of a Complaint for Permanent Injunction and Other Equitable Relief (Doc. 1) (“Complaint”). The lawsuit named 17 entity defendants and seven individual defendants, in addition to five relief defendants. On November 5, 2018, the Court issued an Ex Parte Temporary Restraining Order With Asset Freeze, Writs *Ne Exeat*, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“TRO”). Under the TRO, the Receiver became temporary receiver over all entity defendants except for Atlantic International Bank Limited (“AIBL”) and over the assets of Andris Pukke (“Pukke”) and Peter Baker (“Baker”) valued at \$1,000 or more. The Court extended the duration of the TRO pursuant to the Interim Preliminary Injunction on November 20, 2018.

The FTC filed a motion to amend the Complaint and a proposed Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”) on December 28,

2018 (Doc. 87) adding Michael Santos and Newport Land Group, LLC (“NLG”) as defendants. The Court granted the motion to amend on January 11, 2019 (Doc. 107). On February 13, 2019, the Court entered a Stipulated Preliminary Injunction as to Defendants Rod Kazazi, Foundation Partners, Brandi Greenfield, BG Marketing LLC, Frank Costanzo, Deborah Connelly, Ecological Fox LLC, Michael Santos, Angela Chittenden, and Beach Bunny Holdings LLC (Doc. 195) (“Stipulated Preliminary Injunction”). Under the Stipulated Preliminary Injunction, the Receiver remained as receiver over the stipulating Receivership Entities BG Marketing, LLC, Ecological Fox, LLC, and Foundation Partners, and NLG was expressly added as a named Receivership Entity.¹

On October 3, 2019, the Court issued the Preliminary Injunction as to Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Certain Corporate Defendants, and the Estate of John Pukke (Doc. 615) (“Pukke Preliminary Injunction”). Under the Pukke Preliminary Injunction, the Receiver was named as permanent receiver over at least 16 Receivership Entities and over Pukke’s, Baker’s and Luke Chadwick’s (“Chadwick”) assets valued at \$1,000 or more.

On November 6, 2019, a Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly (Doc. 668) (“Costanzo Judgment”) was entered. Among other things, the Receiver remained as permanent receiver over Ecological Fox LLC under the Costanzo Judgment. Subsequently, several other stipulated judgments were entered against various Defendants and Relief Defendants, each of which vested certain duties, powers and authority in the Receiver, including the Stipulated Order for Permanent Injunction and Monetary Judgment

¹ The Receiver had already determined that NLG was a non-party Receivership Entity, in addition to previously determining that two other non-party entities, 2729 Bristol LLC and 3905 Marcus, LLC, were Receivership Entities, pursuant to Sections XVI.W and X of the TRO.

Against Defendants Brandi Greenfield and BG Marketing, LLC (Doc. 788) (“Greenfield Judgment”); Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Rod Kazazi and Foundation Partners (Doc. 789) (“Kazazi Judgment”); Stipulated Order for Final Judgment Against Relief Defendants Angela Chittenden and Beach Bunny Holdings LLC (Doc. 819) (“Chittenden Judgment”); and Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Michael Santos (Doc. 820) (“Santos Judgment”) (collectively, these four judgments and the Costanzo Judgment are referred to as the “Stipulated Judgments”).

On October 8, 2020 the Receiver brought its Application for Extension of Term of Receiver Pursuant to Stipulated Judgments (Doc. 1061) (“Extension Application”), seeking an extension of the term of the Receiver under the Stipulated Judgments through October 10, 2021. The Court entered an Order granting the Extension Application on October 29, 2020 (Doc.1072).

On January 13, 2021, the Court entered its Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants John Usher et al. (Doc. 1112) (“Default Judgment”). Pursuant to the Default Judgment, the Receiver remained as permanent receiver over the Defaulting Corporate Defendants, as defined therein, and John Usher (“Usher”) was ordered to transfer his assets to the Receiver, which would become assets of the receivership estate, with limited exceptions as set forth in the Default Judgment. On March 24, 2021, the Court entered its Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker and Luke Chadwick (Doc. 1194) (“Pukke Final Judgment”). The Receiver remained as permanent receiver over the assets of Pukke, Baker and Chadwick, with limited exceptions as set forth in the Pukke Final Judgment.

Pursuant to the TRO, Stipulated Preliminary Injunction, Pukke Preliminary Injunction,

Stipulated Judgments, Default Judgment and Pukke Final Judgment, the Receiver is directed to file and serve on the parties periodic requests for the payment of reasonable compensation for the performance of its duties and for the cost of its out-of-pocket expenses from the assets of the receivership estate.

The Receiver filed its initial fee motion on April 5, 2019 (Doc. 400), covering the period from the inception of the receivership estate through January 31, 2019. The Court granted the Receiver's motion in its entirety by Order entered on April 25, 2019 (Doc. 430). The Receiver filed its second fee motion on August 26, 2019 (Doc. 562) covering the period from February 1, 2019 through May 31, 2019. The Court granted the Receiver's second fee motion in its entirety by Order entered on August 30, 2019 (Doc. 567). The Receiver filed its third fee motion on November 26, 2019 (Doc. 722) covering the period from June 1, 2019 through September 30, 2019. The Court granted the Receiver's third fee motion in its entirety by Order entered on December 16, 2020 (Doc. 748). The Receiver filed its fourth fee motion on May 19, 2020 (Doc. 955) covering the period from October 1, 2019 through March 31, 2020. The Court granted the Receiver's fourth fee motion in its entirety by Order entered on June 8, 2020 (Doc. 970). The Receiver filed its fifth fee motion on November 3, 2020 (Doc. 1077) covering the period from April 1, 2020 through September 30, 2020. The Court granted the Receiver's fifth fee motion in its entirety by Order entered on December 10, 2020 (Doc. 1094).

This Motion is the sixth request for an order approving and authorizing payment of the fees and costs incurred by the Receiver and its counsel, Barnes & Thornburg LLP ("Barnes & Thornburg"), covering the six-month period from October 1, 2020 through March 31, 2021 ("Sixth Expense Period").

As evidenced by the detailed billing records which accompany the declaration of Brick

Kane (“Kane Declaration”) in support of the Motion, marked collectively as Exhibit 2 to the Kane Declaration, and the detailed billing records which accompany the declaration of Gary Owen Caris (“Caris Declaration”) in support of the Motion, marked collectively as Exhibit 1 to the Caris Declaration, and as discussed in greater detail below, the receivership continues to be extremely challenging and time consuming for the Receiver and its counsel, requiring them to focus on a myriad of issues and receivership assets.

During the Sixth Expense Period, the Receiver continued to focus extensively on the administration and management of the real estate development project in Belize, sometimes referred to as the Reserve, in order to preserve that asset. The Receiver managed the Reserve and worked closely with the Reserve Consumer Committee on a myriad of operational issues. It also had extensive communications with Reserve lot owners concerning a variety of issues affecting the owners. The Court entered an interim order in November 2020 providing the Receiver with interim control over the adjacent property in Belize known as Kanantik, requiring the Receiver to take steps to begin to manage and control that property too.² The Receiver also continued to develop a process for the eventual development and/or sale of the Reserve and Kanantik.

The Receiver continued to assist the FTC with the preparation of a comprehensive claims allowance and redress plan, which the FTC presented to the Court on January 21, 2021 (Doc. 1117). During the Sixth Expense Period, the Receiver reviewed and provided suggested revisions to multiple drafts of the redress plan formulated by the FTC prior to its filing. It also extensively analyzed information that will be used to quantify consumer claims. Once the

² A final order as to Kanantik was entered by the Court on March 24, 2021, just before the end of the Sixth Expense Period.

redress plan was filed by the FTC, the Receiver began to prepare for the implementation of the plan in the event it was approved by the Court. The Receiver also continued to develop and implement strategies for the preservation and monetization of various other assets of the receivership estate.

During the Sixth Expense Period, the Receiver brought a total of \$403,545.87 into the receivership estate. Since the inception of the receivership through March 31, 2021, the Receiver has successfully collected cash and monetized assets of the receivership estate totaling \$13,586,374.60, including funds from Relief Defendant John Vipulis, but not including \$23 million from Defendant AIBL, which it paid to the Receiver pursuant to its stipulated judgment with the FTC.

During the Sixth Expense Period, Barnes & Thornburg worked on a number of assignments to assist the Receiver in discharging its duties. Counsel was extensively involved in the review and revision of multiple drafts of the FTC's prospective claims allowance and redress plan. Once the plan was submitted to the Court, counsel worked closely with the Receiver in preparation for the implementation of the plan, to be ready in the event it was approved by the Court. The Receiver's counsel continued to take steps to recover money and other assets for the benefit of the receivership estate, including conducting discovery and drafting a potential application seeking to hold a non-party in contempt of Court, as explained below. It also prepared various other pleadings to assist the Receiver in performing its duties and advancing the interests of the receivership estate.

The services rendered by the Receiver and its counsel are summarized separately below, discussed in the accompanying declarations of Kane and Caris, and described in the detailed billing records attached as exhibits to those declarations.

II. SUMMARY OF THE RECEIVER’S SERVICES AND ACTIVITIES DURING THE SIXTH EXPENSE PERIOD

The Receiver seeks payment of the Receiver’s fees and costs summarized in the Receivership Administrative Expenses and Fund Balance spreadsheet (“Financial Summary”) attached as Exhibit 1 to the Kane Declaration in support of this Motion, together with the detailed billing records of the Receiver, attached to the Kane Declaration collectively as Exhibit 2.³ During the Sixth Expense Period, the Receiver has incurred fees for the Receiver’s members and staff of \$261,477.90. The Receiver’s costs during the Sixth Expense Period total \$4,447.08 and are detailed in the Financial Summary.

A. Claims Allowance and Redress Plan

The Receiver was extensively involved in the FTC’s drafting of a proposed claims allowance and redress plan, which was filed by the FTC on January 21, 2021. This included undertaking substantial forensic accounting work to analyze data that will be relevant to the quantification of consumer claims in order to suggest revisions to the draft redress plan. The Receiver and its counsel reviewed and suggested revisions to multiple drafts of the redress plan and attended numerous conference calls with the FTC concerning the draft plan. The Receiver took steps to prepare for the implementation of the redress plan in the event it was approved in whole or in part by the Court, so that the Receiver would be able to comply with the numerous time deadlines set forth in the plan.

Substantial time was spent researching and reviewing the files of the lot purchasers, including both active and inactive lot owner files and analyzing the amounts paid by these lot

³ As explained in the Caris declaration, the bills have been redacted where appropriate to preserve confidential, sensitive, tactical, strategic, attorney-client privileged and/or attorney work-product information.

purchasers to facilitate a future claims process under the redress plan. The Receiver also updated contact lists for lot purchasers to facilitate communications with the lot purchasers concerning the redress plan.

Once the plan was filed, the Receiver prepared a timeline of tasks to be performed under the plan if approved by the Court, assembled a team of individuals from the Receiver's office and from Barnes & Thornburg to address the required tasks that would be required to be performed, assigned various tasks to the Receiver's team members and convened an initial meeting to address the plan and the services to be performed thereunder.

B. Management and Potential Sale and Development of the Reserve

The Receiver continued dealing with complex, challenging and time consuming issues related to a host of financial and operational issues facing the Reserve and the lot owners at the Reserve. Previously, the Receiver discovered that the Receivership Entities had installed internet antennas without registering them with the Belize Public Utilities Commission ("PUC") in violation of Belize law. The Receiver has been taking steps to rectify this problem and attempt to get the antennas registered. During the Sixth Expense Period, the Receiver followed up with its consultants who have been communicating with the PUC as to the status of these registration efforts. The Receiver also started to coordinate the legal installation of new internet connections for lot owners, including coordinating the acquisition and installation of antenna equipment, and add lot owners to the network.

The Receiver also continued to address issues regarding land tax payments with Belize authorities and lot owners. The Receiver updated a land tax spreadsheet the Receiver previously prepared which identified the amount of land taxes owed by each lot owner and the Receivership Entities.

The Receiver regularly communicated with on-site management at the Reserve and the Receiver's Belize counsel over numerous issues. The Receiver also communicated extensively with numerous lot purchasers regarding many issues, including title transfer and ownership, interim plans for the Reserve, the treatment of claims under the FTC's proposed redress plan, repair issues, property taxes and development of the Reserve. It also had numerous communications with lot purchasers who had questions about the Court's numerous orders and judgments issued in January 2021. Prior to the filing of the FTC's proposed redress plan, it had many communications with lot purchasers concerning the status of a proposed plan. Once it was filed, the Receiver had substantial communications with lot purchasers concerning the proposed redress plan.

The Receiver has continued to work closely with the Consumer Committee formed pursuant to the Court's Interim Reserve Management Order. During the Sixth Expense Period, it set the agenda for, scheduled and chaired four monthly meetings of the Consumer Committee. These meetings primarily were held telephonically in light of the COVID-19 pandemic. The Receiver also assisted in finalizing the Consumer Committee meeting minutes, including detailed minutes addressing numerous questions concerning the redress plan proposed by the FTC.

The Receiver also continued to implement strategies for the potential development and/or sale of the Reserve to a third party. Prior to the Sixth Expense Period, the Receiver informally engaged the services of a highly qualified consultant with expertise in the region who can identify staffing requirements for large development projects. During the Sixth Expense Period, the Receiver communicated with this consultant, keeping him informed as to the status and content of the proposed Redress Plan and discussing the framework for a detailed development proposal, which will be used to identify and attract appropriate and qualified developers.

C. Other Belize Issues

Once the Court entered the order for the Receiver's interim management of Kanantik, the Receiver took steps to take control of that property and expend funds necessary for the maintenance and security of the property. The Receiver also had numerous communications with Kanantik lot owners and began to take steps to acquire the necessary contact information and other data that would be required to implement those aspects of the FTC's claims allowance and redress plan that pertained to Kanantik.

The Receiver has worked with its local Belize counsel (and Barnes & Thornburg) to discuss and, when appropriate, seek to obtain recognition orders reflecting the various rulings issued by this Court during the Sixth Expense Period as they pertained to the Reserve and to Kanantik, including judgments and orders which were issued in January 2021 as well as the interim and permanent orders regarding Kanantik issued in November 2020 and March 2021, respectively.

D. Asset Preservation and Recovery

The Receiver, in connection with its counsel, Barnes & Thornburg, continued to preserve the value of and develop strategies to monetize receivership assets.

The Receiver has continued to assert control over the property located at 104 Kings Place, Newport Beach, California ("Kings Place Property"), held in the name of the AAC Family HYCET Trust Dated 10/7/15 ("AAC Trust"),⁴ but which is specifically identified as an asset of the receivership estate in the TRO and Preliminary Injunction. Pursuant to the Chittenden Judgment, the Kings Place Property has become an undisputed asset of the receivership estate.

⁴ The AAC Trust is a purported asset protection trust for the benefit of the minor children of Pukke and Chittenden. AAC are Chittenden's initials. HYCET stands for "have your cake and eat it too."

As discussed in the Receiver's prior fee motions, the AAC Trust entered into a post-TRO lease/purchase option agreement on the property without the Receiver's knowledge or permission. Starting in May 2019 and continuing through the Fifth Expense Period, the lessee made lease and purchase option payments to the Receiver in the total amount of \$1,037,500. However, starting in September 2020, the tenant fell seriously behind in the payment of monthly rent, at one point being three months in arrears. Through counsel, the Receiver issued three demands for payment of past due rent during the Sixth Expense Period. Counsel for the Receiver communicated with the tenant directly, during a brief period he was not represented by counsel, and thereafter communicated with his newly retained (third) set of lawyers. As a result of these demands, including advising the tenant, through his counsel, that the Receiver would seek an order to show cause why he should not be held in contempt based on his violation of various orders of this Court, the tenant has generally stayed within one month of being current on the rent. A total of \$367,500 in rent on the Kings Place Property was collected during the Sixth Expense Period. The tenant recently made two rental payments and has paid rent through July 2021.

While the tenant had previously indicated a desire to acquire the Kings Place Property, given his failure to provide various financial information requested by the FTC and his ongoing failure to remain current under the lease, the Receiver developed alternative marketing and sale strategies. After the Sixth Expense Period, the Receiver listed the property for sale with a widely respected real estate broker who works in the high-end Newport Beach, California marketplace.

In conjunction with the Receiver's counsel, it has also continued to address various insurance claims and repair issues on the Kings Place Property, as a result of the property's slope and soil issues, and water damage.

Also during the Sixth Expense Period, the Receiver, in conjunction with counsel, has addressed potential claims against third parties, including Bella Mar Estates, Ltd. (“Bella Mar”), Jorge Diaz-Cueto (“Diaz-Cueto”) and Pandora Marketing, an entity that was occupying space at the Receivership Entities’ offices at the outset of the litigation.

E. General Operational Work

The Receiver also prepared the financial materials provided to the Court in connection with its fifth fee application. It also continued to handle traditional receivership operational matters, including maintaining and updating the accounting and financial records of the receivership estate, utilizing and overseeing vendors to preserve and maintain receivership assets, and processing payables.

Finally, the Receiver analyzed the numerous orders and judgments issued by the Court during the Sixth Expense Period in order to determine its responsibilities and duties under those orders.

Despite the wide-ranging and complex nature of this receivership, the Receiver’s work has been valuable and cost-effective. The Receiver has collected \$403,545.87 during the Sixth Expense Period, even though the bulk of the work which the Receiver performed during this period of time was not focused on the immediate liquidation of receivership assets but rather on longer-term issues pertaining to the management, preservation and development of the Reserve and Kanantik and the implementation of a claims allowance and redress plan.

III. SUMMARY OF THE RECEIVER’S COUNSEL’S SERVICES AND ACTIVITIES DURING THE SIXTH EXPENSE PERIOD

The Receiver also seeks payment of its counsel’s fees and expenses summarized in the Financial Summary, Exhibit 1 to the Kane Declaration, and set forth in the detailed billing

records of Barnes & Thornburg, attached collectively as Exhibit 1 to the Caris Declaration.

During the Sixth Expense Period, the Receiver incurred fees to Barnes & Thornburg of \$185,471.50 and costs of \$4,502.84, for a total of \$189,974.34.

A. Prospective Claims Allowance and Redress Plan

During the Sixth Expense Period, the Receiver's counsel spent a significant amount of time reviewing and revising multiple drafts of the FTC's claims allowance and redress plan. Barnes & Thornburg had numerous telephonic communications with the Receiver and the FTC to discuss and revise the proposed redress plan. Once the FTC filed its proposed claims allowance and redress plan, counsel prepared a draft of the "Basic Information Regarding the Redress Plan," the initial step required of the Receiver under the redress plan, if approved by the Court. Counsel reviewed objections to the redress plan and reviewed alternative plans which were submitted. Barnes & Thornburg also prepared a response to the objections raised by lot purchasers Craig Hibbert and Michele Quaid.

B. Monetizing and Addressing Receivership Assets

As generally discussed above, the Receiver's counsel has been actively involved in addressing numerous issues pertaining to the Kings Place Property. Barnes & Thornburg had many communications with the tenant and his third set of lawyers during the Sixth Expense Period regarding his defaults under the lease agreement and whether he intended to continue to attempt to acquire the property. The Receiver's counsel sent three demand letters to the tenant's lawyers, when rental payments fell into arrears, and advised the tenant in those demand letters that it would seek an order to show cause why he should not be held in contempt of Court for violating this Court's orders with respect to the Kings Place Property. In addition, Barnes & Thornburg prepared two different sets of near-final drafts of contempt pleadings, each of which

was not filed when the tenant brought rent current, or nearly current. As a result of these efforts, rental payments of \$367,500 were collected from the tenant by the Receiver during the Sixth Expense Period. Subsequently, additional rental payments totaling another \$210,000 have been received.

During the Sixth Expense Period, counsel for the Receiver addressed slope and drainage issues pertaining to the Kings Place Property and worked with the Receiver's insurer to obtain payment covering various repairs. Barnes & Thornburg also addressed issues pertaining to a reciprocal easement for water drainage and the Receiver's rights and obligations under the easement.

During the earlier expense periods, the FTC took the lead in negotiating settlements with two creditors of the Reserve and Kanantik, Gordon Barienbrock ("Barienbrock") and Violette Mathis ("Mathis"). Mathis also holds several ownership interests in Kanantik-related companies.⁵ Both settlements were completed in March 2020, and a motion to approve the Barienbrock and Mathis settlements was prepared and filed in April 2020 (Doc. 895). During the Sixth Expense Period, the Court granted the settlement motion in November 2020 (Doc. 1086). Since that time, the Receiver's counsel has taken steps to implement the terms of the settlement agreements. Barnes & Thornburg prepared documentation to facilitate the formal transfer of Barienbrock's promissory note executed by Chadwick and secured by Chadwick's real property in Costa Mesa, California, which was assigned to the Receiver under the Barienbrock settlement, and to commence foreclosure proceedings under private power of sale against the property pursuant to applicable California law. A Notice of Default was filed against

⁵ Much of Barienbrock's interests are held in his family trust. Much of Mathis's interests are held in her family trust or CVM Corporation, wholly owned by the family trust.

the Chadwick property shortly after the end of the Sixth Expense Period on May 11, 2021. This began the foreclosure process, which paves the way for the Receiver to either be paid off at a foreclosure sale on the unpaid balance of the loan, which exceeds \$1.1 million, by a third party bidder or enable the Receiver to acquire the property at a foreclosure sale in satisfaction of the promissory note.

C. Other Litigation Work

During the Sixth Expense Period, Barnes & Thornburg prepared and filed the successful fifth fee motion. Counsel brought a successful application to extend the terms of the receivership created under various Stipulated Judgments. It filed a miscellaneous action under 28 U.S.C. § 754 in the Eastern District of Missouri to assert control over certain real property located there in the name of Receivership Entity Prodigy Management, LLC. It completed its successful opposition to a series of letters brought by investors in the project in Costa Rica known as Rancho Del Mar, seeking an untimely return of funds from a bank account held by Receivership Entity NLG. Additionally, Barnes & Thornburg assisted the Receiver and its Belize counsel in reviewing and revising affidavits in support of various filings in Belize, specifically including filings in support of various recognition orders in Belize as to this Court's orders that impacted the receivership and related to the Receiver's control over Belizean assets.

Throughout the Sixth Expense Period, Barnes & Thornburg has monitored and reviewed voluminous pleadings filed by the parties and responded, when necessary. It also monitored and reviewed all of the Court's orders and judgments to ensure the Receiver's compliance with its various responsibilities thereunder.

D. Discovery

In an earlier expense period, the Receiver's counsel prepared two deposition subpoenas

and two document production requests for Diaz-Cueto, individually and as president of Bella Mar, to investigate the facts and circumstances surrounding the Receivership Entities' acquisition of land in the Bahamas. Diaz-Cueto asserts that this property is no longer property of the receivership estate as a result of non-payment to the vendor under a purchase money sales contract. In December 2019, counsel for the Receiver deposed Diaz-Cueto in Miami, Florida. During the deposition, the Receiver determined and Diaz-Cueto acknowledged that substantial additional documents were required to be produced. Diaz-Cueto also refused to answer questions about the ultimate disposition of \$1,065,000 paid by the Receivership Entities for the acquisition of the Bahamas property. The Receiver was forced to bring a motion in the Southern District of Florida seeking to alternatively transfer the discovery dispute to this Court or compel Diaz-Cueto to answer the questions he refused to answer at the deposition. In March 2020, the Court in Florida denied the motion to transfer the matter to this Court but granted the motion to compel Diaz-Cueto to answer all questions pertaining to the disposition of the \$1,065,000. Barnes & Thornburg and counsel for Diaz-Cueto entered into two consent motions to extend the time to take the Court-ordered supplemental deposition in an effort to eventually conduct the deposition in Miami when it was safe to do so. However, it was determined that it was more prudent to conduct the deposition remotely in light of the ongoing COVID-19 pandemic. During the Sixth Expense Period, the supplemental deposition was conducted remotely on October 21 and October 23, 2020. No resolution has been reached with Bella Mar and Diaz-Cueto and the Receiver is developing its legal options.

The Receiver's counsel also issued two subpoenas during the Sixth Expense Period relevant to its ongoing asset investigation.

Barnes & Thornburg, utilizing its Washington, D.C. office, continues to act as local

counsel through James Van Horn to facilitate the service and filing of pleadings and assist Caris as necessary to ensure compliance with local practice and procedure.

IV. THE FEES AND COSTS OF THE RECEIVER AND ITS COUNSEL ARE REASONABLE AND SHOULD BE PAID AS REQUESTED

It is a fundamental tenet of receivership law that expenses of administration incurred by the receiver, including those of the receiver, his counsel and others employed by him, constitute priority expenses for which compensation should be paid from the assets of the receivership. As explained in the leading treatise *Clark on Receivers*:

The obligations and expenses, which the court creates in its administration of the property, are necessarily burdens on the property taken possession of, and this, irrespective of the question who may be the ultimate owner, or who may have the preferred lien, or who may invoke the receivership. The appointing court pledges its good faith that all duly authorized obligations incurred during the receivership shall be paid.

2 Clark, Ralph Ewing, *A Treatise on the Law and Practice of Receivers* § 637, p. 1052 (3rd ed. Rev. 1992).

The Receiver is an officer of the Court charged with a myriad of duties under the Court's orders, many of which have no relationship to recovery of assets or increasing the funds available for distribution to creditors. Because of the nature of the administrative and other services required in receiverships, the benefit a receiver confers on receivership property cannot be determined based solely on the increase or decrease in the value of property in the receiver's possession. As the Court explained in *Securities and Exchange Commission v. Elliott*, 953 F. 2d

1560, 1577 (11th Cir. 1992):

[I]t is sometimes difficult to ascertain what type of benefits a receiver has bestowed on receivership property [A] benefit to a secured party may take more subtle forms than a bare increase in monetary value. Even though a receiver may not have increased, or prevented a decrease in, the value of the collateral, if a receiver reasonably and diligently discharges his duties, he is entitled to compensation. [Citations omitted.]

Securities and Exchange Commission v. Elliott, 953 F. 2d at 1577.

The Court has broad discretion in determining the reasonableness of fees to be awarded a receiver. *See In re San Vicente Medical Partners Ltd.*, 962 F. 2d 1402, 1409-1410 (9th Cir. 1992). The Court may evaluate the time and effort expended by the Receiver with respect to specific projects and aspects of the administration of the estate, and may look to a number of different factors under the case law in approving receiver's and counsel's fees. *In re San Vicente Medical Partners Ltd.*, 962 F. 2d at 1409-1410.

The Receiver and its professionals have performed extensive and wide-ranging tasks during the Sixth Expense Period in this complex receivership proceeding. This motion establishes that the Receiver, its members, staff and professionals rendered important and necessary services for the receivership estate during the Sixth Expense Period that were highly beneficial to the estate. Much of the work during the Sixth Expense Period was, of necessity, not focused on the monetization of receivership assets, but instead was focused on preserving asset value at the Reserve, crafting and beginning to implement a strategy for the development of the Reserve, and assisting in the drafting of a claims allowance and redress plan. Nevertheless, the

Receiver's services and those of its counsel also led to the collection of \$403,545.87 during the period. The Receiver submits the fees are reasonable in light of the services rendered, and that the fees and expenses requested should be awarded in their entirety. *See Federal Trade Commission v. Capital Acquisitions & Management Corp.*, 2005 U.S. Dist. LEXIS 18504 (N.D. Ill. August 26, 2005). As of June 22, 2021, the Receiver has on hand over \$3.8 million available to pay the fees and costs requested for payment pursuant to this Motion, which sum does not include the \$23 million AIBL settlement payment.

V. CONCLUSION

Based on the Motion, this Memorandum of Points and Authorities, the supporting declarations of Brick Kane and Gary Owen Caris, along with the exhibits attached thereto, it is respectfully requested that the Court grant the Motion in its entirety, and approve and authorize for payment the fees and expenses of the Receiver and its counsel as set forth herein.

Dated: August 3, 2021

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UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**DECLARATION OF BRICK KANE IN SUPPORT OF MOTION FOR
ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND
PROFESSIONAL'S FEES AND COSTS FROM OCTOBER 1, 2020 THROUGH MARCH
31, 2020**

I, Brick Kane, declare:

1. I am the President of Robb Evans & Associates LLC (“Receiver”), the receiver in this action. This lawsuit was commenced on October 31, 2018 by the Federal Trade Commission (“FTC”) with its filing of a Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”). The lawsuit named 17 entity defendants and seven individual defendants, in addition to five relief defendants. The Court issued the Ex Parte Temporary Restraining Order With Asset Freeze, Writs *Ne Exeat*, Appointment of a Temporary Restraining Order and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue (“TRO”) on November 5, 2018. Under the TRO, the Receiver became temporary receiver over all entity defendants except for Atlantic International Bank Limited (“AIBL”) and over the assets of Andris Pukke (“Pukke”) and Peter Baker (“Baker”) valued at \$1,000 or more. The Court extended the duration of the TRO pursuant to an Extension of Temporary Restraining Order and Interim Preliminary Injunction on November 20, 2018. The FTC filed a motion to amend the Complaint and a proposed Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”) on December 28, 2018 adding

Michael Santos and Newport Land Group, LLC (“NLG”) as defendants. The Court granted the motion to amend on January 11, 2019. On February 13, 2019, the Court entered a Stipulated Preliminary Injunction as to Defendants Rod Kazazi, Foundation Partners, Brandi Greenfield, BG Marketing LLC, Frank Costanzo, Deborah Connelly, Ecological Fox LLC, Michael Santos, Angela Chittenden, and Beach Bunny Holdings LLC (“Stipulated Preliminary Injunction”). Under the Stipulated Preliminary Injunction, the Receiver remained as receiver over the stipulating Receivership Entities BG Marketing, LLC, Ecological Fox, LLC, and Foundation Partners, and NLG was expressly added as a named Receivership Entity. On October 3, 2019, the Court issued the Preliminary Injunction as to Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Certain Corporate Defendants, and the Estate of John Pukke (“Pukke Preliminary Injunction”). Under the Pukke Preliminary Injunction, the Receiver was named as permanent receiver over at least 16 Receivership Entities and over Pukke’s, Baker’s and Luke Chadwick’s (“Chadwick”) assets valued at \$1,000 or more. On November 6, 2019, a Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Frank Costanzo and Ecological Fox LLC and Relief Defendant Deborah Connelly (“Costanzo Judgment”) was entered. Among other things, the Receiver remained as permanent receiver over Ecological Fox LLC under the Costanzo Judgment. Subsequently, several other stipulated judgments were entered against various Defendants and Relief Defendants, each of which vested certain duties, powers and authority in the Receiver, including the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Brandi Greenfield and BG Marketing, LLC (“Greenfield Judgment”); Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Rod Kazazi and Foundation Partners (“Kazazi Judgment”); Stipulated Order for Final Judgment Against Relief Defendants Angela Chittenden and Beach Bunny Holdings

LLC (“Chittenden Judgment”); and Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Michael Santos (“Santos Judgment”) (collectively, these four judgments and the Costanzo Judgment are referred to as the “Stipulated Judgments”). On October 8, 2020, the Receiver brought its Application for Extension of Term of Receiver Pursuant to Stipulated Judgments (“Extension Application”), seeking an extension of the term of the Receiver under the Stipulated Judgments through October 10, 2021. On October 29, 2020, the Court issued an Order granting the Extension Application.

2. I have been one of the members of Robb Evans & Associates LLC primarily responsible for the supervision, management and administration of the receivership estate, the Receiver’s taking possession and control of the business and operations of the Receivership Entities, as defined in the TRO, Stipulated Preliminary Injunction and Pukke Preliminary Injunction, the review and investigation of the business, operations and assets of the Receivership Entities and the individuals whose assets are under receivership, and the Receiver’s exercise of the other powers and duties set forth in the TRO, Stipulated Preliminary Injunction Pukke Preliminary Injunction, and Stipulated Judgments. I have been involved in the Receiver’s ongoing review and detailed analysis of the Receivership Entities’ financial records, banking records, and other business records and files. I was personally involved in the preparation and review of the Receiver’s Report of Activities for the Period From November 6, 2018, to February 21, 2019, (“First Report”) filed on February 22, 2019, and the Receiver’s Second Court Report Dated July 2, 2019 (“Second Report”). I have personal knowledge of the matters set forth in this declaration and if I were called upon to testify as to these matters I could and would competently testify thereto based on my personal knowledge.

3. The Receiver seeks payment of the Receiver's fees and costs summarized in the Receivership Administrative Expenses and Fund Balance spreadsheet ("Financial Summary") attached hereto as Exhibit 1. The fees are set forth in the detailed billing records of the Receiver, attached collectively hereto as Exhibit 2, for the six-month period from October 1, 2020, through March 31, 2020, ("Sixth Expense Period"). During the Sixth Expense Period, the Receiver has incurred fees for the Receiver, including the Receiver's members and staff, of \$261,477.90. The Receiver's costs during the Sixth Expense Period total \$4,447.08 and are detailed in the Financial Summary. As shown on Exhibit 1, at page 7, over \$975,000 was spent on operating and maintaining Sanctuary Belize, also known as the Reserve, during the Sixth Expense Period.

4. During the Sixth Expense Period, the Receiver was extensively involved in the FTC's drafting of a proposed claims allowance and redress plan, which was filed by the FTC on January 21, 2021. This included undertaking substantial forensic accounting work to analyze data that will be relevant to the quantification of consumer claims in order to suggest revisions to the draft redress plan. The Receiver and its counsel reviewed and suggested revisions to multiple drafts of the redress plan and attended numerous conference calls with the FTC concerning the draft plan. The Receiver took steps to prepare for the implementation of the redress plan in the event it was approved in whole or in part by the Court, so that the Receiver would be able to comply with the numerous time deadlines set forth in the plan.

5. Substantial time was spent researching and reviewing the files of the lot purchasers, including both active and inactive lot owner files and analyzing the amounts paid by these lot purchasers to facilitate a future claims process under the redress plan. The Receiver also updated contact lists for lot purchasers to facilitate communications with the lot purchasers concerning the redress plan.

6. Once the plan was filed, the Receiver prepared a timeline of tasks to be performed under the plan if approved by the Court, assembled a team of individuals from the Receiver's office and from Barnes & Thornburg to address the required tasks that would be required to be performed, assigned various tasks to the Receiver's team members and convened an initial meeting to address the plan and the services to be performed thereunder.

7. The Receiver continued dealing with complex, challenging and time consuming issues related to a host of financial and operational issues facing the Reserve and the lot owners at the Reserve. Previously, the Receiver discovered that the Receivership Entities had installed internet antennas without registering them with the Belize Public Utilities Commission ("PUC") in violation of Belize law. The Receiver has been taking steps to rectify this problem and attempt to get the antennas registered. During the Sixth Expense Period, the Receiver followed up with its consultants who have been communicating with the PUC as to the status of these registration efforts. The Receiver also started to coordinate the legal installation of new internet connections for lot owners, including coordinating the acquisition and installation of antenna equipment, and add lot owners to the network.

8. The Receiver continued to address issues regarding land tax payments with Belize authorities and lot owners. The Receiver updated a land tax spreadsheet the Receiver previously prepared which identified the amount of land taxes owed by each lot owner and the Receivership Entities.

9. The Receiver regularly communicated with on-site management at the Reserve and the Receiver's Belize counsel over numerous issues. The Receiver also communicated extensively with numerous lot purchasers regarding many issues, including title transfer and ownership, interim plans for the Reserve, the treatment of claims under the FTC's proposed

redress plan, repair issues, property taxes and development of the Reserve. It also had numerous communications with lot purchasers who had questions about the Court's numerous orders and judgments issued in January 2021. Prior to the filing of the FTC's proposed redress plan, it had many communications with lot purchasers concerning the status of a proposed plan. Once it was filed, the Receiver had substantial communications with lot purchasers concerning the proposed redress plan.

10. The Receiver has continued to work closely with the Consumer Committee formed pursuant to the Court's Interim Reserve Management Order. During the Sixth Expense Period, it set the agenda for, scheduled and chaired four monthly meetings of the Consumer Committee. These meetings primarily were held telephonically in light of the COVID-19 pandemic. The Receiver also assisted in finalizing the Consumer Committee meeting minutes, including detailed minutes addressing numerous questions concerning the redress plan proposed by the FTC.

11. The Receiver also continued to implement strategies for the potential development and/or sale of the Reserve to a third party. Prior to the Sixth Expense Period, the Receiver informally engaged the services of a highly qualified consultant with expertise in the region who can identify staffing requirements for large development projects. During the Sixth Expense Period, the Receiver communicated with this consultant, keeping him informed as to the status and content of the proposed Redress Plan and discussing the framework for a detailed development proposal, which will be used to identify and attract appropriate and qualified developers.

12. Once the Court entered the order for the Receiver's interim management of Kanantik, the Receiver took steps to take control of that property and expend funds necessary for

the maintenance and security of the property. The Receiver also had numerous communications with Kanantik lot owners and began to take steps to acquire the necessary contact information and other data that would be required to implement those aspects of the FTC's claims allowance and redress plan that pertained to Kanantik.

13. The Receiver has worked with its local Belize counsel (and Barnes & Thornburg) to discuss and, when appropriate, seek to obtain recognition orders reflecting the various rulings issued by this Court during the Sixth Expense Period as they pertained to the Reserve and to Kanantik, including judgments and orders which were issued in January 2021 as well as the interim and permanent orders regarding Kanantik issued in November 2020 and March 2021, respectively.

14. In connection with Receiver's counsel, the Receiver continued to preserve the value of and develop strategies to monetize receivership assets. The Receiver has continued to assert control over the property located at 104 Kings Place, Newport Beach, California ("Kings Place Property"), held in the name of the AAC Family HYCET Trust Dated 10/7/15 ("AAC Trust"), but which is specifically identified as an asset of the receivership estate in the TRO and Preliminary Injunction. Pursuant to the Chittenden Judgment, the Kings Place Property has become an undisputed asset of the receivership estate. As discussed in the Receiver's prior fee motions, the AAC Trust entered into a post-TRO lease/purchase option agreement on the property without the Receiver's knowledge or permission. Starting in May 2019 and continuing through the Fifth Expense Period, the lessee made lease and purchase option payments to the Receiver in the total amount of \$1,037,500. However, starting in September 2020, the tenant fell seriously behind in the payment of monthly rent, at one point being three months in arrears. Through counsel, the Receiver issued three demands for payment of past due rent during the

Sixth Expense Period. Counsel for the Receiver communicated with the tenant directly, during a brief period he was not represented by counsel, and thereafter communicated with his newly retained (third) set of lawyers. As a result of these demands, including advising the tenant, through his counsel, that the Receiver would seek an order to show cause why he should not be held in contempt based on his violation of various orders of this Court, the tenant has generally stayed within one month of being current on the rent. A total of \$367,500 in rent on the Kings Place Property was collected during the Sixth Expense Period. The tenant recently made two rental payments and has paid rent through July 2021.

15. While the tenant had previously indicated a desire to acquire the Kings Place Property, given his failure to provide various financial information requested by the FTC and his ongoing failure to remain current under the lease, the Receiver developed alternative marketing and sale strategies. After the Sixth Expense Period, the Receiver listed the property for sale with a widely respected real estate broker who works in the high-end Newport Beach, California marketplace.

16. In conjunction with the Receiver's counsel, it has also continued to address various insurance claims and repair issues on the Kings Place Property, as a result of the property's slope and soil issues, and water damage.

17. Also during the Sixth Expense Period, the Receiver, in conjunction with counsel, has addressed potential claims against third parties, including Bella Mar Estates, Ltd., Jorge Diaz-Cueto and Pandora Marketing, an entity that was occupying space at the Receivership Entities' offices at the outset of the litigation.

18. The Receiver also prepared the financial materials provided to the Court in connection with its fifth fee application. It also continued to handle traditional receivership

operational matters, including maintaining and updating the accounting and financial records of the receivership estate, utilizing and overseeing vendors to preserve and maintain receivership assets, and processing payables.

19. Finally, the Receiver analyzed the numerous orders and judgments issued by the Court during the Sixth Expense Period in order to determine its responsibilities and duties under those orders.

20. Despite the wide-ranging and complex nature of this receivership, the Receiver's work has been extremely beneficial and cost-effective to the estate. The Receiver has collected \$403,545.87 during the Sixth Expense Period, even though the bulk of the work which the Receiver performed during this period of time was not focused on the immediate liquidation of receivership assets but rather on longer-term issues pertaining to the management, preservation and development of the Reserve and Kanantik and the implementation of a claims allowance and redress plan. Since the inception of the receivership through March 31, 2021, the Receiver has successfully collected cash and monetized assets of the receivership estate totaling \$13,586,374.60, including funds from Relief Defendant John Vipulis, but not including \$23 million from Defendant Atlantic International Bank Limited ("AIBL"), which it paid to the Receiver pursuant to its stipulated judgment with the FTC. As of June 22, 2021, the receivership estate has over \$3.8 million which is available to pay the fees and costs requested for payment by the Receiver and its counsel, which sum does not include the \$23 million AIBL settlement payment.

21. The billing rates charged by the Receiver in this case reflected in the billing records

filed in support of the Motion are discounted by 10% from the rates charged by the Receiver's firm in private sector cases as of the time of the Receiver's appointment in 2018. The Receiver will not raise its rates on this matter from the discounted rates in place as of 2018.

22. As the president of Robb Evans & Associates LLC, I am familiar with the methods and procedures used by the Receiver and its members, staff and employees to record the time spent rendering services to receivership estates over which Robb Evans and/or Robb Evans & Associates LLC have been appointed. The records attached hereto as Exhibit 2 are regularly prepared by the members, staff and employees of the Receiver at or about the time of the services rendered and each of whom has a business duty to accurately record the information regarding their services set forth in these records. The records are reviewed by the Receiver's accounting staff or me and summarized in the Financial Summary, Exhibit 1 attached hereto. Based on my experience with Robb Evans & Associates LLC, I believe the Receiver's methods and procedures for recording and accounting for time and services for the receivership estates over which Robb Evans and/or Robb Evans & Associates LLC have been appointed are reliable and accurate.

23. I have worked for over 20 years with Robb Evans & Associates LLC and have been directly involved in the supervision, management and administration of over 90 federal equity receivership matters. Based on my experience, I believe the rates and amounts charged by the Receiver for the services rendered during the Fifth Expense Period are reasonable and appropriate based on the nature of the services rendered, the quality and amount of services provided, the complexity of this receivership estate and issues involved and other factors under the circumstances.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on August 2, 2021 at Alhambra, California.



BRICK KANE

EXHIBIT 1

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Corporate/Defendants' Assets									
Funds Turned Over									
2729 Bristol LLC	3,729.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,729.22
3905 Marcus LLC	1,742.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,742.51
Belize Real Estate Affiliates	94.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	94.55
Buy International Inc	71,155.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	71,155.69
Cortez Properties LLC	21,290.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,290.93
Eco Future Belize Ltd	21,134.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,134.52
Eco Futures Development	286,935.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	286,935.30
Eco Futures Management Co. Ltd	1,576.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,576.15
Foundations Partners	67,559.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	67,559.34
Global Property Alliance Inc.	252,537.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	252,537.72
Newport Land Group LLC	3,757,345.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,757,345.09
Office & Petty Cash	1,527.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,527.38
Power Haus Marketing	42,141.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,141.82
Prodigy Management Group	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32
Sanctuary Belize POA	347,347.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	347,347.56
Southern Belize Realty LLC	4.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50
Total Funds Turned Over	4,876,122.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,876,122.60
Other Funds Collected									
104 Kings Place Rent	1,037,500.00	0.00	210,000.00	0.00	0.00	52,500.00	105,000.00	367,500.00	1,405,000.00
2729 Bristol St Settlement	320,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	320,000.00
AAC Family HYCET Trust	197,772.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	197,772.23
Biltong Brand, LLC	2,592.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,592.00
Foundation Partners	8,452.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,452.17
Irvine Office Auction Proceeds	9,659.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,659.69
Lessor Refund	16,066.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,066.21
Santos Properties									
1807 Coastal Way Rent	9,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,000.00
14070 Falling Leaf Rd. Rent	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,400.00
17085 Birch Hill Rd. Rent	14,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,000.00
L. Nobmann Settlement	350,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	350,000.00
Total Santos Properties	375,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	375,400.00
Sale - 1833 Port Barmouth	862,413.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	862,413.63
Sale - 3905 Marcus Ave.	512,215.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	512,215.37
Total Other Funds Collected	3,342,071.30	0.00	210,000.00	0.00	0.00	52,500.00	105,000.00	367,500.00	3,709,571.30
Total Corporate/Defendants' Assets	8,218,193.90	0.00	210,000.00	0.00	0.00	52,500.00	105,000.00	367,500.00	8,585,693.90

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Relief Defendants' Assets									
A. Chittenden	150,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,000.00
Beach Bunny Holdings LLC	115,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	115,000.00
John Vipulis	4,112,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,112,000.00
Total Relief Defendants' Assets	4,377,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,377,000.00
Other Collections									
Corporate Tax Refunds	2,410.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,410.13
G. Bartenbrock Family Trust	100,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,000.00
Interest Income	37,011.39	956.84	970.65	978.54	829.04	643.40	690.59	5,069.06	42,080.45
Online Wedding Solutions Inc.	176,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	176,000.00
Mango Springs Development LLC	18,616.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,616.36
Misc. Refunds	5,669.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,669.86
Remote.com Inc.	150,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150,000.00
UNITED Check Card Refunds	451.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	451.00
Total Other Collections	490,158.74	956.84	970.65	978.54	829.04	643.40	690.59	5,069.06	495,227.80
Sanctuary Belize- Misc Col									
Beach Club Funds Received	2,172.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,172.41
Boat Charter Fees	2,550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,550.00
Marina Sales & Docking Services	59,711.13	2,471.60	9,171.20	3,003.39	4,806.05	3,089.73	2,806.63	25,348.60	85,059.73
Collection for Logs/Materials	7,125.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,125.00
Equipment Rental	1,356.25	312.50	0.00	0.00	0.00	0.00	0.00	312.50	1,668.75
Horse Back Riding Fees	375.80	20.00	0.00	0.00	0.00	10.00	40.00	70.00	445.80
Laundry Coin Collected	189.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	189.00
Miscellaneous	6,190.63	0.00	25.00	0.00	0.00	1,335.69	0.00	1,360.69	7,551.32
Rent Collections									
Gas Station Rental	0.00	0.00	250.00	0.00	200.00	1,400.00	250.00	2,100.00	2,100.00
Bill Allen Rent	4,975.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,975.00
Lombak Villa Rent	2,500.00	625.00	675.00	0.00	0.00	0.00	0.00	1,300.00	3,800.00
Waimea Villa Rent	3,070.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,070.32
Visitor Rent	5,387.50	75.00	0.00	0.00	0.00	0.00	0.00	75.00	5,462.50
Total Rent Collections	15,932.82	700.00	925.00	0.00	200.00	1,400.00	250.00	3,475.00	19,407.82
Sale of Horses	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00
Vehicle Cleaning Fees	25.00	0.00	0.00	50.00	0.00	0.00	0.00	50.00	75.00
Vehicle & Equipment Repairs	848.05	5.00	305.02	50.00	0.00	0.00	0.00	360.02	1,208.07
Total Sanctuary Belize- Misc Col	97,476.09	3,509.10	10,426.22	3,103.39	5,006.05	5,835.42	3,096.63	30,976.81	128,452.90
Total Funds Collected	13,182,828.73	4,465.94	221,396.87	4,081.93	5,835.09	58,978.82	108,787.22	403,545.87	13,586,374.60

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Expenses									
Corporate Entity Expenses									
Buy Belize International Inc.	259.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	259.87
IRA Contributions	259.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	259.87
T total Buy Belize International Inc.									
Buy Belize LLC	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,600.00
Corporation Taxes	3,403.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,403.80
PTO/Sick Pay	5,003.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,003.80
T total Buy Belize LLC									
Buy International Inc.	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,600.00
Corporation Taxes	53,443.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	53,443.38
Payroll Earnings	20,735.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,735.46
PTO/Sick Pay	75,778.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,778.84
T total Buy International Inc.									
Eco Futures Development	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,600.00
Corporation Taxes	1,626.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,626.00
Payroll Earnings	1,846.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,846.08
PTO/Sick Pay	5,072.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,072.08
T total Eco Futures Development									
Global Property Alliance Inc.	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,850.00
Corporation Taxes	1,850.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,850.00
T total Global Property Alliance Inc.									
Power Haus Marketing	1,850.00	250.00	0.00	0.00	0.00	0.00	0.00	250.00	2,100.00
Corporation Taxes	1,850.00	250.00	0.00	0.00	0.00	0.00	0.00	250.00	2,100.00
T total Power Haus Marketing									
Total Corporate Entity Expenses	89,814.59	250.00	0.00	0.00	0.00	0.00	0.00	250.00	90,064.59
Court Approved Legal Fees for P. Baker	20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
Court Approved Trial Allowance	15,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00
Payroll Processing Fees	951.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	951.31

From inception (November 8, 2018) to March 31, 2021

Property Expenses	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
104 Kings Place									
Appraisal Fees	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,700.00
Litigation Guarantee Costs	1,151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,151.00
Mortgage Payments	801,259.41	36,934.42	36,737.54	36,737.54	36,737.54	36,343.79	36,737.54	220,228.37	1,021,487.78
Property Insurance Premiums	612.73	820.98	3,392.61	1,724.11	1,724.11	1,557.26	1,724.11	10,943.18	11,555.91
Repairs & Maintenance									
Insurance Funded Expenses	(31,964.25)	10,297.50	17,502.13	4,979.95	0.00	0.00	585.00	33,364.58	1,400.33
Repairs & Maintenance	77,671.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	77,671.83
Total Repairs & Maintenance	45,707.58	10,297.50	17,502.13	4,979.95	0.00	0.00	585.00	33,364.58	79,072.16
Property Taxes	0.00	346.20	0.00	0.00	0.00	0.00	0.00	346.20	346.20
Total 104 Kings Place	852,430.72	48,399.10	57,632.28	43,441.60	38,461.65	37,901.05	39,046.65	264,882.33	1,117,313.05
1833 Port Barmouth Place									
Appraisal Fees	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,750.00
Electricity	1,358.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,358.50
Gardening	550.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	550.00
Litigation Guarantee Costs	1,151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,151.00
Mortgage Payments	97,300.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	97,300.53
Natural Gas	221.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	221.17
Pool Maintenance	722.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	722.50
Property Insurance Premiums	186.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	186.32
Water/Sewer	565.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	565.36
Total 1833 Port Barmouth Place	103,805.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	103,805.38
2729 Bristol St. Office									
Appraisal Fees	1,970.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,970.00
Electricity	12,105.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,105.96
Landscaping Services	7,932.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,932.14
Litigation Guarantee Costs	1,151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,151.00
Property Insurance	94,394.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	94,394.52
Repairs & Maintenance	7,012.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,012.34
Secured Property Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Security Patrol Services	11,570.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,570.70
Water	4,463.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,463.90
Total 2729 Bristol St. Office	140,600.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	140,600.56

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
3905 Marcus Ave.									
Appraisal Fees	2,450.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,450.00
Electricity	60.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.31
Legal Fees	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	400.00
Litigation Guarantee Costs	1,151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,151.00
Moving Expenses	2,740.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,740.01
Property Insurance Premiums	3,285.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,285.29
Repairs & Maintenance	145.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	145.26
Water	431.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	431.98
Total 3905 Marcus Ave.	10,663.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,663.85
7862 Chase Avenue									
Property Insurance Premiums	330.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	330.69
Total 7862 Chase Avenue	330.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	330.69
Santos Properties									
460 Lindberg Circle									
Notary Fees	60.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00
Property Insurance Premiums	654.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	654.14
Total 460 Lindberg Circle	714.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	714.14
1807 Coastal Way									
Mortgage Payments	8,838.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,838.24
Property Insurance Premiums	1,011.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,011.59
Total 1807 Coastal Way	9,849.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,849.83
14070 Falling Leaf Rd.									
Mortgage Payments	2,307.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,307.66
Property Insurance Premiums	324.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	324.48
Total 14070 Falling Leaf Rd.	2,632.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,632.14
17085 Birch Hill Rd.									
Mortgage Payments	9,233.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,233.24
Property Insurance Premiums	1,272.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,272.22
Total 17085 Birch Hill Rd.	10,505.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,505.46
Total Santos Properties	23,701.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,701.57

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Kanantik Expenses									
Bank Fees	0.00	0.00	0.00	75.00	0.00	0.00	0.00	75.00	75.00
Electricity	0.00	0.00	0.00	160.00	0.00	25.00	0.00	185.00	185.00
Employee/Employer Taxes	0.00	0.00	0.00	0.00	450.00	1,316.95	723.60	2,490.55	2,490.55
Equipment Parts & Maintenance	0.00	0.00	0.00	0.00	399.57	429.16	63.18	891.91	891.91
Gas, Diesel and Butane	0.00	0.00	75.00	137.30	105.50	232.38	341.60	891.78	891.78
Legal Fees & Costs	0.00	0.00	0.00	0.00	8,957.82	0.00	0.00	8,957.82	8,957.82
Maintenance & Supplies	0.00	0.00	0.00	0.00	0.00	0.00	4,554.30	4,554.30	4,554.30
Mango Springs Development LLC	18,616.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,616.36
Meals & Food Supplies	0.00	0.00	52.17	470.88	267.03	458.30	610.17	1,858.55	1,858.55
Net Payroll Expenses	0.00	0.00	5,085.35	24,251.80	7,159.44	41,192.12	13,919.98	91,608.69	91,608.69
Vehicle License & Insurance	0.00	0.00	0.00	0.00	0.00	0.00	433.50	433.50	433.50
Total Kanantik Expenses	18,616.36	0.00	5,212.52	25,094.98	17,339.36	43,653.91	20,646.33	111,947.10	130,563.46
Sanctuary Belize									
Annual Station Licenses	1,375.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,375.00
Bank Fees	2,569.03	108.00	36.00	72.00	36.00	36.00	72.00	360.00	2,929.03
Boarding Fees	725.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	725.00
Conservation Mgmt Fees	52,535.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,535.00
Consumer Committee Expenses	19,023.23	1,677.14	0.00	0.00	0.00	0.00	0.00	1,677.14	20,700.37
Customs Extensions Paid	1,872.50	900.00	0.00	0.00	0.00	0.00	0.00	900.00	2,772.50
Electricity	208,337.59	7,178.99	7,964.95	7,186.90	5,978.50	5,297.44	8,748.88	42,355.66	250,693.25
Employee Relations	11,363.74	0.00	0.00	7,199.37	83.70	0.00	0.00	7,283.07	18,646.81
Equipment	78,415.57	3,443.33	14,275.61	7,830.98	2,099.81	8,281.38	3,176.19	39,107.30	117,522.87
Equipment Maintenance	30,345.26	1,913.27	0.00	157.99	1,290.91	0.00	957.30	4,319.47	34,664.73
Equipment Parts & Supplies	137,310.13	29,019.86	6,374.62	12,380.97	14,355.05	20,381.29	9,773.52	92,285.31	229,595.44
Equipment Transport & Shipping	9,386.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,386.90
Gasoline and Diesel	155,909.34	14,393.97	914.95	13,388.19	225.00	14,768.04	18,596.10	62,286.25	218,195.59
General Liability Insurance	104,225.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104,225.00
General Maintenance & Supplies	270,021.01	22,145.80	2,802.57	8,357.98	14,731.60	18,647.87	7,803.43	74,489.25	344,510.26
Government of Belize Taxes	299,823.55	10,654.97	10,700.71	11,895.71	11,643.31	13,681.40	16,904.60	75,480.70	375,304.25
Horse & Dog Feed and Supplies	496.35	863.28	64.00	0.00	234.75	990.49	1,424.54	3,577.06	4,073.41
Internet & Phones	68,666.69	1,490.00	2,723.43	1,270.58	75.00	2,641.07	1,241.23	9,441.31	78,108.00
Land & Lot Surveying	15,768.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,768.00
Land Tax Statement Preparation	0.00	2,440.00	320.00	95.00	0.00	0.00	0.00	2,855.00	2,855.00
Legal Fees & Costs	171,153.46	8,712.50	3,375.00	3,937.50	3,937.50	0.00	7,875.00	27,837.50	198,990.96
License & Registration	16,213.40	1,137.50	1,000.00	1,550.00	1,675.00	147.50	547.68	6,057.68	22,271.08
Meal & Trip Allowances	2,643.06	258.14	139.63	222.50	145.00	375.00	132.50	1,272.77	3,915.83
Miscellaneous	5,007.54	(2,930.05)	0.00	0.00	0.00	0.00	0.00	(2,930.05)	2,077.49

From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Office & Misc Supplies	8,836.47	3,635.71	506.59	1,174.72	1,921.61	380.47	717.71	8,336.81	17,173.28
Pool Supplies & Maintenance	18,854.10	(1,305.00)	7,265.00	0.00	0.00	1,316.50	0.00	7,276.50	26,130.60
Postage & Delivery Charges	1,962.27	4.86	0.00	588.97	315.96	91.89	644.90	1,646.58	3,608.85
Post Office Box rental	120.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	120.00
Security Patrol & Training	435.50	0.00	250.00	0.00	0.00	0.00	225.00	475.00	910.50
Staff & Management Fees	1,553,299.42	76,343.09	75,015.14	81,071.62	81,787.75	81,724.63	123,507.72	519,449.95	2,072,749.37
Title Investigation	1,650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,650.00
Vehicle/Motorcycle Fleet Insurance	12,554.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,554.17
Veterinary Services	1,105.00	473.50	329.80	0.00	367.50	0.00	0.00	1,170.80	2,275.80
Water Quality Testing	4,751.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,751.76
Total Sanctuary Belize	3,266,755.04	182,558.86	134,058.00	158,380.98	140,903.95	168,760.97	202,348.30	987,011.06	4,253,766.10
Total Property Expenses	4,416,904.17	230,957.96	196,902.80	226,917.56	196,704.96	250,315.93	262,041.28	1,363,840.49	5,780,744.66
Receiver Fees & Expenses									
Receiver Fees									
R. Evans	1,071.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,071.00
B. Kane	298,360.80	3,762.00	3,488.40	1,949.40	5,369.40	7,455.60	6,498.00	28,522.80	326,883.60
V. Miller	437,760.00	6,840.00	9,644.40	3,420.00	15,800.40	20,383.20	9,370.80	65,458.80	503,218.80
K. Johnson	105,917.40	1,573.20	1,197.00	342.00	120.60	663.30	452.25	4,348.35	110,265.75
S. Krishnan	10,328.40	0.00	0.00	0.00	2,120.40	2,496.60	752.40	5,369.40	15,697.80
A. Jen	196,650.00	3,249.00	2,496.60	3,762.00	5,916.60	3,488.40	2,736.00	21,648.60	218,298.60
M. Lin	109,866.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	109,866.60
T. Chung	319,107.60	1,628.10	0.00	0.00	180.90	0.00	1,929.60	3,738.60	322,846.20
F. Jen	74,892.60	9,678.15	5,396.85	1,477.35	21,044.70	18,693.00	3,286.35	59,576.40	134,469.00
C. Callahan	47,182.50	180.00	22.50	0.00	67.50	0.00	0.00	270.00	47,452.50
H. Jen	270,931.50	5,184.00	3,969.00	2,119.50	6,061.50	13,554.00	18,778.50	49,666.50	320,598.00
C. DeCius	101,501.10	4,264.65	2,174.85	4,519.80	4,070.25	3,645.00	4,203.90	22,878.45	124,379.55
J. Dadbin	27,232.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,232.20
Support Staff	6,777.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,777.00
Total Receiver Fees	2,007,578.70	36,359.10	28,389.60	17,590.05	60,752.25	70,379.10	48,007.80	261,477.90	2,269,056.60
Receiver Expenses									
Asset & Investigative Searches	2,740.06	0.00	52.35	0.00	303.59	0.00	418.58	774.52	3,514.58
Bank Fees	251.00	0.00	0.00	0.00	283.97	(283.97)	75.00	75.00	326.00
Document Reproduction	17,796.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,796.50
External Storage Device	1,495.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,495.19
Locksmith Services	2,872.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,872.91
Office Moving Expenses	585.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	585.00

Receivable and Disbursements
From inception (November 8, 2018) to March 31, 2021

	Previously Reported and Approved	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21	10/1/20~3/31/21	TOTAL
Office Supplies	4,430.46	(3,593.03)	0.00	0.00	0.00	0.00	0.00	(3,593.03)	837.43
Parking & Tolls	647.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	647.15
Postage & Delivery	5,054.12	133.41	114.45	175.86	65.51	134.98	49.29	673.50	5,727.62
Security Guard	1,900.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,900.80
Software Licenses	0.00	0.00	0.00	420.00	0.00	353.00	827.00	1,600.00	1,600.00
Storage Unit Rent	8,374.33	370.00	370.00	370.00	370.00	370.00	370.00	2,220.00	10,594.33
Tax Return Preparation	33,251.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33,251.38
Travel Expenses	44,892.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,892.35
Website Support	5,513.96	102.03	381.50	48.80	443.60	1,060.20	660.96	2,697.09	8,211.05
Total Receiver Expenses	129,805.21	(2,987.59)	918.30	1,014.66	1,466.67	1,634.21	2,400.83	4,447.08	134,252.29
Legal Fees & Costs									
Barnes & Thornburg LLP									
Legal Fees	1,119,488.25	51,069.10	28,228.05	7,894.20	24,984.85	34,672.35	38,622.95	185,471.50	1,304,959.75
Legal Costs	43,544.70	419.75	2,072.52	9.51	172.20	1,138.24	690.62	4,502.84	48,047.54
Total Barnes & Thornburg LLP	1,163,032.95	51,488.85	30,300.57	7,903.71	25,157.05	35,810.59	39,313.57	189,974.34	1,353,007.29
Total Legal Fees & Costs	1,163,032.95	51,488.85	30,300.57	7,903.71	25,157.05	35,810.59	39,313.57	189,974.34	1,353,007.29
Total Receiver Fees & Expenses	3,300,416.86	84,860.36	59,608.47	26,508.42	87,375.97	107,823.90	89,722.20	455,899.32	3,756,316.18
Total Expenses	7,843,086.93	316,068.32	256,511.27	253,425.98	284,080.93	358,139.83	351,763.48	1,819,989.81	9,663,076.74
Funds Balance	5,339,741.80								3,923,297.86
Defendant's Funds Held by the Receiver									
Atlantic International Bank Ltd	23,000,000.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,000,000.06
Total Defendant's Funds Held by the Receiver	23,000,000.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,000,000.06

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**DECLARATION OF GARY OWEN CARIS IN SUPPORT OF MOTION FOR
ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND
PROFESSIONAL'S FEES AND COSTS FROM OCTOBER 1, 2020 THROUGH
MARCH 31, 2020**

I, Gary Owen Caris, declare:

1. I am an attorney at law duly licensed to practice before all courts of the State of California and admitted *pro hac vice* before this Court in this matter. Since the inception of the receivership estate, I have been the attorney at Barnes & Thornburg LLP (“Barnes & Thornburg”) primarily responsible for representing the receiver, Robb Evans & Associates LLC (“Receiver”) on this matter and its lead counsel. My partner, James E. Van Horn, resident in Barnes & Thornburg’s Washington D.C. office and admitted to practice in the courts of Maryland and the United States District Court for the District of Maryland, has been responsible for acting as the Receiver’s local counsel on this matter. I have personal knowledge of the matters set forth in this declaration and if I were called upon to testify as to these matters I could and would competently testify thereto.

2. Attached collectively hereto as Exhibit 1 are copies of the billing records for the attorneys and paralegals at Barnes & Thornburg who performed work on this matter during the period from the October 1, 2020, through March 31, 2021 (“Sixth Expense Period”).

3. During the Sixth Expense Period, the Receiver has incurred attorneys' fees to Barnes & Thornburg of \$185,471.50 and costs of \$4,502.84 for a total of \$189,974.34. The billing records attached as Exhibit 1 itemize and detail the hours spent and the work performed by those attorneys and paralegals rendering services on this matter. The time records attached hereto as Exhibit 1, as well as the time records for the Receiver which accompany Brick Kane's declaration, have been redacted by me where appropriate to preserve descriptions containing confidential, sensitive, tactical, strategic, attorney-client privileged and/or work-product information. It is especially important not to disclose sensitive and strategic information concerning the Receiver's work while the Receiver and its counsel are still developing asset recovery strategies and are engaged in various disputes with third parties.

4. During the Sixth Expense Period, the Receiver's counsel spent a significant amount of time reviewing and revising multiple drafts of the FTC's claims allowance and redress plan. Barnes & Thornburg had numerous telephonic communications with the Receiver and the FTC to discuss and revise the proposed redress plan. Once the FTC filed its proposed claims allowance and redress plan, counsel prepared a draft of the "Basic Information Regarding the Redress Plan," the initial step required of the Receiver under the redress plan, if approved by the Court. Counsel reviewed objections to the redress plan and reviewed alternative plans which were submitted. Barnes & Thornburg also prepared a response to the objections raised by lot purchasers Craig Hibbert and Michele Quaid.

5. The Receiver's counsel has been actively involved in addressing numerous issues pertaining to the Kings Place Property. I had many communications with the tenant and his third set of lawyers during the Sixth Expense Period regarding his defaults under the lease agreement and whether he intended to continue to attempt to acquire the property. I sent three demand

letters to the tenant's lawyers, when rental payments fell into arrears, and advised the tenant in those demand letters that it would seek an order to show cause why he should not be held in contempt of Court for violating this Court's orders with respect to the Kings Place Property. In addition, Barnes & Thornburg prepared two different sets of near-final drafts of contempt pleadings, each of which was not filed when the tenant brought rent current, or nearly current. As a result of these efforts, rental payments of \$367,500 were collected from the tenant by the Receiver during the Sixth Expense Period. Subsequently, additional rental payments totaling another \$210,000 have been received.

6. During the Sixth Expense Period, counsel for the Receiver addressed slope and drainage issues pertaining to the Kings Place Property and worked with the Receiver's insurer to obtain payment covering various repairs. Barnes & Thornburg also addressed issues pertaining to a reciprocal easement for water drainage and the Receiver's rights and obligations under the easement.

7. During the earlier expense periods, the FTC took the lead in negotiating settlements with two creditors of the Reserve and Kanantik, Gordon Barienbrock ("Barienbrock") and Violette Mathis ("Mathis"). Mathis also holds several ownership interests in Kanantik-related companies. Both settlements were completed in March 2020, and a motion to approve the Barienbrock and Mathis settlements was prepared and filed in April 2020. During the Sixth Expense Period, the Court granted the settlement motion in November 2020. Since that time, the Receiver's counsel has taken steps to implement the terms of the settlement agreements. Barnes & Thornburg prepared documentation to facilitate the formal transfer of Barienbrock's promissory note executed by Chadwick and secured by Chadwick's real property in Costa Mesa, California, which was assigned to the Receiver under the Barienbrock settlement,

and to commence foreclosure proceedings under private power of sale against the property pursuant to applicable California law. A Notice of Default was filed against the Chadwick property shortly after the end of the Sixth Expense Period on May 11, 2021. This began the foreclosure process, which paves the way for the Receiver to either be paid off at a foreclosure sale on the unpaid balance of the loan, which exceeds \$1.1 million, by a third party bidder or enable the Receiver to acquire the property at a foreclosure sale in satisfaction of the promissory note.

8. During the Sixth Expense Period, Barnes & Thornburg prepared and filed the successful fifth fee motion. Counsel brought a successful application to extend the terms of the receivership created under various Stipulated Judgments. It filed a miscellaneous action under 28 U.S.C. § 754 in the Eastern District of Missouri to assert control over certain real property located there in the name of Receivership Entity Prodigy Management, LLC. It completed its successful opposition to a series of letters brought by investors in the project in Costa Rica known as Rancho Del Mar, seeking an untimely return of funds from a bank account held by Receivership Entity Newport Land Group, LLC. Additionally, Barnes & Thornburg assisted the Receiver and its Belize counsel in reviewing and revising affidavits in support of various filings in Belize, specifically including filings in support of various recognition orders in Belize as to this Court's orders that impacted the receivership and related to the Receiver's control over Belizean assets.

9. Throughout the Sixth Expense Period, Barnes & Thornburg has monitored and reviewed voluminous pleadings filed by the parties and responded, when necessary. It also monitored and reviewed all of the Court's orders and judgments to ensure the Receiver's compliance with its various responsibilities thereunder.

10. In an earlier expense period, the Receiver's counsel prepared two deposition subpoenas and two document production requests for Jorge Diaz-Cueto ("Diaz-Cueto"), individually and as president of Bella Mar Estates, Ltd. ("Bella Mar"), to investigate the facts and circumstances surrounding the Receivership Entities' acquisition of land in the Bahamas. Diaz-Cueto asserts that this property is no longer property of the receivership estate as a result of non-payment to the vendor under a purchase money sales contract. In December 2019, counsel for the Receiver deposed Diaz-Cueto in Miami, Florida. During the deposition, the Receiver determined and Diaz-Cueto acknowledged that substantial additional documents were required to be produced. Diaz-Cueto also refused to answer questions about the ultimate disposition of \$1,065,000 paid by the Receivership Entities for the acquisition of the Bahamas property. The Receiver was forced to bring a motion in the Southern District of Florida seeking to alternatively transfer the discovery dispute to this Court or compel Diaz-Cueto to answer the questions he refused to answer at the deposition. In March 2020, the Court in Florida denied the motion to transfer the matter to this Court but granted the motion to compel Diaz-Cueto to answer all questions pertaining to the disposition of the \$1,065,000. Barnes & Thornburg and counsel for Diaz-Cueto entered into two consent motions to extend the time to take the Court-ordered supplemental deposition in an effort to eventually conduct the deposition in Miami when it was safe to do so. However, it was determined that it was more prudent to conduct the deposition remotely in light of the ongoing COVID-19 pandemic. During the Sixth Expense Period, the supplemental deposition was conducted remotely on October 21 and October 23, 2020. No resolution has been reached with Bella Mar and Diaz-Cueto and the Receiver is developing its legal options.

11. The Receiver's counsel also issued two subpoenas during the Sixth Expense Period relevant to its ongoing asset investigation activities.

12. Barnes & Thornburg, utilizing its Washington, D.C. office, continues to act as local counsel through James Van Horn to facilitate the service and filing of pleadings and assist me as necessary to ensure compliance with local practice and procedure.

13. As a partner at Barnes & Thornburg, I am familiar with the methods and procedures used to create, record and maintain billing records for clients of the firm. The billing records collectively attached hereto as Exhibit 1 are prepared from computerized time records prepared contemporaneously with the services rendered by each attorney and paralegal billing time to the matter. These computerized records are prepared in the ordinary course of business by the attorneys and paralegals employed by the firm who have a business duty to accurately record their time spent and services rendered on the matters on which they perform work. The time records are transferred into computerized billing programs that generate monthly invoices under the supervision of the accounting department of the firm. Based upon my experience at Barnes & Thornburg, I believe the methods and procedures used for recording and accounting for time and services for our clients are reliable and accurate.

14. The fees charged by Barnes & Thornburg on this matter reflect at least a 10% discount off of the standard hourly billing rates charged by the firm in 2018 for lawyers and paralegals who worked on this matter. The firm's rates will not be raised during this engagement from those discounted 2018 rates.

15. I have more than 41 years' experience as a business and commercial litigator and I also have extensive experience as a bankruptcy attorney representing creditors in Chapter 11 and Chapter 7 cases. For more than 20 years, I have also specialized in representing receivers in

federal equity receiverships. I believe the rates and amounts incurred by the Receiver to Barnes & Thornburg for the services rendered during the Sixth Expense Period are reasonable and appropriate based on the nature of the services rendered, the quality and amount of services provided, the complexity of the issues involved and other factors under the circumstances.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on August 3, 2021 at Los Angeles, California.


GARY OWEN CARIS