

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND**

FILED
LABORER
RECEIVED
FEB 26 2021
AT SPECIAL
SILVER SPRING DISTRICT COURT
DISTRICT OF MARYLAND
DEPUTY

FEDERAL TRADE COMMISSION)

Plaintiff,)

v.)

ECOLOGICAL FOX, LLC, *et al*)

Defendants.)

Civil Action No. 18-cv-3309-PJM

**DELANEYCARLSON AND THERESA EDELEN CONSUMER COMMENTS -
RESPONSE TO FTC’S REDRESS PLAN**

Comes Now, Delaney Carlson and Theresa Edelen, pursuant to this Court’s January 26, 2021 Order (Docket (“Doc.”) No. 1123) hereby submits the following comments and objections to the Federal Trade Commission’s (“FTC”) Proposed Redress Plan (Doc. No. 1117-1).

INTRODUCTION

Delaney Carlson and Theresa Edelen should be considered ‘Consumers’ under the redress plan’s ‘Definition’ of a “Consumer” on pages 4 and 5 of 49 of the FTC’s January 21, 2021 (Proposed) Order Governing Redress (Doc. No. 1117-1) and the FTC’s MOTION IN SUPPORT OF THE REDRESS PLAN AND EXECUTIVE SUMMARY THEREOF. (Doc. No. 1117.)

ARGUMENT

Delaney Carlson and Theresa Edelen request ‘Consumer’ status and approval based upon the definition of “Consumer” or “Consumer Entity”, which provides in relevant part as follows:

- 5. “Consumer” means any person or entity who: (i) purchased an Eligible Lot as part of the Sanctuary Belize or Kanantik retail sales process; (ii) purchased an Eligible Lot that was originally purchased from Subject Sellers as part of the retail sales process; or (iii) reached a Court-approved settlement with the FTC or Receiver entitling the person or entity to be treated similarly to a consumer with respect to Court-approved redress. Notwithstanding the foregoing, a person or

entity is not a “Consumer” if the person or entity: (i) received a full refund; (ii) (a) received compensation from Subject Sellers for help selling lots, (b) made a representation the Court found to be unlawful (or controlled others who did), and knew or reasonably should have known that the misrepresentation was false or misleading, and (c) has not reached a Court- approved settlement with the FTC or Receiver entitling the person or entity to be treated similarly to a consumer with respect to Court-approved redress; (iii) (a) performed work of any sort, at any time, at any location anywhere owned or controlled by Subject Sellers (including, without limitation, the California locations at Michelson Drive, Dove Street, and Edinger Avenue) regardless of whether the person or entity contends the work was unpaid, purportedly unrelated to lot sales, purportedly independent, or immaterial for some other reason; (b) made a representation the Court found to be unlawful (or controlled others who did), and knew or reasonably should have known that the misrepresentation was false or misleading, and (c) has not reached a Court- approved settlement with the FTC or Receiver entitling the person or entity to be treated similarly to a consumer with respect to Court-approved redress; or (iv) (a) is a person or entity that received from Subject Sellers, as part of the consideration for a lot or otherwise, any Asset (including, without limitation, equity or rights) the value of which depended on anything other than the value of a specific Eligible Lot, and (b) has not reached a Court-approved settlement with the FTC or Receiver entitling the person or entity to be treated similarly to a consumer with respect to Court-approved redress, provided, however, if the Receiver can reasonably distinguish the Putative Consumer’s investment transaction from the Putative Consumer’s retail lot purchase, Putative Consumer may still qualify as a Consumer with respect to the retail lot purchase only.

(Doc. No. 1117-1, ¶ 5, pages 3-4.) Delaney Carlson and Theresa Edelen are concerned that given the breadth of the exclusion from the settlement with respect to persons or entities that “received compensation from Subject Sellers for help selling lots” that they will be deemed ineligible to participate in the Settlement. This concern is premised on the fact that Delaney Carlson and Theresa Edelen were for a time employed by the Sellers. Delaney Carlson and Theresa Edelen do not believe that the facts of this case would support them being excluded from the settlement because they purchased their properties prior to employment, one of which is paid for in full. They sold all assets in the states and moved to Belize prior to employment. They were recruited to help in the hospitality sector by the same individuals that sold them the lots. No monies received for employment were used toward their lot purchase. All funds earned were used for basic living

expenses in Belize, for a family of three, and amounted to \$500 a week. Zero commission was received for lot sales and only received monies for a basic salary

In April 2017, myself, Delaney Carlson, and my wife, Theresa Edelen, joined my father Collin Carlson at his invitation on a Buy Belize property tour to investigate investing in Belize. We attended the Buy Belize tour, solely as consumers. We had no prior contact or relationship with any of the Sellers, owners or investors of Sanctuary Belize and no exposure to the sales and marketing calls from California offices. After reviewing the property and learning about the proposed development plans, we made the decision to invest in lot SE227 in Sanctuary Estates in Sanctuary Belize. Collin Carlson decided to purchase River lot R09. We discussed financing options with the Buy Belize sales representative, and they recommended that we purchase the property jointly for estate purposes. After some discussion, we decided to purchase the SE227 property, for \$147,000 (\$132,300 in a development contract and \$14,700 in a land contract). The proposed terms were a 0% interest loan to finance the balance until September 1, 2017 with options to extend for 30 days at 1%. The contract was paid in full February 2018 with the proceeds of the sale from Theresa Edelen's family home at 105 Valley View drive, Kalispell, MT 59901. Delaney Carlson and Theresa Edelen moved to Hopkins, Belize January 1, 2018 with their young son. Delaney Carlson was approached in April of 2018 about a hospitality position, assisting guests in the weekly tours. The position paid \$500 a week and constituted the sole family income at the time. Theresa was hired to assist on the tours in Aug 2018. The salary was \$250 a week plus paid housing. As lot owners and employee's, they were given minimal information and only included in logistics planning of the individual tours. They were not allowed access to the California sales

team information or meetings. They were unaware of any fraudulent activity and did not participate willfully in any such activity.

CONCLUSION

As the above facts clearly demonstrate, Delaney Carlson and Theresa Edelen are consumers, entitled to their share in the Settlement. The FTC seeks to take away rights without due process. At no time have Delaney Carlson and Theresa Edelen been accused of participating in the fraud. The monies earned while employed by the sellers were payment for labor rendered, not used for payment of lots, and only used to pay living expenses in Belize. The SE227 lot was fully paid off by Delaney Carlson and Theresa Edelen months prior to employment. The R09 lot was paid monthly by Collin Carlson from his own funds. Collin Carlson was never employed by the Sellers.

Based upon the intent to immigrate to Belize and obvious separate distinguishable movement of money, Delaney Carlson and Theresa Edelen should qualify as a 'Consumer' and satisfies the Putative Consumer exception since the Putative Consumer's purchase transaction in a retail lot purchase was separate and distinguishable from the Putative Consumer's financial transactions with the Defendants. At no time were any monies received by the Putative Consumer from the Defendants' company Buy Belize between April 2018 and November 2018 ever commingled with or used by Delaney Carlson and Theresa Edelen to make lot payments. All monies paid to Eco-Futures Belize for the purchase of lot SE227 and R09 have been derived from proceeds of a Montana home sale by the Putative Consumer well before ever working for the defendants in April of 2018. The retail lot purchase transaction has been distinguishably separate from the Putative Consumers financial affairs and Delaney Carlson and Theresa Edelen are seeking

the Court-approved settlement with the FTC or Receiver entitling them to be treated similarly to a consumer with respect to Court-approved redress as it relates to the retail lot purchase.

This 19th day of February 2021.

Respectfully submitted,

s/ Delaney Carlson

s/ Theresa Edelen

WASHINGTON NOTARY ACKNOWLEDGEMENT

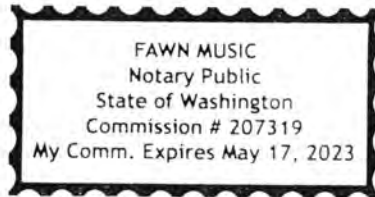
State of Washington
County of Jefferson

Theresa Edelen and
Delaney Carlson

I certify that I know or have satisfactory evidence that Delaney Carlson
[Name of Person] is the person who appeared before me, and said person
acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her)
free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 2/19/2021

(Seal or stamp)



Fawn Music
Signature

Notary Public
Title

My appointment expires: May 17, 2023

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document was filed with the Clerk of the Court via email and United States Postage, First Class system to the following parties of record:

Theresa Edden
89 N. Stromberg Ave
Port Townsend, WA 98368

TAC

191



20770



1000

U.S. POSTAGE PAID
FORM LETTER
PORT HADLOCK, WA
98369
FEB 19, 21
AMOUNT

\$4.35

R2304W120122-09



FEB 26 2021

AT GREENBELT
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND

DEPUTY

POST 0E25 0000 DTPT 0202



US District Court of Maryland
Attn: Clerks office
6500 Cherrywood Lane, Suite 200
Greenbelt, MD 20770

20770-720350

