

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
SOUTHERN DIVISION

*In re* SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**CONSOLIDATED REPLY TO: (1) REPRESENTED DEFENDANTS’ OPPOSITION TO RECEIVER’S PROPOSED ORDER IMPLEMENTING NEXT PHASE OF CONSUMER REDRESS; AND (2) FTC’S RESPONSE IN SUPPORT OF THE RECEIVER’S PROPOSED ORDER, SUBJECT TO REVISIONS**

The Receiver submits this consolidated reply to the Represented Defendants’ Opposition to the Receiver’s Proposed Order Implementing Next Phase of Consumer Redress (Doc. 1434) (“Defendants’ Opposition”) and the Federal Trade Commission’s Response in Support of the Receiver’s Proposed Order Subject to Proposed Revisions (Doc. 1433) (“FTC Response”), each filed in response to the Receiver’s Proposed Order Implementing Next Phase of Consumer Redress (Doc. 1432) (“Receiver’s Proposed Order”) as follows:

**I. REPLY TO REPRESENTED DEFENDANTS’ OPPOSITION TO RECEIVER’S PROPOSED ORDER**

The Represented Defendants oppose most of the Receiver’s Proposed Order, claiming the “Receiver does not have legal authority to maintain custody of, or market and sell, the Sanctuary Belize properties...” because of *AMG Capital Management, LLC v. Federal Trade Commission* 141 S. Ct. 1341 (2021) (Opposition, p. 1). This is the same argument the Represented Defendants have repeatedly made, including in opposition to the Federal Trade Commission’s (“FTC”) Motion to Reform and Reaffirm Final Orders (Doc. 1404) (“Motion to Reform and Reaffirm”), in support of their proposed order submitted as an alternative to the FTC’s proposed order granting the Motion to Reform and Reaffirm, and most recently in their

Motion for Return of Property. (*See*, Docs. 1405, 1417, 1417-1 and 1435). The FTC has thoroughly and persuasively demonstrated why this contention is meritless. (*See*, Docs. 1404, 1408 and 1422). The Receiver incorporates by reference the arguments the FTC has made in those pleadings on this issue, and joins in and supports all of the arguments the FTC makes in response to the Defendants' Opposition (Doc. 1436). They will not be repeated at length here. However, the Receiver highlights a few points in response to the Defendants' Opposition.

It is nonsensical for the Represented Defendants to concede that they are "subject to the injunctive provisions in the final judgment" (Doc. 1112) and that "those injunctions prohibit the Representative [sic] Entities from involvement in Sanctuary Belize" (Opposition, p. 2), while simultaneously contending that the Receiver should turn over the Sanctuary Belize property to the Represented Entities for marketing and sale. Obviously, since they are prohibited from any involvement in Sanctuary Belize, they must be prohibited from controlling Sanctuary Belize for the purpose of marketing and sale. Even assuming for argument's sake the injunction somehow does not mean what it plainly says, it is absurd to suggest that the Represented Defendants be given control of Sanctuary Belize for even a microsecond in light of the Court's determination that they engaged in rampant fraudulent conduct causing consumer harm of \$120.2 million.

Further, the Represented Defendants continue to ignore the Fourth Circuit's unambiguous determination that the appointment of the Receiver was a necessary component of equitable relief to ensure that Andris Pukke, who has been adjudicated to have engaged in fraud schemes multiple times and who is currently under indictment on criminal charges related to this very matter, would not be able to continue to profit from his deceptive conduct. (Doc. 1377-1 at p. 39-40). They further ignore the clear language of the Fourth Circuit opinion: "Pukke argues that *AMG* requires nullification of the district court's appointment of a receiver and everything the

receiver has done. **AMG does nothing of the sort.**” Emphasis added, Doc. 1377-1 at p. 39.

Additionally, the Represented Defendants cannot seriously contend that they are able to market and sell Sanctuary Belize more “efficiently, expeditiously, and profitably” than the Receiver. (Opposition, p. 3.) On the one hand, the Receiver is appointed by and answerable to the Court, with fiduciary duties, and who is able to utilize a team of real estate, legal and other professionals with the requisite expertise and experience to sell distressed property. On the other hand, the Court has found that the Represented Defendants engaged in multiple violations of the FTC Act, defrauded hundreds of consumers out of millions of dollars in a real estate scam **involving this very property**, and that as ringleader, Pukke siphoned off millions of dollars paid by consumers for his own use and benefit. Given this comparison, the Represented Defendants cannot plausibly contend that they can be trusted to market and sell Sanctuary Belize for the benefit of defrauded consumers, let alone contend that they would be better suited to do so than the Receiver.

Finally and in any event, the Represented Defendants suffer no prejudice by the immediate entry of the Proposed Order (as revised herein in light of the FTC’s suggestions discussed below), because the Receiver will have to seek and obtain Court approval before Sanctuary Belize can be transferred to a developer, following the conclusion of the RFP process. At that time, the Represented Defendants will have the opportunity to object to any proposed transaction. Therefore, the Receiver should be permitted to initiate this next phase of consumer redress without further delay.

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## II. REPLY TO FEDERAL TRADE COMMISSION'S RESPONSE AND PROPOSED REVISIONS

The FTC Response generally supports the Receiver's Proposed Order, while suggesting modifications to supplement Consumer<sup>1</sup> risk disclosures and to enable continued FTC oversight regarding Consumer communications.

As to the FTC's first point, the Receiver agrees that the disclosure language suggested by the FTC in the first sentence of the proposed revisions to paragraph 6 of the Proposed Order are useful risk disclosures to incorporate for the Consumers prior to their Survey elections. The Receiver has prepared a modified version of the Proposed Order ("Revised Proposed Order"), generally incorporating these additional risk disclosures at paragraph 4.<sup>2</sup>

As part of the enhanced disclosures, the FTC suggests that following the RFI process, "the Receiver shall provide additional updated risk disclosures to the extent feasible..." (FTC's Response, p. 3). However, since the Proposed Order envisioned the RFI process running concurrently with the Survey process, this would potentially result in preparing and communicating additional risk disclosures in the midst of the Survey process. The Receiver does not believe it is prudent to update disclosures in the middle of the Survey process. Under such an approach, some Consumers likely already will have made their elections prior to the dissemination of supplemental or updated risk disclosures. This could theoretically result in certain Consumers making their elections based on different disclosures than others. Further, updating risk disclosures in the middle of the Survey process likely will create unnecessary confusion and uncertainty among Consumers, as well as additional administrative costs.

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<sup>1</sup> In this Section II, capitalized terms shall have the meaning ascribed to them in the Proposed Order or Redress Plan (Doc. 1117-1), as appropriate, unless otherwise expressly defined herein.

<sup>2</sup> Clean and redlined versions of the Revised Proposed Order are attached hereto.

While the Receiver believes that it is unlikely that the RFI process will yield additional information appropriate for inclusion in the risk disclosures, particularly considering the inclusion of the FTC's supplemental disclosure language and because the RFI process is primarily intended to assist the Receiver and its broker in developing a formal RFP (bidding) process designed to appeal to a wide range of qualified developers in the marketplace, the Receiver does not object to leaving open the possibility that Consumer disclosures can be enhanced as a result of the RFI process. Therefore, in order to effectively implement the FTC's suggestion, the Receiver recommends staggering the sequence of events so that the RFI process will be concluded **prior** to the inception of the Survey. While this will result in a delay of approximately two to three months in the overall sale process contemplated by the Revised Proposed Order, the benefits of clarity and having all consumers operate under the same set of risk disclosures outweigh the disadvantages of this delay. The Revised Proposed Order presented herewith provides that the Survey will be undertaken following the conclusion of the RFI process while generally incorporating the FTC's language that the risk disclosures may include information obtained up to and including the RFI process "to the extent feasible, taking into account the sensitivity of the information and potential impact on the sales market of any such disclosures." (Revised Proposed Order, ¶ 4.)

As to the FTC's second point, the Receiver has no objection to adding language explicitly providing for FTC oversight regarding Consumer communications in connection with the Survey process. This is consistent with the collaborative efforts of the Receiver and the FTC throughout

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the receivership as it pertains to Consumer redress. It is also consistent with the language in Section V.E of the Redress Plan. Therefore, the Receiver has added the FTC's suggested language at paragraph 5 of the Revised Proposed Order.

Respectfully submitted,

Dated: May 11, 2023

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UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
SOUTHERN DIVISION

*In re* SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**[REVISED PROPOSED] ORDER IMPLEMENTING NEXT PHASE OF CONSUMER  
REDRESS**

Marc-Philip Ferzan of Ankura Consulting Group, LLC, as successor Receiver in the above-captioned matter (“Receiver”) filed the Receiver’s Request for Status Conference (Doc. 1415) (“Status Conference”), and the Status Conference came on regularly for hearing on April 20, 2023 at 11:00 a.m. pursuant to the Court’s Memorandum Order (Doc. 1418) and Paperless Notice of Scheduling Status Conference (Doc. 1419). Gary Owen Caris of Barnes & Thornburg LLP appeared on behalf of the Receiver, Neil H. Koslowe of the Potomac Law Group, PLLC and John B. Williams of Williams Lopatto PLLC appeared on behalf of Andris Pukke, Peter Baker, John Usher, Global Property Alliance, Inc., Sittee River Wildlife Reserve, Buy Belize, LLC, Buy International, Inc., Foundation Development Management Inc., Eco Futures Development, Eco-Futures Belize Limited, Power Haus Marketing, Sanctuary Belize Property Owners’ Association, and the Estate of John Pukke (the “Represented Defendants”), and Benjamin J. Theisman appeared on behalf of Plaintiff, Federal Trade Commission (“FTC”). Marc-Philip Ferzan also appeared and made a presentation on behalf of the Receiver.

The FTC, having previously filed a motion (Doc. 1117) for the implementation of a redress plan (Doc. 1117-1) (“Redress Plan”), the Court having previously read and considered

briefing, comment and opposition to the Redress Plan, the Court having entered the Order Regarding Implementation of the Redress Plan (Doc. 1373) (“Redress Plan Order”) pursuant to which the Court directed and authorized the implementation of the first 150 days of the Redress Plan as set forth therein at Sections II through III.A, the Receiver having filed and served the Successor Receiver Redress Plan Progress Report and Status Update for the Period October 1, 2022 to January 31, 2023 (Doc. 1412) (“Progress Report”) pursuant to the Redress Plan Order, in which among other things, the Receiver detailed the steps taken in compliance with the Redress Plan Order and proposed various recommendations as to the next steps for implementation of consumer redress for the purpose of making the consumer redress process more efficient, achieving cost savings and better informing consumer choices, the Status Conference having been requested to facilitate the Court’s evaluation of the Receiver’s recommendations and underlying considerations, the Court having read and considered the Progress Report, having heard and considered the Receiver’s recommendations made to implement the next phase of consumer redress, and having heard and considered the arguments and contentions of counsel for the Receiver, the Represented Defendants, and the FTC made at the Status Conference with respect thereto, and the Court finding that there is no impediment to entering this Order based on any other issues or pending matters in this proceeding and further finding that it is fair and reasonable and in the best interest of the receivership estate to approve the Receiver’s recommendations now without further delay, it is

ORDERED as follows:

1. The “Effective Date of this Order” is defined to mean the date this Order is entered.
2. On or before the 90th day following the Effective Date of this Order, or as soon as



practicable thereafter to facilitate participation, the Receiver shall make an initial \$10 million distribution on a pro rata basis to Consumers<sup>1</sup> of Sanctuary Belize lots with Claim Applications deemed eligible in accordance with the notifications provided by the Receiver on or about February 9, 2023 (“Eligible Claim Notifications”). The calculation for pro rata distribution payments shall be based on the Amount Paid set forth in the Eligible Claim Notification for each Sanctuary Belize lot divided by the aggregate Amounts Paid set forth in all Eligible Claim Notifications associated with Sanctuary Belize lots. This \$10 million distribution shall come from the segregated funds held by the Receiver originating from the \$23 million settlement proceeds paid by Defendant Atlantic International Bank Limited (“AIBL”) pursuant to the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Atlantic International Bank Limited (Doc. 607) (“AIBL Judgment”). Pursuant to Section IV.A of the AIBL Judgment, any additional expenditures from the proceeds of the settlement paid by AIBL require further Court order.

3. As soon as practicable after the Effective Date of this Order, the Receiver shall commence efforts to market and sell the Assets of Sanctuary Belize and the Assets of Kanantik (collectively herein, the “Belize Assets”) as provided herein. The Receiver shall engage a reputable international real estate brokerage firm, at commercially reasonable rates and terms, and working with such brokerage firm, prepare marketing materials, address land validation issues as necessary, and initiate a Request for Information (“RFI”) process directed to a representative group of potential purchasers, investors and developers. The RFI process shall be administered over approximately a two-month period. The RFI process shall be used for the

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<sup>1</sup> Capitalized terms in this Order shall have the meaning ascribed to them in the Redress Plan unless otherwise expressly defined herein.

purpose of assessing interest in the Belize Assets, better understanding current market conditions, determining investment priorities and needs of potential purchasers, investors and developers, and assisting in the development of a formal bidding process. During the RFI process, the Receiver shall also endeavor to obtain information from potential purchasers, investors and developers concerning anticipated Redress Plan requirements, including, by way of example only, Minimum Development Tasks, Post Termination Maintenance work, and the potential for lot acquisitions by Consumers at the discounted prices set forth in the Redress Plan.

4. As soon as practicable after the conclusion of the RFI process, Effective Date of this Order, the Receiver shall prepare and distribute an online survey (“Survey”) made available via electronic transmission to all Consumers with Claim Applications deemed eligible in accordance with the notifications provided by the Receiver on or about February 9, 2023. The Survey shall contain risk disclosures, including without limitation those set out in the Redress Plan as Disclosure No. 1, Disclosure No. 2 and/or Disclosure No. 4 as appropriate. ~~These risk disclosures shall also include that the Belize Assets may be sold to a purchaser who will not develop the land for residential purposes or will not offer to sell land or provide credit to Consumers who select Option No. 2, as set forth at paragraph 6 below, in addition to the possibility that the land may in fact be sold to a developer and lot values could increase. These risk disclosures may potentially include any information obtained up to and including the RFI process to the extent feasible, taking into account the sensitivity of the information and potential impact on the sales market of any such disclosures. The Receiver shall and require the execution of an acknowledgment that the risk disclosures have been received and considered. The Survey shall provide each such Consumer with the opportunity to select one of three choices (“Options”), as set forth below at paragraph 6, which election shall be binding on such~~

Consumers. Such Consumers shall be given a period of 90 days within which to complete and submit the Survey to the Receiver.

5. The FTC shall be consulted in advance of the distribution of the Survey. The FTC shall have the authority to review, provide revisions to, or draft any written materials prior to their distribution to Consumers in connection with this Survey, including, but not limited to, any notices, risk disclosures, frequently asked questions, and the Survey itself.

~~4.1. Using the information obtained through the RFI process, the Receiver, together with the brokerage firm, shall develop and initiate a formal process to solicit bids from potential purchasers, investors and developers pursuant to a Request for Proposals (“RFP”) process. The RFP process to solicit bids shall take up to nine months from its inception, or longer upon notice to the Court that such extension may be necessary and appropriate to facilitate bidding.~~

~~5.1. At the conclusion of the RFP process, if one or more offers for the purchase of any or all of the Belize Assets is obtained that in the Receiver’s opinion and judgment should be accepted, the Receiver shall seek Court approval for the sale of such Belize Assets on notice and motion and in accordance with the terms and conditions set forth therein, pursuant to: (a) Section VII.C of the Final Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants etc. (“Doc. 1112”) (“Default Judgment”); (b) Section VII.C of the Amended Final Order for Permanent Injunction and Monetary Judgment Against Andris Pukke, Peter Baker, and Luke Chadwick (Doc. 1194) (“Pukke Judgment”) to the extent necessary or appropriate; and (c) applicable receivership law.~~

~~6.1. As soon as practicable after the Effective Date of this Order, the Receiver shall prepare and distribute an online survey (“Survey”) made available via electronic transmission to all Consumers with Claim Applications deemed eligible in accordance with the notifications~~

~~provided by the Receiver on or about February 9, 2023. The Survey shall contain risk disclosures, including without limitation those set out in the Redress Plan as Disclosure No. 1, Disclosure No. 2 and/or Disclosure No. 4 as appropriate, and require the execution of an acknowledgment that the risk disclosures have been received and considered. The Survey shall provide each such Consumer with the opportunity to select one of three choices (“Options”), as set forth below, which election shall be binding on such Consumers. Such Consumers shall be given a period of 90 days within which to complete and submit the Survey to the Receiver.~~

7.6. The Options to be provided for election in the Survey are as follows:

- (a) Promptly acquire a lot prior to completion of the RFP process (“Option No. 1”);
- (b) Defer the decision of whether to acquire a lot until after completion of the RFP process and Court approval of the potential sale of some or all of the Belize Assets (“Option No. 2”); or
- (c) Decline to acquire a lot and waive all rights to acquire a lot at any time in the future as part of any Court-approved redress (“Option No. 3”).

8.7. Those Consumers electing Option No. 1 shall be entitled to only buy the Eligible Lots reflected in their Claim Applications. The purchase price for the Consumers electing Option No. 1 shall be equal to the Seller Deceptive Price, multiplied by a price multiplier of .65, divided by the Tax Adjustment Factor in effect as of the Effective Date of this Order. The amount to be paid by the Consumers electing Option No. 1 shall be equal to the lot purchase price calculated as set forth herein, less the Amount Paid for such lot. If the purchase price is less than the Amount Paid, the purchase price shall be zero but the Consumer shall not be entitled to any refund on account of such difference. The Survey shall provide that Option No. 1 is available

only to Consumers with ownership interests in lots located in Belize government-approved subdivisions and for which any competing claims have been resolved in their favor. The Survey shall further provide that the availability of Option No. 1 will also be subject to the permissibility of such transactions pursuant to Belize legal and regulatory requirements, encumbrances, competing claims, and other relevant considerations that may preclude transferability. Those electing Option No. 1 shall be required to enter into a reformed contract and pay all closing-related costs, administrative and tax expenses, legal fees and costs, and any other professional services fees and costs in connection with such purchase, and they shall be required to pay any remaining balance of the purchase price promptly in cash at closing using their own funds or financing obtained from third parties.

~~9.8.~~ 9.8. Those Consumers electing Option No. 2 shall defer the decision as to whether to acquire a lot until completion of the RFP process and Court approval of the sale of some or all of the Belize Assets. To the extent the Court approves a sale of the Belize Assets to one or more purchasers (collectively, the “Belize Assets Purchaser”), those Consumers electing Option No. 2 shall be entitled to acquire lots in the Belize Assets only to the extent that such lots will be offered for sale by the Belize Assets Purchaser and only pursuant to terms and conditions offered by the Belize Assets Purchaser and agreed to by such Consumers.

~~10.9.~~ 10.9. Those Consumers electing Option No. 3 shall decline to acquire a lot and waive all rights to acquire a lot at any time in the future as part of any Court-approved redress.

~~11.10.~~ 11.10. To the extent that there are competing claims for a lot by Consumers participating in the Survey, the Receiver shall resolve those competing claims for that lot considering the Amounts Paid and other relevant circumstances.

~~12.11.~~ If the Survey is not returned by a Consumer within the 90-day period, the Consumer shall be deemed to have elected Option No. 2.

12. Notwithstanding the Survey elections, all eligible Consumers will be entitled to receive future distributions based on available funds and as the Court may subsequently order.

~~—Using the information obtained through the RFI process, the Receiver, together~~  
13. with the brokerage firm, shall develop and initiate a formal process to solicit bids from potential purchasers, investors and developers pursuant to a Request for Proposals (“RFP”) process. The RFP process to solicit bids shall take up to nine months from its inception, or longer upon notice to the Court that such extension may be necessary and appropriate to facilitate bidding.

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14. all of the Belize Assets is obtained that in the Receiver’s opinion and judgment should be accepted, the Receiver shall seek Court approval for the sale of such Belize Assets on notice and motion and in accordance with the terms and conditions set forth therein, pursuant to: (a) Section VII.C of the Final Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants etc. (“Doc. 1112”) (“Default Judgment”); (b) Section VII.C of the Amended Final Order for Permanent Injunction and Monetary Judgment Against Andris Pukke, Peter Baker, and Luke Chadwick (Doc. 1194) (“Pukke Judgment”) to the extent necessary or appropriate; and (c) applicable receivership law.

~~13.~~—

~~14.15.~~ Section IX.A of the Redress Plan shall be and hereby is made an express part of this Order to facilitate the distribution and sale of Assets contemplated herein.

~~15.16.~~ As of the Effective Date of this Order, Consumer Committee meetings shall

generally occur on a quarterly basis, unless the Receiver determines that convening a meeting in the interim would be beneficial based on developments in administering this Order. The next Consumer Committee meeting shall be convened within 90 days of the Effective Date of this Order.

Dated:

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HONORABLE PETER J. MESSITTE  
UNITED STATES DISTRICT JUDGE

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UNITED STATES DISTRICT COURT  
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*In re* SANCTUARY BELIZE LITIGATION

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**[REVISED PROPOSED] ORDER IMPLEMENTING NEXT PHASE OF CONSUMER  
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The FTC, having previously filed a motion (Doc. 1117) for the implementation of a redress plan (Doc. 1117-1) (“Redress Plan”), the Court having previously read and considered



briefing, comment and opposition to the Redress Plan, the Court having entered the Order Regarding Implementation of the Redress Plan (Doc. 1373) (“Redress Plan Order”) pursuant to which the Court directed and authorized the implementation of the first 150 days of the Redress Plan as set forth therein at Sections II through III.A, the Receiver having filed and served the Successor Receiver Redress Plan Progress Report and Status Update for the Period October 1, 2022 to January 31, 2023 (Doc. 1412) (“Progress Report”) pursuant to the Redress Plan Order, in which among other things, the Receiver detailed the steps taken in compliance with the Redress Plan Order and proposed various recommendations as to the next steps for implementation of consumer redress for the purpose of making the consumer redress process more efficient, achieving cost savings and better informing consumer choices, the Status Conference having been requested to facilitate the Court’s evaluation of the Receiver’s recommendations and underlying considerations, the Court having read and considered the Progress Report, having heard and considered the Receiver’s recommendations made to implement the next phase of consumer redress, and having heard and considered the arguments and contentions of counsel for the Receiver, the Represented Defendants, and the FTC made at the Status Conference with respect thereto, and the Court finding that there is no impediment to entering this Order based on any other issues or pending matters in this proceeding and further finding that it is fair and reasonable and in the best interest of the receivership estate to approve the Receiver’s recommendations now without further delay, it is

ORDERED as follows:

1. The “Effective Date of this Order” is defined to mean the date this Order is entered.
2. On or before the 90th day following the Effective Date of this Order, or as soon as

practicable thereafter to facilitate participation, the Receiver shall make an initial \$10 million distribution on a pro rata basis to Consumers<sup>1</sup> of Sanctuary Belize lots with Claim Applications deemed eligible in accordance with the notifications provided by the Receiver on or about February 9, 2023 (“Eligible Claim Notifications”). The calculation for pro rata distribution payments shall be based on the Amount Paid set forth in the Eligible Claim Notification for each Sanctuary Belize lot divided by the aggregate Amounts Paid set forth in all Eligible Claim Notifications associated with Sanctuary Belize lots. This \$10 million distribution shall come from the segregated funds held by the Receiver originating from the \$23 million settlement proceeds paid by Defendant Atlantic International Bank Limited (“AIBL”) pursuant to the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Atlantic International Bank Limited (Doc. 607) (“AIBL Judgment”). Pursuant to Section IV.A of the AIBL Judgment, any additional expenditures from the proceeds of the settlement paid by AIBL require further Court order.

3. As soon as practicable after the Effective Date of this Order, the Receiver shall commence efforts to market and sell the Assets of Sanctuary Belize and the Assets of Kanantik (collectively herein, the “Belize Assets”) as provided herein. The Receiver shall engage a reputable international real estate brokerage firm, at commercially reasonable rates and terms, and working with such brokerage firm, prepare marketing materials, address land validation issues as necessary, and initiate a Request for Information (“RFI”) process directed to a representative group of potential purchasers, investors and developers. The RFI process shall be administered over approximately a two-month period. The RFI process shall be used for the

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purpose of assessing interest in the Belize Assets, better understanding current market conditions, determining investment priorities and needs of potential purchasers, investors and developers, and assisting in the development of a formal bidding process. During the RFI process, the Receiver shall also endeavor to obtain information from potential purchasers, investors and developers concerning anticipated Redress Plan requirements, including, by way of example only, Minimum Development Tasks, Post Termination Maintenance work, and the potential for lot acquisitions by Consumers at the discounted prices set forth in the Redress Plan.

4. As soon as practicable after the conclusion of the RFI process, the Receiver shall prepare and distribute an online survey (“Survey”) made available via electronic transmission to all Consumers with Claim Applications deemed eligible in accordance with the notifications provided by the Receiver on or about February 9, 2023. The Survey shall contain risk disclosures, including without limitation those set out in the Redress Plan as Disclosure No. 1, Disclosure No. 2 and/or Disclosure No. 4 as appropriate. These risk disclosures shall also include that the Belize Assets may be sold to a purchaser who will not develop the land for residential purposes or will not offer to sell land or provide credit to Consumers who select Option No. 2, as set forth at paragraph 6 below, in addition to the possibility that the land may in fact be sold to a developer and lot values could increase. These risk disclosures may potentially include any information obtained up to and including the RFI process to the extent feasible, taking into account the sensitivity of the information and potential impact on the sales market of any such disclosures. The Receiver shall require the execution of an acknowledgment that the risk disclosures have been received and considered. The Survey shall provide each such Consumer with the opportunity to select one of three choices (“Options”), as set forth below at paragraph 6, which election shall be binding on such

Consumers. Such Consumers shall be given a period of 90 days within which to complete and submit the Survey to the Receiver.

5. The FTC shall be consulted in advance of the distribution of the Survey. The FTC shall have the authority to review, provide revisions to, or draft any written materials prior to their distribution to Consumers in connection with this Survey, including, but not limited to, any notices, risk disclosures, frequently asked questions, and the Survey itself.

6. The Options to be provided for election in the Survey are as follows:

- (a) Promptly acquire a lot prior to completion of the RFP process (“Option No. 1”);
- (b) Defer the decision of whether to acquire a lot until after completion of the RFP process and Court approval of the potential sale of some or all of the Belize Assets (“Option No. 2”); or
- (c) Decline to acquire a lot and waive all rights to acquire a lot at any time in the future as part of any Court-approved redress (“Option No. 3”).

7. Those Consumers electing Option No. 1 shall be entitled to only buy the Eligible Lots reflected in their Claim Applications. The purchase price for the Consumers electing Option No. 1 shall be equal to the Seller Deceptive Price, multiplied by a price multiplier of .65, divided by the Tax Adjustment Factor in effect as of the Effective Date of this Order. The amount to be paid by the Consumers electing Option No. 1 shall be equal to the lot purchase price calculated as set forth herein, less the Amount Paid for such lot. If the purchase price is less than the Amount Paid, the purchase price shall be zero but the Consumer shall not be entitled to any refund on account of such difference. The Survey shall provide that Option No. 1 is available only to Consumers with ownership interests in lots located in Belize government-approved

subdivisions and for which any competing claims have been resolved in their favor. The Survey shall further provide that the availability of Option No. 1 will also be subject to the permissibility of such transactions pursuant to Belize legal and regulatory requirements, encumbrances, competing claims, and other relevant considerations that may preclude transferability. Those electing Option No. 1 shall be required to enter into a reformed contract and pay all closing-related costs, administrative and tax expenses, legal fees and costs, and any other professional services fees and costs in connection with such purchase, and they shall be required to pay any remaining balance of the purchase price promptly in cash at closing using their own funds or financing obtained from third parties.

8. Those Consumers electing Option No. 2 shall defer the decision as to whether to acquire a lot until completion of the RFP process and Court approval of the sale of some or all of the Belize Assets. To the extent the Court approves a sale of the Belize Assets to one or more purchasers (collectively, the “Belize Assets Purchaser”), those Consumers electing Option No. 2 shall be entitled to acquire lots in the Belize Assets only to the extent that such lots will be offered for sale by the Belize Assets Purchaser and only pursuant to terms and conditions offered by the Belize Assets Purchaser and agreed to by such Consumers.

9. Those Consumers electing Option No. 3 shall decline to acquire a lot and waive all rights to acquire a lot at any time in the future as part of any Court-approved redress.

10. To the extent that there are competing claims for a lot by Consumers participating in the Survey, the Receiver shall resolve those competing claims for that lot considering the Amounts Paid and other relevant circumstances.

11. If the Survey is not returned by a Consumer within the 90-day period, the Consumer shall be deemed to have elected Option No. 2.

12. Notwithstanding the Survey elections, all eligible Consumers will be entitled to receive future distributions based on available funds and as the Court may subsequently order.

13. Using the information obtained through the RFI process, the Receiver, together with the brokerage firm, shall develop and initiate a formal process to solicit bids from potential purchasers, investors and developers pursuant to a Request for Proposals (“RFP”) process. The RFP process to solicit bids shall take up to nine months from its inception, or longer upon notice to the Court that such extension may be necessary and appropriate to facilitate bidding.

14. At the conclusion of the RFP process, if one or more offers for the purchase of any or all of the Belize Assets is obtained that in the Receiver’s opinion and judgment should be accepted, the Receiver shall seek Court approval for the sale of such Belize Assets on notice and motion and in accordance with the terms and conditions set forth therein, pursuant to: (a) Section VII.C of the Final Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants etc. (“Doc. 1112”) (“Default Judgment”); (b) Section VII.C of the Amended Final Order for Permanent Injunction and Monetary Judgment Against Andris Pukke, Peter Baker, and Luke Chadwick (Doc. 1194) (“Pukke Judgment”) to the extent necessary or appropriate; and (c) applicable receivership law.

15. Section IX.A of the Redress Plan shall be and hereby is made an express part of this Order to facilitate the distribution and sale of Assets contemplated herein.

16. As of the Effective Date of this Order, Consumer Committee meetings shall generally occur on a quarterly basis, unless the Receiver determines that convening a meeting in the interim would be beneficial based on developments in administering this Order. The next

Consumer Committee meeting shall be convened within 90 days of the Effective Date of this Order.

Dated:

HONORABLE PETER J. MESSITTE  
UNITED STATES DISTRICT JUDGE

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Certificate of Service

The undersigned hereby certifies that on May 11, 2023, a copy of the foregoing was served via the Court's ECF notification service upon all parties entitled to receive such notification.

Dated: May 11, 2023

/s/ James E. Van Horn  
James E. Van Horn