

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No. 18-cv-3309-PX

RECEIVER’S RECOMMENDATION AND AMENDED MOTION FOR (I) APPROVAL OF SALE OF REAL PROPERTY COMMONLY REFERRED TO AS SANCTUARY BELIZE AND KANANTIK, AS WELL AS RELATED PERSONAL PROPERTY; AND (II) OTHER RELATED RELIEF

The receiver, Marc-Philip Ferzan of Ankura Consulting Group, LLC (“Receiver”), hereby seeks approval of the sale of approximately 18,000 acres of land and improvements known as Sanctuary Belize, which also includes Plenty Tract and Southern Long Coco Caye, as well as Kanantik, which also includes Pelican Range Caye; and the personal property located thereon and related intangible assets (collectively, and as more particularly defined in the Purchase Agreement, the “Property”) pursuant to the terms of the Purchase Agreement, a copy of which is filed concurrently herewith as Exhibit A to the Declaration of Marc Ferzan, subject only to the statutory overbid and sales notice process described herein and in the accompanying memorandum of points and authorities.¹

As set forth in greater detail in the memorandum of points and authorities, pursuant to the Court-ordered RFP process the Receiver has reached an agreement to sell the Property to First

¹ The Purchase Agreement and corresponding schedules to the Purchase Agreement are redacted to address concerns and mitigate the risk that more detailed descriptions of the Property made a part thereof could facilitate sabotage and/or other misconduct by illicit actors seeking to disrupt the receivership’s sale process.

Belizean Investment Market Ltd. (“Purchaser” or “FBIM”) under the terms of the Purchase Agreement. While only the express language contained in the proposed Purchase Agreement is controlling, an overview of the key terms of the executed contract is presented here:

- **Scope of Proposed Sale.** The proposed sale is for all of the available Sanctuary Belize land assets, which also includes Plenty Tract and Southern Long Coco Caye, as well as all of the Kanantik land assets, which also include Pelican Range Caye. In addition, the sale contemplates the transfer of the corresponding personal property located on the land assets and related intangible assets. The sale expressly excludes individual Sanctuary Belize lots for which title has been transferred, or is in the process of being transferred, to a consumer.

- **Purchase Price.** The total purchase price is \$20,500,000, which is comprised of \$16,800,000 for Sanctuary Belize-related assets, including Plenty Tract and Southern Long Coco Caye, as well as \$3.7 million for Kanantik-related assets, including Pelican Range Caye. The full purchase price is expected to be paid in cash by Purchaser at closing, subject to certain potential adjustments as set forth in the Purchase Agreement, including potential reductions for the undisputable and quantifiable amounts, if any, that may be owing with respect to monetary mortgages or liens and not released or removed prior to closing.

- **Free and Clear.** Pursuant to the Purchase Agreement, the order approving the sale shall authorize that the Property is “free of any claim by Record Owners and free and clear of all liens and encumbrances other than Permitted Exceptions, subject to Section 1.3 hereof . . .” Ferzan Decl. Ex. A, Section 3.1. Based on available information, the Receiver is aware of two remaining liens² on Kanantik parcels, a (i) Deed of Encumbrance dated July 20, 2011 between Palmaya

² The Receivership Team additionally identified an encumbrance in favor of Atlantic International Bank Limited (“AIBL”). The Receiver has obtained the agreement of AIBL’s appointed liquidator

Development Ltd. and William Steinhagen and Mary Steinhagen in the stated principal amount of \$1,000,000; and a (ii) Deed of Mortgage dated June 19, 2015 between Mango Springs Development Ltd. and B.F. Kessler and Agness A. Nagy Kessler in the stated principal amount of \$1,500,000. As detailed further in the Declaration of Marc Ferzan, the Receiver is working to remove the liens as the Receiver, based on available information, does not believe any amounts are owing by the receivership estate.³

- **As-is, Where-is.** The Property is generally being sold on an “as-is, where-is” basis without any representations or warranties.
- **Escrow Deposit.** Purchaser will deposit \$1,500,000 into escrow in accordance with the terms of the Purchase Agreement.
- **Closing Date.** It is anticipated that closing is to occur within 45 days of entry of the Court Sale Authorization Order approving the sale.
- **Continuity of Services for Lot Owners.** The Purchaser intends to provide services in order to operate the development area for the benefit of residents, including those who will proceed to closing under reformed contracts. Such services may include providing security resources, and maintaining the roadways and other infrastructure, subject to the Purchaser’s

to remove the lien, completed and executed the requisite Belizean documentation, and submitted to the Government of Belize for removal.

³ The Receiver further notes that Section 2.1 of the Purchase Agreement provides: “Other than providing a credit against the Purchase Price as expressly provided in Section 1.3 hereof, Seller shall have no obligation to remove any encumbrance, lien and/or restriction such as easements, liens or other restrictions or matters of record, and the Sale Authorization Order shall not be required to provide that any such encumbrances, restrictions, liens and/or matters of record shall be removed or that the sale is free of any of the same, which are deemed to be Permitted Exceptions.” Stated differently, while the Receiver is not required to provide the Property free and clear of liens that do not constitute Permitted Exceptions, it is possible a purchase price reduction could result from monetary encumbrances. As such, the Receiver’s efforts to resolve the two liens identified above and to seek approval of the sale free and clear of such liens is beneficial to the estate.

discretion and with costs being shared by other property owners consistent with the requirements of the Sanctuary Belize Property Owners' Association (the "Association").

- **Consideration of Future Consumer-Victim Purchasers.** For victims of the fraud scheme who did not complete the purchase of their lots (during the Lot Choice Survey process or otherwise), the Purchaser has expressed its openness and willingness to considering offering them Sanctuary Belize lots for sale. While the terms and conditions of those potential sales would be set by the Purchaser (in its sole discretion), the Purchaser may consider prior principal payments made by the consumer-victims, as well as potential discounts and financing opportunities.⁴

- **Termination of Certain Contracts.** The Purchase Agreement is structured as an asset purchase and the Purchaser will not assume certain contracts, including any development, construction, service, management, leasing, operation, maintenance, repair, employment, or pre- Receivership contracts that were entered into with the receivership entities during the perpetration of the underlying fraud in or before 2018 – subject, however, to adherence to the applicable terms of the Restrictive Covenants, Conditions and Easements ("RCCEs"). Under the Purchase Agreement, the Purchaser will recognize specified lot sales that were completed and proceeded to closing under reformed contracts entered into in conjunction with the Lot Choice Survey process or under original contracts, regardless of whether the consumers have received title documents from the Government of Belize.

- **Modification of RCCEs and the Association.** Considering that the RCCEs and the Association were developed, established and implemented during, and as part of, the

⁴ It is contemplated that the Sale Authorization Order will include a proposed provision that will enable the Receiver to disclose to the new owner detailed consumer identification and lot-related information derived from the Claim Application and Lot Choice Survey processes to facilitate outreach and engagement concerning such potential lot purchase opportunities.

defendants' alleged fraud scheme, the Purchaser plans to modify the RCCEs, abolish the Association and reconstitute a new property owners' association in its discretion and in consideration of the needs and interests of the existing lot owners, as well as in order to effectively implement its business plan in accordance with the Purchaser's commercial, operational and other relevant priorities.

- **No Affiliation with Defendants.** Purchaser is not affiliated in any way with the defendants.

As detailed in the supporting memorandum of points and authorities and Declaration of Marc Ferzan, after an extensive marketing process with international broker, CBRE, the Receivership Team is now making its preliminary recommendation to the Court that the sale of the Property to FBIM, pursuant to the terms of the Purchase Agreement, be approved, subject only to the statutory overbid and sales notice process described herein and in the accompanying memorandum of points and authorities. More specifically, the Receiver intends to publish a notice of the sale for four weeks in the Amandala, a national circulation Belizean newspaper as well as in the regional Caribbean Journal with broad real estate industry-focused distribution via email, providing in sum and substance:

In the action pending in U.S. District Court for the District of Maryland, In re Sanctuary Belize Litigation, Case No. 18-cv-3309, notice is hereby given that the court-appointed receiver will conduct a public auction for the approximately 18,000 acres of real property and personal property thereon located in the Sanctuary Belize and Kanantik developments in the Stann Creek District of Belize. Offering details may be found at www.cbresanctuarybelize.com. Sale is subject to Court confirmation after auction process is completed. Minimum bid price is at least \$22,550,000. Auction will take place on February 28, 2025, at 1:30 p.m. ET at the CBRE office located at 4747 Bethesda Avenue, Suite 600, in Bethesda, Maryland. To participate in the auction, prospective purchasers must meet certain bid qualification requirements, including submitting a signed purchase and sale agreement, an earnest money deposit of

\$1,650,000, and proof of closing funds. All bidders must be qualified by 5:00 p.m. ET on February 25, 2025, by submitting the required materials via receiver's broker, CBRE. If interested in evaluating offering and qualifying as bidder, contact Jeff Woolson at +1 760-438-8530 or jeff.woolson@cbre.com.

The Receiver will also post the sale notice on the receivership website (<https://sanctuarybelizereceivership.com/>) for the four-week period. In addition, CBRE will send the sale notice via email to its global network of prospective investors and developers during the four-week period. The Receiver submits that the foregoing notices are in substantial compliance with the spirit and letter of Section 2002, and certainly satisfy the purpose of ensuring the sale is advertised, particularly taking into account that the property is located outside of the United States and has already been heavily marketed as part of the Court-ordered RFP process.

The Receiver will inform all interested persons of the opportunity to overbid at the public auction, provided they qualify themselves to bid by no later than 5:00 pm ET on February 25, 2025 ("Bid Qualification Deadline") by (a) signing a purchase and sale agreement for the properties on the same terms and conditions as Purchaser, but with a purchase price of at least \$22,550,000, (b) providing the Receiver with an earnest money deposit of \$1,650,000, (c) providing proof of funds necessary to close the sale transaction in the form of a current bank statement, cashier's check delivered to the Receiver, or other evidence deemed sufficient by the Receiver, and (d) providing the Receivership Team with information they may request relating to the bidder's principals and affiliates, background, experience, qualifications and like matters.

In the event one or more prospective purchasers qualify themselves to bid, the Receiver will file a notice with the Court and the live public auction will be conducted by the Receiver (or the Receiver's designee) on February 28, 2025 at 1:30 pm at the CBRE office in Bethesda, Maryland, and bids will be accepted in increments of at least \$100,000 (above the threshold \$22,550,00 purchase price). The Receiver will then file a notice advising the Court of the result of

the auction (*i.e.*, the highest and best bid relative to all of the relevant considerations) and seek entry of an order confirming the sale. Earnest money deposits provided by bidders who are unsuccessful will be promptly returned to them. In the event no prospective purchasers qualify themselves to bid by the Bid Qualification Deadline, the Receiver will notify the Court and seek entry of an order approving the sale to Purchaser.

Following the overbid and sales notice process, the Receiver will make his final recommendation to the Court and submit a proposed form of order approving the sale and relief sought herein and in the accompanying memorandum of points and authorities (the “Sale Authorization Order”). If the Court approves the sale and enters the Sale Authorization Order, a closing with the successful bidder will be scheduled in Belize, with the relevant land and personal property assets being formally conveyed to the new owner at that time.

Considering the lengthy history and complexity of this matter, the Receivership Team will remain available for a status conference at the Court’s discretion to address any questions, or receive further guidance, from the Court concerning the sale of the Belizean assets, as described herein.

For the reasons discussed in the memorandum of points and authorities and Declaration of Marc Ferzan, and based on the authorities cited therein, including 28 U.S.C. § 2001 and the relevant orders of this Court and the Belizean courts, subject only to the notice and overbid process, the Receiver requests that the Court (a) approve of the sale of the Property to Purchaser (or such other purchaser as the Receiver may recommend after the overbid process) pursuant to the Purchase Agreement attached to the Declaration of Marc Ferzan as Exhibit A and approve all terms of the Purchase Agreement, (b) authorize the Receiver to take all steps necessary to close the sale, and (c) authorize the Receiver to pay CBRE’s commission and relevant closing costs.

This Motion is made and based upon the memorandum of points and authorities in support of the Motion and the Declaration of Marc-Philip Ferzan filed concurrently herewith and the file in the above-captioned case.

Respectfully submitted,

Dated: February 3, 2025

By: /s/ Allison M. Rego
Allison M. Rego (CA Bar No. 272840)
Admitted Pro Hac Vice 5/25/23
Barnes & Thornburg LLP
655 West Broadway, Suite 1300
San Diego, CA 92101
Telephone: (619) 321-5003
Facsimile: (310) 284-3894
Email: arego@btlaw.com

By: /s/ James E. Van Horn
James E. Van Horn (Bar No. 29210)
Barnes & Thornburg LLP
555 12th Street, N.W.
Suite 1200
Washington, DC 20004-1275
Telephone: (202) 289-1313
Facsimile: (202) 289-1330
Email: jvanhorn@btlaw.com

Attorneys for Receiver, Marc-Philip Ferzan of
Ankura Consulting Group, LLC

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This memorandum of points and authorities is filed by the court-appointed receiver Marc-Philip Ferzan of Ankura Consulting Group, LLC (“Receiver”) in support of his Recommendation and Motion for (I) Approval of Sale of Real Property Commonly Referred to as Sanctuary Belize and Kanantik, as well as Related Personal Property; and (II) Other Related Relief (“Motion”). Following the statutory overbid and sales notice process discussed herein, the Receiver will make his final recommendation to the Court and submit a proposed form of order approving the sale and relief sought herein (the “Sale Authorization Order”).

Considering the lengthy history and complexity of this matter, the Receivership Team will remain available for a status conference at the Court’s discretion to address any questions, or receive further guidance, from the Court concerning the sale of the Belizean assets, as described herein.

The Receiver respectfully submits as follows:

I. INTRODUCTION

Following the entry of the Court’s June 14, 2023 Order authorizing the initiation of the Receiver’s marketing and sales processes of the receivership’s Belizean assets, extensive asset validation efforts, a global marketing campaign, the careful evaluation of bidder proposals, and bidder engagement and negotiations, the Receiver has reached an agreement to sell to First Belizean Investment Market Ltd. (“Purchaser” or “FBIM”) for a total purchase price of \$20,500,000 the approximately 18,000 acres of land and improvements known as Sanctuary Belize, which also includes Plenty Tract and Southern Long Coco Caye, as well as Kanantik, which also includes Pelican Range Caye; and the personal property located thereon and related intangible assets (collectively, and as more particularly defined in the Purchase Agreement, the “Property”),

subject to the statutory overbid and sale notice process set forth below, the Receiver's ultimate recommendation following completion of the overbid process, and approval of the Court.¹

The Receiver submits to the Court that the proposed sale will result in a substantial benefit to the receivership estate. Among other things, the sales proceeds will enable the Receiver to make an additional pro rata distribution to eligible Sanctuary Belize consumers, as well as a pro rata distribution to eligible Kanantik consumers. The sale will also relieve the estate of the significant recurring and emergent carrying costs in connection with the maintenance and operation of the Property, and is expected to pave the way for the Receiver to begin winding down the receivership estate. The proposed sale is the product of diligent marketing by the Receivership Team, working closely with well-established international real estate broker CBRE, careful evaluation of all submitted bidder proposals, and substantial, arm's length information-gathering and negotiations with the identified Purchaser. The principals of the proposed Purchaser are established and experienced real estate investors and developers who have a proven track record of acquiring, developing and operating residential properties, including in Belize. As noted in the Purchase Agreement, the Purchaser intends to acquire and take over at closing the operations and maintenance of all Sanctuary Belize and Kanantik assets, and to provide services to Sanctuary Belize lot purchasers who previously acquired title to lots, or are awaiting title transfers for lots from the Government of Belize after completing the buy out and closing processes. Moreover, the Purchaser has indicated that it plans to develop the land into a multifaceted medium scale, upscale, retirement and commercial destination, designed to support the local community and create

¹ A copy of the redacted Purchase Agreement is filed as Exhibit A to the Declaration of Marc Ferzan ("Ferzan Decl."). The Purchase Agreement and corresponding schedules to the Purchase Agreement are redacted to address concerns and mitigate the risk that more detailed descriptions of the Property made a part thereof could facilitate sabotage and/or other misconduct by illicit actors seeking to disrupt the receivership's sale process.

employment opportunities in the Country of Belize, while also enhancing the region's economic growth.² With respect to those victims of the defendants' fraud scheme who sought to buy, but did not complete the purchase of, Sanctuary Belize and Kanantik lots in or before 2018, the Purchase Agreement reflects that the Purchaser is open to and expected to consider offering Sanctuary Belize lots for sale to those eligible consumers identified during the Court-ordered Claim Application process and having indicated their interest in potentially acquiring lots during the Lot Choice Survey program, to the extent that Purchaser's pricing, financing, and other terms and conditions may be acceptable to them. Practically, the sale of the Property will mark the disposition of the remaining significant assets of the receivership estate and is a key step to bringing an end to this highly-litigated and long pending case.

II. RELEVANT FACTS

A. Summary of Case History³

1. FTC's Complaint and Resultant Judgments

This matter 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. As asserted in the Complaint, reflected in several settlement agreements, and ultimately proven by the FTC after a three-week bench trial, the defendants perpetrated a far-reaching fraud with respect to the sale of the Belize land assets, including by

² The Receivership Team has undertaken preliminary steps with Belize Government instrumentalities to preview the sale and reaffirm support for the anticipated redevelopment. Further engagement is anticipated as the Court considers the Receiver's motion and ultimately approval of the sale of the Belizean assets.

³ As the history of this case is lengthy and complex, the Motion provides only a summary overview of certain judgments, orders and filings. Additional case history is reflected in the record, including the Receivers' reports of activities (*see, e.g.*, Doc. 1334, 1342, 1365, 1378, 1412, 1455, 1481, 1505, 1525, 1539).

misleading consumers about the no-debt nature of the project, the purported reinvestment of sales revenue, the construction of luxury and other amenities, the timeline for development, the state of the resale market for lots, and the involvement of Andris Pukke, who, as noted by the Court (*see, e.g.*, Doc. 1020), had already been found guilty of criminal misconduct in connection with previous consumer deception schemes. The Sanctuary Belize judgments ultimately entered against the defendants required payment of \$120.2 million.

Among other orders, on August 23, 2019, the Court entered the Order Governing Interim Receivership Management (Doc. 559) that directed the Receiver to manage the Sanctuary Belize development in a manner designed to avoid waste and maintain the status quo during the pendency of the case.

Between November 2019 and January 2020, five stipulated judgments were entered into between the FTC and various defendants, each of which vested certain duties, powers and authorities in the permanent receiver (Docs. 668, 788, 789, 819 and 820) (collectively, the “Stipulated Judgments”).

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”). The Defaulting Corporate Defendants (as defined therein) included Sittee River Wildlife Reserve and Eco-Futures Belize Limited. The Assets (as defined therein) included the Defaulting Corporate Defendants themselves and the things those entities controlled. The Default Judgment provided that the Receiver was authorized to take possession and control of the Receivership Assets (as defined therein) and to liquidate the Receivership assets subject to Court approval. *See* Default Judgment, at Section VII.

Similarly, 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 Corporate Defendants subject to the judgment included Sittee River Wildlife Reserve and Eco-Futures Belize Limited. The Pukke Final Judgment likewise provided that the Receiver is authorized to take possession and control of the Receivership Assets (as defined therein) and to liquidate the Receivership assets subject to Court approval. *See* Pukke Final Judgment, at Section VII.

On March 24, 2021, the Court entered the Final Order Concerning Kanantik (Doc. 1193, “Kanantik Order”). The Kanantik Order confirmed that the entities comprising the Kanantik development are receivership assets, including Mango Springs Development Limited and G&R Development Company of Belize Limited.

In addition to the judgments and orders of the Court, the Receiver obtained recognition orders on May 24, 2022 and November 29, 2022 from the relevant Belize courts for both Sanctuary Belize and Kanantik that recognize, among other things, the Receiver’s authority to sell the Belize assets.

2. Defendants’ Unsuccessful Appeals

Pukke and other of the defendants appealed the judgments against them. On November 1, 2022, the Fourth Circuit Court of Appeals issued its published opinion on the consolidated appeals filed by, among other defendants, Pukke, Baker and John Usher. In the opinion, the Fourth Circuit affirmed this Court’s orders appointing the Receiver and left the receivership intact, without directing any changes. On January 4, 2023, the Court granted the FTC’s motion to confirm the Receiver’s control over all receivership assets pursuant to the Order Confirming Receiver’s Possession of and Control Over Assets Previously Order to be Turned Over (Doc. 1397).

On June 14, 2023, the Court entered its Order Reforming and Reaffirming the Final Orders (Doc. 1447). Defendants Pukke, Baker and Usher again appealed. On November 12, 2024, the Fourth Circuit issued an opinion affirming the District Court (Doc. 1549-1), finding, among other things, that “the district court acted prudently in appointing a neutral third party to manage and disperse the assets appellants seek to control.” *Id.* at 13.

3. Redress Orders

On August 18, 2022, the Court entered its Order Regarding Implementation of the Redress Plan (Doc. 1373) (“August 2022 Redress Order”), which partially granted the FTC’s motion (Doc. 1117) for implementation of a proposed redress plan (Doc. 1117-1) (the “Redress Plan”). Under the August 2022 Redress Order, the Receiver was directed to implement the first 150 days of the Redress Plan and submit a report to the Court within 180 days, which the Receiver did on March 10, 2023 (Doc. 1412). As described further in the Receiver’s status report, pursuant to the August 2022 Redress Order, the Receivership Team developed and implemented a turnkey online Claim Application program to facilitate the broadest possible participation of eligible victims within required timelines, and to reconcile relevant financial information and lot ownership interests to support individual redress program benefits, as well as the anticipated marketing and sale process of the broader development areas. As a result of the Receiver’s coordinated efforts, robust participation was made possible for victims, who were able to successfully submit Claim Applications and obtain lot-specific eligibility determinations in accordance with Redress Plan parameters. By the February 9, 2023 notification deadline, more than 2,840 eligibility notices were distributed to individual claimants in connection with over 1,700 applications received – and 97% of those applications were determined to be eligible by the Receivership Team.

In March 2023, based on the institutional knowledge developed through the administration of the Claim Application process and considering a range of other relevant facts and circumstances,

as well as marketplace dynamics, the Receivership Team presented recommendations to the Court concerning the next phase of consumer redress. Among other things, the recommendations included prioritizing the marketing of the various Belize land assets *before* undertaking substantial additional administration activities contemplated in the Redress Plan and incurring related expenses. The objectives of the recommendations were to maximize redress process efficiencies, achieve cost savings, and better inform consumer choices relative to the realities confronting the financially distressed development areas. More specifically, the Receivership Team sought Court approval to proceed with:

- Undertaking an accelerated approach to the marketing of Belize land assets tailored to market feedback and conditions;
- Enabling a binding lot election process to empower available consumer choices and streamline administration corresponding to those choices; and
- Issuing an initial round of redress payments to eligible Sanctuary Belize consumers.

On June 14, 2023, in accordance with the Receivership Team’s recommendations, the Court entered its Order Implementing Next Phase of Consumer Redress (Doc. 1446, “June 2023 Redress Order”). More particularly, the June 2023 Redress Order authorized the Receiver to undertake: (i) a Request for Information (“RFI”) process to further understand the commercial priorities of potential Belize real estate bidders and inform the Request for Proposals (“RFP”) marketing and sales process relative to the unique facts and circumstances of the receivership’s Belizean assets; (ii) a flexible RFP process designed to maximize commercial interest and drive the most competitive offers; and (iii) an individual Lot Choice Survey process to allow eligible consumers without title to their lot to make elections to (a) buy out their lot in advance of the completion of the RFP process, to the extent that title to the underlying property was available to

be transferred, (b) defer the decision of whether to acquire their lot, or a new a lot, until after the RFP process has been completed (to the extent a new investor or developer may choose to offer lots for sale to consumers under terms and conditions that are acceptable), or (c) waive any right to acquire a lot.

B. Belizean Assets Marketing and Sales Process

1. RFI Process Overview

In accordance with the requirements of the June 2023 Redress Order, the Receivership Team and CBRE first engaged in the RFI process to, among other things, assess interest in the Belize land assets, better understand current market conditions, determine investment priorities and the needs of potential purchasers, and assist in the development of a formal bidding process. The Receivership Team and CBRE conducted several one-hour sessions with representative investors and developers, and completed the Court-ordered RFI process on August 18, 2023. *See* Ferzan Decl., ¶4.

Over the course of the RFI sessions, the Receivership Team explored with the participants several considerations, including how they viewed the opportunity to acquire some or all of the Belize land assets under the unique circumstances in this matter; challenges they perceived in acquiring and/or developing the Belize land assets; and factors that they viewed as relevant to informing whether they would make a bid, as well as the mechanics of how they would formulate their potential bids. *Id.*, ¶5. Generally, the participants suggested that flexibility in the bidding process would likely be perceived as beneficial to prospective bidders from across the world, and the likelihood of actual bids would be dependent on consideration of a broad range of factors, including, but not limited to, potential bidders' assessments of Belize's economy and workforce, the local real estate marketplace, the impacts of the negative history of the development areas

arising out of the defendants' fraud scheme, the condition of existing infrastructure, and a host of other economic, legal and regulatory issues that would be the subject of due diligence. *Id.*

2. RFP Process Overview

Following the intelligence-gathering through the RFI process, an initial 9-month timeline was contemplated for the RFP process, as set forth in the June 2023 Redress Order. Relative to the multitude of challenges associated with offering and selling more than 18,000 acres of real estate in a developing country against the backdrop of the highly-publicized fraud scheme, the RFP process required substantial work to further validate the Belize assets, provide a comprehensive and user-friendly overview of the offering, and address numerous complex legal and procedural issues in the U.S. and Belize. *Id.*, ¶6. Among other things, extensive efforts were required to:

- Reconcile Belize land records capturing the more than 18,000 acres in land assets that were broken up into hundreds of distinct parcels;
- Inventory personal property assets for Sanctuary Belize and Kanantik;
- Develop a virtual data room with extensive due diligence materials for prospective investors/developers, including development area maps, surveys, title records, government permits and approvals, corporate records, land tax payment records, U.S. and Belize court filings and orders, photos, and aerial videos;
- Prepare multimedia overview materials to support the offering, coordinated through a comprehensive offering memorandum and dedicated website;
- Provide guidelines to interested bidders in support of a flexible bidding process, which highlighted the Receivership Team's preference for bids for all of the real estate assets

(as opposed to portions thereof) and its goal of maximizing redress for victim-consumers; and

- Develop a bidder questionnaire with detailed inquiries concerning the nature and scope of bid, along with a bidder term sheet template to facilitate the submission of bids.

Id., ¶7.

On May 29, 2024, the Receivership Team, together with CBRE, initiated the RFP process by: (i) launching a dedicated website that includes links to offering materials; (ii) providing notifications by email and through social media to CBRE’s global network of thousands of prospective investors and developers; and (iii) issuing a press release. *Id.*, ¶8. Over a nearly four-month period, approximately 106 prospective bidders signed Confidentiality Agreements to access the due diligence materials and, a number of those prospective bidders toured the Sanctuary Belize and Kanantik development areas. *Id.*

On September 16, 2024, the bidding window opened. *Id.*, ¶9. A total of 6 bidders submitted formal written offers. *Id.* The Receivership Team and CBRE evaluated the offers on a rolling basis and convened interviews with each bidder to review the terms of their bids, discuss relevant information regarding their background and experience, and address questions about the receivership, court proceedings, and RFP process. *Id.* Each of the bids was generally evaluated across the following criteria: (i) scope of the offer for some or all of the assets and related financial aspects of bids; (ii) real estate development project experience; (iii) real estate development management and operations experience (including in Belize); (iv) status and source of funding for purchase; (v) existence of bid contingencies (or lack thereof); (vi) understanding of receivership sale on a “where-is, as-is” basis, without representations or warranties; (vii) consideration of

potential accommodations for existing residents;⁴ (viii) consideration of potential accommodations for future lot purchasers; (ix) escrow amount; (x) professionalism and responsiveness; and (xi) understanding of Belize legal and regulatory environment, U.S. court process and RFP administration requirements.⁵ *Id.*

III. RECEIVERSHIP TEAM RECOMMENDATION

After diligently undertaking the RFI and RFP processes with CBRE, the Receivership Team is now making its preliminary recommendation to the Court, subject only to the statutory overbid and sales notice process described herein, that the sale of the receivership's Belize assets, pursuant to the terms of the Purchase Agreement, to Purchaser, FBIM, be approved. *Id.*, ¶11. FBIM is a newly-established, dedicated Belize company formed to consummate the purchase and support the redevelopment of the receivership assets. *Id.*, ¶12. FBIM is solely owned by Ambergris Caye Real Estate Development Company Limited ("ACRED"), which was established in Belize approximately 25 years ago and has successfully developed thousands of acres in Belize for residential and commercial use. *Id.* One of the principals of ACRED is the Founder, President & CEO of Mainstreet Equity Corporation, a publicly traded real estate company listed on the Toronto Stock Exchange, which primarily focuses on the acquisition and redevelopment of residential

⁴ This category included consideration of the bidder's plans to provide, among other things, 24-hour security, power and water hookups, and roadway maintenance, as well as the bidder's intent to follow existing subdivision plans, maintain some form of covenants, conditions, restrictions and easements, and operate a property owners' association.

⁵ Based on available information following the administration of the Lot Choice Survey, it is the Receiver's expectation that some consumer victims will purchase lots from the new development area owners following the RFP process. However, a significant number of victims will likely never pursue lots in Belize, and will therefore only receive redress payments. Accordingly, in evaluating bids, the Receivership Team balanced the objectives of maximizing sale proceeds for redress payments *and* crediting potential future lot purchase accommodations.

properties.⁶ *Id.* Notably, and among other things, this same individual was appointed the Honorary Consul General⁷ of Belize for Canada in 1999. *Id.*

The Receivership Team’s preliminary recommendation to the Court that FBIM be approved as the purchaser of the Belize assets is based on the comparative strength of its offer across the above-referenced evaluation criteria. *Id.*, ¶14. Among other things, FBIM’s offer was selected ahead of those submitted by others because of: (i) the comprehensive scope of its bid (to acquire all of the Belize real estate and related assets); (ii) its principals’ residential and commercial real estate development and operations experience, including in Belize; (iii) the quantitative and qualitative aspects of its cash offer - with immediate financial resources to consummate the sale, not dependent on third-party financing contingencies; (iv) its efforts to proceed on an accelerated basis to endeavor to negotiate a purchase without a formal due diligence period and on a “where-is, as-is” basis; (v) its thoughtful and well-reasoned consideration of potential accommodations for existing and anticipated residents, as well as future lot purchasers; and (vi) the sophistication, professionalism and responsiveness of its personnel and advisors. *Id.* While, as mentioned above, all bids were carefully evaluated and methodically considered, the Receiver concluded in light of the foregoing that the FBIM offer was the strongest to achieve the multi-faceted goals of the receivership – which include generating sales proceeds to support

⁶ As of the fourth quarter of 2024, Mainstreet Equity Corporation reported that its assets include more than 18,000 rental units across western Canada, valued at more than CDN \$3 billion. *See* https://assets.rentsync.com/mainstreet/documents/1733413125153_MEQ_Q4_2024_SEDAR_Report.pdf (last visited 1/16/25).

⁷ As a general matter, the role of a Canadian Honorary Consul General involves representing the cross-border interests of the designated foreign country.

redress payments for eligible consumers, enabling redevelopment for Belize residents, and facilitating other priorities tied to interests of the diverse stakeholders in this matter.⁸ *Id.*, ¶15.

Following the overbid and sales notice process, the Receiver will make his final recommendation to the Court and submit a proposed form of Sale Authorization Order for consideration. If the Court approves the sale and enters the Sale Authorization Order, a closing with the successful bidder will be scheduled in Belize, with the relevant land and personal property assets being formally conveyed to the new owner at that time.

IV. OVERVIEW OF KEY TERMS OF THE PURCHASE AGREEMENT

A form Purchase Agreement was developed as part of the RFP process and was subsequently adapted based on negotiations with the Purchaser and its legal counsel. While only the express language contained in the proposed Purchase Agreement is controlling, an overview of the key terms of the executed contract, a redacted copy of which is attached to the Ferzan Declaration as Exhibit A, is presented here:

- **Scope of Proposed Sale.** The proposed sale is for all of the available Sanctuary Belize land assets, which also includes Plenty Tract and Southern Long Coco Caye, as well as all of the Kanantik land assets, which also include Pelican Range Caye. In addition, the sale contemplates the transfer of the corresponding personal property located on the land assets and related intangible assets. The sale expressly excludes individual Sanctuary Belize lots for which title has been transferred, or is in the process of being transferred, to a consumer.
- **Purchase Price.** The total purchase price is \$20,500,000, which is comprised of \$16,800,000 for Sanctuary Belize-related assets, including Plenty Tract and Southern Long

⁸ Notably, the proposed sale is also consistent with the stated objectives of the Belize government – *i.e.*, stabilizing the development areas, restoring confidence, and benefitting the local community through employment and other economic activity. *See* Doc. 1117-2.

Coco Caye, as well as \$3.7 million for Kanantik-related assets, including Pelican Range Caye. The full purchase price is expected to be paid in cash by Purchaser at closing, subject to certain potential adjustments as set forth in the Purchase Agreement, including potential reductions for the undisputable and quantifiable amounts, if any, that may be owing with respect to monetary mortgages or liens and not released or removed prior to closing (as further described in Section VI.B below).

- **As-is, Where-is.** The Property is generally being sold on an “as-is, where-is” basis without any representations or warranties.
- **Escrow Deposit.** Purchaser will deposit \$1,500,000 into escrow in accordance with the terms of the Purchase Agreement.
- **Closing Date.** It is anticipated that closing is to occur within 45 days of entry of the Court Sale Authorization Order approving the sale.
- **Continuity of Services for Lot Owners.** The Purchaser intends to provide services in order to operate the development area for the benefit of residents, including those who will proceed to closing under reformed contracts. Such services may include providing security resources, and maintaining the roadways and other infrastructure, subject to the Purchaser’s discretion and with costs being shared by other property owners consistent with the requirements of the Sanctuary Belize Property Owners’ Association (the “Association”).
- **Consideration of Future Consumer-Victim Purchasers.** For victims of the fraud scheme who did not complete the purchase of their lots (during the Lot Choice Survey process or otherwise), the Purchaser has expressed its openness and willingness to considering offering them Sanctuary Belize lots for sale. While the terms and conditions of those potential sales would be set by the Purchaser (in its sole discretion), the Purchaser

may consider prior principal payments made by the consumer-victims, as well as potential discounts and financing opportunities.⁹

- **Termination of Certain Contracts.** The Purchase Agreement is structured as an asset purchase and the Purchaser will not assume certain contracts, including any development, construction, service, management, leasing, operation, maintenance, repair, employment, or pre-Receivership contracts that were entered into with the receivership entities during the perpetration of the underlying fraud in or before 2018 – subject, however, to adherence to the applicable terms of the Restrictive Covenants, Conditions and Easements (“RCCEs”). Under the Purchase Agreement, the Purchaser will recognize specified lot sales that were completed and proceeded to closing under reformed contracts entered into in conjunction with the Lot Choice Survey process or under original contracts, regardless of whether the consumers have received title documents from the Government of Belize.¹⁰
- **Modification of RCCEs and the Association.** Considering that the RCCEs and the Association were developed, established and implemented during, and as part of, the

⁹ It is contemplated that the Sale Authorization Order will include a proposed provision that will enable the Receiver to disclose to the new owner detailed consumer identification and lot-related information derived from the Claim Application and Lot Choice Survey processes to facilitate outreach and engagement concerning such potential lot purchase opportunities.

¹⁰ With respect to those lot purchasers who did not participate in the Claim Application process, but contacted the Receivership Team to express interest in potentially acquiring their lots (and those lots were deemed available for transfer), the receivership contacted them via email following the Lot Choice Survey process to offer them the ability to complete the sales under their original contracts and seek to acquire title. Moreover, regarding those individuals who were deemed “ineligible” to participate in the redress program during the Claim Application process, and subsequently contacted the Receivership Team to express potential interest in acquiring their lots, to the extent the underlying lots were available for transfer those individuals were also contacted via email following the Lot Choice Survey program and informed that, if they sought to pursue the purchase of the lot, they would need to timely seek the Court’s intervention and otherwise, that it was anticipated that their lot would be transferred to the new owner as part of the RFP sales process.

defendants' alleged fraud scheme, the Purchaser plans to modify the RCCEs, abolish the Association and reconstitute a new property owners' association in its discretion and in consideration of the needs and interests of the existing lot owners, as well as in order to effectively implement its business plan in accordance with the Purchaser's commercial, operational and other relevant priorities.

- **No Affiliation with Defendants.** Purchaser is not affiliated in any way with the defendants.

As detailed in Section VI.A below, the sale is subject to qualified overbids pursuant to the public sale process under 28 U.S.C. § 2001 and final approval by the Court. In accordance with the auction process, the Receivership Team will evaluate any and all qualified bids submitted relative to the existing recommended offer. The Receiver will then: (i) make his "final" recommendation to the Court as to the best offer; (ii) propose a form of Sale Authorization Order to the Court to transfer the assets; and (iii) upon approval, proceed to closing with Purchaser to transfer the assets.

V. LEGAL STANDARD

The "primary purpose of equity receiverships is to promote orderly and efficient administration of the estate by the district court for the benefit of creditors." *SEC v. Hardy*, 803 F.2d 1034, 1038 (9th Cir 1986). As the appointment of a receiver is authorized by the broad equitable powers of the court, any distribution of assets must also be done equitably and fairly. *See SEC v. Elliot*, 953 F.2d 1560, 1569 (11th Cir. 1992). District courts have the broad power of a court of equity to determine the appropriate action in the administration and supervision of an equity receivership. *See SEC v. Capital Consultants, LLC*, 397 F.3d 733, 738 (9th Cir. 2005). As one Circuit Court has explained:

A district court's power to supervise an equity receivership and to determine the appropriate action to be taken in the administration of the receivership is extremely broad. The district court has broad powers and wide discretion to determine the appropriate relief in an equity receivership. The basis for this broad deference to the district court's supervisory role in equity receiverships arises out of the fact that most receiverships involve multiple parties and complex transactions. A district court's decision concerning the supervision of an equitable receivership is reviewed for abuse of discretion.

Id. (citations omitted); *see also CFTC. v. Topworth Int'l, Ltd.*, 205 F.3d 1107, 1115 (9th Cir. 1999) (“This court affords ‘broad deference’ to the court’s supervisory role, and ‘we generally uphold reasonable procedures instituted by the district court that serve th[e] purpose’ of orderly and efficient administration of the receivership for the benefit of creditors.”). Accordingly, the Court has broad discretion in the administration of the receivership estate and the disposition of receivership assets.

A. The Court’s Authority to Approve Sale

It is widely accepted that a court of equity having custody and control of property has power to order a sale of the same in its discretion. *See, e.g., Elliott*, 953 F.2d at 1566 (the District Court has broad powers and wide discretion to determine relief in an equity receivership). “The power of sale necessarily follows the power to take possession and control of and to preserve property.” *See SEC v. American Capital Invest., Inc.*, 98 F.3d 1133, 1144 (9th Cir. 1996), *cert. denied* 520 U.S. 1185 (decision abrogated on other grounds) (*citing* 2 Ralph Ewing Clark, Treatise on Law & Practice of Receivers § 482 (3d ed. 1992) (*citing First Nat’l Bank v. Shedd*, 121 U.S. 74, 87 (1887))).

Moreover, “it has long been recognized that under appropriate circumstances, a federal court presiding over a receivership may authorize the assets of the receivership to be sold free and clear of liens and related claims.” *SEC v. Capital Cove Bancorp LLC*, 2015 U.S. Dist. LEXIS 174856, at *13 (C.D. Cal. Oct. 13, 2015); *see also Miners’ Bank of Wilkes-Barre v. Acker*, 66 F.2d

850, 853 (2d Cir. 1933) (“A court of equity, under proper circumstances, has the power to order a receiver to sell property free and clear of all encumbrances.”); 2 Ralph Ewing Clark, Treatise on Law & Practice of Receivers § 500 (3d ed. 1992). To that end, a federal court is not limited or deprived of any of its equity powers by state statute. *Beet Growers Sugar Co. v. Columbia Trust Co.*, 3 F.2d 755, 757 (9th Cir. 1925) (state statute allowing time to redeem property after a foreclosure sale not applicable in a receivership sale).

Courts are granted discretion in setting the terms and conditions for judicial sales and the Court’s discretion will not be disturbed on appeal except where abuse of discretion is shown. *United States v. Branch Coal Corp.*, 390 F. 2d 7 (3rd Cir. 1968). The discretion granted in connection with sales of assets is consistent with the broad discretion accorded to the Court sitting in equity in receivership proceedings to make orders concerning the administration and supervision of the estate that will promote equity, efficiency and cost-effectiveness in the estate’s administration. *See generally Hardy*, 803 F.2d 1034; *SEC v. Black*, 163 F.3d 188 (3rd Cir. 1998); *Elliot*, 953 F.2d 1560. Here, the complexities of the case, including by virtue of the multi-jurisdictional considerations attendant to the assets, amply support the Court’s exercise of its broad discretionary authority in approving the terms of the proposed sale.

B. 28 U.S.C. § 2001

Pursuant to 28 U.S.C. § 2001, real property may be sold by public sale or by private sale. Although both processes involve significant cost and delay, the Receiver submits that the cost and delay of a public sale in the instant matter are significantly less than those for a private sale. *SEC v. Goldfarb*, 2013 U.S. Dist. LEXIS 118942, at *5 (N.D. Cal. 2013) (“Section 2001 sets out two possible courses of action: (1) property may be sold in public sale; or (2) property may be sold in a private sale, provided that three separate appraisals have been conducted, the terms are published in a circulated newspaper ten days prior to sale, and the sale price is no less than two-thirds of the

valued price.”). By proceeding with a public sale, the receivership estate can avoid significant expenses and substantially accelerate decision-making by alleviating the need for the Court to appoint three qualified, disinterested appraisers and then for such professionals to complete three appraisals that adequately cover the vast scope of the assets here. Notably, this process would be particularly cumbersome under the instant circumstances, and likely impracticable, given that the Property is located in Belize, which does not have a well-established framework for such appraisals, and in the Receiver’s estimation, the necessary cadre of readily-available, independent professionals to engage for such a task. The turnkey sale of personal property as part of the contemplated land sale is similarly authorized in accordance with Section 2001. *See* 28 U.S.C. §2004 (providing that personal property shall be sold in accordance with Section 2001, “unless the court orders otherwise”).

A public sale of real property requires a notice of the sale to be published and a public auction as the court directs. 28 U.S.C. § 2001(a); *Capital Cove Bancorp LLC*, 2015 U.S. Dist. LEXIS 174856, at *13 (C.D. Cal. Oct. 13, 2015); *SEC v. Kirkland*, 2007 U.S. Dist. LEXIS 45353, at *5 (M.D. Fla. 2007). With respect to publication of notice, Section 2002 provides, in part:

A public sale of realty or interest therein under any order, judgment or decree of any court of the United States shall not be made without notice published once a week for at least four weeks prior to the sale in at least one newspaper regularly issued and of general circulation in the county, state, or judicial district of the United States wherein the realty is situated.

If such realty is situated in more than one county, state, district or circuit, such notice shall be published in one or more of the counties, states, or districts wherein it is situated, as the court directs. The notice shall be substantially in such form and contain such description of the property by reference or otherwise as the court approves. The court may direct that the publication be made in other newspapers.

The Court, however, has the authority to waive compliance with Section 2002 and to approve notice procedures that vary from those set forth in Section 2002. *See SEC v. Faulkner*, 2019 U.S. Dist. LEXIS 124595, at *6 (N.D. Tex. July 26, 2019) (“Courts have approved, in the absence of any objections, notice procedures that deviated from the text of § 2002 in non-substantial ways, or that relied on modern advertising methods that were more effective, under the circumstances, than strict adherence to the statutory procedure); *see also Pennant Mgmt. v. First Farmers Fin., LLC*, 2015 U.S. Dist. LEXIS 118222, at *24-25 (N.D. Ill. Sep. 4, 2015) (waiving requirements of Section 2001 and 2002 where digital marketing and online auction were effective to advertise the sale of the property); *Bank of N.Y. Mellon Tr. Co., N.A. v. Canton II Inc.*, 2022 U.S. Dist. LEXIS 209310, at *10-11 (W.D. Tex. Nov. 18, 2022) (“Courts frequently waive strict compliance with 28 U.S.C. § 2001(a), which contains procedures that might impede rather than facilitate the sale of receivership assets.”).

The notice of sale called for by Section 2002 is sufficient if it describes the property and the time, place, and terms of sale. *Breeding Motor Freight Lines, Inc. v. Reconstruction Finance Corp.*, 172 F.2d 416, 422 (10th Cir. 1949). Further to this point, “[i]t is sufficient if the information given in the notice enables the public to understand what property is being offered for sale and to identify it if more particular information is desired.” *Id.* (explaining a “minute description extending into details is not essential to valid sale.”). The Court may limit the auction to qualified bidders, who “(i) submit to the Receiver . . . in writing a bona fide and binding offer to purchase the [property]; and (ii) demonstrate . . . , to the satisfaction of the Receiver, that it has the current ability to consummate the purchase of the [property] per the agreed terms.” *Regions Bank v. Egyptian Concrete Co.*, 2009 U.S. Dist. LEXIS 111381, at *8 (E.D. Mo. 2009). Further, the Court has substantial discretion in receivership matters in setting the overbidding procedures applicable

to sales of real property. *See Pewabic Mining Co. v. Mason*, 145 U.S. 349, 356, 36 L.Ed. 732, 12 S.Ct. 887 (1891) (the provisions for notice and other conditions shall be determined by the Court “as will in his judgment best protect the rights of all interested, and make the sale most profitable to all”); *see also Cumberland Lumber Co. v. Tunis Lumber Co.*, 171 F. 352 (4th Cir. 1909); *Bidwell v. Huff*, 176 F. 174 (5th Cir. 1909).

VI. DISCUSSION

A. The Proposed Sale

For the reasons stated above, the Receiver believes at this juncture that the proposed sale to Purchaser pursuant to the terms of the Purchase Agreement, and in consideration of the unique facts and circumstances of this matter, as well as the diverse stakeholder interests, is in the best interests of the estate. *See* Ferzan Decl., ¶¶15-17. The Property was formally marketed with the well-established expertise and far-reaching resources of international broker, CBRE, for approximately seven months, with pre-marketing activities occurring for several months before that. *See id.*, ¶¶4-10. Interested parties were provided with an extensive, curated overview of the Property and due diligence materials and were encouraged to take a guided tour the Property during the formal marketing period. *Id.* The recommended Purchaser is an arm’s length, well-qualified buyer with the necessary funds to close the transaction. *Id.*, ¶¶12-13. Moreover, the Purchase Agreement is the product of substantial negotiations that occurred over the course of more than three months, alongside the Receiver and CBRE’s engagement with other bidders and interested parties. *See id.* Indeed, based on informed and comprehensive considerations, the Receiver submits the individual and aggregate purchase prices being offered by the Purchaser are fair and reasonable – particularly when factoring in the unique complexities and challenges of this matter, and relative to the robust and methodical marketing process that was undertaken by the Receivership Team and CBRE. *Id.*, ¶16.

In addition, the proposed sale is subject to overbid to further ensure the highest and best pricing is obtained, relative, of course, to all of the receivership goals and interests of diverse stakeholders. As discussed above, the Receiver proposes to conduct a public auction consistent with the requirements of Section 2001(a). Specifically, the Receiver intends to publish a notice of the sale for four weeks in the *Amandala*, a national circulation Belizean newspaper as well as in the regional *Caribbean Journal* with broad real estate industry-focused distribution via email, providing in sum and substance:

In the action pending in U.S. District Court for the District of Maryland, In re Sanctuary Belize Litigation, Case No. 18-cv-3309, notice is hereby given that the court-appointed receiver will conduct a public auction for the approximately 18,000 acres of real property and personal property thereon located in the Sanctuary Belize and Kanantik developments in the Stann Creek District of Belize. Offering details may be found at www.cbresanctuarybelize.com. Sale is subject to Court confirmation after auction process is completed. Minimum bid price is at least \$22,550,000. Auction will take place on February 28, 2025, at 1:30 p.m. ET at the CBRE office located at 4747 Bethesda Avenue, Suite 600, in Bethesda, Maryland. To participate in the auction, prospective purchasers must meet certain bid qualification requirements, including submitting a signed purchase and sale agreement, an earnest money deposit of \$1,650,000, and proof of closing funds. All bidders must be qualified by 5:00 p.m. ET on February 25, 2025, by submitting the required materials via receiver's broker, CBRE. If interested in evaluating offering and qualifying as bidder, contact Jeff Woolson at +1 760-438-8530 or jeff.woolson@cbre.com.

The Receiver will also post the sale notice on the receivership website (<https://sanctuarybelizereceivership.com/>) for the four-week period. In addition, CBRE will send the sale notice via email to its global network of prospective investors and developers during the four-week period. *See* Ferzan Decl., ¶¶18-19. The Receiver submits the foregoing notices are in substantial compliance with the spirit and letter of Section 2002 and certainly satisfy the purpose of ensuring the sale is advertised, particularly taking into account that the property is located outside of the United States and has already been heavily marketed.

The Receiver will inform all interested persons of the opportunity to overbid at the public auction, provided they qualify themselves to bid by no later than 5:00 pm ET on February 25, 2025 (“Bid Qualification Deadline”) by (a) signing a purchase and sale agreement for the properties on the same terms and conditions as Purchaser, but with a purchase price of at least \$22,550,000, (b) providing the Receiver with an earnest money deposit of \$1,650,000, (c) providing proof of funds necessary to close the sale transaction in the form of a current bank statement, cashier’s check delivered to the Receiver, or other evidence deemed sufficient by the Receiver, and (d) providing the Receivership Team with information they may request relating to the bidder’s principals and affiliates, background, experience, qualifications and like matters.

In the event one or more prospective purchasers qualify themselves to bid, the Receiver will file a notice with the Court and the live public auction will be conducted by the Receiver (or the Receiver’s designee) on February 28, 2025 at 1:30 pm at the CBRE office in Bethesda, Maryland, and bids will be accepted in increments of at least \$100,000 (above the threshold \$22,550,00 purchase price). The Receiver will then file a notice advising the Court of the result of the auction (*i.e.*, the highest and best bid relative to all of the relevant considerations) and seek entry of an order confirming the sale. Earnest money deposits provided by bidders who are unsuccessful will be promptly returned to them. In the event no prospective purchasers qualify themselves to bid by the Bid Qualification Deadline, the Receiver will notify the Court and seek entry of an order approving the sale to Purchaser.

The Receiver asks that the Court set a hearing date on the Motion as may be necessary. In the event that any party timely objects to, or the Court has any questions with respect to, the sale notice and overbid procedures set forth herein, the Receiver asks that the Court set a status conference so that such procedural matters can be addressed without delay.

B. Free and Clear

Pursuant to the Purchase Agreement, the sale order shall authorize the sale of the Property “free of any claim by Record Owners and free and clear of all liens and encumbrances other than Permitted Exceptions, subject to Section 1.3 hereof . . .” Ferzan Decl. Ex. A, Section 3.1.

The Record Owners (Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of Belize Limited) are all receivership entities and are, in turn, receivership assets. *See* Ferzan Decl., ¶23. As outlined above, the Receiver controls the Record Owners and the Property, and is authorized to sell the Property pursuant to numerous orders and judgments of the U.S. and Belize courts. *Id.* As such, it is appropriate to confirm that when the sale is closed, the Record Owners will have no claim to the Property being sold to the Purchaser.

With respect to liens and encumbrances, as cited above, the Court has authority to approve a sale free and clear of liens and encumbrances and related claims. Here, based on available information, the Receiver is aware of two remaining liens¹¹ on Kanantik parcels, a (i) Deed of Encumbrance dated July 20, 2011 between Palmaya Development Ltd. and William Steinhagen and Mary Steinhagen in the stated principal amount of \$1,000,000 (“Steinhagen Lien”); and a (ii) Deed of Mortgage dated June 19, 2015 between Mango Springs Development Ltd. and B.F. Kessler and Agness A. Nagy Kessler in the stated principal amount of \$1,500,000 (“Kessler Lien”). *Id.*, ¶24. Receiver’s counsel is in contact with counsel for Mr. and Mrs. Steinhagen with respect to removal of the Steinhagen Lien. *Id.* The Receiver has diligently attempted to contact Ms. Kessler, but has not received any response as of the time of this filing. *Id.* Based on available

¹¹ The Receivership Team additionally identified an encumbrance in favor of Atlantic International Bank Limited (“AIBL”). The Receiver has obtained the agreement of AIBL’s appointed liquidator to remove the lien, completed and executed the requisite Belizean documentation, and submitted to the Government of Belize for removal.

information, it does not appear any amount is owing by the receivership estate on the Kessler Lien and the Receiver will ask the Court to void the lien (or for similar relief) by way of a separate filing, in the event the Receiver's ongoing efforts to consensually resolve the lien are not successful. It is appropriate to order a sale free and clear of liens when such are subject to bona fide dispute or where the amount of the sale price exceeds the aggregate amount of the liens, both of which are apply here. *See SEC v. Capital Cove Bancorp LLC*, 2015 U.S. Dist. LEXIS 174856, at *14-16 (C.D. Cal. Oct. 13, 2015) (analogizing to bankruptcy code provisions authorizing sales free and clear of liens, claims and encumbrances).

The Receiver further notes that Section 2.1 of the Purchase Agreement provides: "Other than providing a credit against the Purchase Price as expressly provided in Section 1.3 hereof, Seller shall have no obligation to remove any encumbrance, lien and/or restriction such as easements, liens or other restrictions or matters of record, and the Sale Authorization Order shall not be required to provide that any such encumbrances, restrictions, liens and/or matters of record shall be removed or that the sale is free of any of the same, which are deemed to be Permitted Exceptions." *Id.* Stated differently, while the Receiver is not required to provide the Property free and clear of liens that do not constitute Permitted Exceptions, it is possible a purchase price reduction could result from monetary encumbrances. As such, the Receiver's efforts to resolve the two liens identified above and to seek approval of the sale free and clear of such liens is beneficial to the estate.

C. Purchaser Not Assuming Contractual Obligations

Under the Purchase Agreement, the Purchaser is buying only the land and associated personal property assets, and is not assuming any obligations "with respect to any development, construction, service, management, leasing, operation, maintenance, repair, employment (including employee severance or termination responsibilities of Seller or Record Owner) or other

contracts affecting the Property, including all amendments and modifications thereto, and/or all pre-Receivership Memorandum of Sale contracts governing the purchase of lots at the Property . . . subject to adherence to the terms of the RCCEs in effect from time to time as may be amended, modified or terminated . . .” Ferzan Decl., Ex. A, at Section 3.1.

As this is an asset sale, it is reasonable and appropriate that the Purchaser disclaim any liability with respect to any existing contractual obligations affecting the Property. *See, e.g., SEC v. Estate of Holzhueter*, 2017 U.S. Dist. LEXIS 86091, at *7-8 (W.D. Wis. May 25, 2017) (approving sale providing that the buyer shall “have no successor liability for any obligations of [the receivership entities], and are not liable for any of the debts, liabilities or obligations of [the receivership entities], except those expressly assumed by written agreement with the Receiver.”). Further, the Receiver is authorized pursuant to the receivership judgments and orders touched on above to enter into and cancel contracts (*see, e.g.,* Default Judgment and Pukke Final Judgment at Section VII.G). As well, courts have recognized that federal equity receivers have the ability to reject executory contracts and may do so by not adopting a contract. *See Janvey v. Alguire*, 2014 U.S. Dist. LEXIS 193394, at *114 (N.D. Tex. July 30, 2014) (“Receivership caselaw is clear that federal equity receivers are under no obligation to affirmatively reject an executory contract. Instead, there is a presumption that the receiver will not adopt a contract. If he does, it is a voluntary act of his own, to be performed with promptness .”) (internal quotation omitted). As such, any remaining contracts relating to the Property can be terminated by the Receiver as may be necessary in connection with winding up administration of the receivership estate.

D. Modification of RCCEs and Association

The Purchase Agreement further provides that the order authorizing the sale shall include a “provision granting Purchaser the unilateral right, after Closing, to amend, modify or terminate

the RCCEs, abolish the Association and amend, modify or terminate the Association Documents.” Ferzan Decl., Ex. A, at Section 3.1. The Association refers to the Sanctuary Belize Property Owners Association. The “RCCEs” refers to that certain Deed of Incumbrance (as amended, the “Deed of Incumbrance”), dated as of March 21, 2016, among Sittee River, Eco-Futures Belize Limited and the Association, including the Declaration of Restrictive Covenants, Conditions and Easements of Sanctuary Belize (as amended, the “RCCEs”), dated as of March 3, 2016, by and among Sittee River, Eco-Futures Belize Limited and the Association, attached thereto, and all organizational documents or rules and regulations governing the Association (the “Association Documents”).

Since the RCCEs and the Association were developed, established and implemented during, and as part of, the defendants’ fraud scheme, Purchaser has represented in the Purchase Agreement that it plans to modify the RCCEs, abolish the Association and reconstitute a new property owners’ association in its discretion in consideration of the needs and interests of the existing lot owners, and in order to effectively implement its business plan in accordance with Purchaser’s own commercial, operational and other relevant priorities. Approving the Purchaser’s ability to unilaterally amend, modify or terminate the RCCEs, abolish the Association and reconstitute a new property owners’ association in its discretion, and amend, modify or terminate all Association Documents is equitable and advisable under the circumstances, and appropriately within the broad authority of the Court to approve the terms of a sale of receivership assets.

E. CBRE’s Commission and Closing Costs

The Receiver requests authority to pay CBRE’s broker commission. The Receiver engaged CBRE under commercially reasonable terms, after obtaining and considering bids from multiple vendors, in accordance with the June 2023 Redress Order. Ferzan Decl., ¶25. CBRE has assigned multiple dedicated staff to the engagement and worked tirelessly and diligently, in concert with

the Receiver, to market the Property, engage with potential purchasers and evaluate bids and should be paid in accordance with their brokerage agreement. *Id.* While CBRE has not received compensation (or even reimbursement for expenses) from the estate to date, pursuant to its agreement with the receivership, upon sale of the assets CBRE is to be paid a tiered commission as follows: six percent (6%) of the gross aggregate sales price up to \$5 million, five percent (5%) of the aggregate gross sales price(s) from \$5 million to \$10 million, and four percent (4%) of the aggregate gross sales price above \$10 million. *Id.* Therefore, in the proposed sale to Purchaser, the total commission would be \$970,000. *Id.* Under the brokerage agreement, CBRE is also entitled to \$20,000 for expenses incurred during the marketing and sales process. *Id.* With respect to closing costs, the Purchase Agreement also provides that the Receiver will pay the fees for any counsel representing the Seller in connection with the sale, and the Purchaser will pay the remainder of the closing costs. Ferzan Decl., Ex. A, Section 4.8. The Receiver, thus, will pay any such fees for counsel and other costs in the U.S. and Belize as may be necessary in the ordinary course to effectuate the closing of the sale.

F. Notice of Motion

The Motion, this memorandum of points and authorities, and the Declaration of Marc Ferzan will be served electronically through to the Court's CM/ECF system to those parties who have appeared in the case. The Receiver will also post the Motion, memorandum of points and authorities and the Declaration of Marc Ferzan on the receivership website. In addition, the Receiver will also send via email to all consumer victims as to whom the Receivership Team has contact information, which exceed 2,500 in number, a link to the Motion and supporting papers when the Receivership Team distributes the minutes of its January 30, 2025 consumer meeting to consumers by on or around the next business day following the meeting. The Receiver submits that the foregoing is sufficient and fair notice of the Motion.

VII. CONCLUSION

For the reasons discussed above, subject only to the notice and overbid process discussed herein, the Receiver requests that the Court (a) approve of the sale of the Property to Purchaser (or such other purchaser as the Receiver may recommend after the overbid process) pursuant to the Purchase Agreement attached to the Ferzan Declaration as Exhibit A (in redacted form) and approve all terms of the Purchase Agreement, (b) authorize the Receiver to take all steps necessary to close the sale, and (c) authorize the Receiver to pay CBRE's commission and relevant closing costs. Following the overbid and sales notice process, the Receiver will make his final recommendation to the Court and submit a proposed form of Sale Authorization Order.

As noted above, factoring in the lengthy history and complexity of this matter, the Receivership Team will remain available for a status conference at the Court's discretion to address any matters related to the sale of the Belizean assets described herein.

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Respectfully submitted,

Dated: February 3, 2025

By: /s/ Allison M. Rego
Allison M. Rego (CA Bar No. 272840)
Admitted Pro Hac Vice 5/25/23
Barnes & Thornburg LLP
655 West Broadway, Suite 1300
San Diego, CA 92101
Telephone: (619) 321-5003
Facsimile: (310) 284-3894
Email: arego@btlaw.com

By: /s/ James E. Van Horn
James E. Van Horn (Bar No. 29210)
Barnes & Thornburg LLP
555 12th Street, N.W.
Suite 1200
Washington, DC 20004-1275
Telephone: (202) 289-1313
Facsimile: (202) 289-1330
Email: jvanhorn@btlaw.com

Attorneys for Receiver, Marc-Philip Ferzan of
Ankura Consulting Group, LLC

**UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DISTRICT**

In re SANCTUARY BELIZE LITIGATION

No. 18-cv-3309-PX

**DECLARATION OF MARC-PHILIP FERZAN IN SUPPORT OF
RECOMMENDATION AND AMENDED MOTION FOR (I) APPROVAL
OF SALE OF REAL PROPERTY COMMONLY REFERRED TO AS
SANCTUARY BELIZE AND KANANTIK, AS WELL AS RELATED
PERSONAL PROPERTY; AND (II) OTHER RELATED RELIEF**

I, Marc-Philip Ferzan, declare:

1. I am a Senior Advisor with Ankura Consulting Group, LLC (“Ankura”), and serve as the Court-appointed successor Receiver in the above-captioned action. I and my colleagues at Ankura and other professionals assigned to support the receivership are collectively referred to in this declaration as the “Receivership Team.” I have been directly involved in and oversaw the diligence, marketing, negotiations and other aspects of the sales process for the Property (as defined herein). 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.

2. I make this declaration in support of the Recommendation and Motion for (I) Approval of Sale of Real Property Commonly Referred to as Sanctuary Belize and Kanantik, as well as Related Personal Property; and (II) Other Related Relief (“Motion”). Terms used but not

defined herein are as defined in the memorandum of points and authorities in support of the Motion.

3. A true and correct copy of the Purchase Agreement with First Belizean Investment Market Ltd. (“Purchaser” or “FBIM”) is attached hereto as **Exhibit A**.¹ The Purchase Agreement sets forth the terms for the receivership’s sale of the approximately 18,000 acres of land and improvements known as Sanctuary Belize, which also includes Plenty Tract and Southern Long Coco Caye, as well as Kanantik, which also includes Pelican Range Caye; and the personal property located thereon and related intangible assets (collectively, and as more particularly defined in the Purchase Agreement, the “Property”).

I. Belizean Assets Marketing and Sales Process

4. In accordance with the requirements of the Order Implementing Next Phase of Consumer Redress (Doc. 1446, “June 2023 Redress Order”), the Receivership Team hired international real estate broker CBRE with respect to the sale of the Property. As provided for in the June 2023 Redress Order, the Receivership Team and CBRE first engaged in a Request for Information (“RFI”) process to, among other things, assess interest in the Belize land assets, better understand current market conditions, determine investment priorities and the needs of potential purchasers, and assist in the development of a formal bidding process. The Receivership Team and CBRE conducted several one-hour sessions with representative investors and developers, and completed the Court-ordered RFI process on August 18, 2023.

5. Over the course of the RFI sessions, in which I participated, the Receivership Team explored with the participants several considerations, including how they viewed the opportunity

¹ The Purchase Agreement and corresponding schedules to the Purchase Agreement are redacted to address concerns and mitigate the risk that more detailed descriptions of the Property made a part thereof could facilitate sabotage and/or other misconduct by illicit actors seeking to disrupt the receivership’s sale process.

to acquire some or all of the Belize land assets under the unique circumstances in this matter; challenges they perceived in acquiring and/or developing the Belize land assets; and factors that they viewed as relevant to informing whether they would make a bid, as well as the mechanics of how they would formulate their potential bids. Generally, the participants suggested that flexibility in the bidding process would likely be perceived as beneficial to prospective bidders from across the world, and the likelihood of actual bids would be dependent on consideration of a broad range of factors, including, but not limited to, potential bidders' assessments of Belize's economy and workforce, the local real estate marketplace, the impacts of the negative history of the development areas arising out of the defendants' fraud scheme, the condition of existing infrastructure, and a host of other economic, legal and regulatory issues that would be the subject of due diligence.

6. Following the intelligence-gathering through the RFI process, an initial 9-month timeline was contemplated for the Request for Proposals ("RFP") process, as set forth in the June 2023 Redress Order. Relative to the multitude of challenges associated with offering and selling more than 18,000 acres of real estate in a developing country against the backdrop of the highly-publicized fraud scheme, the RFP process required substantial work to further validate the Belize assets, provide a comprehensive and user-friendly overview of the offering, and address numerous complex legal and procedural issues in the U.S. and Belize.

7. Among other things, extensive efforts were required to (i) reconcile Belize land records capturing the more than 18,000 acres in land assets that were broken up into hundreds of distinct parcels; (ii) inventory personal property assets for Sanctuary Belize and Kanantik; (iii) develop a virtual data room with extensive due diligence materials for prospective investors/developers, including development area maps, surveys, title records, government permits and approvals, corporate records, land tax payment records, U.S. and Belize court filings and

orders, photos, and aerial videos; (iv) prepare multimedia overview materials to support the offering, coordinated through a comprehensive offering memorandum and dedicated website; (v) provide guidelines to interested bidders in support of a flexible bidding process, which highlighted the Receivership Team's preference for bids for all of the real estate assets (as opposed to portions thereof) and its goal of maximizing redress for victim-consumers; and (vi) develop a bidder questionnaire with detailed inquiries concerning the nature and scope of bid, along with a bidder term sheet template to facilitate the submission of bids.

8. On May 29, 2024, the Receivership Team, together with CBRE, initiated the RFP process by: (i) launching a dedicated website that included links to offering materials; (ii) providing notifications by email and through social media to CBRE's global network of thousands of prospective investors and developers; and (iii) issuing a press release. Over a nearly four-month period, approximately 106 prospective bidders signed Confidentiality Agreements to access the due diligence materials and, a number of those prospective bidders toured the Sanctuary Belize and Kanantik development areas.

9. On September 16, 2024, the bidding window opened. Interested parties were provided with an extensive, curated overview of the Property and due diligence materials and were encouraged to take a guided tour the Property. A total of 6 bidders submitted formal written offers. The Receivership Team, including myself, and CBRE evaluated the offers on a rolling basis and convened interviews with each bidder to review the terms of their bids, discuss relevant information regarding their background and experience, and address questions about the receivership, court proceedings, and RFP process. Each of the bids was generally evaluated across the following criteria: (i) scope of the offer for some or all of the assets and related financial aspects of bids; (ii) real estate development project experience; (iii) real estate development management

and operations experience (including in Belize); (iv) status and source of funding for purchase; (v) existence of bid contingencies (or lack thereof); (vi) understanding of receivership sale on a “where-is, as-is” basis, without representations or warranties; (vii) consideration of potential accommodations for existing residents;² (viii) consideration of potential accommodations for future lot purchasers; (ix) escrow amount; (x) professionalism and responsiveness; and (xi) understanding of Belize legal and regulatory environment, U.S. court process and RFP administration requirements.³

10. In sum, the Property was formally marketed with the well-established expertise and far-reaching resources of international broker, CBRE, for approximately seven months, with pre-marketing activities occurring for several months before that.

II. Receivership Team Recommendation

11. After diligently undertaking the RFI and RFP processes with CBRE, I am now making the preliminary recommendation to the Court, subject only to the statutory overbid and sales notice process described herein and in the memorandum of points and authorities filed in support of the Motion, that the sale of the Property, pursuant to the terms of the Purchase Agreement, to Purchaser, FBIM, be approved.

² This category included consideration of the bidder’s plans to provide, among other things, 24-hour security, power and water hookups, and roadway maintenance, as well as the bidder’s intent to follow existing subdivision plans, maintain some form of covenants, conditions, restrictions and easements, and operate a property owners’ association.

³ Based on available information following the administration of the Lot Choice Survey, it is reasonable to expect that while some consumer victims will purchase lots from the new development area owners following the RFP process, a significant number of victims will likely never pursue lots in Belize, and will therefore only receive redress payments. Accordingly, in evaluating bids, the Receivership Team balanced the objectives of maximizing sale proceeds for redress payments *and* crediting potential future lot purchase accommodations.

12. FBIM is a newly-established, dedicated Belize company formed to consummate the purchase and support the redevelopment of the receivership assets. FBIM is solely owned by Ambergris Caye Real Estate Development Company Limited (“ACRED”), which was established in Belize approximately 25 years ago and has successfully developed thousands of acres in Belize for residential and commercial use. One of the principals of ACRED is the Founder, President & CEO of Mainstreet Equity Corporation, a publicly traded real estate company listed on the Toronto Stock Exchange, which primarily focuses on the acquisition and redevelopment of residential properties.⁴ Notably, and among other things, this same individual was appointed the Honorary Consul General of Belize for Canada in 1999.

13. FBIM is an arm’s length buyer. The Purchase Agreement is the product of substantial negotiations that occurred over the course of more than three months.

14. My preliminary recommendation to the Court that FBIM be approved as the purchaser of the Belize assets is also based on the comparative strength of its offer across the above-referenced evaluation criteria. Among other things, FBIM’s offer was selected ahead of those submitted by others because of: (i) the comprehensive scope of its bid (to acquire all of the Belize real estate and related assets); (ii) its principals’ residential and commercial real estate development and operations experience, including in Belize; (iii) the quantitative and qualitative aspects of its cash offer - with immediate financial resources to consummate the sale, not dependent on third-party financing contingencies; (iv) its efforts to proceed on an accelerated basis to endeavor to negotiate a purchase without a formal due diligence period and on a “where-is, as-

⁴ As of the fourth quarter of 2024, Mainstreet Equity Corporation reported that its assets include more than 18,000 rental units across western Canada, valued at more than CDN \$3 billion. *See* https://assets.rentsync.com/mainstreet/documents/1733413125153_MEQ_Q4_2024_SEDAR_Report.pdf (last visited 1/16/25).

is” basis; (v) its thoughtful and well-reasoned consideration of potential accommodations for existing and anticipated residents, as well as future lot purchasers; and (vi) the sophistication, professionalism and responsiveness of its personnel and advisors.

15. While all bids were carefully evaluated and methodically considered, I concluded in light of the foregoing that the FBIM offer was the strongest to achieve the multi-faceted goals of the receivership – which include generating sales proceeds to support redress payments for eligible consumers, enabling redevelopment for Belize residents, and facilitating other priorities tied to interests of the diverse stakeholders in this matter.

16. Based on informed and comprehensive considerations, I believe the purchase prices being offered by the Purchaser are fair and reasonable – particularly when factoring in the unique complexities and challenges of this matter, including the substantial ongoing expenses associated with the maintenance of the Property, and relative to the robust and methodical marketing process that was undertaken by the Receivership Team and CBRE.

17. Therefore, I believe at this juncture, in accordance with the guidance of CBRE, that the proposed sale to Purchaser pursuant to the terms of the Purchase Agreement is in the best interests of the estate.

III. Sale Notice, Overbid and Auction Process

18. In order to ensure the sale maximizes value for the receivership estate, the sale is subject to an overbid process. Before making a final recommendation to the Court, I will cause a notice of the sale to be published for four weeks in the Amandala, a national circulation Belizean newspaper as well as in the regional Caribbean Journal with broad real estate industry-focused distribution via email, providing in sum and substance:

In the action pending in U.S. District Court for the District of Maryland, In re Sanctuary Belize Litigation, Case No. 18-cv-3309,

notice is hereby given that the court-appointed receiver will conduct a public auction for the approximately 18,000 acres of real property and personal property thereon located in the Sanctuary Belize and Kanantik developments in the Stann Creek District of Belize. Offering details may be found at www.cbresanctuarybelize.com. Sale is subject to Court confirmation after auction process is completed. Minimum bid price is at least \$22,550,000. Auction will take place on February 28, 2025, at 1:30 p.m. ET at the CBRE office located at 4747 Bethesda Avenue, Suite 600, in Bethesda, Maryland. To participate in the auction, prospective purchasers must meet certain bid qualification requirements, including submitting a signed purchase and sale agreement, an earnest money deposit of \$1,650,000, and proof of closing funds. All bidders must be qualified by 5:00 p.m. ET on February 25, 2025, by submitting the required materials via receiver's broker, CBRE. If interested in evaluating offering and qualifying as bidder, contact Jeff Woolson at +1 760-438-8530 or jeff.woolson@cbre.com.

19. The Receivership Team will also post the sale notice on the receivership website (<https://sanctuarybelizereceivership.com/>) for the four-week period. In addition, CBRE will send the sale notice via email to its global network of prospective investors and developers during the four-week period.

20. The Receivership Team will inform all interested persons of the opportunity to overbid at the public auction, provided they qualify themselves to bid by no later than 5:00 pm ET on February 25, 2025 ("Bid Qualification Deadline") by (a) signing a purchase and sale agreement for the properties on the same terms and conditions as Purchaser, but with a purchase price of at least \$22,550,000, (b) providing the Receiver with an earnest money deposit of \$1,650,000, (c) providing proof of funds necessary to close the sale transaction in the form of a current bank statement, cashier's check delivered to the Receiver, or other evidence deemed sufficient by the Receiver, and (d) providing the Receivership Team with information they may request relating to the bidder's principals and affiliates, background, experience, qualifications and like matters.

21. In the event one or more prospective purchasers qualify themselves to bid, the Receiver will file a notice with the Court and the live public auction will be conducted by the

Receiver (or the Receiver's designee) on February 28, 2025 at 1:30 pm at the CBRE office in Bethesda, Maryland, and bids will be accepted in increments of at least \$100,000 (above the threshold \$22,550,00 purchase price). The Receiver will then file a notice advising the Court of the result of the auction (*i.e.*, the highest and best bid relative to all of the relevant considerations) and seek entry of an order confirming the sale. Earnest money deposits provided by bidders who are unsuccessful will be promptly returned to them. In the event no prospective purchasers qualify themselves to bid by the Bid Qualification Deadline, the Receiver will notify the Court and seek entry of an order approving the sale to Purchaser.

IV. Disputed Liens

22. Pursuant to Section 3.1 of the Purchase Agreement, the sale order shall authorize the sale of the Property "free of any claim by Record Owners and free and clear of all liens and encumbrances other than Permitted Exceptions, subject to Section 1.3 hereof . . ."⁵

23. The Record Owners (Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of Belize Limited) are all receivership entities and are, in turn, receivership assets. The receivership controls the Record Owners and the Property, and is authorized to sell the Property pursuant to numerous orders and judgments of the U.S. and Belize courts.

⁵ Section 2.1 of the Purchase Agreement provides: "Other than providing a credit against the Purchase Price as expressly provided in Section 1.3 hereof, Seller shall have no obligation to remove any encumbrance, lien and/or restriction such as easements, liens or other restrictions or matters of record, and the Sale Authorization Order shall not be required to provide that any such encumbrances, restrictions, liens and/or matters of record shall be removed or that the sale is free of any of the same, which are deemed to be Permitted Exceptions." Stated differently, while the receivership is not required to provide the Property free and clear of liens that do not constitute Permitted Exceptions, it is possible a purchase price reduction could result from monetary encumbrances. As such, the Receiver's efforts to resolve the two liens discussed herein and to seek approval of the sale free and clear of such liens is beneficial to the estate.

24. Based on my, and the Receivership Team's, review of available property records and information, I am aware two remaining liens⁶ on Kanantik parcels, a (i) Deed of Encumbrance dated July 20, 2011 between Palmaya Development Ltd. and William Steinhagen and Mary Steinhagen in the stated principal amount of \$1,000,000 ("Steinhagen Lien"); and a (ii) Deed of Mortgage dated June 19, 2015 between Mango Springs Development Ltd. and B.F. Kessler and Agness A. Nagy Kessler in the stated principal amount of \$1,500,000. Based on my, and the Receivership Team's, review of available property records and information, it does not appear that the receivership estate owes any outstanding amount on the foregoing liens. Further, I have been working with counsel in an effort to consensually obtain the release of the foregoing liens. Receiver's counsel is in contact with counsel for Mr. and Mrs. Steinhagen with respect to removal of the Steinhagen Lien. Receiver's counsel has attempted to contact Ms. Kessler, but has not received any response as of the time of this filing.

V. Broker Commission and Closing Costs

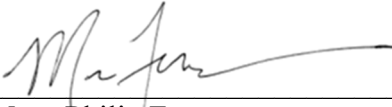
25. The Receiver engaged CBRE under commercially reasonable terms, after obtaining and considering bids from multiple brokers, in accordance with the June 2023 Redress Order. CBRE has assigned multiple dedicated staff to the engagement and worked diligently, in concert with the Receivership Team, to market the Property, engage with potential purchasers and evaluate bids. CBRE has not received compensation (or even reimbursement for expenses) from the estate to date. Pursuant to CBRE's brokerage agreement with the receivership, upon sale of the assets CBRE is to be paid a tiered commission as follows: six percent (6%) of the gross aggregate sales

⁶ The Receivership Team additionally identified an encumbrance in favor of Atlantic International Bank Limited ("AIBL"). The Receivership Team has obtained the agreement of AIBL's appointed liquidator to remove the lien, completed and executed the requisite Belizean documentation, and submitted to the Government of Belize for removal.

price up to \$5 million, five percent (5%) of the aggregate gross sales price(s) from \$5 million to \$10 million, and four percent (4%) of the aggregate gross sales price above \$10 million. Therefore, in the proposed sale to Purchaser, the total commission would be \$970,000. Under the brokerage agreement, CBRE is also entitled to \$20,000 for expenses incurred during the marketing and sales process.

26. With respect to closing costs, the Purchase Agreement provides that the Receiver will pay the fees for any counsel representing the Seller in connection with the sale, and the Purchaser will pay the remainder of the closing costs. As such, the Motion seeks authority to pay any such fees for counsel and other costs in the U.S. and Belize as may be necessary in the ordinary course to effectuate the closing of the sale, which I believe is reasonable under the circumstances.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on February 3, 2025 in Montgomery County, Pennsylvania.



Marc-Philip Ferzan

EXHIBIT A

PURCHASE AGREEMENT

BETWEEN

Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of Belize Limited, by and through Marc-Philip Ferzan of Ankura Consulting Group, LLC, solely in his capacity as Receiver in the case entitled *In re Sanctuary Belize Litigation*, United States District Court for the District of Maryland, Case No. 18-cv-3309-PJM

AS SELLER

AND

First Belizean Investment Market Ltd.

AS PURCHASER

As of January 27, 2025

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the “**Agreement**”) is made to be effective as of the 27th day of January, 2025, (the “**Effective Date**”) (as hereinafter defined) by and between Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of Belize Limited, by and through Marc-Philip Ferzan of Ankura Consulting Group, LLC, solely in his capacity as Receiver, and not individually (“**Receiver**”) in the case entitled *In re Sanctuary Belize Litigation*, United States District Court for the District of Maryland (“**Court**”), Case No. 18-cv-3309-PJM (“**Receivership Action**”) (referred to herein as “**Seller**” or “**Receiver**”), and First Belizean Investment Market Ltd. (“**Purchaser**”).

WHEREAS:

Sittee River Wildlife Reserve (“**Sittee River**”), Eco-Futures Belize Limited (“**Eco-Futures**”), Mango Springs Development Limited, and G&R Development Company of Belize Limited (collectively, the “**Record Owner**”) are the collective owners, in whole, of certain real property, improvements thereon, and related equipment, materials, and other personal property commonly referred to as Sanctuary Belize, Kanantik, the Plenty Tract, Southern Long Coco Caye, and Pelican Range Caye.

WHEREAS:

Receiver, as the successor receiver appointed pursuant to the Order Appointing Marc-Philip Ferzan as Receiver entered by the Court in the Receivership Action on October 26, 2021, is the receiver for the Sellers, and certain individuals, and certain other entities and their subsidiaries, affiliates, successors and assigns, including pursuant to the (i) Final Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants John Usher, Global Property Alliance Inc., Sittee Wildlife Reserve, Buy Belize, LLC, Buy International Inc., Foundation Development Management Inc., Eco Futures Development, Eco-Futures Belize Limited, Newport Land Group LLC, Power Haus Marketing, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Sanctuary Belize Property Owners’ Association, and the Estate of John Pukke entered by the Court in the Receivership Action on January 13, 2021; (ii) Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Adris Pukke, Peter Baker, and Luke Chadwick entered by the Court in the Receivership Action on March 24, 2021; (iii) Final Order Concerning Kanantik entered by the Court in the Receivership Action on March 24, 2021; and (iv) Stipulated Order Partially Modifying the Court’s Orders at Docket Entries 1112 and 1194 as to Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty entered by the Court in the Receivership Action on March 23, 2022; and (v) all other applicable US and Belize court orders (collectively, the “**Receivership Orders**”). All assets of any kind, including any legal or equitable interest in, right to, or claim to, any property, whether tangible, intangible, digital or otherwise, ordered to be turned over to the Receiver, or his predecessor, pursuant to an order of the Court are referred to herein as the “**Receivership Estate**”.

WHEREAS:

Seller has possession and control of the Property (as hereafter defined) and all rents and incomes related to such, and under and subject to the Receivership Orders, has the authority, subject to the approval of the Court, to act as seller in this transaction and convey the Property, including all real and personal property located thereon, by virtue of the authority granted to Seller pursuant to the Receivership Orders.

WHEREAS:

The Property has been the focus of a massive fraud scheme that is the subject of a Federal Trade Commission (“**FTC**”) enforcement action, where among other things, the Court has found that more than \$120 million in principal investment contributions of victim lot purchasers were misused and misappropriated by the defendants.

WHEREAS:

As part of the FTC’s enforcement action, a Court-appointed receiver was instituted in 2018 and the Property became part of the Receivership Estate assets. Moreover, the Receiver implemented redress programs for the victim lot purchasers pursuant to the requirements of Court orders in order to facilitate available lot choices, enable the sale of the remaining Property to a new owner and developer, and maximize restitution payments.

WHEREAS:

In receivership, the financially distressed realities of Property operations resulted in the halting of construction activities and the continuity of limited functions to preserve assets and care for existing residents. While basic services and maintenance have been overseen by the Receiver in accord with controlling Court orders, significant capital planning and investment will be necessary to reinvigorate the development areas.

WHEREAS:

Purchaser intends to develop the Land (as defined below) into a multifaceted medium scale, upscale, retirement and commercial destination, designed to support the local community and create employment opportunities in the Country of Belize, while enhancing the area’s economic growth. Purchaser’s development plan will also not only consider residential, but also commercial and other planned uses for the Land. Purchaser’s development plan is focused on environmental, social and governance (ESG), ensuring energy-efficient buildings incorporating green technologies and offering diverse housing options and spaces that encourage social interaction.

WHEREAS:

With respect to lot purchasers who have previously acquired title to a Sanctuary Belize lot and those who have completed the sales process, proceeded to closings, and are awaiting the transfer of title from the Government of Belize, Purchaser currently intends, working through the existing property owners’ association, the Sanctuary Belize Property Owners Association (the

“**Association**”), to provide services in order to operate the development area for the benefit of existing residents. Such services may include providing security resources, and maintaining the roadways and other infrastructure, subject to Purchaser’s discretion. Purchaser expects other property owners to share in the costs of any such services.

WHEREAS:

Since the RCCEs (as hereinafter defined) and the Association were developed, established and implemented during, and as part of, the defendants’ alleged fraud scheme, Purchaser plans to modify the RCCEs, abolish the Association and reconstitute a new property owners’ association in its discretion in consideration of the needs and interests of the existing lot owners, and in order to effectively implement its business plan in accordance with Purchaser’s own commercial, operational and other relevant priorities.

WHEREAS:

With respect to those victims of the fraud scheme who sought to purchase Sanctuary Belize and Kanantik lots in or before 2018, gave the FTC enforcement action defendants deposits of up to 100% of the purchase price, but did not complete the purchase of such lots, Purchaser is open to and will consider – after title passes to Purchaser - offering Sanctuary Belize lots for sale to those eligible consumers identified during the court-ordered Claim Application process and having indicated their interest in potentially acquiring lots during the Lot Choice Survey program to the extent that the New Owner’s terms and conditions may be acceptable to them (“**Identified Eligible Consumers**”). Purchaser would have the sole and absolute discretion to establish the terms and conditions of any future lot sales, including the selection, location, size and price of lots for sale, as well as the timing and financial terms of any such sale.

WHEREAS:

In developing new terms and conditions for future lot sales, Purchaser may (but shall be under no obligation to) also consider prior principal payments made by the Identified Eligible Consumers as determined by the Receiver during the Claim Application process, as well as potential discounts and financing for those Identified Eligible Consumers.

WITNESSETH:

FOR AND IN CONSIDERATION of the promises, mutual covenants, agreements and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

PURCHASE AND SALE

- 1.1 Agreement of Purchase and Sale. Subject to the terms and conditions hereinafter set forth, Seller agrees to sell and convey and transfer and Purchaser agrees to purchase the following:
- (a) those certain tracts and/or parcels of land situated in Belize, constituting approximately 18,000 acres, as more particularly described on Exhibit A attached hereto and made a part hereof, but expressly excluding those particular lots identified on Exhibit B attached hereto and made a part hereof (the “**Excluded Lots**”), together with all privileges, rights, easements and appurtenances pertaining to such property, including any right, title and interest of Seller or Record Owner, if any, in and to adjacent streets, alleys or rights-of-way, together with all strips and gores, and all right, title and interest of Seller or the Record Owner, if any, in all mineral, oil, gas and other hydrocarbon substances thereon or thereunder (the property described in clause (a) of this Section 1.1, as such may be updated by Seller pursuant to Section 3.7 hereof, but subject to Section 4.2(b)(iii) hereof, being herein referred to collectively as the “**Land**”);
 - (b) Seller’s and Record Owner’s interests, if any, in any and all the buildings and other improvements on the Land and any fixtures, systems and facilities located on the Land (the property described in this clause (b) being herein referred to as the “**Improvements**”);
 - (c) Seller’s and Record Owner’s interests, if any, in any and all personal property presently located upon the Land or within the Improvements (excluding cash and the other items excluded from Property in Section 1.2 hereof, but including all items as described on Exhibit C attached hereto and made a part hereof) to the extent owned by Seller or Record Owner and used in connection with the operation of the Land and the Improvements (the property described in clause (c) of this Section 1.1 being herein referred to collectively as the “**Personal Property**”), to be transferred by delivery on an “As Is, Where Is, With All Faults” basis by a Transfer by Delivery without representations or warranties; and
 - (d) All of Seller’s and Record Owner’s rights, title and interests, if any, in all intangible assets relating to the Land, Improvements or Personal Property, including all of Seller’s and Record Owner’s right, title and interest, if any, in all (i) warranties and guaranties relating to the Land, Improvements or Personal Property, (ii) all licenses, permits and approvals relating to the Land, Improvements or Personal Property, (iii) all logos, tradenames, trademarks, domain names, URL’s, internet sites, website content and other intangible property (including the telephone number for the Property), the names, if any owned by Seller or Record Owner and used relating to the

Land, Improvements or Personal Property, (iv) intentionally deleted; (v) intentionally deleted; (vi) advertising of the Land or Improvements and phone-numbers assigned to the Improvements; and (vii) all plans and specifications relating to the Land, Improvements or Personal Property, in each case to the extent that Seller may legally transfer the same without consent or approval of any third party (being sometimes herein referred to collectively as the “**Intangibles**”). Notwithstanding anything contained in this Agreement to the contrary, with respect to Record Owner’s rights and obligations in and to any Intangibles, whether or not such rights and obligations are assigned or assumed by Purchaser, Receiver shall have no obligations or responsibilities whatsoever in any respect concerning any such rights and responsibilities under the Intangibles.

- 1.2 **Property Defined.** The Improvements, the Personal Property, the Land and the Intangibles are hereinafter sometimes referred to collectively as the “**Property**”; provided, however, this definition specifically excludes any cash or cash equivalents, monies now or hereafter held in or in connection with any receivership account, trade names, notes and accounts receivable, advance payments, deposits, prepaid items and expenses, rights of offset, credits and claims for refund, refunds from a tax appeal, claim, insurance claims, choses in action, or causes of action and judgment constituting part of or related to the Receivership Estate.
- 1.3 **Permitted Exceptions.** The Property shall be conveyed subject to the matters which are deemed to be Permitted Exceptions. For purposes hereof, the following shall constitute Permitted Exceptions: (a) liens for all current real property taxes and assessments; (b) liens of supplemental taxes, if any assessed; (c) any facts an accurate survey and/or a personal inspection of the Property may disclose; (d) any laws, regulations, ordinances (including but not limited to, zoning, building and environmental) but excluding any executory restrictions or obligations, in written Lot Purchase Contracts (as hereinafter defined) to which Seller is a party, as to the use, occupancy, subdivision or improvement of the Property adopted or imposed by any governmental body, or the effect of any non-compliance with or any violation thereof, including but not limited to, any disclosure and/or report required by ordinance and any land use, zoning or building restrictions affecting the Property or in connection with (I) that certain Deed of Incumbrance (as amended, the “**Deed of Incumbrance**”), dated as of March 21, 2016, among Sittee River, Eco-Futures Belize Limited and the Association, including the Declaration of Restrictive Covenants, Conditions and Easements of Sanctuary Belize (as amended, the “**RCCEs**”), dated as of March 3, 2016, by and among Sittee River, Eco-Futures Belize Limited and the Association, attached thereto, and all organizational documents or rules and regulations governing the Association (the “**Association Documents**”) (e) rights of existing owners, tenants and/or occupants of the Property that are memorialized in duly recorded Belize government filings and/or are otherwise of record (if any); (f) all covenants, restrictions, easements, encumbrances, liens and other matters, whether of record or not, other than those contained in written Lot Purchase Contracts (as hereinafter defined) to which Seller is a party; and (g) any other items deemed to be Permitted Exceptions under this

Agreement (collectively, the “**Permitted Exceptions**”). Notwithstanding the foregoing, in no event shall Permitted Exceptions include (i) any exceptions to title which are mortgages or liens evidencing undisputable monetary encumbrances, (ii) the lien of ad valorem real or personal property taxes, assessments and governmental charges affecting all or any portion of the Property that are delinquent or that will be delinquent on the Closing Date, (iii) other than as set forth above, any and all monetary liens affecting the Property which liens in all cases can be fully and finally satisfied and discharged merely by the payment of a quantifiable and undisputed liquidated or predetermined amount to the beneficiary thereof, or (iv) encumbrances placed of record which are created or agreed to by Seller after the Effective Date, provided, Seller shall have no affirmative obligation to cure, procure releases of, or otherwise assure the removal of, any of the foregoing items from title or of record, and Seller shall be deemed to have satisfied its obligations hereunder by providing Purchaser a credit against the Purchase Price in an amount equal to the undisputable and quantifiable amounts owed with respect to each of the foregoing items at Closing, subject to post-closing adjustment under Section 4.6(e) hereof (collectively, the “**Purchase Price Reduction Items**”), upon which Purchaser shall assume responsibility for paying amounts owed with respect thereto and procuring any releases thereof.

1.4 **Purchase Price.** Seller is to sell and Purchaser is to purchase the Property for a total of Twenty Million Five Hundred Thousand and 00/100 United States Dollars (\$20,500,000.00 USD) (the “**Purchase Price**”), which Purchase Price is allocated, and shall be paid, as follows:

(a) Sanctuary Belize and Southern Long Coco Caye (collectively, the “**Sanctuary Belize Assets**”): \$15,400,000 USD;

(b) Kanantik and Pelican Range Caye (collectively, the “**Kanantik Assets**”): \$3,700,000 USD;

and

(c) Plenty Tract (the “**Plenty Tract Assets**”): \$1,400,000 USD.

1.5 **Payment of Purchase Price.** The Purchase Price shall be payable in full to Seller at Closing (as hereinafter defined) less debits and credits in cash or immediately available wire transferred funds.

1.6 **Earnest Money.** On or before 5:00 p.m. Eastern Time on the third (3rd) business day after Computershare Trust Company, N.A., a national banking association (“**Computershare**”), or another escrow agent mutually acceptable to Seller and Purchaser, each in its commercially reasonable discretion (“**Earnest Money Escrow Agent**”), executes and delivers the Escrow Agreement previously executed by Seller and Purchaser, or an escrow agreement otherwise in such form mutually acceptable to Seller and

Purchaser, and opens the escrow account provided for therein, Purchaser shall deposit with Earnest Money Escrow Agent, the sum of One Million Five Hundred Thousand and 00/100 United States Dollars (\$1,500,00.00 USD) (the “**Earnest Money**”), which shall include the Five Hundred Thousand and 00/100 United States Dollars (\$500,000.00 USD) pre-negotiation deposit made prior to the Effective Date, which Purchaser shall cause WBA Law located at 600, 1331 Macleod Trail SE, Calgary, Canada to wire to the Earnest Money Escrow Agent on or before 5:00 p.m. Eastern Time on the third (3rd) business day after Earnest Money Escrow Agent executes and delivers the Escrow Agreement previously executed by Seller and Purchaser, or an escrow agreement otherwise in form mutually acceptable to Seller and Purchaser, and opens the escrow account provided for therein. The Earnest Money shall be nonrefundable except as provided herein. Subject to Section 3.1 below, all Earnest Money shall be applied against the Purchase Price if Purchaser closes in accordance with this Agreement. The escrow (“**Escrow**”) for the purchase of the Property shall be opened upon the Earnest Money Escrow Agent’s receipt of the Earnest Money and a fully executed copy of this Agreement. Following the collection of the Earnest Money, Earnest Money Escrow Agent shall invest the Earnest Money in an interest-bearing account of a banking institution reasonably approved by Purchaser and Seller. Any interest earned on the Earnest Money shall be credited and delivered to the party receiving the Earnest Money (including by way of return or refund), except however, if the transaction closes, at the Closing any interest earned on the Earnest Money prior to its delivery to Seller shall be credited to Purchaser.

ARTICLE 2

TITLE AND SURVEY

- 2.1 No Purchaser Title Contingency. Other than providing a credit against the Purchase Price as expressly provided in Section 1.3 hereof, Seller shall have no obligation to remove any encumbrance, lien and/or restriction such as easements, liens or other restrictions or matters of record, and the Sale Authorization Order shall not be required to provide that any such encumbrances, restrictions, liens and/or matters of record shall be removed or that the sale is free of any of the same, which are deemed to be Permitted Exceptions. Seller shall include language in the motion for an order approving the public sale and the Sale Authorization Order filed with the Court pursuant to Section 3.1 hereof requesting that Purchaser may unilaterally amend, modify or terminate the RCCEs, abolish the Association, and amend, modify or terminate all Association Documents, all without further consent. Seller shall have no other obligation with respect to the removal, termination, amendment or modification of the RCCEs and/or the Association Documents.
- 2.2 Intentionally Deleted.
- 2.3 Property Documents. Purchaser agrees and acknowledges that Purchaser has had an opportunity to review those documents contained in the data vault controlled by CBRE at www.cbredealflow.com (“**Property Documents**”), and Purchaser shall have no right or opportunity to request any additional documents related to the Property. Purchaser acknowledges and agrees that Seller has not necessarily reviewed such information and Seller may be unaware of information in its possession that relates to the Property. Seller

makes no representation or warranty with respect to the Review Items (as defined in Section 5.1 hereof), including without limitation, with respect to any of the Property Documents, nor to the accuracy or completeness of such documents. Purchaser acknowledges and agrees that any inaccuracy, incompleteness or irrelevancy in any of the Review Items, including without limitation, the Property Documents shall not constitute a breach of this Agreement by Seller and shall not be grounds by which Purchaser can terminate this Agreement.

ARTICLE 3

PURCHASER CONTINGENCIES AND COURT APPROVAL CONTINGENCY

3.1 **Court Approval.** Purchaser and Seller hereby acknowledge and agree that both parties' rights and obligations under this Agreement are subject to (a) entry of an order by the Court authorizing Seller to sell the Property by public sale on the terms and conditions set forth in this Agreement, including any written amendment and/or modification of this Agreement, free of any claim by Record Owners and free and clear of all liens and encumbrances other than Permitted Exceptions, subject to Section 1.3 hereof (the "**Sale Authorization Order**"), and (b) the publication, overbid and auction requirements applicable to a public sale pursuant to 28 U.S.C. §§2001(a), 2002 and 2004. Seller shall file, or cause to be filed, with the Court a motion for an order approving the public sale. Prior to filing such motion, Seller shall provide a draft form of proposed Sale Authorization Order for Purchaser's review and approval (such approval not to be unreasonably withheld, delayed or conditioned). Such form of proposed Sale Authorization Order shall be approved by the Purchaser so long as the Sale Authorization Order is consistent in all material respects with the express terms of this Agreement. In the event the Sale Authorization Order has not been approved (on the basis that it is not consistent in all material respects with the terms of this Agreement) within ten (10) business days after Purchaser receives the initial draft of such form of proposed Sale Authorization Order from Seller, either party shall have the right to terminate this Agreement. Following approval of such form of proposed Sale Authorization Order by Purchaser, Receiver shall, in accordance with applicable law, publish notice of this proposed sale for four (4) consecutive weeks inviting prospective bidders to submit overbids for the purchase of the Property, and, upon the expiration of the overbid process described in Section 11 hereof and otherwise in accordance with applicable law, if there are no overbids, Seller will request that the Court approve the Sale Authorization Order in accordance herewith. Notwithstanding the foregoing, in the event an overbid is submitted which Receiver elects to accept, this Agreement will immediately terminate. Upon receipt of an overbid Purchaser shall have the right to likewise present its own overbids in accordance with Section 11 in an effort to acquire the Property. Seller agrees that the motion for an order approving the public sale and the form of proposed Sale Authorization Order filed with the Court will include, among other things, a provision granting Purchaser the unilateral right, after Closing, to amend, modify or terminate the RCCEs, abolish the Association and amend, modify or terminate the Association Documents, and, a provision declaring that the Purchaser shall have no obligation with respect to any

development, construction, service, management, leasing, operation, maintenance, repair, employment (including employee severance or termination responsibilities of Seller or Record Owner) or other contracts affecting the Property, including all amendments and modifications thereto, and/or all pre-Receivership Memorandum of Sale contracts governing the purchase of lots at the Property (“**Lot Purchase Contracts**”), subject to adherence to the terms of the RCCEs in effect from time to time as may be amended, modified or terminated pursuant to the Sale Authorization Order. Other than including the provisions described in the preceding sentence in the motion for an order approving the public sale and the Sale Authorization Order filed with the Court, Seller shall have no obligation with respect thereto. Notwithstanding the foregoing, Seller agrees upon Purchaser’s request, and at Purchaser’s expense, to reasonably cooperate with Purchaser’s efforts following the Closing to amend, modify or terminate the RCCEs, abolish the Association and amend, modify or terminate the Association Documents. Seller’s agreement to reasonably cooperate as set forth in the foregoing sentence shall run for a period of one hundred twenty (120) days following the date of Closing. Notwithstanding anything contained in this Agreement to the contrary, in the event Seller does not obtain the Sale Authorization Order within one hundred twenty (120) days after the Effective Date, then Seller shall have the unilateral right to extend the time for Court approval for two (2) separate thirty (30) day periods. If the Court still does not enter the Sale Authorization Order within the extension approval periods, then this Agreement may be terminated by Seller or Purchaser. In the event of a termination under this section, the Earnest Money (together with all interest earned thereon) shall be returned to Purchaser as provided in this Agreement, and neither Seller nor Purchaser shall have any further rights and obligations or liabilities hereunder, other than those obligations that expressly survive the termination of this Agreement.

- 3.2 Effect of Receivership Order. Purchaser acknowledges that the Property is owned by Record Owners, but that the Property is subject to the Receivership Order. Purchaser further acknowledges and agrees that Seller has not had an opportunity to fully inspect the Property or documents relating to the Property, and Seller, to the extent permissible by applicable law, expressly disclaims all representations or warranties as to the condition of the Property, the condition of title to the Property or any of the Review Items, including without limitation, any Property Documents, relating to the Property.
- 3.3 No Personal Liability. Purchaser, by executing this Agreement, agrees that this Agreement and all documents executed in connection herewith are executed and delivered by Seller not in its own right, but solely in the exercise of the powers conferred upon Seller in the Receivership Order and/or Sale Authorization Order. Purchaser expressly acknowledges and agrees that no personal liability is assumed by, nor shall at any time be asserted or enforceable against Seller, Receiver, Ankura Consulting Group, LLC, Seller’s counsel, financial advisors, accountants, agents, employees and/or other contractors of, or entities associated with, any of the foregoing (Seller, Receiver, Ankura Consulting Group, LLC, Seller’s counsel, financial advisors, accountants, agents, employees and/or other contractors of, or

entities associated with, any of the foregoing shall be collectively referred to as the “**Receiver Parties**”), on account of this Agreement or the documents executed in connection herewith. Purchaser acknowledges and agrees that any liability of the Receiver Parties under this Agreement, whether in contract, tort or otherwise, shall be limited to Record Owner’s interest in the Property, and Purchaser shall have no recourse to any assets of any of the Receiver Parties or against any other assets of the Receivership Estate at any time including after the Court discharges Receiver of its duties as receiver. Purchaser acknowledges and agrees that no Receiver Parties shall have any obligation to advance funds on behalf of any Record Owner and, to the extent any covenant or obligation hereunder is not satisfied as a result of insufficient funds being generated by the Property, neither Receiver nor any Receiver Parties shall have any liability with respect thereto, and Purchaser shall have no claim with respect thereto against Receiver or any Receiver Parties. Once the Receiver has been discharged from the Receivership Action, neither Purchaser nor any party making up Purchaser, shall have any claim whatsoever against Receiver and Receiver shall have no further obligations hereunder or any other agreement.

- 3.4 Conflict with the Court Orders. Notwithstanding any other provision in this Agreement, Seller shall have no obligation to perform in any manner under this Agreement that is contrary to or in excess of its powers and authorities as described in the Receivership Order or any other order of the Court, and if there is any conflict between the provisions of this Agreement and those in such orders, including the Sale Authorization Order, then Seller shall comply with the terms of the orders of the Court. Purchaser acknowledges and agrees that it has had an opportunity to review and inspect the Receivership Order and to consult with an attorney of its choosing concerning the terms and conditions of the Receivership Order and the terms and conditions of this Agreement.
- 3.5 Property Documents. Purchaser agrees and acknowledges that Purchaser has had an opportunity to review those documents contained in the data vault on www.cbredealflow.com, as well as to conduct other investigation and due diligence, and Purchaser shall have no right or opportunity to request any additional documents related to the Property. Purchaser acknowledges and agrees that (a) Seller may have been provided with information related to the Property, including any of the Review Items, (b) Seller has not necessarily reviewed such information, and (c) Seller may be unaware of information in its possession that relates to the Property. Seller makes no representation or warranty with respect to the Review Items, including with respect to any of the Property Documents, nor to the accuracy or completeness of such documents. Purchaser acknowledges and agrees that any inaccuracy, incompleteness or irrelevancy in the Review Items, including without limitation, the Property Documents, shall not constitute a breach of this Agreement by Seller and shall not be grounds by which Purchaser can terminate this Agreement.
- 3.6 [Intentionally Omitted]

- 3.7 Land Description. Notwithstanding the legal description for the Land (as defined in Section 1.1(a) hereof), Seller shall have the right prior to Closing to update the final legal description of the Land to be conveyed in accordance herewith based on the outcome of the Lot Choice Survey ordered in the Receivership Action and the final determination of the Land and lots under the control of Receiver. Such update to the definition of Land may result in the modification of the final number of lots, and the location of such lots, from what is currently described in Exhibit A hereof. Any update to the legal description of Land as described in Exhibit A hereof between the Effective Date and the Closing Date (a) shall only reflect the removal of no more than 325 lots from the Land to be conveyed at Closing (representing sales of lots from the Land which have closed and are included as Excluded Lots), and (b) shall not otherwise effect any material modification to the legal description of Land as described in Exhibit A hereof (other than the removal of the Excluded Lots), provided, to the extent more than 325 lots are sold by Seller and otherwise excluded from the Land, the Purchase Price shall be reduced by an amount as described in Schedule 3.7 for each lot in excess of 325 lots which are sold by Seller and excluded from the Land.
- 3.8 Survival of Closing. The provisions of this Article 3 shall survive the Closing or any termination of this Agreement.

ARTICLE 4

CLOSING

- 4.1 Time and Place. Closing of the transaction contemplated hereby (“**Closing**”) may take place by mail or email, as warranted, under the auspices of Barrow & Williams LLP (“**Closing Agent**”). Seller and Purchaser shall deliver all necessary funds to the Earnest Money Escrow Agent and shall deliver all documents to Closing Agent. Other than the receipt and distribution of the Earnest Money and any other funds necessary to close the transaction contemplated hereunder, all of which shall be handled by the Earnest Money Escrow Agent, all closing logistics, including without limitation the preparation of, receipt of, distribution, filing and/or recording of closing documents required hereunder or by law shall be handled by Closing Agent. Neither Seller nor Purchaser shall be required to attend Closing. Closing shall be held on (such date being the “**Closing Date**”) the latest to occur of: (a) the date forty-five (45) days following the entry of the Sale Authorization Order or if such order is subject to a court-ordered stay, forty-five (45) days after such stay is lifted; or (b) such other date as Seller and Purchaser mutually agree. At Closing, Seller and Purchaser shall perform the obligations set forth in, respectively, Section 4.2 and Section 4.3, the performance of which obligations shall be concurrent conditions.
- 4.2 Conditions Precedent to Closing.
- (a) *Seller’s Conditions*. Seller’s obligation to close is conditioned upon the following (“**Seller’s Conditions**”):

- i. All representations and warranties of Purchaser in this Agreement shall be true, correct and complete in all material respects as of the Closing and Purchaser shall have performed in all material respects all covenants and obligations required to be performed by Purchaser on or before the Closing; and
- ii. Entry of the Sale Authorization Order.

If any of the foregoing Seller's Conditions have not been satisfied at Closing (and this Agreement has not been terminated pursuant to the terms of Section 7.1 hereof due to (a) a failure of any of Purchaser's representations and warranties not being true, correct and complete in all material respects as of Closing, (b) a failure by Purchaser to perform in all material respects all covenants and obligations required to be performed by Purchaser on or before Closing, or (c) any other reason permitted under Section 7.1 hereof, in any of which events, pursuant to Section 7.1, Seller shall have the right to terminate this Agreement upon which Seller shall be entitled to receive the Earnest Money, all as more particularly set forth in Section 7.1 hereof) for reasons other than Seller's default, Seller shall have the right (i) to terminate this Agreement (in which case the Earnest Money (together with all interest earned thereon) shall be returned to Purchaser as provided in this Agreement, and neither Seller nor Purchaser shall have any further rights and obligations or liabilities hereunder, other than those obligations that expressly survive the termination of this Agreement) or (ii) waive any of the foregoing Seller's Conditions and proceed to Closing.

(b) *Purchaser's Conditions.* Purchaser's obligation to close is conditioned upon the following ("**Purchaser's Conditions**"):

- i. All representations and warranties of Seller in this Agreement shall, to Seller's knowledge, be true, correct and complete in all material respects as of the Closing and, subject to the terms and conditions set forth in this Agreement, Seller shall have performed in all material respects all material covenants and obligations required to be performed by Seller on or before the Closing;
- ii. Intentionally Deleted;
- iii. Intentionally Deleted; and
- iv. Entry of the Sale Authorization Order consistent in all material respects with the form approved by Purchaser pursuant to Section 3.1.

If any of the foregoing Purchaser's Conditions have not been satisfied at Closing (and this Agreement has not been terminated pursuant to the terms of Section 7.1 hereof due to (a) a failure of any of Seller's representations and warranties not being true, correct and complete in all material respects as of Closing, (b) a failure by Seller to perform in all material respects all covenants and obligations required to be performed by Seller on or before Closing, or (c) any other reason permitted under Section 7.1 hereof, in any of which events, pursuant to Section 7.1, Purchaser shall have the right to terminate this Agreement upon which

Purchaser shall be entitled to receive the Earnest Money, all as more particularly set forth in Section 7.1 hereof) for reasons other than Purchaser's default, Purchaser shall have the right (i) to terminate this Agreement (in which case the Earnest Money (together with all interest earned thereon) shall be returned to Purchaser as provided in this Agreement, and neither Seller nor Purchaser shall have any further rights and obligations or liabilities hereunder, other than those obligations that expressly survive the termination of this Agreement) or (ii) waive any of the foregoing Purchaser's Conditions and proceed to Closing.

The parties shall use commercially reasonable efforts to fulfill the foregoing closing conditions.

4.3 Seller's Obligations at Closing. On or before the Closing, Seller shall:

- (a) join with Purchaser in the execution and acknowledgment of an instrument, as necessary, to reflect a transfer of any Personal Property by delivery (the "**Transfer by Delivery**");
- (b) deliver to Purchaser possession and occupancy of the Property, subject only to the Permitted Exceptions;
- (c) deliver to Purchaser any documentation, forms and the Central Bank Notice required in connection with a transfer of real property under the laws of Belize (the "**Transfer Documents**"), such to be executed and acknowledged by Seller, as and to the extent so required, and in proper form for filing and/or recording, conveying the Land and Improvements to Purchaser, subject only to the Permitted Exceptions; and
- (d) execute and/or deliver any and all other instruments reasonably required by Purchaser's lender, if any, or otherwise necessary to close the transaction contemplated by this Agreement.

4.4 Purchaser's Obligations at Closing. On or before Closing, Purchaser shall:

- (a) provide Seller with evidence of Purchaser's authority and ability to consummate the transactions set forth herein along with papers and documents in the name of the Purchaser, including corporate resolutions authorizing the entry into and performance of this Agreement, Certificate of Incorporation, Certificate of Good Standing, Certificate of Incumbency, Detail Long Extract and true copies of the directors' valid passport biometric data page with picture and signature;
- (b) pay to Seller the Purchase Price in immediately available wire transferred funds pursuant to Section 1.5 above;
- (c) join Seller in execution of the instruments described in Sections 4.3 hereof, as applicable; and

- (d) execute and/or deliver any and all other instruments reasonably required by Seller or otherwise necessary to close the transaction contemplated by the Agreement.

4.5 Closing Instructions. At Closing, and upon written approval thereof by Seller and Purchaser (such not to be withheld by Seller if all Seller's Conditions have been satisfied; and, such not to be withheld by Purchaser if all Purchaser's Conditions have been satisfied), Closing Agent and/or Earnest Money Escrow Agent, as specified below, is irrevocably instructed to do the following:

- (a) Closing Agent shall record and/or file the Transfer Documents;
- (b) Earnest Money Escrow Agent shall pay, in accordance with the Settlement Statement (as defined below) all fees, costs, deed and transfer taxes for the sale of the Property which are required to be paid by Seller and Purchaser under this Agreement, the portion of any fees charged by Earnest Money Escrow Agent which are payable by Sellers and Purchaser (if any) and other expenses relating to the sale of the Property which are required to be paid by Seller and Purchaser; and
- (c) Earnest Money Escrow Agent shall pay to Receiver the balance of the Purchase Price and any other funds remaining after Closing.

4.6 Credits and Prorations.

- (a) The following shall be apportioned with respect to the Property as of 12:01 a.m. Central Standard Time on Closing Date, as if Purchaser were vested with title to the Property during the entire day upon which Closing occurs:
 - (i) rents, if any, as and when collected;
 - (ii) real property taxes and any assessments, provided, if a current bill and/or invoice for real estate taxes and/or assessments is not available for each tax parcel within the Land, this proration shall be estimated based on the annual assessment contained in the most recent and available invoice or bill for such tax parcel, subject to readjustment upon receipt of a final bill for such tax parcel provided it has been received from Purchaser within the time period set forth in Section 4.6(d); and
 - (iii) any other operating expenses and revenue of the Property incurred during the month in which Closing occurs.
- (b) Purchaser and Seller shall schedule a final meter reading on the day prior to Closing. Gas, electricity and other utility charges for which Seller is liable, if any, shall be apportioned at Closing on the basis of the most recent meter reading occurring prior to Closing. Purchaser will schedule to have the utilities transferred into its name as of the Closing Date, and those utilities

and services that cannot be transferred shall be prorated as of the Closing Date.

- (c) Notwithstanding anything contained in the foregoing provisions:
 - (i) Subject to Purchaser's receipt of a credit for real property taxes and any assessments under Section 4.6(a)(ii) hereof, real estate taxes and assessments shall be the responsibility of Purchaser, provided any refund from a tax appeal relating to taxes for the period prior to Closing, even if the tax refund is not paid until after Closing, shall be paid to Seller.
 - (ii) Seller shall receive the entire advantage of any discounts for the prepayment by it of any taxes, water rates or sewer rents.
 - (iii) As to gas, electricity and other utility charges referred to in Section 4.6(b) above, Seller may on notice to Purchaser elect to pay one or more of all of said items accrued to the date hereinabove fixed for apportionment directly to the person or entity entitled thereto, and to the extent Seller so elects, such item shall not be apportioned hereunder.
- (d) All prorations and adjustments described in this Agreement, including in Section 4.6, shall be effected by increasing or decreasing, as appropriate, the amount of cash to be paid by Purchaser to Seller at Closing. The provisions of this Section 4.6 shall survive Closing for one hundred twenty (120) days after Closing in order to make any adjustments under Section 4.6(e).
- (e) Seller and Purchaser agree to adjust between themselves after Closing any errors or omissions in the prorations or adjustments set forth in the Closing Statements and any other prorations or adjustments made pursuant to this Agreement. Notwithstanding anything contained herein to the contrary, such apportionments shall be deemed final and not subject to further post-Closing adjustments after one hundred twenty (120) days following the Closing Date.
- (f) Any and all costs, expenses and liabilities relating to the operation, management, the contracts, or ownership of the Property (such costs, expenses and liabilities being herein referred to collectively as the "**Ownership Obligations**") arising or accruing during the period from and after the Closing Date, including, but not limited to, accounts and payments under contracts and utility charges, are the responsibility of Purchaser and will be paid by Purchaser promptly upon receipt of billing therefor, and Purchaser hereby holds Seller harmless with respect to such Ownership Obligations and agrees to indemnify Seller from any loss, liability or claim, including, without limitation, reasonable attorneys' fees, relating to such

Ownership Obligations. To the extent not reflected in the closing statements (the “**Closing Statements**”) evidencing the transaction contemplated under this Agreement, Seller shall have the right to demand payment by Purchaser of any amounts which are the responsibility of Purchaser pursuant to this paragraph. Purchaser’s obligations hereunder shall survive Closing.

- 4.7 Seller agrees that during the period between the Effective Date and the Closing Date:
- (i) Seller shall oversee the operations of the Property and maintain the status quo pursuant to the requirements set forth in the Receivership Orders and/or in accordance with further direction from the Court;
 - (ii) Seller will deliver to Purchaser copies of any material written notices received by Seller after the date hereof with respect to the Property from any neighboring property owners; and
 - (iii) Seller will deliver to Purchaser copies of any material written notices received by Seller after the date hereof from any governmental authority alleging a material violation of a material applicable laws.
- 4.8 Closing Costs. Seller shall pay the fees of any counsel representing it in connection with this transaction. Purchaser shall pay: (a) the remainder of the closing costs; (b) the fees of any counsel representing Purchaser in connection with this transaction; (c) all sale taxes, if any, due in connection with the transfer and conveyance hereunder; (d) all transfer taxes, recordation taxes, excise taxes, documentary stamps, filing fees and escrow fees due in connection with the transfer and conveyance hereunder (collectively, the “**Transfer-Related Tax**”); *provided, however,* if applicable law requires Seller to pay any Transfer-Related Tax, then Purchaser shall at the Closing reimburse Seller the amount of such Transfer-Related Tax; and (e) all costs, if any, for title opinions, search fees, surveys, appraisals and engineering and environmental reports. All other costs and expenses incident to this transaction and the Closing shall be paid by the party incurring same.
- 4.9 Settlement Statement. On or before the third business day prior to Closing, Closing Agent shall prepare and deliver to Seller and Purchaser a settlement statement setting forth the prorations and cost allocations set forth in this Agreement (“**Settlement Statement**”).
- 4.10 Accounts Receivable. All accounts receivable arising prior to the Closing Date shall belong to the Seller. Seller is unaware of any such accounts receivable and shall notify Purchaser if it becomes aware of any accounts receivable in existence prior to Closing. Purchaser shall promptly remit to Seller any payments collected and/or received by Purchaser for any accounts receivable in existence with respect to the Property prior to Closing.

4.11 Survival of Closing. Except as otherwise provided in this Article 4 to the contrary, the provisions of this Article 4 shall survive the Closing or any termination of this Agreement for sixty (60) days after the Closing or any termination of this Agreement.

ARTICLE 5

5.1 AS-IS Sale. Purchaser expressly acknowledges that, except as expressly provided herein, the Property is being sold and accepted **AS-IS, WHERE-IS**, and Seller makes no representations or warranties with respect to the physical condition or any other aspect of the Property, including, without limitation, (i) the condition of title to, or the ownership of, the Property, (ii) the structural integrity of any improvements on the Property, (iii) the manner, construction, condition, and state of repair or lack of repair of any of such improvements, (iv) the conformity of the improvements to any plans or specifications for the Property, including but not limited to any plans and specifications that may have been or which may be provided to Purchaser, (v) the conformity of the Property to past, current or future applicable zoning or building code requirements or the compliance with any other laws, rules, ordinances, or regulations of any government or other body, (vi) the financial earning capacity or history or expense history of the operation of the Property, (vii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition, or otherwise, (viii) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, sufficiency of drainage, (ix) whether the Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area, (x) the existence or non-existence of asbestos, underground or above ground storage tanks, hazardous waste or other toxic or hazardous materials of any kind or any other environmental condition or whether the Property is in compliance with applicable laws, rules and regulations, (xi) the Property's investment potential or resale at any future date, at a profit or otherwise, (xii) any tax consequences of ownership of the Property or (xiii) any other matter whatsoever affecting the stability, integrity, other condition or status of the land or any buildings or improvements situated on all or part of the Property (collectively, the "Property Conditions"), and **PURCHASER IS NOT RELYING UPON ANY REPRESENTATION OF ANY KIND OR NATURE MADE BY RECORD OWNER, RECEIVER, RECEIVER PARTIES, OR ANY OF THEIR RESPECTIVE EMPLOYEES, AGENTS OR OTHER REPRESENTATIVES WITH RESPECT TO THE PROPERTY, AND THAT, IN FACT, NO SUCH REPRESENTATIONS WERE MADE. PURCHASER AGREES THAT SELLER IS NOT LIABLE OR BOUND BY ANY GUARANTEES, PROMISES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY MADE OR FURNISHED BY ANY REAL ESTATE AGENT, BROKER, EMPLOYEE, SERVANT OR OTHER PERSON REPRESENTING OR PURPORTING TO REPRESENT SELLER. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT THE COMPENSATION TO BE PAID TO SELLER FOR THE PROPERTY HAS BEEN DECREASED TO TAKE INTO**

ACCOUNT THAT THE PROPERTY IS BEING SOLD SUBJECT TO THE FOREGOING DISCLAIMERS, AND THE PURCHASER SHALL ASSUME RESPONSIBILITY FOR ALL COSTS AND EXPENSES REQUIRED TO CAUSE THE PROPERTY TO COMPLY WITH ALL APPLICABLE BUILDING AND FIRE CODES, MUNICIPAL ORDINANCES AND OTHER LAWS, RULES AND REGULATIONS (INCLUDING, WITHOUT LIMITATION, ANY CODES, MUNICIPAL ORDINANCES, LAWS, RULES OR REGULATIONS). PURCHASER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY AND ALL ACTUAL OR POTENTIAL RIGHTS PURCHASER MIGHT HAVE REGARDING ANY FORM OF WARRANTY, EXPRESS OR IMPLIED OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE RELATING TO THE PROPERTY, ITS IMPROVEMENTS OR THE PROPERTY CONDITIONS. SUCH WAIVER BEING ABSOLUTE, COMPLETE, TOTAL AND UNLIMITED IN ANY WAY.

If and to the extent that Seller delivers, or causes to be delivered, documents, reports (including any environmental reports) or other writings concerning the Property (collectively, with the Property Documents described in Article 2, the “**Review Items**”) to Purchaser, all such Review Items shall be delivered without any representation or warranty as to the completeness or accuracy of the data or information contained therein, and all such Review Items are furnished to Purchaser solely as a courtesy, and Seller has neither verified the accuracy of any statements or other information therein contained, the method used to compile such information nor the qualifications of the persons preparing such information. The Review Items are provided on an **AS-IS-WHERE-IS BASIS, AND PURCHASER EXPRESSLY ACKNOWLEDGES THAT SELLER MAKES NO REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE REVIEW ITEMS.** Without Seller’s prior written consent, Purchaser: (i) shall not divulge to any third party (other than Purchaser’s officers, directors, employees, consultants, investors and lenders, as have actual need for the information in evaluating the Property, provided each such recipient has agreed in writing to maintain all such information confidential, or as required by law or governmental regulations and Purchaser shall act diligently to assure no improper disclosure thereof occurs) any of the Review Items not otherwise publicly available and shall not use the Review Items in Purchaser’s business prior to the Closing, except in connection with the evaluation of the acquisition of the Property; and (ii) shall, if the Closing does not occur, promptly destroy or return to Seller (without keeping copies) all Review Items. The foregoing restrictions shall not apply to any information included in Review Items that (i) Purchaser had already obtained at the time of disclosure, (ii) information that is publicly known at the time of disclosure, (iii) information that becomes publicly known subsequent to disclosure for reasons other than a breach by

Purchaser hereunder and (iv) information that Purchaser obtains subsequent to disclosure from a third party that is not under any confidentiality obligation. It is understood and agreed that, with respect to any provision of this Agreement which refers to the termination of this Agreement and the return of the Earnest Money by Earnest Money Escrow Agent to Purchaser, such Earnest Money shall not be returned to Purchaser unless and until Purchaser has fulfilled its obligation to return to Seller and/or destroy the materials described in the preceding sentence, and provided written confirmation of the foregoing to Seller. In the event of a breach or threatened breach by Purchaser or its agents or representatives of this Section, Seller shall be entitled to an injunction restraining Purchaser or its agents or representatives from disclosing, in whole or in part, such confidential information. Nothing herein shall be construed as prohibiting Seller from pursuing any other available remedy at law or in equity for such breach or threatened breach.

Purchaser acknowledges (i) that the Property is located in a financially distressed development area that is in receivership as herein described; (ii) that the future of the development area in which the Property is located is uncertain; (iii) that the Purchaser understands the risks and uncertainties associated with the acquisition of title to the Property, as well as the financial obligations and conditions associated with future ownership of the Property; (iv) that the Property is subject to the restrictive covenants and other conditions as set forth in those certain RCCEs, subject to modification by Purchaser after Closing pursuant to the Sale Authorization Order; (v) that, upon acquisition of the Property, the Purchaser may be subject to further financial obligations, and/or other costs in connection with the ownership of the Property as set forth in the RCCEs, subject to modification by Purchaser after Closing pursuant to the Sale Authorization Order; (vi) that the Purchaser has had the opportunity to receive independent professional advice from legal counsel, real estate professionals, and/or other knowledgeable representatives concerning the nature and scope of this Agreement, as well as the performance of its terms and conditions; and (vii) that the Purchaser shall not rely on any prior dealings and/or oral or written representations between the parties, their predecessors, and/or their agents, privies or proxies, if any, and to hold the Seller harmless against the same accordingly.

Purchaser further acknowledges that the Property may not be in compliance with all regulations, rules, laws and ordinances that may apply to the Property, or any part thereof, and will undertake all obligations for the continued ownership, maintenance, management and repair of the Property ("**Requirements**"). After the Closing, Purchaser shall be solely responsible for any and all Requirements, Property Conditions, and all other aspects of the Property, whether the same shall be existing as of the Closing Date or not. Except as expressly provided herein, to the fullest extent permitted by law, Purchaser hereby waives and releases any and all rights and benefits which it now has, or in the future may have, conferred upon it by virtue of any applicable Canadian, United States, and/or Belizean national, federal, or local law, rule, or regulation as a result of any alleged inaccuracy or incompleteness of the information or the purchase of the Property, including, without limitation, (i) any environmental law, rule, or regulation whether federal,

state or local, including, without limitation, under the Mines and Mineral Act, Environmental Protection Act, National Institute of History and Culture (antiquities act), Coastal Zone Management Act, the Forest Act and/or the Petroleum Act, and any analogous national, federal or state laws. With respect to Purchaser's waivers and releases as set forth above, the Purchaser represents and warrants to the Seller that: (a) Purchaser is not in a significantly disparate bargaining position; (b) Purchaser is represented by legal counsel in connection with the sale contemplated by this Agreement and (c) Purchaser is highly knowledgeable and experienced in the purchase, operation, ownership, and sale of commercial real estate, and is fully able to evaluate the merits and risks of this transaction. As part of the provisions of this section, but not as a limitation thereon, Purchaser hereby agrees, represents and warrants that the matters that are waived and/or released herein are not limited to matters which are known or disclosed. In this connection, to the extent permitted by law, Purchaser hereby agrees, represents, and warrants that it realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Purchaser further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Purchaser nevertheless hereby intends to release, discharge and acquit Seller from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses.

Notwithstanding anything herein to the contrary, all of the terms and provisions of this Section 5.1 shall survive the Closing or a termination of this Agreement.

- 5.2 Release. To the maximum extent permitted by law, Purchaser, on behalf of itself and its past, present and future agents, representatives, partners, shareholders, principals, attorneys, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs and executors and assigns (collectively, "**Purchaser's Parties**"), hereby releases and forever discharges the Record Owner, Receiver, Receiver Parties and each of their respective past, present and future agents (including Receiver's Broker), representatives, partners, attorneys', shareholders, principals, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs, executors and assigns (collectively, "**Indemnitees**"), from and against all claims, rights, remedies, recourse or other basis for recovery, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs) ("**Claims**"), whether direct or indirect, known or unknown, foreseen, whether before or after the Closing Date, including without limitation any loss, damage, injury, illness, death or other claim attributable to: (a) the use of the Property or any part thereof; (b) a defect in the design or construction of any Improvements on or about the Property or the physical condition of the Property, including without limitation the grading of the Land or land adjacent to the Land, whether or not performed by an Indemnitee, and any surface and subsurface conditions; (c) the presence on the Land of any threatened

or endangered species, or any archaeological sites, artifacts or other matters of archaeological significance, or any hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Mines and Mineral Act, Environmental Protection Act, National Institute of History and Culture (antiquities act), Coastal Zone Management Act, the Forest Act and/or the Petroleum Act or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters; (d) any act, omission or representation of Purchaser or any of Purchaser's Parties; (e) any accident or casualty on the Land caused by or attributable to the acts or omissions of any Indemnitees, Purchaser or Purchaser's Parties on or about the Land; (f) a violation or alleged violation by any Indemnitee, Purchaser or Purchaser's Parties of any law now or hereinafter enacted; (g) a slope failure or surface or subsurface geologic or groundwater condition caused by or attributable to any Indemnitee, Purchaser or Purchaser's Parties; (h) the design, construction, engineering or other, work with respect to the Land provided or performed by or caused by or attributable to any Indemnitee, Purchaser or Purchaser's Parties, whether before or after the Closing Date; (i) any other cause whatsoever in connection with Purchaser's use of the Property or Purchaser's performance under the Agreement or any of the instruments executed and delivered at the Closing in connection herewith; (j) any breach by Purchaser in the performance of its obligations under this Agreement or the other instruments executed and delivered at the Closing in connection herewith; or (k) the application of the principles of strict liability in connection with the Property (collectively, the "**Released Claims**").

With respect to this release and discharge, Purchaser, on behalf of itself and all of Purchaser's Parties, hereby acknowledges that the Released Claims may include Claims of which Purchaser is presently unaware, or which Purchaser does not presently suspect to exist, or which may not yet have accrued or become manifest, and which, if known by Buyer on the Effective Date or the Closing Date would materially affect Purchaser's release and discharge of Seller and the other Indemnitees, and Purchaser, on behalf of itself and all of Purchaser's Parties, hereby waives application of any applicable law that limits such releases. Purchaser understands and acknowledges that the significance and consequence of this waiver is that, even if Purchaser or any of Purchaser's Parties suffer future damages arising out of or resulting from any Released Claims, neither Purchaser nor any of Purchaser's Parties will be able to make any claim for those damages against Seller, Receiver, Receiver Parties or any other Indemnitee. Furthermore, Purchaser acknowledges that it intends these consequences for any such Claims which may exist as of the date of this release but which Purchaser does not know exist, and which, if known, would materially affect Purchaser's decision to execute this Agreement, regardless of whether Purchaser's lack of knowledge is the result of ignorance, oversight, error, negligence or any other cause. Notwithstanding anything contained herein to the contrary, it is understood and agreed that this Section 5.2 does not cover any Claims arising directly from (i) a material breach by Receiver of Receiver's representations and warranties in this Agreement, or (ii) any

Claims arising directly as a result of Receiver's fraud or intentional misconduct or illegal conduct.

Notwithstanding anything herein to the contrary, all of the terms and provisions of this Section 5.2 shall survive the Closing or a termination of this Agreement.

ARTICLE 6

REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser as follows:

- (a) Subject to the terms and conditions of the Receivership Orders, the Sale Authorization Order (upon issuance) and any other orders from the United States and Belize courts, (i) Seller has, or shall have, the full right, power and authority to sell the Property to Purchaser, including, to enter into this Agreement and to carry out Seller's obligations hereunder; (ii) this Agreement constitutes the legal, valid and binding obligation of Seller, enforceable against Seller, not individually but solely in his capacity as Court-appointed receiver; (iii) this Agreement has been duly authorized, executed and delivered by Seller, subject to the issuance of the Sale Authorization Order; and (iv) to Receiver's knowledge, neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereunder, constitutes a violation or breach of any applicable organizational documents of Receiver or any order, writ, injunction, decree or judgment applicable to it or any contract, covenant or other agreement to which Seller may be a party or by which Seller may be bound.
- (b) Other than CBRE, Seller has not contracted with any other real estate agent, broker or other similar party with respect to the transactions contemplated by this Agreement.

The representations and warranties contained in this Section 6.1 shall be, and are, the only representations and warranties being made by Receiver hereunder and Purchaser acknowledges and agrees Receiver has made no other representations or warranties whatsoever upon which Purchaser is entitled to rely.

6.2 Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller as follows:

- (a) If Purchaser is a corporation or other form of business entity organized under the laws of a state, commonwealth or district in the United States, or under the laws of Belize, such Purchaser warrants and represents, as of the Effective Date, that: (i) Purchaser has the full right, power and authority to purchase the Property from Seller as provided in this Agreement and to

carry out Purchaser's obligations hereunder; (ii) Purchaser is a Belize private company limited by shares duly organized and in good standing under the laws of the Belize; (iii) all requisite action necessary to authorize Purchaser to enter into this Agreement and to carry out Purchaser's obligations hereunder, has been obtained; (iv) this Agreement has been duly authorized, executed and delivered by Purchaser; (v) to Purchaser's knowledge the execution of this Agreement and the sale of the Property contemplated hereby do not and will not violate any contract, covenant or other agreement to which Purchaser may be a party or by which Purchaser may be bound; and (vi) the individual who has executed this Agreement on behalf of Purchaser has been so duly authorized by Purchaser. Moreover, Purchaser warrants and represents that this Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms;

- (b) Purchaser is not affiliated in any way with Record Owners or its officers, directors, employees, agents and representatives. Without limiting the foregoing, the Purchaser is not affiliated in any way with the FTC enforcement action defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Rod Kazazi, Brandi Greenfield, Frank Costanzo, and/or Michael Santos. Purchaser agrees and acknowledges that the existence or creation of any such affiliation, association or relationship shall constitute a material breach of this Agreement;
- (c) Prior to the entering into this Agreement, Purchaser had the opportunity to conduct Purchaser's own due diligence and investigations. Purchaser's obligations under this Agreement are not contingent on any further due diligence and/or investigation. Purchaser acknowledges that the size and acreage of the Property is deemed approximate and not guaranteed. Except as otherwise expressly set forth in this Agreement or in written disclosures to Purchaser by Seller (i) Seller does not make and expressly disclaims, any representation or warranty, express or implied, regarding the Property or the Review Items, and (ii) Purchaser acknowledges and agrees that Seller is selling the Property "as is, where is, which all faults and limitations" and Seller shall have no liability for or any obligation to make any repairs or improvements of any kind to the Property;
- (d) Prior to entering into this Agreement, Purchaser has received (or, to the extent not received, Purchaser irrevocably waives) all Review Items provided by, or on behalf of, Seller. Reports furnished by or on behalf of Seller shall be for informational purposes only;
- (e) Purchaser is a sophisticated Purchaser, is capable of evaluating the merits and risks of purchasing the Property, understands and is able to bear the economic risks of purchasing the Property, including, without limitation, a total loss of investment and/or the risk that Purchaser may be required to hold the Property indefinitely;

- (f) Purchaser acknowledges and agrees that this Agreement is NOT contingent upon Purchaser being able to obtain financing for the transaction herein and there shall be no extension of the date of the Closing due to Purchaser's obtaining financing to acquire the Property; and
- (g) Compliance with International Trade Control Laws & OFAC Regulations (including, without limitation, any analogous laws under the laws of Belize):
 - (i) Purchaser is not now nor shall it be at any time during the term of this Agreement be an individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government agency or any agency or political subdivision thereof, or any other form of entity (each, a "**Person**") with whom a United States citizen, entity organized under the laws of the United States or its territories, or entity having its principal place of business within the United States or any of its territories (each, a "**U.S. Person**"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States or Belizean law, regulation, executive order or list published by the Office of Foreign Assets Control, Department of the Treasury ("**OFAC**"), including such executive orders and lists published by OFAC with respect to any Person who has been designated by executive order or by the sanction regulations of OFAC as a Person with whom a U.S. Person may not transact business or must limit their interactions to types approved by OFAC ("**Specially Designated Nationals and Blocked Persons**") or otherwise;
 - (ii) Neither Purchaser nor any Person who owns a direct interest in Purchaser ("**Purchaser Party**") is now nor shall be at any time during the term of this Agreement a Person with whom a U.S. Person, including a United States Financial Institution as defined in 31 U.S.C. § 5312, as periodically amended ("**Financial Institution**"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive order or list published by OFAC (including those executive orders, such as the September 24, 2001 "Executive Order Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit or Support Terrorism" and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise;
 - (iii) Purchaser has taken, and shall continue to take during the term of this Agreement, such measures as are required by law to assure that the funds used to pay to Seller the Purchase Price are derived from

(A) transactions that do not violate United States or Belize law nor, to the extent such funds originate outside the United States, violate the law of the jurisdiction in which they originated, and (B) permissible sources under United States law and, to the extent such funds originate outside the United States, under the law of the jurisdiction in which they originated; and

- (iv) To the best of Purchaser's knowledge after making due inquiry, neither Purchaser nor any Purchaser Party, nor any Person providing funds to Purchaser (A) is under investigation by any governmental authority for, or has been charged with or convicted of money laundering, drug trafficking, terrorist-related activities, any crimes which in the United States or Belize would be predicate crimes to money laundering, or any violation of any Anti-Money Laundering Laws, (B) has been assessed civil or criminal penalties under any Anti-Money Laundering Laws, or (C) has had any of its funds seized or forfeited in any action under any Anti-Money Laundering Laws. For purposes of this Subsection (h)(iv), the term "**Anti-Money Laundering Laws**" shall mean laws, regulations and sanctions, state and federal, criminal and civil, that (1) limit the use of and/or seek the forfeiture of proceeds from illegal transactions, (2) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers or persons otherwise engaged in activities contrary to the interests of the United States, (3) require identification and documentation of the parties with whom a Financial Institution conducts business, or (4) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the Bank Secrecy Act, codified at 31 U.S.C. § 5311 et seq., the Trading with the Enemy Act, codified at 50 U.S.C. App. § 1 et seq., the International Emergency Economic Powers Act, codified at 50 U.S.C. § 1701 et seq., and the sanction regulations promulgated pursuant thereto by OFAC, as well as laws relating to prevention and detection of money laundering set forth in 18 U.S.C. §§ 1956 and 1957.

ARTICLE 7

TERMINATION

- 7.1 **Termination Resulting From Breach.** If Closing does not or cannot occur on or before the Closing Date due to a material breach of this Agreement by Purchaser or Seller which is not cured within ten (10) business days after the breaching party's receipt of written notice of such material breach, then the non-breaching party may terminate this Agreement and cancel the Escrow by written notice to the breaching

party upon which the Earnest Money Escrow Agent shall pay the Earnest Money (and any interest accruing thereon) to the non-breaching party. If Purchaser fails to timely deposit the Earnest Money, then Seller may immediately terminate this Agreement by written notice to Purchaser. Upon any such termination and/or cancellation, the breaching party shall pay all cancellation fees of the Earnest Money Escrow Agent. If the Seller is the breaching party, Earnest Money Escrow Agent shall return the Earnest Money (together with any interest earned thereon) to Purchaser as the sole and exclusive remedy available to Purchaser. **PURCHASER ACKNOWLEDGES AND AGREES THAT IT SHALL HAVE NO RIGHT TO SEEK SPECIFIC PERFORMANCE OF THIS AGREEMENT AND EXPRESSLY WAIVES ANY AND ALL RIGHTS ARISING UNDER APPLICABLE LAW TO SEEK SPECIFIC PERFORMANCE OF SELLER'S OBLIGATIONS HEREUNDER.**

If Purchaser is the breaching party, then the following shall apply:

PURCHASER AND SELLER AGREE THAT IT WOULD BE EXTREMELY DIFFICULT TO DETERMINE SELLER'S ACTUAL DAMAGES RESULTING FROM A BREACH BY PURCHASER. IN THE EVENT OF A BREACH BY PURCHASER, SELLER SHALL BE ENTITLED TO THE EARNEST MONEY (INCLUDING ANY INTEREST ACCRUING THEREON) AS LIQUIDATED DAMAGES. PURCHASER AGREES THAT SUCH AMOUNT IS A REASONABLE PRE-ESTIMATE OF SELLER'S ACTUAL DAMAGES FOR BREACH OF THIS AGREEMENT AND IS NOT A PENALTY. IF EARNEST MONEY ESCROW AGENT IS IN POSSESSION OF THE EARNEST MONEY, THEN EARNEST MONEY ESCROW AGENT SHALL DELIVER THE EARNEST MONEY TO SELLER. DESPITE THE FOREGOING, IF APPLICABLE LAW LIMITS THE AMOUNT OF THE LIQUIDATED DAMAGES PAYABLE TO SELLER UPON A BREACH BY PURCHASER, SELLER SHALL ONLY BE ENTITLED TO THE AMOUNT PERMITTED BY LAW AND ANY EXCESS SHALL BE RETURNED TO PURCHASER. FURTHER, IN THE EVENT OF PURCHASER'S BREACH, PURCHASER HEREBY WAIVES AND RELEASES ANY RIGHT TO (AND HEREBY COVENANTS THAT PURCHASER SHALL NOT) SUE SELLER TO RECOVER THE EARNEST MONEY OR ANY PART THEREOF ON THE GROUND IT IS UNREASONABLE IN AMOUNT OR THAT ITS RETENTION BY SELLER IS A PENALTY AND NOT A REASONABLE DETERMINATION BY THE PARTIES OF LIQUIDATED DAMAGES. AFTER PAYMENT TO SELLER OF THE EARNEST MONEY, NEITHER SELLER NOR PURCHASER SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER EXCEPT THAT THE PARTIES SHALL REMAIN OBLIGATED WITH RESPECT TO ALL PROVISIONS, REPRESENTATIONS, COVENANTS, WAIVERS, DISCLAIMERS, INDEMNITIES AND/OR OBLIGATIONS IN THIS AGREEMENT WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT OR THE CLOSING. IF SUBSEQUENT TO THE CLOSING PURCHASER

SHALL FAIL TO COMPLY WITH ALL OBLIGATIONS CONTAINED HEREIN WHICH SURVIVE THE CLOSING, THEN SELLER, IN ADDITION TO ANY RIGHTS AND REMEDIES PROVIDED HEREIN, SHALL BE ENTITLED TO ANY AND ALL REMEDIES AVAILABLE AT LAW OR IN EQUITY.

- 7.2 Earnest Money Escrow Agent Authorization. If Earnest Money Escrow Agent receives a written notice from a party to cancel the Escrow in accordance with this Article 7, and Earnest Money Escrow Agent has confirmed with the other party that they have also received the notice, Earnest Money Escrow Agent is authorized to comply with the notice if Earnest Money Escrow Agent does not receive a written objection within ten (10) business days after such other party received the notice.

ARTICLE 8

Intentionally Deleted

ARTICLE 9

Intentionally Deleted

ARTICLE 10

MISCELLANEOUS

- 10.1 Discharge of Obligations. The delivery of Transfer Documents to Purchaser shall be deemed to be a full performance and discharge in all material respects of every agreement and obligation on the part of Seller to be performed pursuant to the provisions of this Agreement.
- 10.2 Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, or (b) internationally recognized overnight courier (such as FedEx or DHL) with proof of delivery, or (c) email (provided that such email is confirmed by “read receipt” and by internationally recognized overnight courier as required in subparagraph (b) hereof), sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of email, upon receipt (provided such email is confirmed by “read receipt” and by internationally recognized overnight courier as required in subparagraph (b) hereof). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to Purchaser: Ambergris Caye Real Estate Development
c/o Navjeet (Bob) Dhillon

91 North Front Street
Belize City, Belize
Email: bdhillon@mainst.biz

With a copy to: DLA Piper LLP (US)
1251 Avenue of the Americas, 27th Floor
New York, New York 10020
Attn: Michael T. Haworth
Email: michael.haworth@us.dlapiper.com

If to Seller:
c/o Barnes & Thornburg LLP
Attn: Allison Rego, Esquire
655 W. Broadway, Suite 1300
San Diego, CA 92101
Email: AREgo@btlaw.com

With a copy to: BARROW & WILLIAMS LLP
Attn: Rodwell R. A. Williams S.C.
Equity House, 84 Albert Street
Belize City, Belize District, Belize
Email: rodwell@barrowandwilliams.com

If to Earnest Money Escrow Agent (unless Earnest Money Escrow Agent is not Computershare, in which event the notice address and contact information shall be the address and contact information in the final escrow agreement between Seller, Purchaser and such Earnest Money Escrow Agent):

Computershare Trust Company N.A.
CTO Mail Operations
Attn: Jarrett Sherron
1505 Energy Park Drive
St. Paul, MN 55108
Telephone: (410) 423-6365
Email: Jarrett.sherron@computershare.com

10.3 Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

- 10.4 Construction. Whenever used, the singular shall include the plural and the plural the singular, and the use of any gender shall include all genders. The term “including” as used herein shall in all instances mean “including, but not limited to.”
- 10.5 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday.
- 10.6 Time of Essence. Seller and Purchaser agree that time is of the essence of this Agreement.
- 10.7 Entire Agreement. This Agreement, including the Exhibits, contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior agreements and understandings between the parties pertaining to such subject matter whether oral or written.
- 10.8 Further Assurances. Each party hereto agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement, it being understood and agreed that Seller shall have no such obligation once the Receivership has been terminated. Without limiting the generality of the foregoing, Purchaser shall, if requested by Seller, execute acknowledgments of receipt with respect to any materials delivered by Seller to Purchaser with respect to the Property.
- 10.9 Counterparts and Electronic Signatures. This Agreement may be executed in multiple counterparts by the parties hereto. All counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original Agreement all of which shall constitute one agreement to be valid as of the Effective Date. Facsimile, documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such facsimile, scanned and electronic signatures having the same legal effect as original signatures. Seller and Purchaser agree that this Agreement or any other document necessary for the consummation of the transactions contemplated by this Agreement may be accepted, executed or agreed to through the use of an electronic signature in accordance with the Electronic Signatures in Global and National Commerce Act, Title 15, United States Code, Sections 7001 *et seq.*, the Uniform Electronic Transaction Act, and any applicable state law. Any document accepted, executed or agreed to in conformity with such laws will be binding on both Seller and Purchaser the same as if it were physically executed.

10.10 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

10.11 Applicable Law. THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE SUBSTANTIVE FEDERAL LAWS OF THE UNITED STATES AND/OR THE LAWS OF THE STATE OF MARYLAND, EXCEPT WHERE THE SUBSTANTIVE FEDERAL LAWS OF THE UNITED STATES AND/OR THE LAWS OF THE STATE OF MARYLAND WOULD BE UNENFORCEABLE IN WHICH CASE THE LAWS OF BELIZE SHALL GOVERN. PURCHASER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE COURT IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF THIS AGREEMENT OR SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN THE COURT AND PURCHASER HERE BY WAIVES ALL RIGHTS TO CLAIM THE CHOSEN FORUM IS INCONVENIENT. NOTHING CONTAINED IN THIS AGREEMENT SHALL AFFECT THE RIGHT OF SELLER TO BRING ANY ACTION OR PROCEEDING AGAINST PURCHASER OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION. PURCHASER AND SELLER AGREE THAT THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT THAT EITHER MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED HEREON; OR ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY DOCUMENT EXECUTED IN CONNECTION HERewith OR RELATED HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS TRANSACTION.

10.12 Third Party Beneficiaries. The provisions of this Agreement and of the documents to be executed and delivered at the Closing are and will be for the benefit of Seller and Purchaser only and are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at the Closing except Noteholder which is an intended third-party beneficiary of this Agreement.

10.13 No Assignment. Purchaser may not assign this Agreement, nor any of Purchaser's rights hereunder be assigned or transferred in any manner, without Seller's specific prior written consent.

10.14 Exhibits and Schedules. The following schedules or exhibits attached hereto shall be deemed to be an integral part of this Agreement:

(a) Exhibit A Legal Description of the Land

- (b) Exhibit B Excluded Lots
- (c) Exhibit C Personal Property
- (d) Schedule 3.7 Purchase Price Adjustment

10.15 Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

10.16 Legal Counsel and Joint Authorship. Seller and Purchaser have received independent legal advice from attorneys of their choice with respect to the advisability of making and executing this Agreement and related documents, or have waived their right to do so. In the event of any dispute or controversy regarding the authorship of this Agreement or related documents, Seller and Purchaser shall be conclusively deemed to be the joint authors of this Agreement and related documents and no provision of this Agreement or related documents shall be interpreted against Seller or Purchaser by reason of authorship.

10.17 Recitals Incorporated Herein. The preamble and the recitals in this Agreement are hereby incorporated herein by this reference and shall be binding on the parties as if the Recitals were fully set forth in this Agreement.

10.18 Non-Assumption of Record Owner's or Seller's Liabilities.

- (a) Purchaser is acquiring the Property from Seller and is not the successor of Seller or Record Owner. Purchaser does not assume or agree to pay or indemnify Seller, Record Owner or any Person against any liability, obligation or expense of Seller, Record Owner or any Person arising prior to Closing and relating to the Property in any way except as expressly set forth in this Agreement or in any agreement executed by Purchaser at Closing.
- (b) Purchaser is open to and may consider (but shall be under no obligation to) making available certain lots at the Property (which may or may not be subdivided as of Closing) for purchase by buyers under Lot Purchase Contracts. The terms of any such sale, including the selection, location, size and price of lots for sale, as well as the timing and financial terms of any such sale, would be at Purchaser's sole and absolute discretion. The foregoing would also be subject to any applicable buyer receiving mutated/conveyance title from the government of Belize.
- (c) Whether or not Purchaser retains the structure of the RCCEs, the Association or the Association Documents in any form, Purchaser's goal is to operate the Property pursuant to an owner's association in such a way that ensures that the community remains well-governed and maintains high standards for development and property management.

ARTICLE 11**SALE PROCEDURES AND OVERBID, POTENTIAL AUCTION PROCESS**

11.1 Receivership Sale Requirements for Sales of Real Property. Notwithstanding that Seller and Purchaser will enter into this Agreement for the sale of the Property in accordance herewith, Receiver is required to comply with specific statutory requirements before the Court will approve a sale of real property out of a federal receivership. The procedures set forth herein are designed to meet those requirements. The parties acknowledge it is a condition precedent to the Closing that Receiver obtain the Court's approval of a sale of the Property and the Receiver shall seek such approval from the Court. Receiver shall request a hearing date from the Court for the sale motion (the "**Hearing Date**"). Furthermore, the proposed sale will be published in one or more publications to be determined by the Receiver for four consecutive weeks with overbid information included therein. During the offer review process, Receiver will work to qualify any offerors as potential qualified overbidders (a "**Qualified Bidder**"), with terms for qualification, including overbid increments, to be determined by the Receiver in its sole and absolute discretion. If any overbids are received and are qualified by the Receiver, the Receiver will advise the Court of the overbid and will propose to the Court that the sale of the Property be subject to an auction (the "**Auction**") conducted by the Receiver. The Court may reject any and all bids following conclusion of the Auction.Consent to Court Jurisdiction and Waiver of Jury Trial. All Qualified Bidders appearing at the Auction shall have deemed to have consented to the Court's jurisdiction and waived any right to jury trial in connection with any disputes related to the Auction, or the closing of the sale. The Court shall be the exclusive forum for any such disputes.Receiver's Right to Determine Conduct of Auction. The Receiver reserves the right to deny any person admittance to the Auction, to postpone or cancel the Auction, to withdraw the Property from the Auction, and to change any terms or procedures of the Auction or the particular conditions of sale, as necessary, upon notice to Purchaser, and any Qualified Bidders, prior to or at the Auction, without further Court order.No Contingencies for Qualified Bidder. The sale to any Qualified Bidder of the Property shall not be contingent upon the validity, effectiveness, and or binding nature of the Qualified Bidder's offer.No Conditions Precedent for Qualified Bidder. The sale to any Qualified Bidder of the Property shall not be subject to any conditions precedent to the Qualified Bidder's obligation to timely consummate the sale transaction, and to pay the remainder of the purchase price.Auction Confirmation Order. The only authorized condition subsequent to the Auction for the Qualified Bidder is entry of a Court order confirming the sale to the Qualified Bidder (the "**Auction Confirmation Order**").Conditions to Consummation of Sale Transaction Prior to and Following Auction. The closing of any sale to a Qualified Bidder shall be subject to the following conditions:Receiver's review and acceptance of the bid Receiver determines to be the winning bid received from a Qualified Bidder;

- (ii) entry of the Auction Confirmation Order;
- (iii) receipt of full payment on or before the date which is three (3) business days after the date upon which the Court enters the Auction Confirmation Order such that the Property transfer can occur promptly thereafter; and
- (iv) prior to Auction, the waiver and release of all claims against the Receiver and Receiver Parties (which shall be a condition precedent for a bidder to become a Qualified Bidder).

If any of these foregoing conditions are not satisfied,

- (a) the sale to the Qualified Bidder shall not be consummated, and
- (b) any obligations of the Receiver shall also be terminated, including any obligations under a purchase and sale agreement with a Qualified Bidder.

11.8 Transfer of Title to Property Following Auction. Following the Auction, title to the Property shall be transferred by Transfer Documents (which shall incorporate the “as-is” provisions contained in this Agreement into any instrument by which the Property is being conveyed to the selected Qualified Bidder), and/or Transfer by Delivery with respect to the Personal Property, as applicable, *“AS-IS”, WITHOUT REPRESENTATIONS AND WARRANTIES*, to the applicable Qualified Bidder. Court Approval if No Qualified Bids are Received. In the event no qualified bids are provided to the Receiver, the Receiver will notify the Court that no Auction will take place and ask the Court to approve the sale to Purchaser pursuant to this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement to be effective as of the Effective Date.

[SIGNATURES ON FOLLOWING PAGES]

Executed by Seller
as of January 27, 2025

SELLER:

Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of Belize Limited, by and through Marc-Philip Ferzan of Ankura Consulting Group, LLC, solely in his capacity as Receiver, and not individually, in the case entitled *In re Sanctuary Belize Litigation*, United States District Court for the District of Maryland, Case No. 18-cv-3309-PJM

By: 
Marc-Philip Ferzan

Its: *Court-appointed Receiver and Director*

Executed by Purchaser
as of January 27, 2025

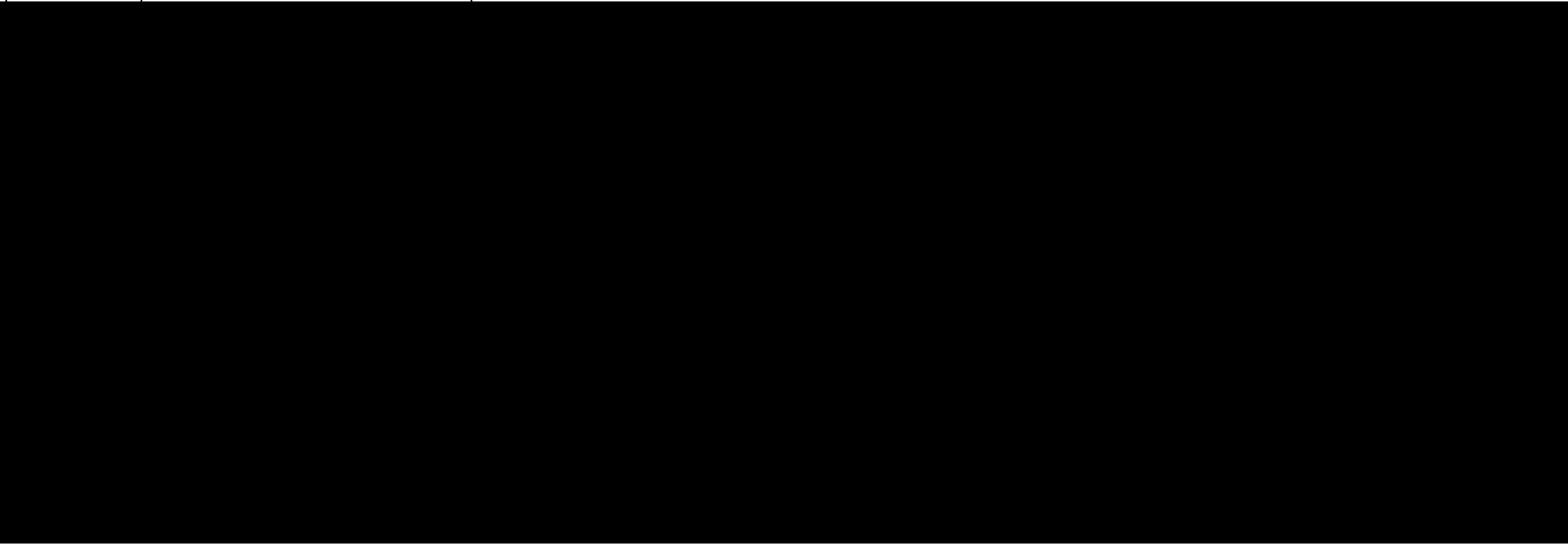
PURCHASER:

First Belizean Investment Market Ltd.

By: 
Navjeet Singh Dhillon
Authorized Signatory

Exhibit A - Included land with "Improvements" and "Personal Property" as defined in, and pursuant to the terms and conditions of, Purchase Agreement

TRACT/ PARCEL No.	LOCATION / DESCRIPTION	OWNER OF RECORD	DOCUMENT / REFERENCE	APPROXIMATE SIZE (Acres)	PURCHASE PRICE ALLOCATION
	SANCTUARY BELIZE				



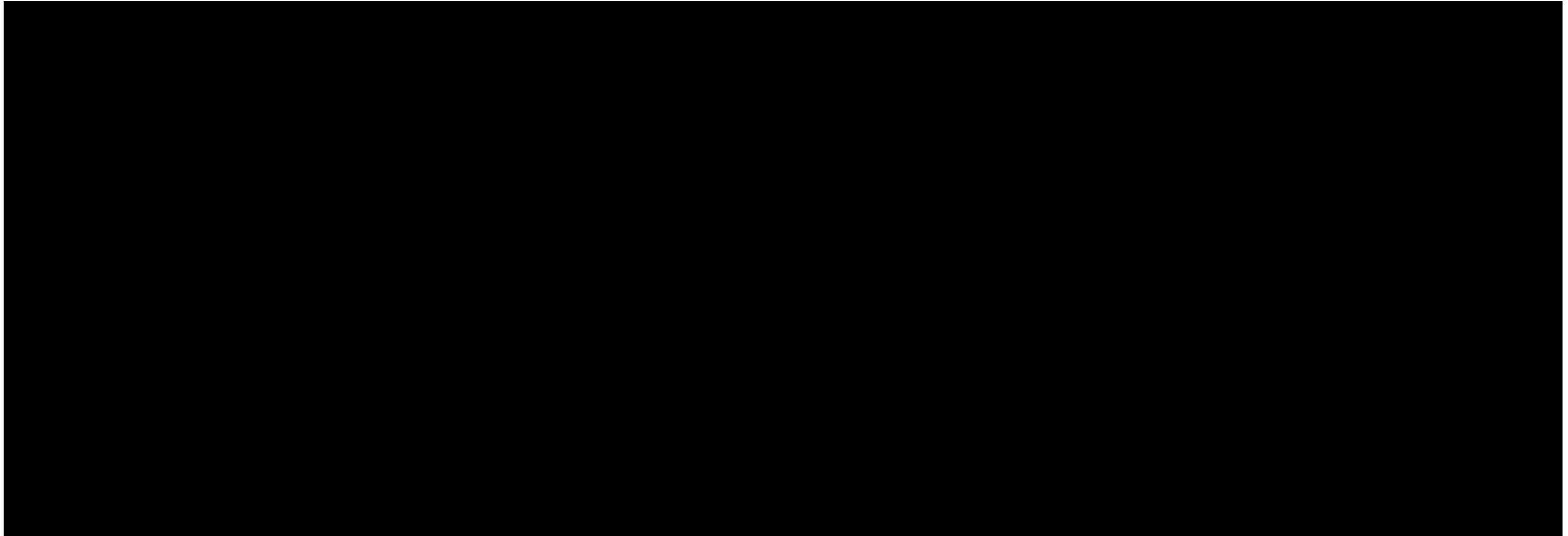
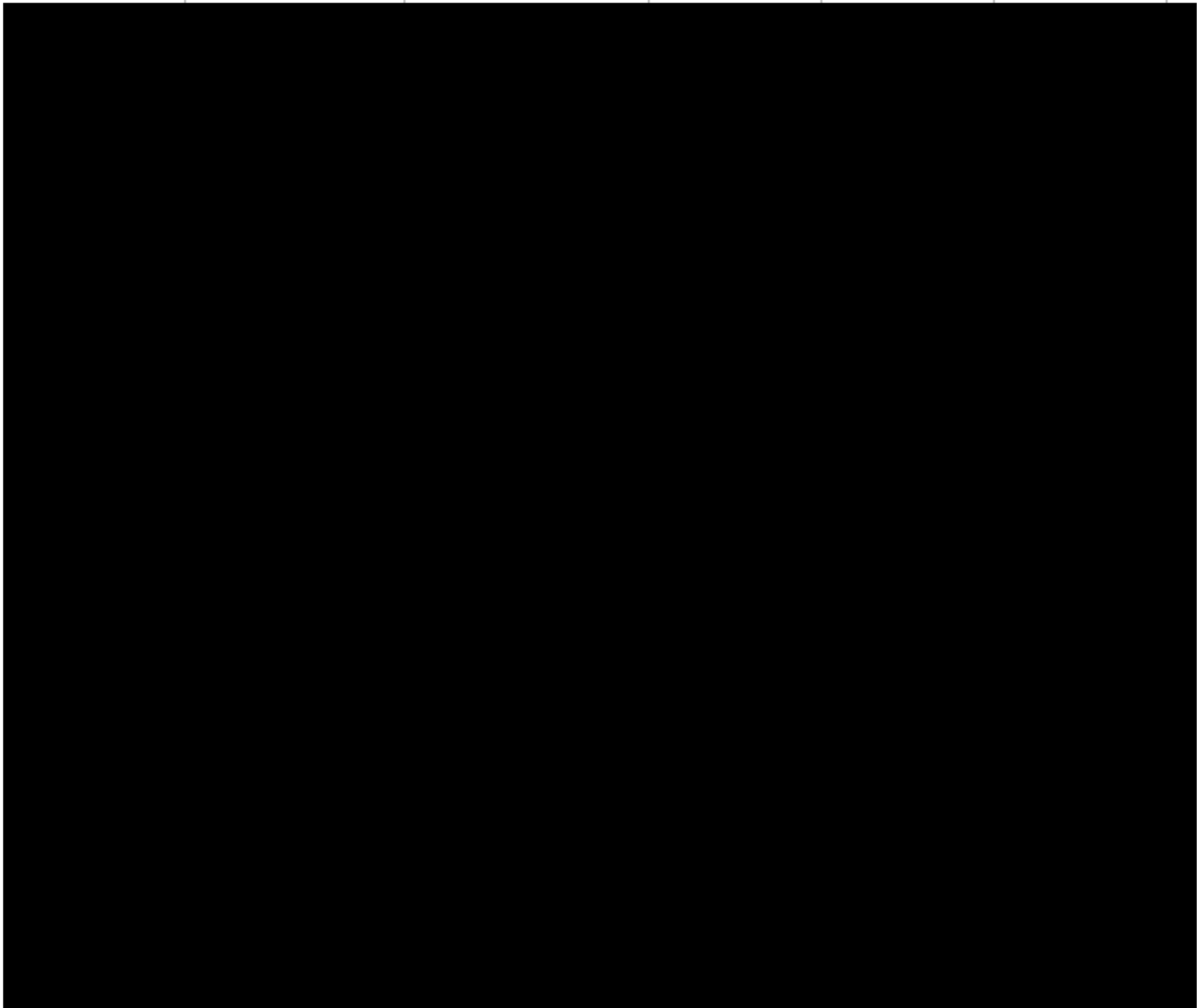
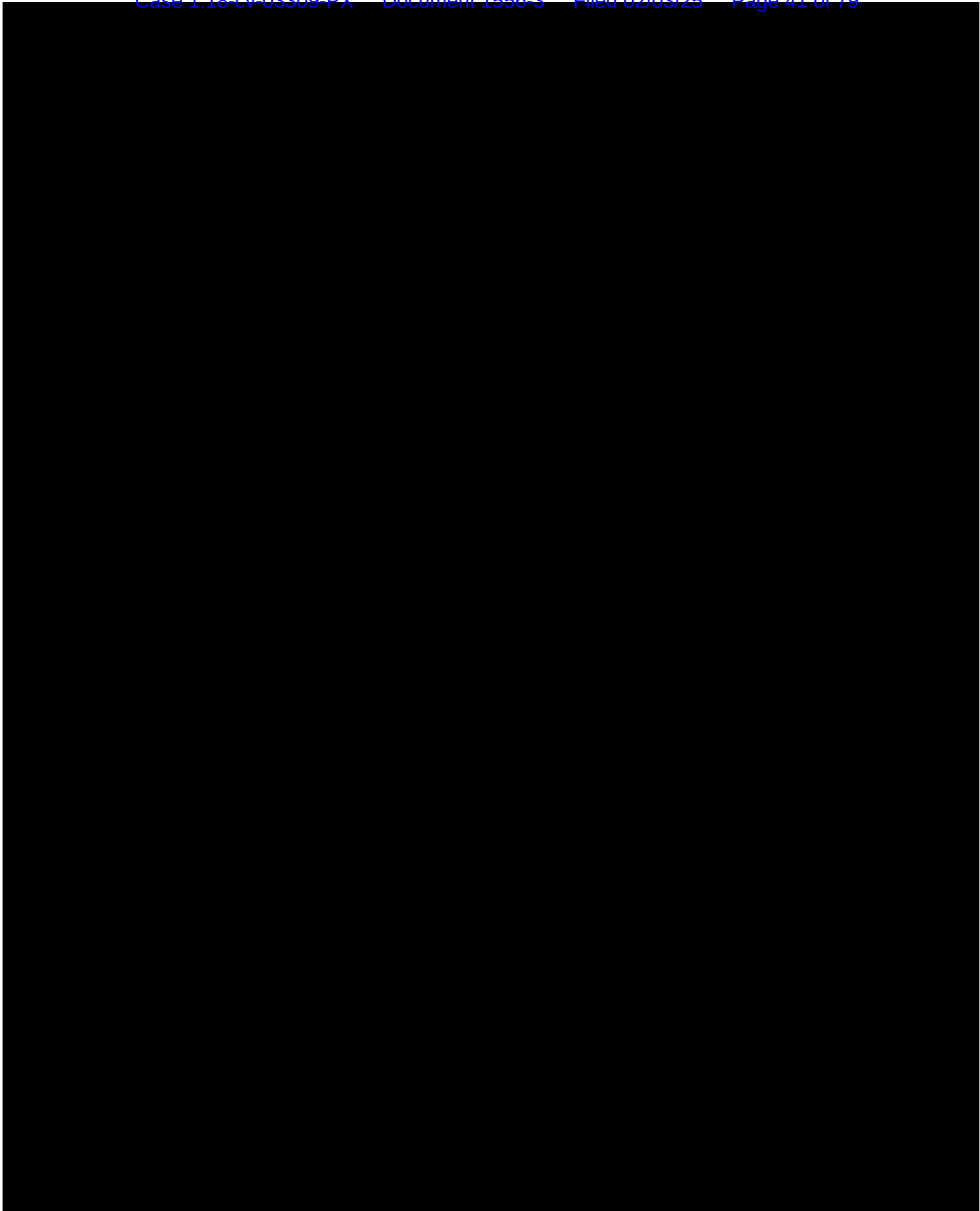


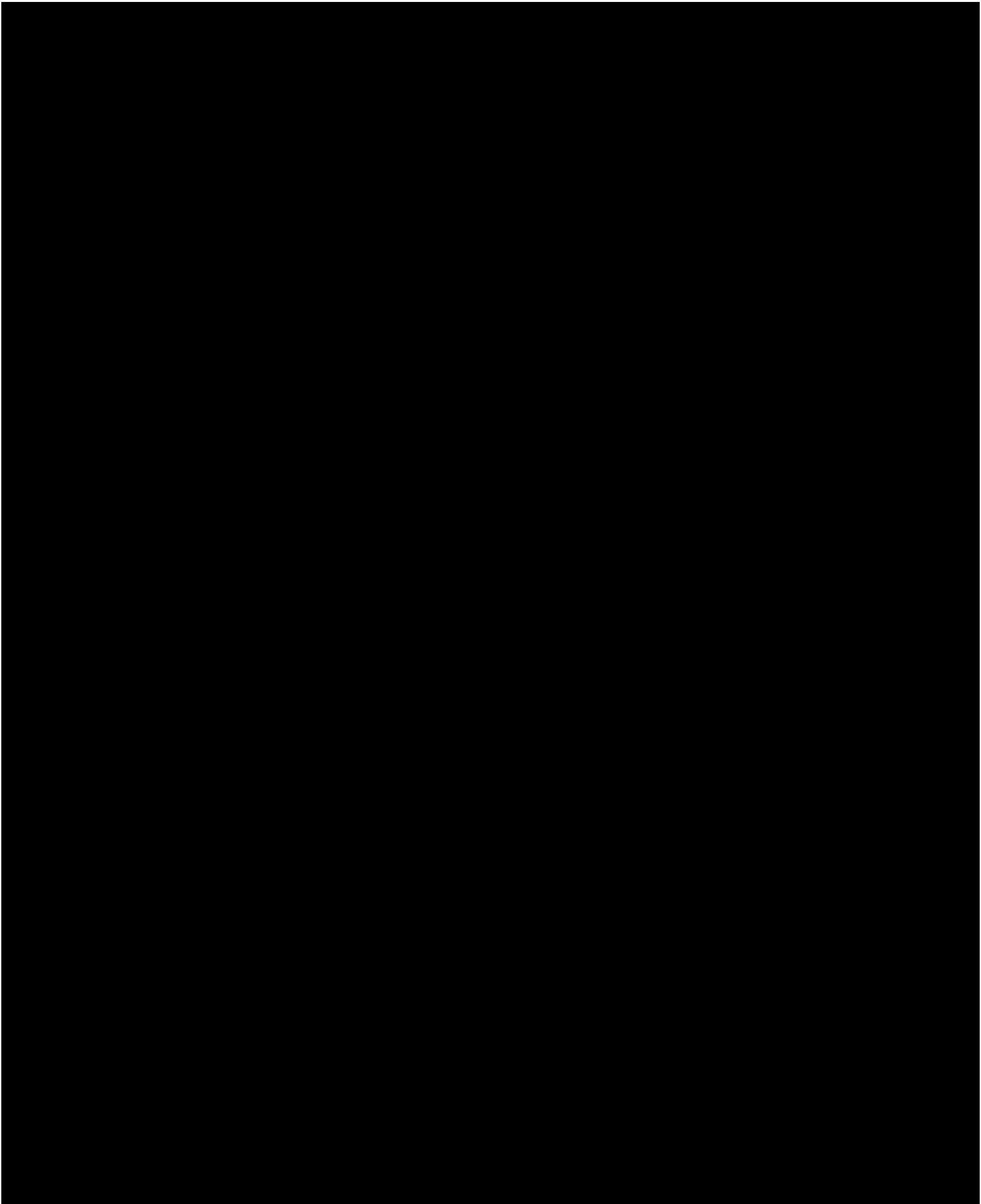
EXHIBIT B

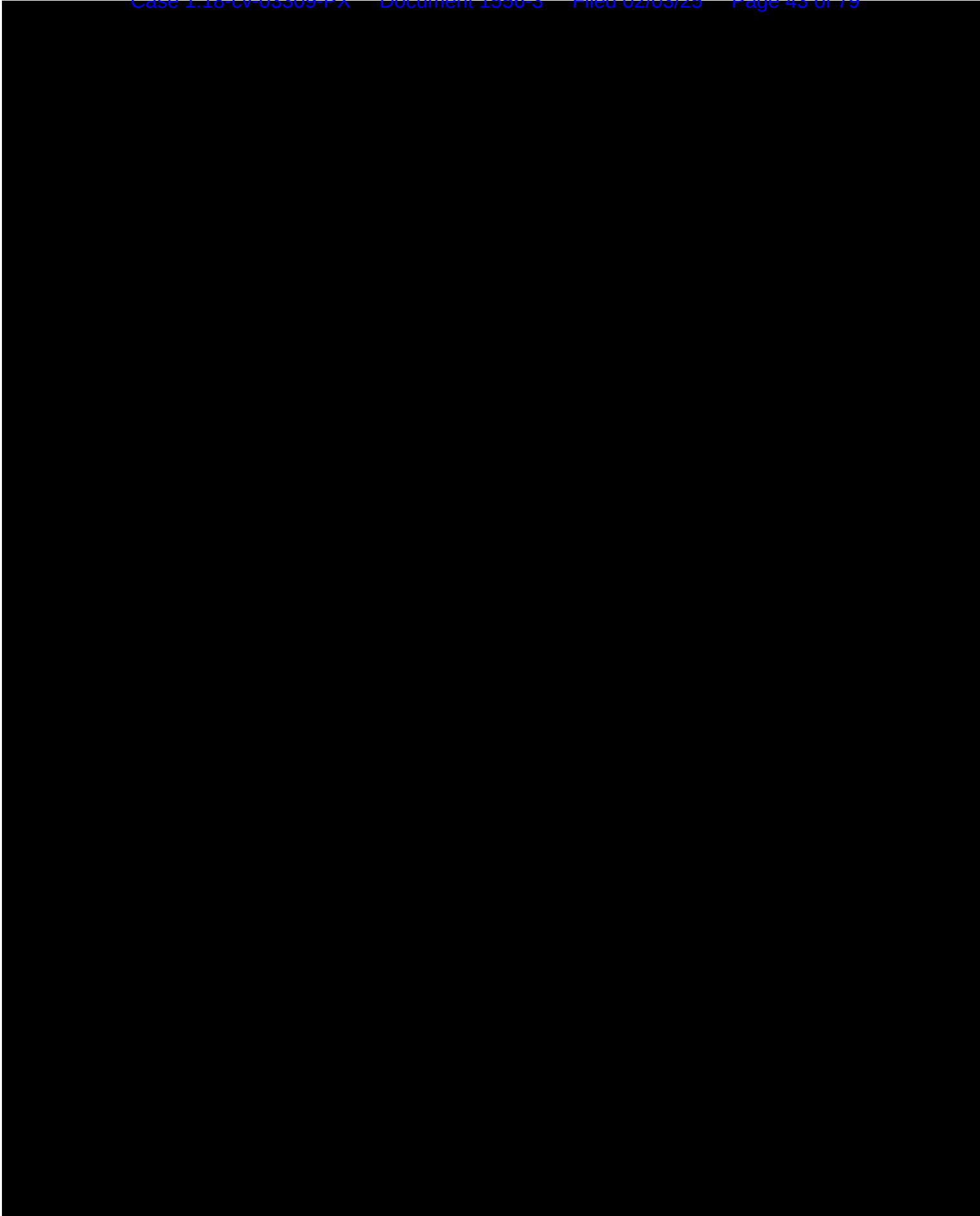
- "Excluded Lots" as defined in, and pursuant to terms and conditions of, Purchase Agreement -

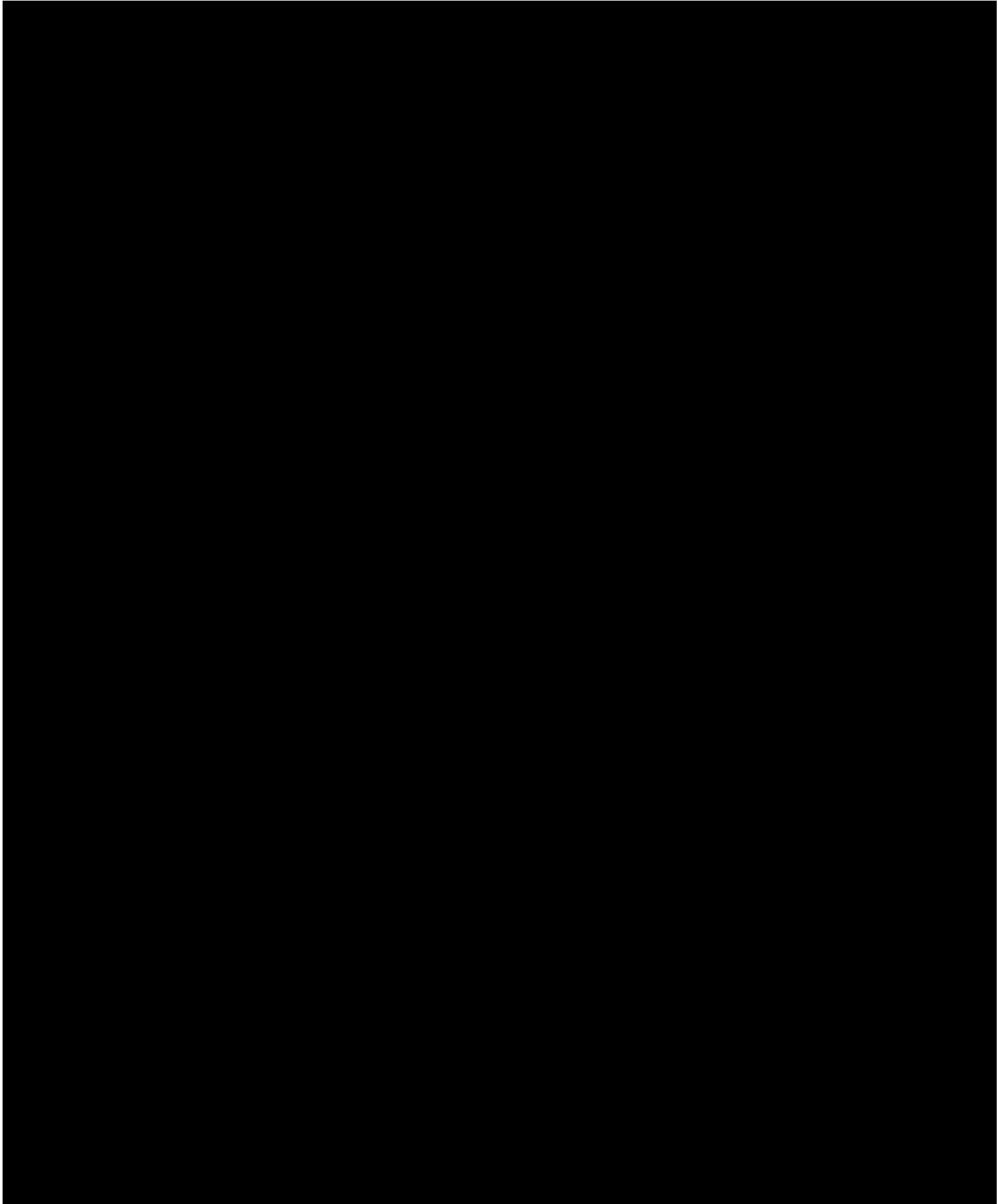
LOT COUNT	DEVELOPMENT	SUBDIVISION	ENTRY NO.	REG. NO.	LOT NUMBER (per Belize Government- authenticated Subdivision Survey)
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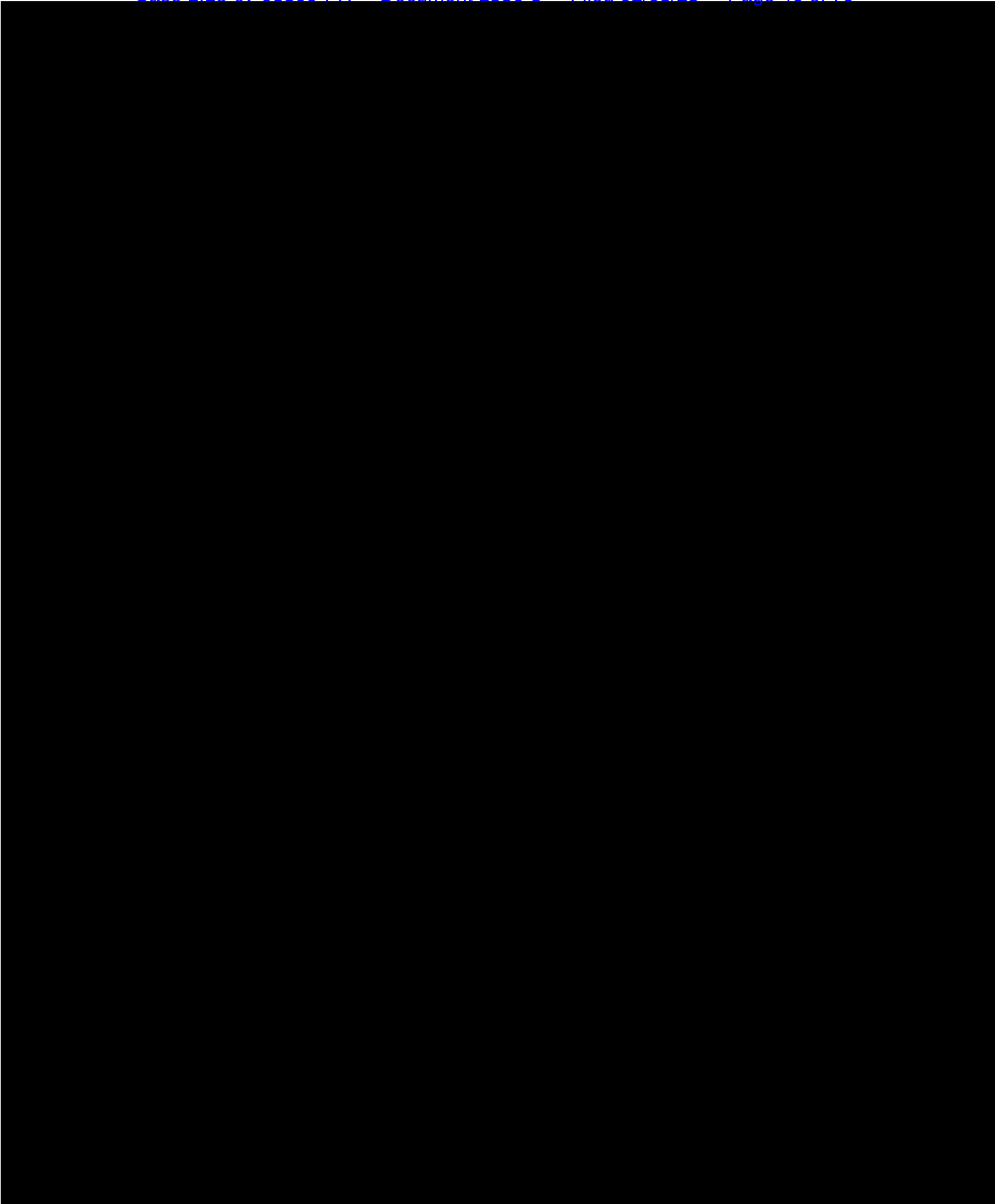












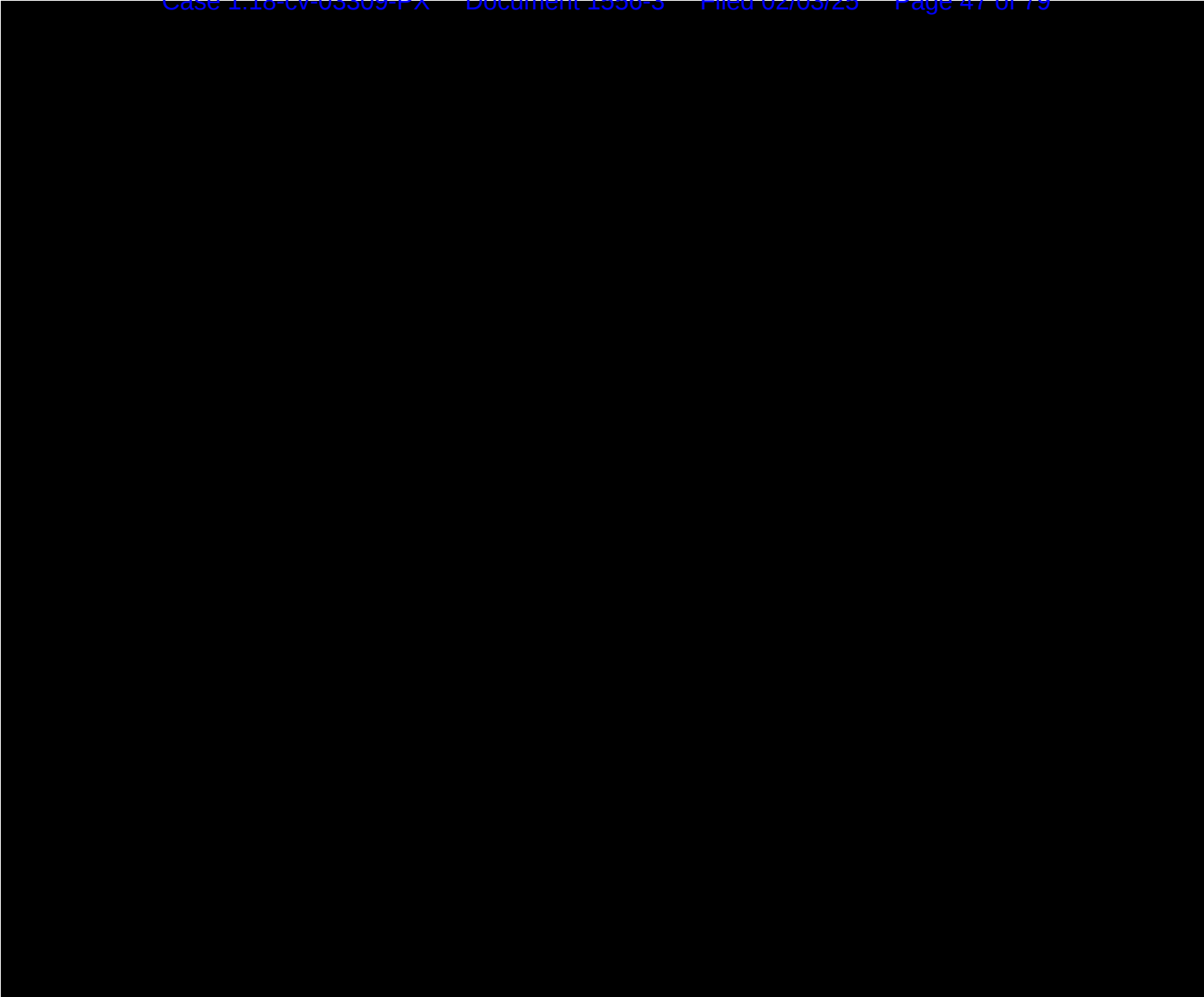
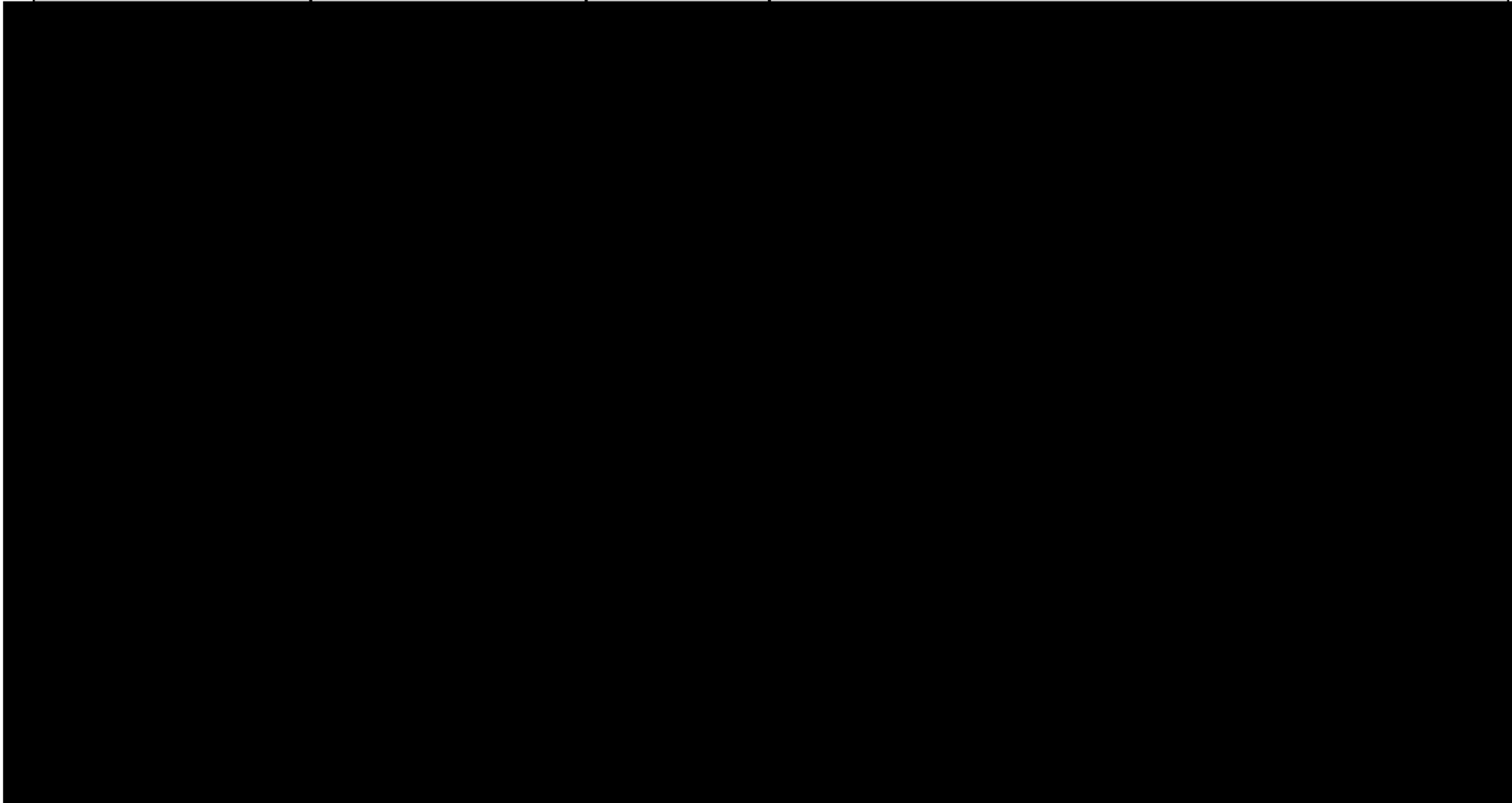
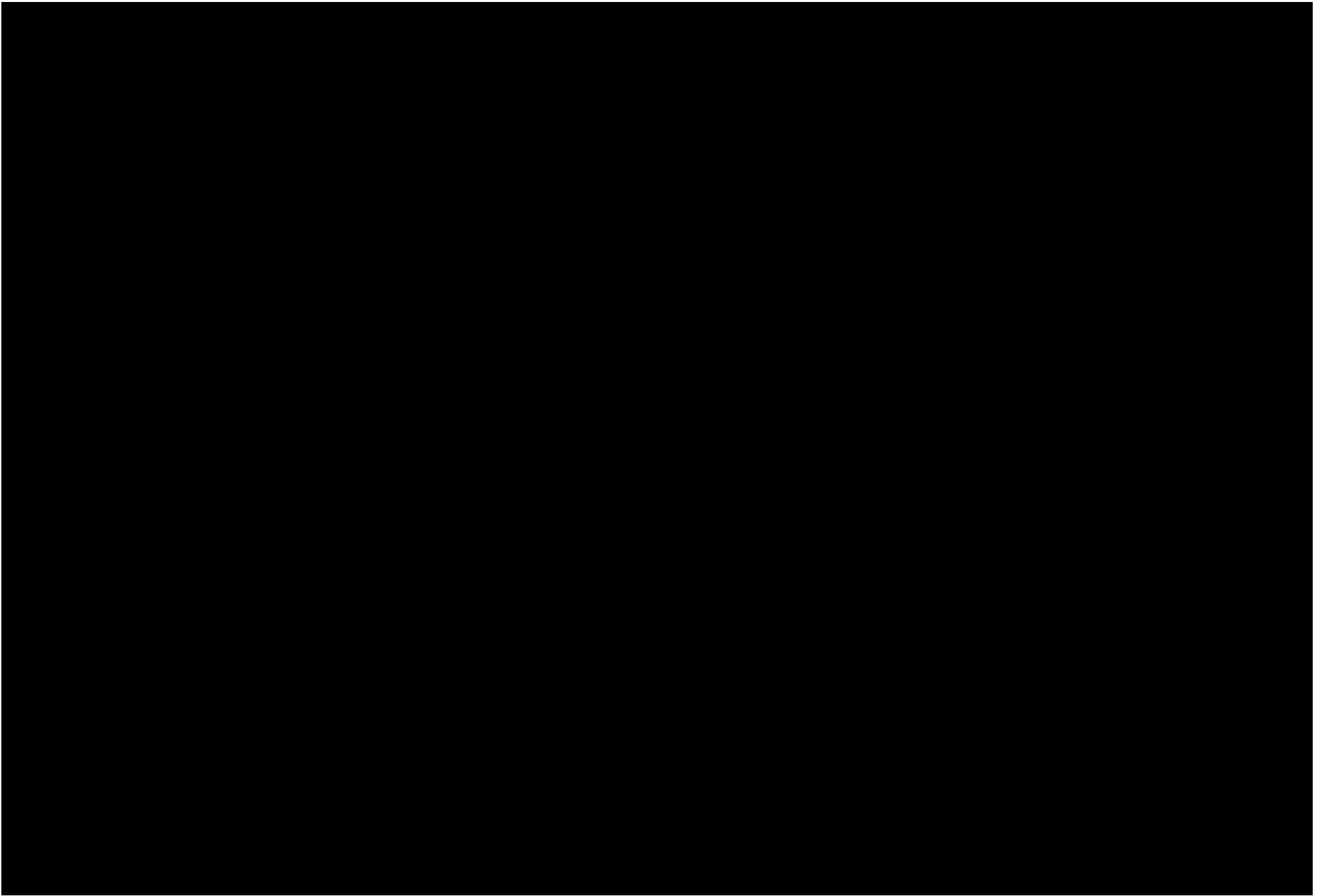


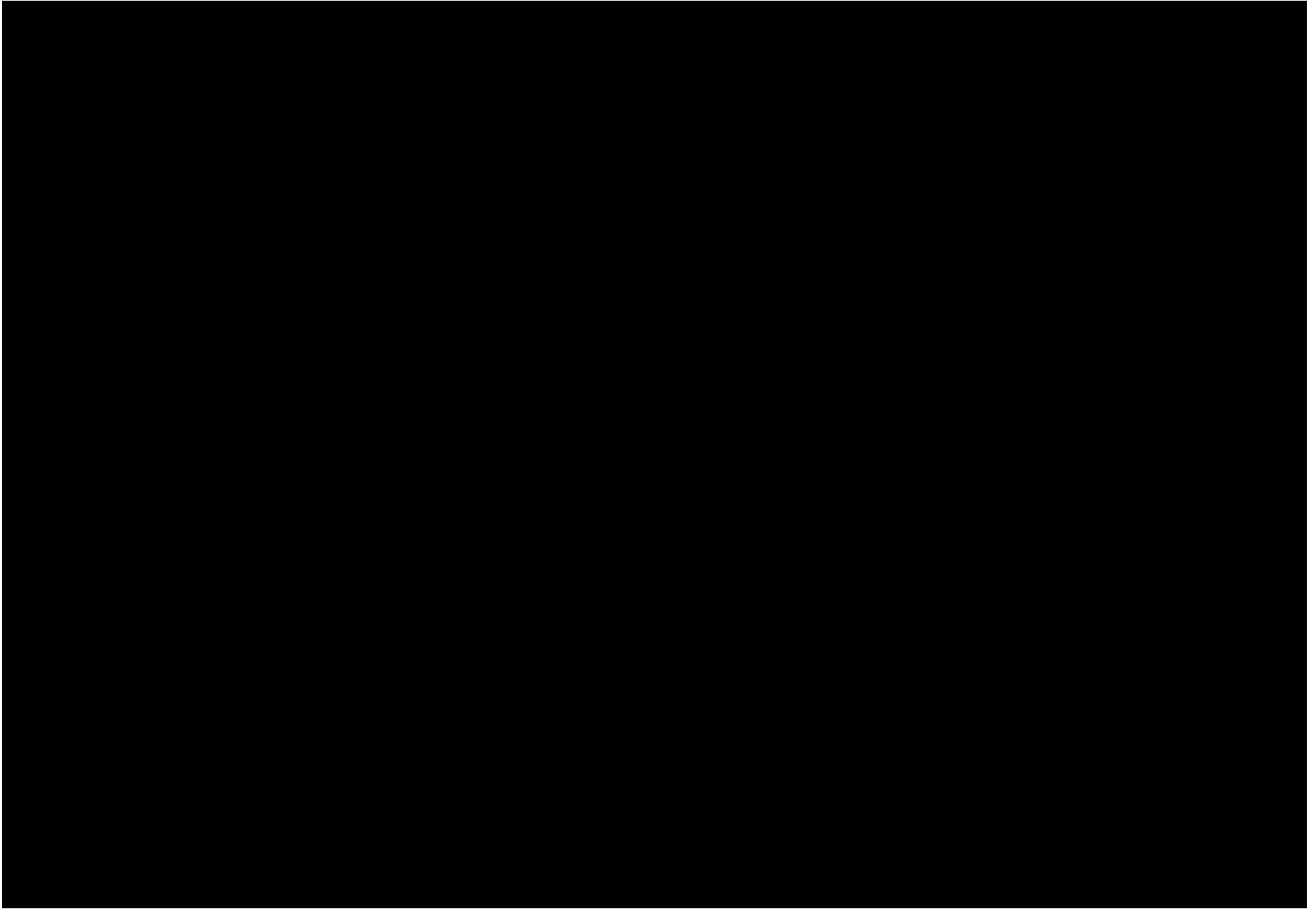
Exhibit C - "Personal Property" as defined in, and pursuant to terms and conditions of, Purchase Agreement

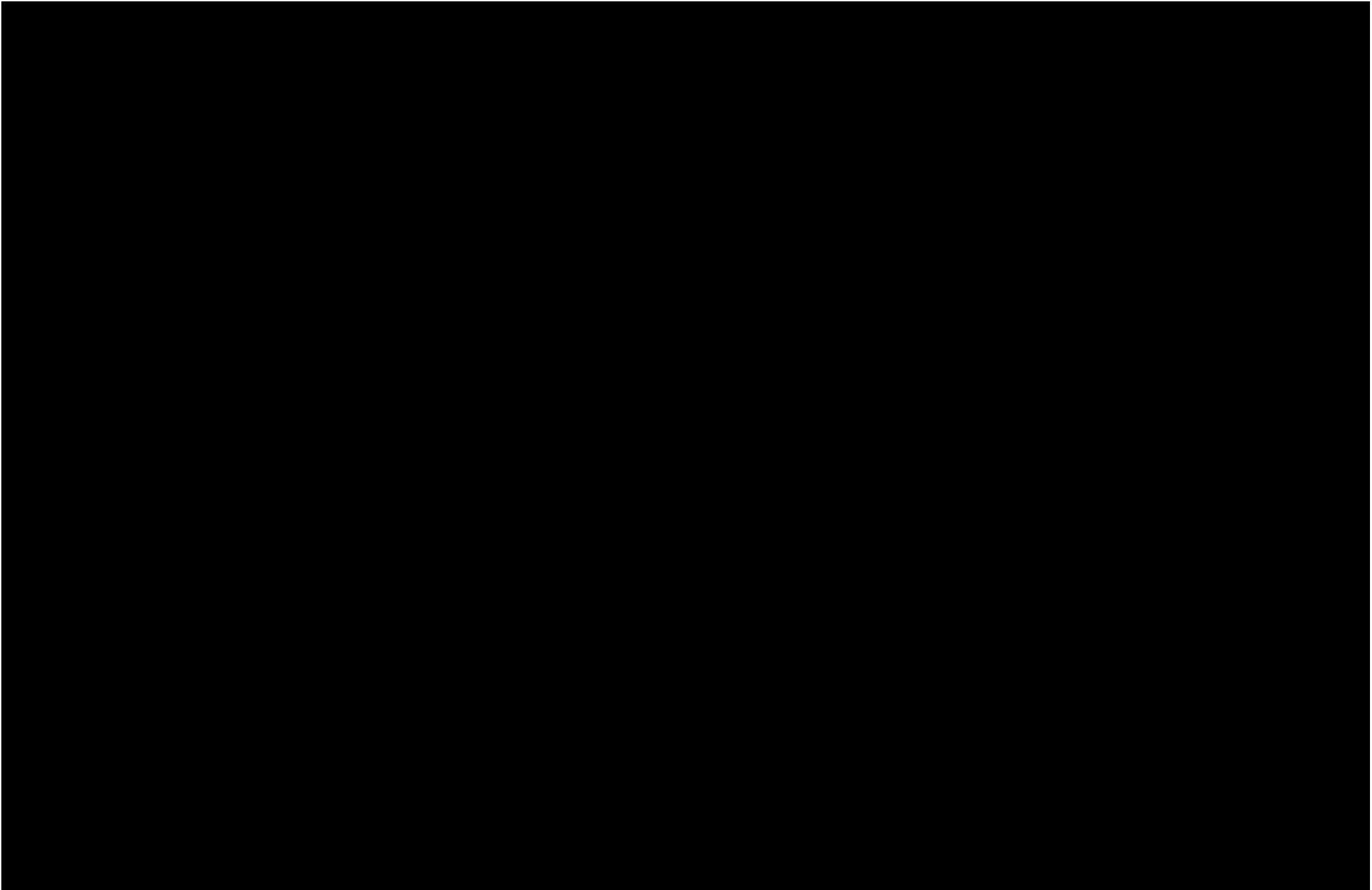
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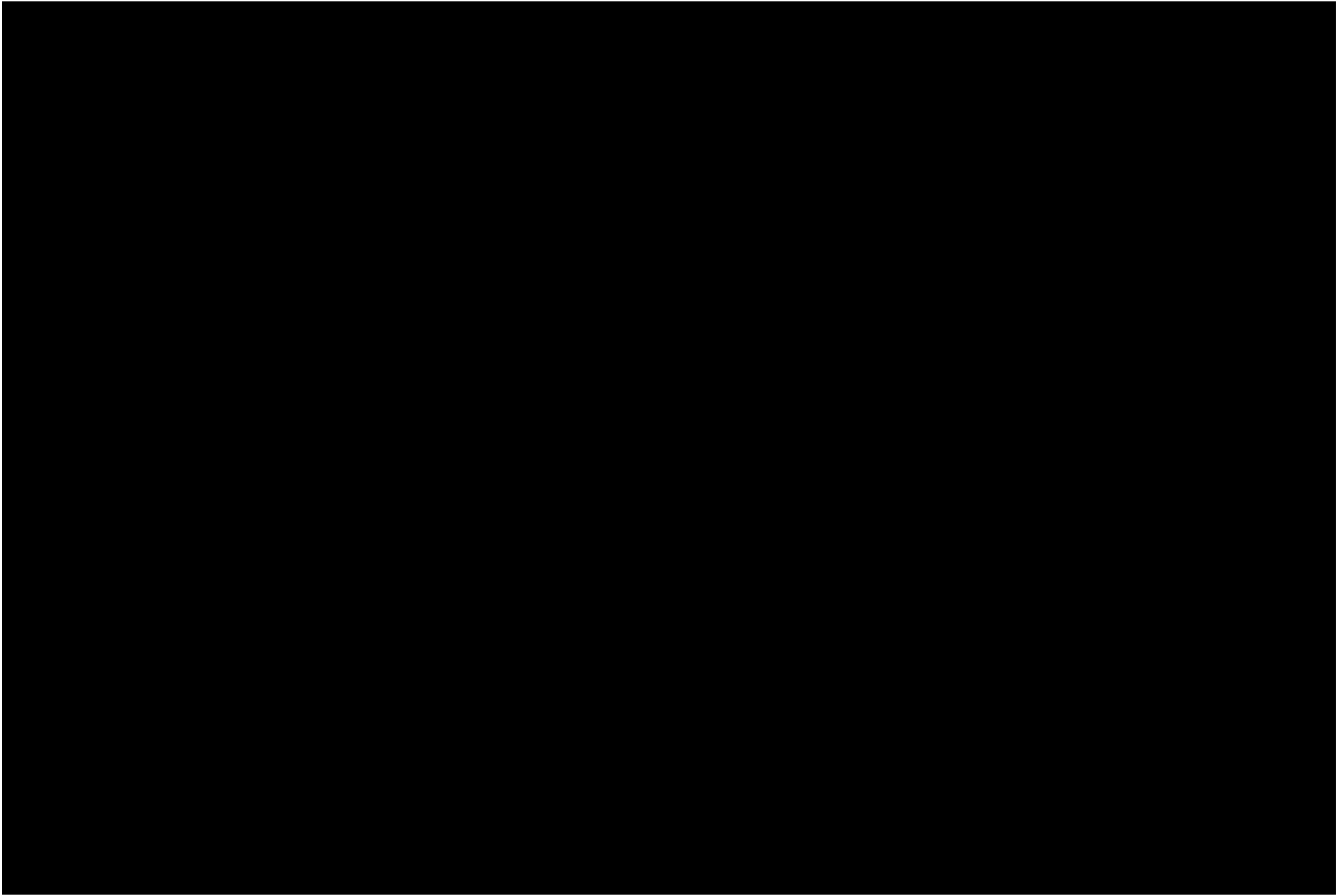


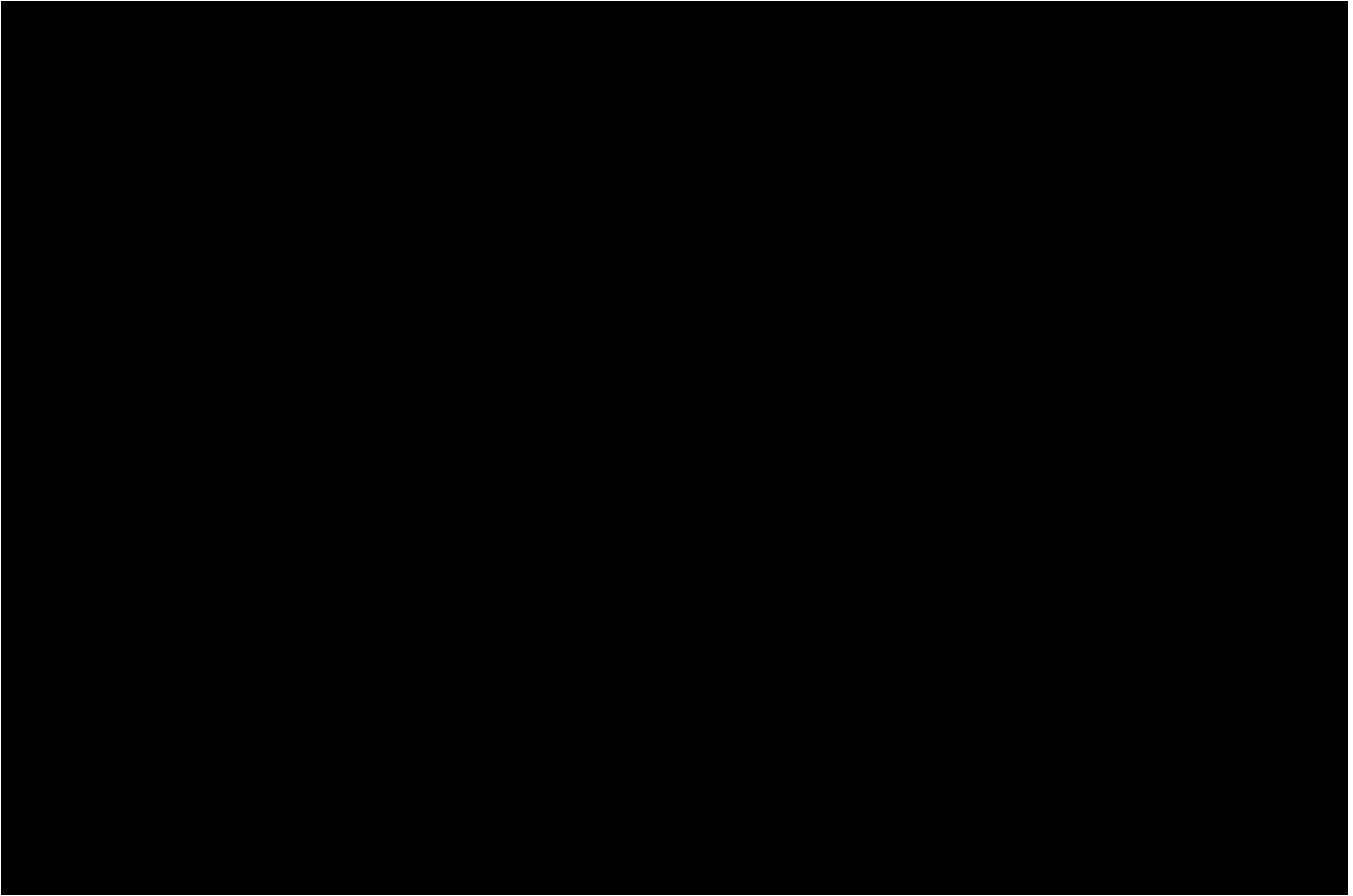


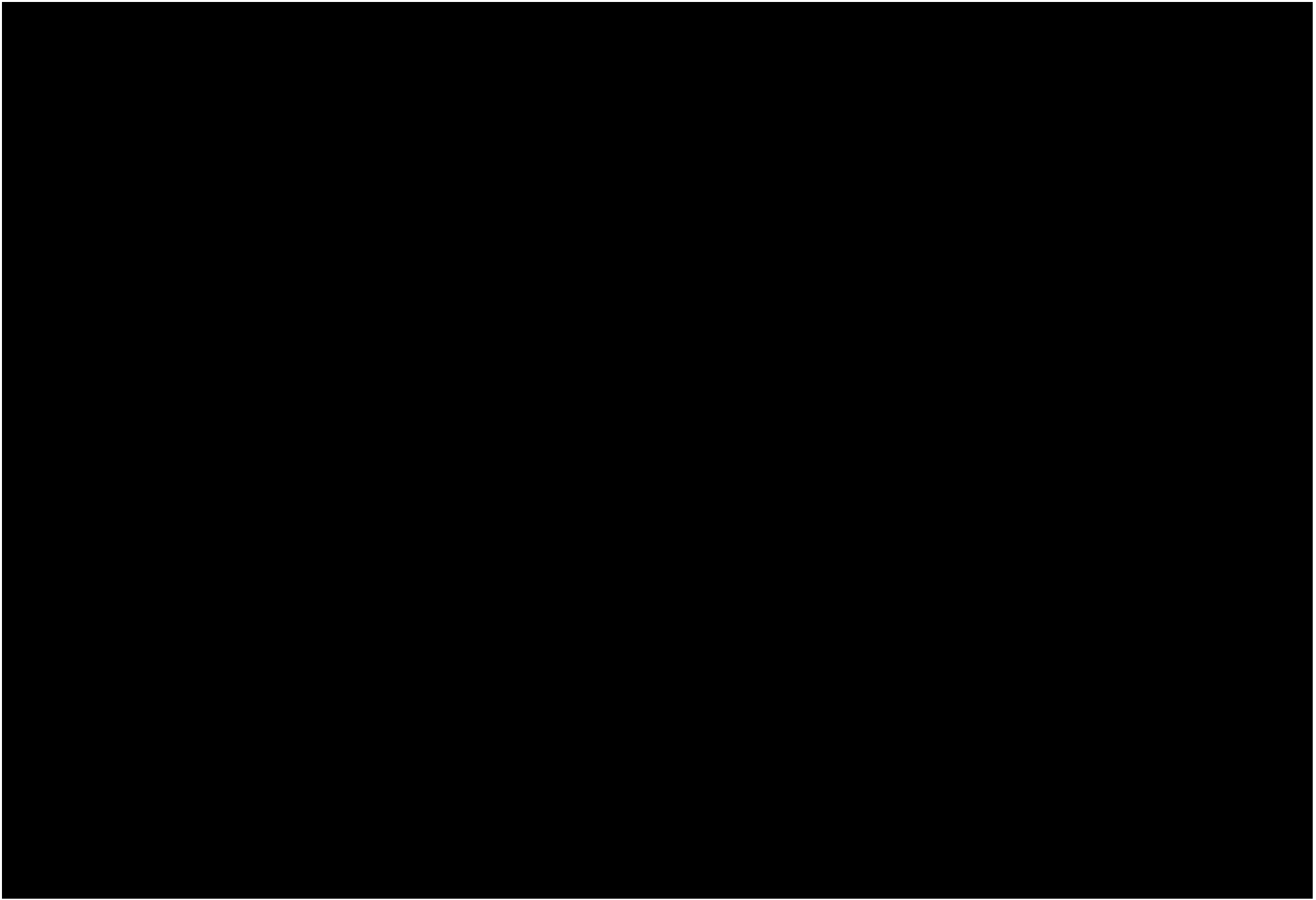


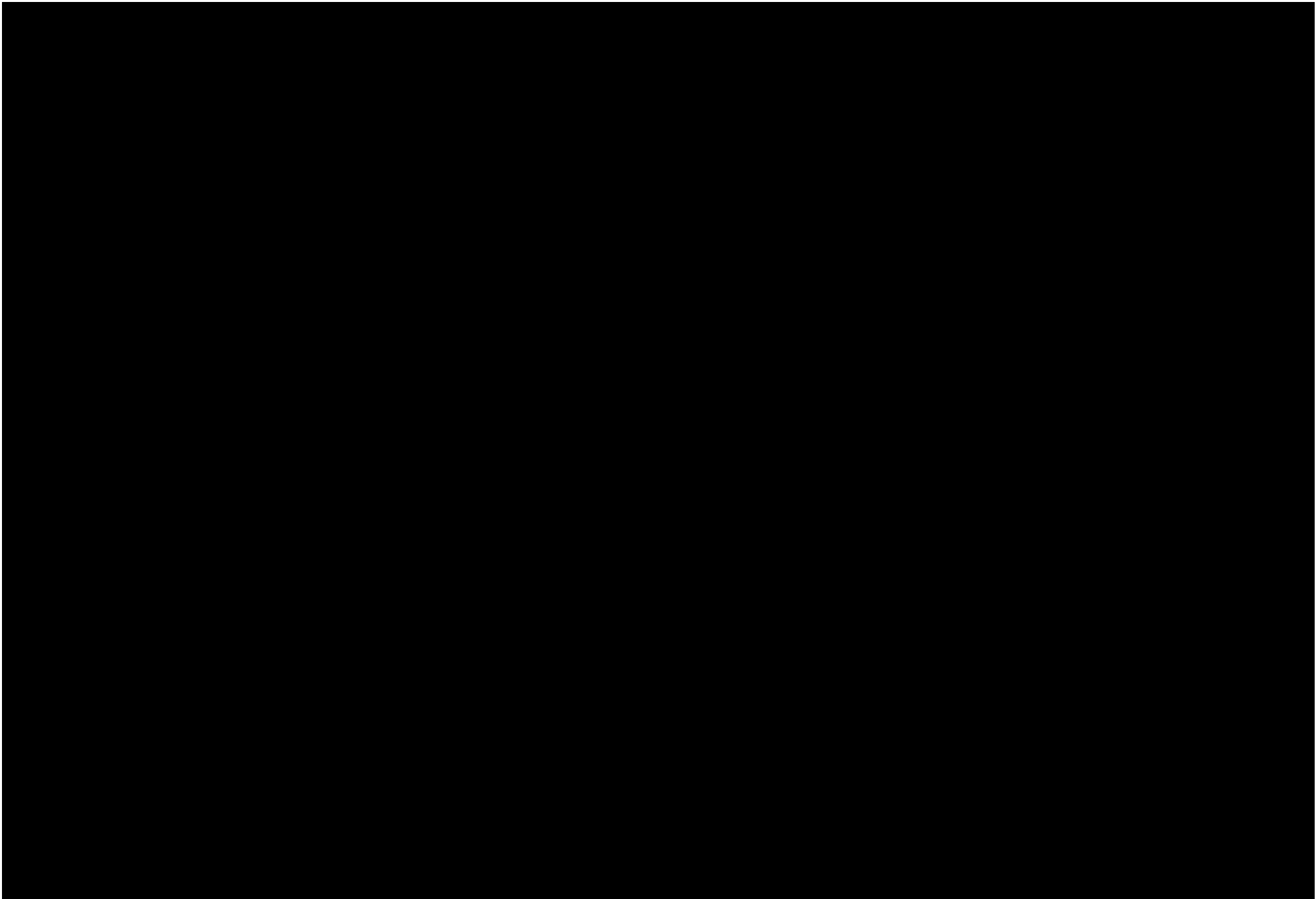


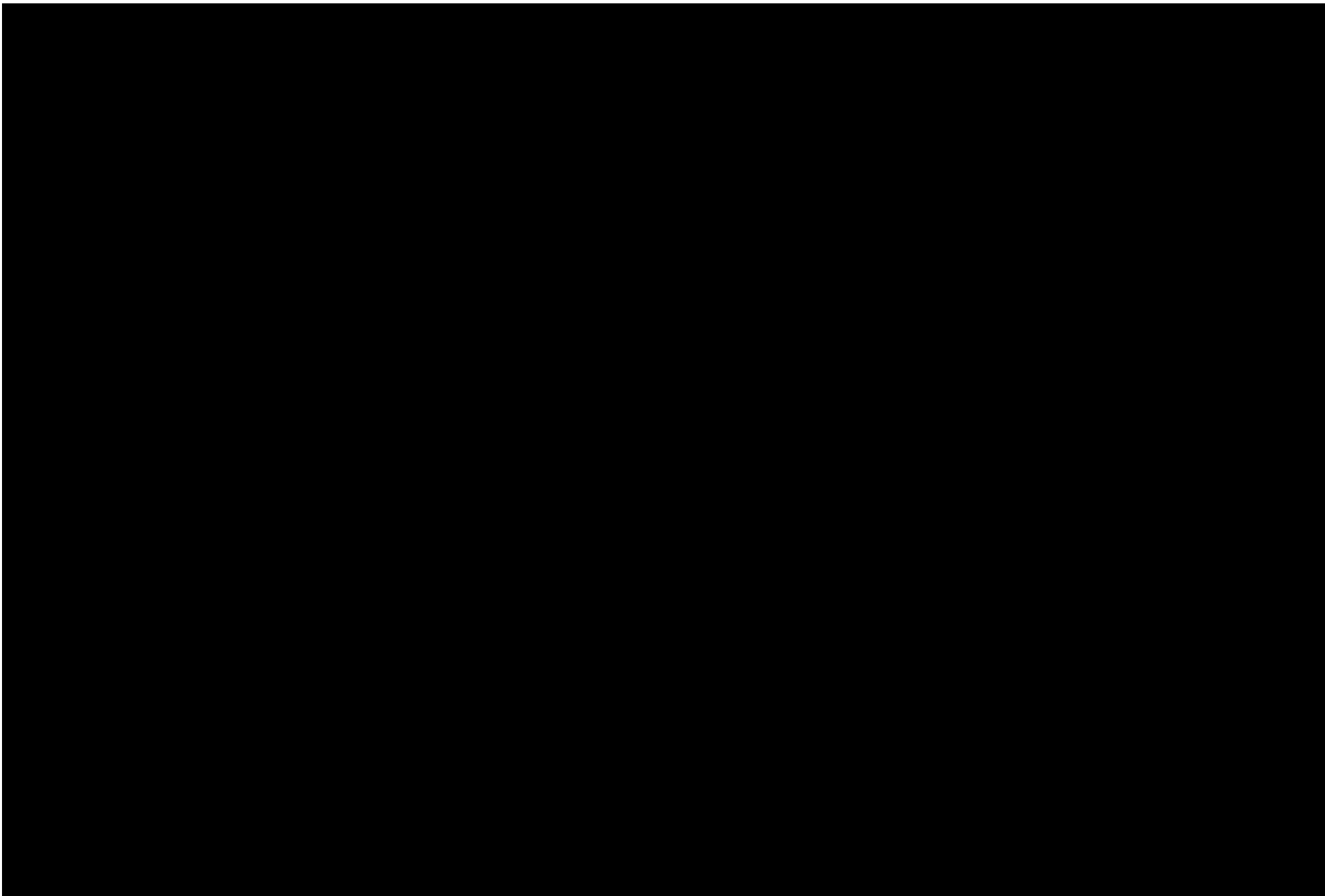


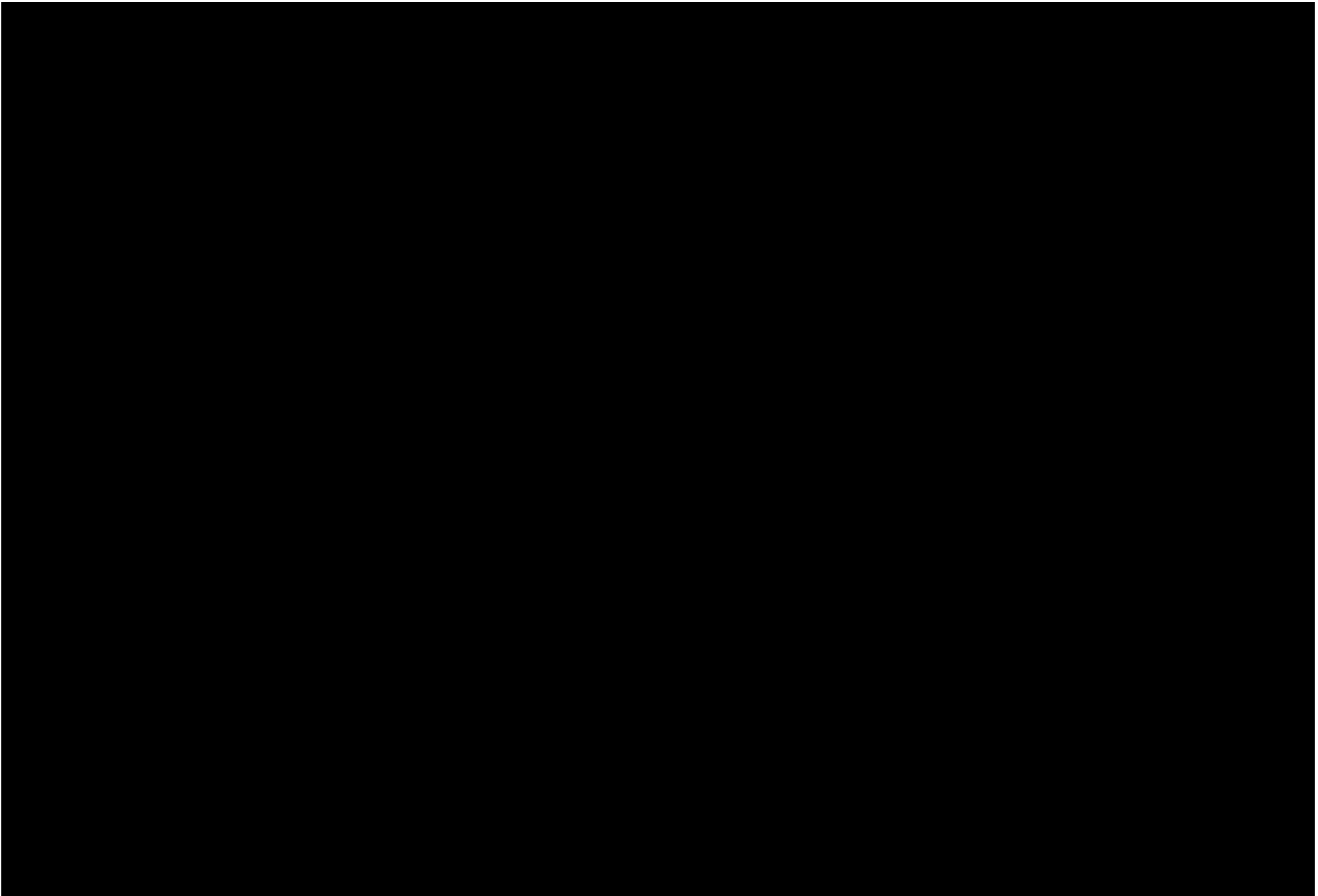


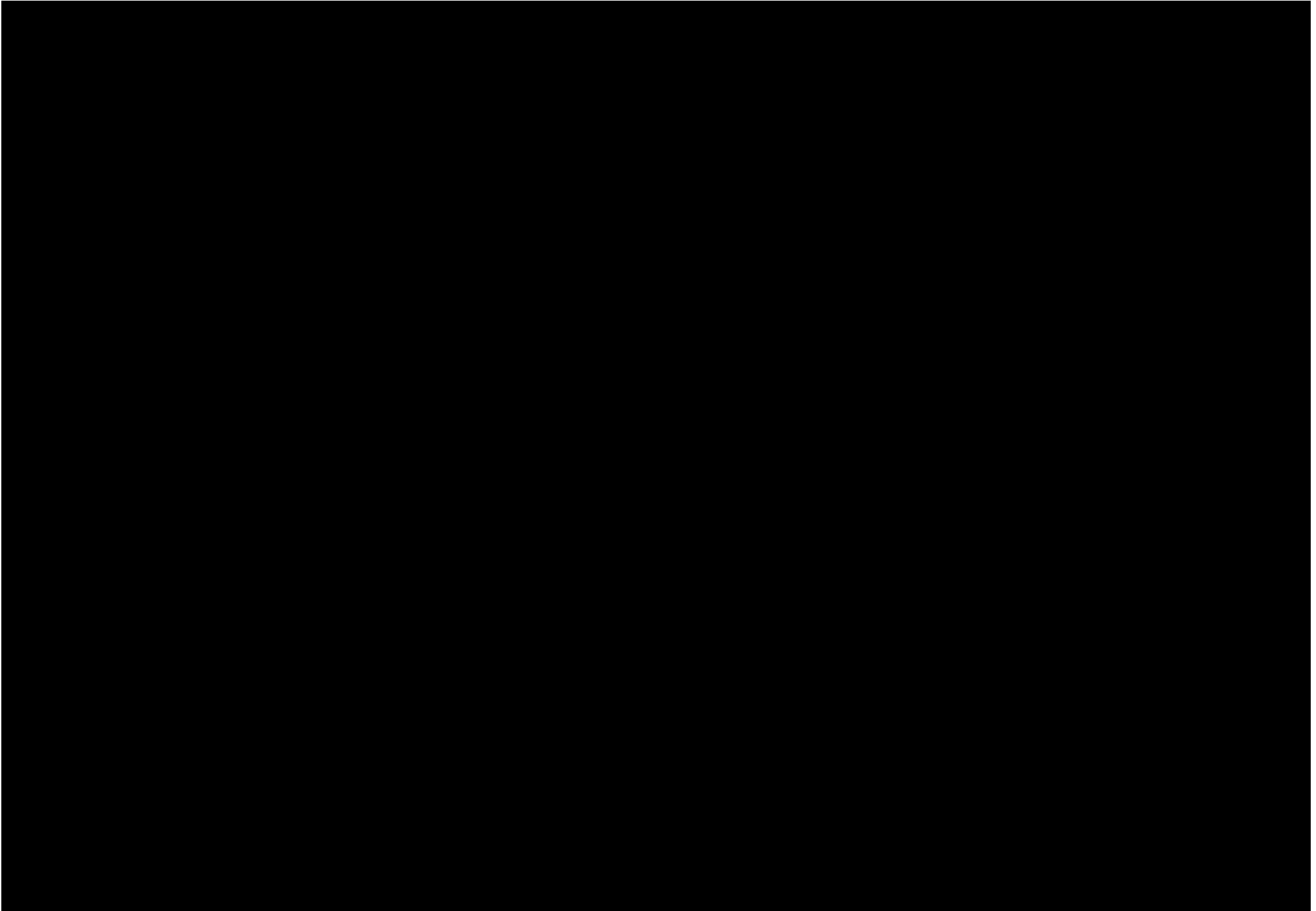


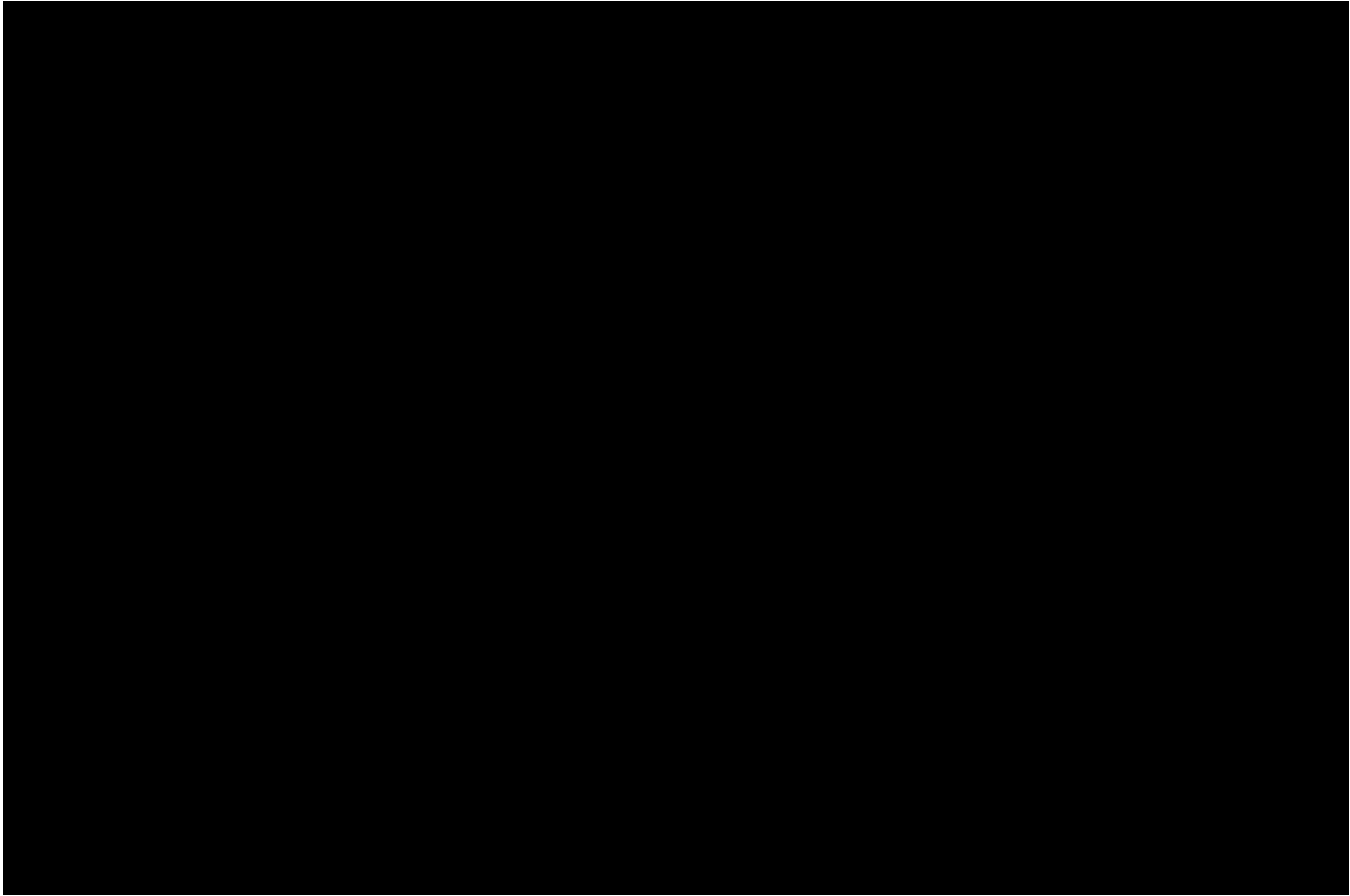


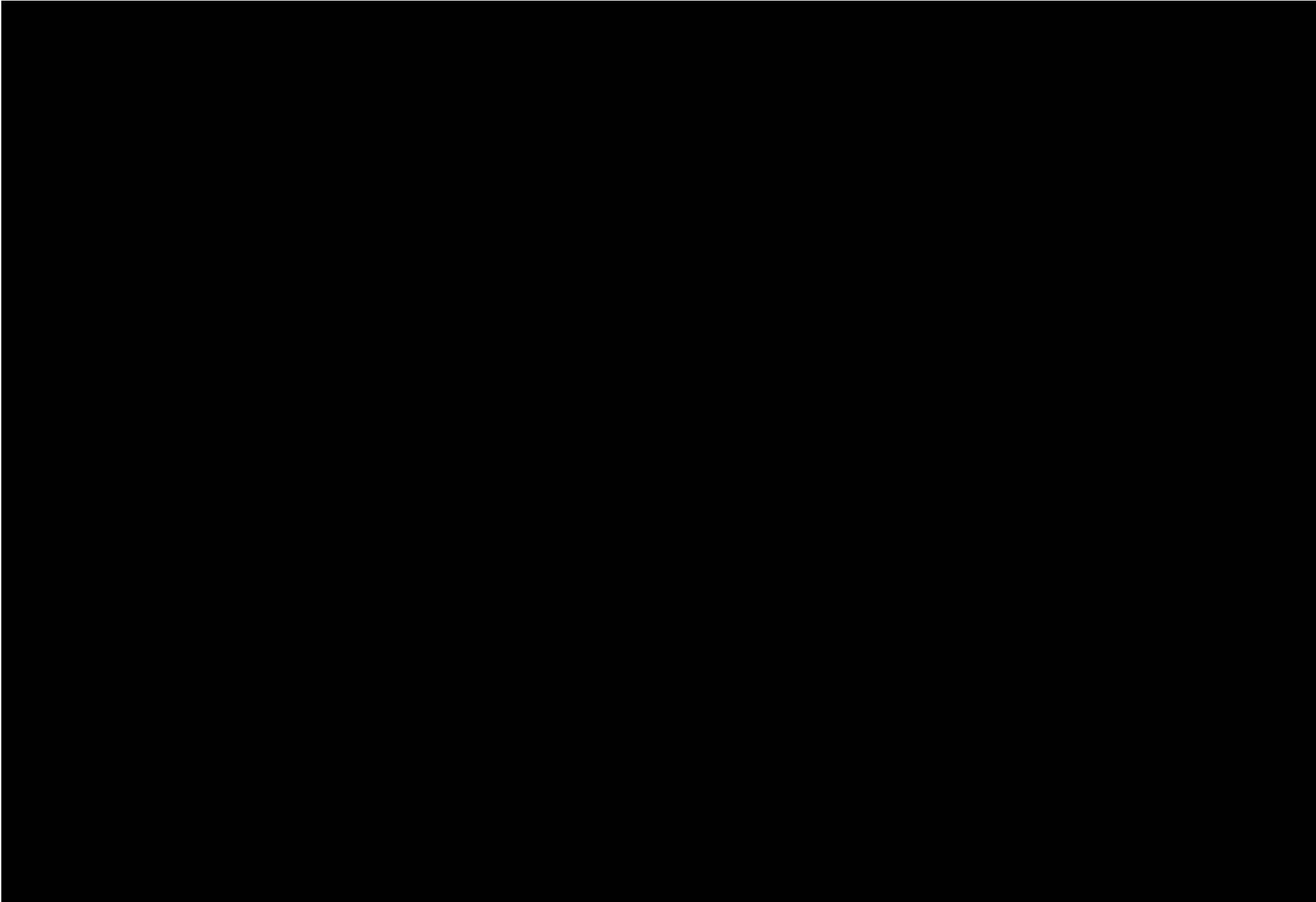


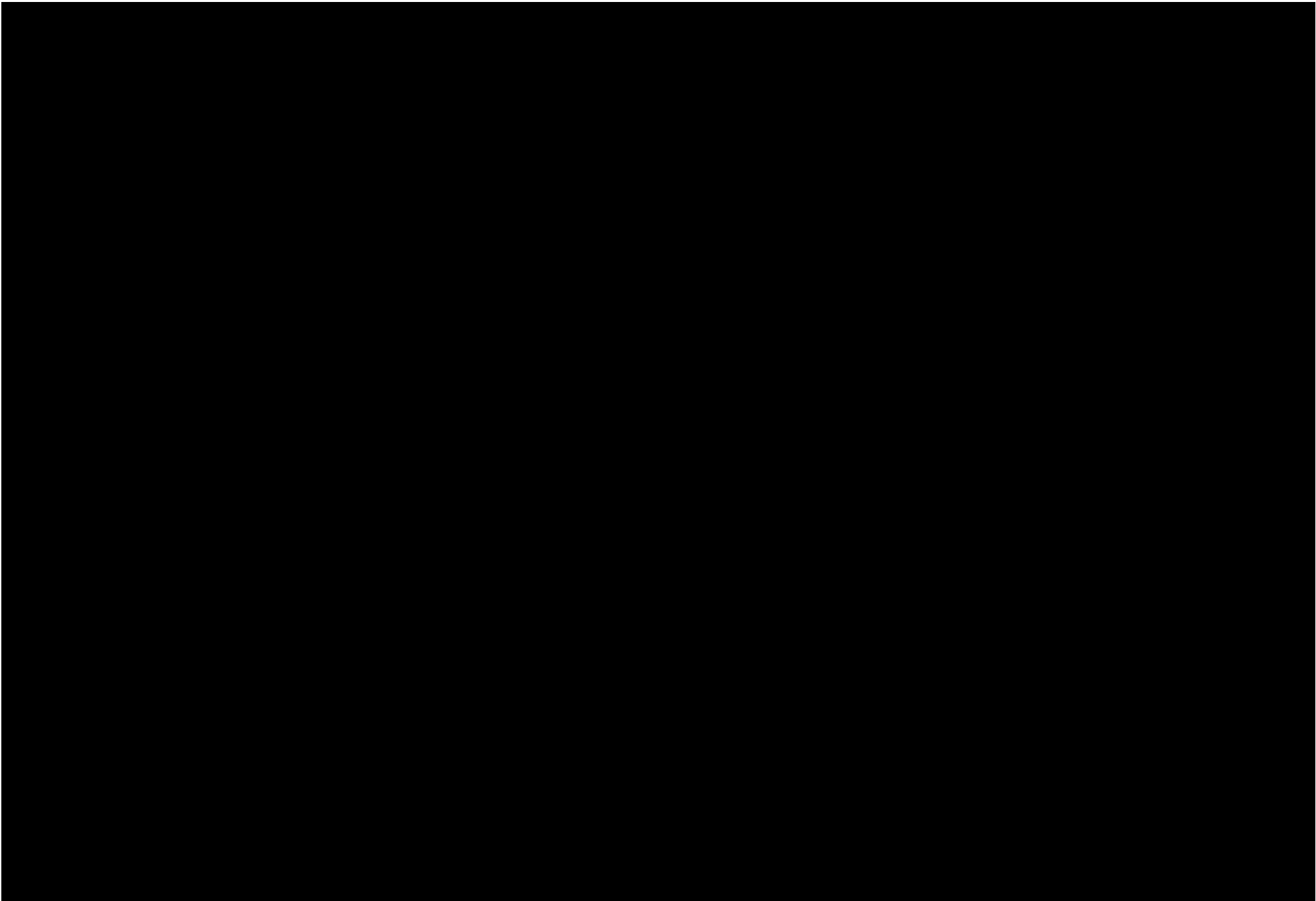


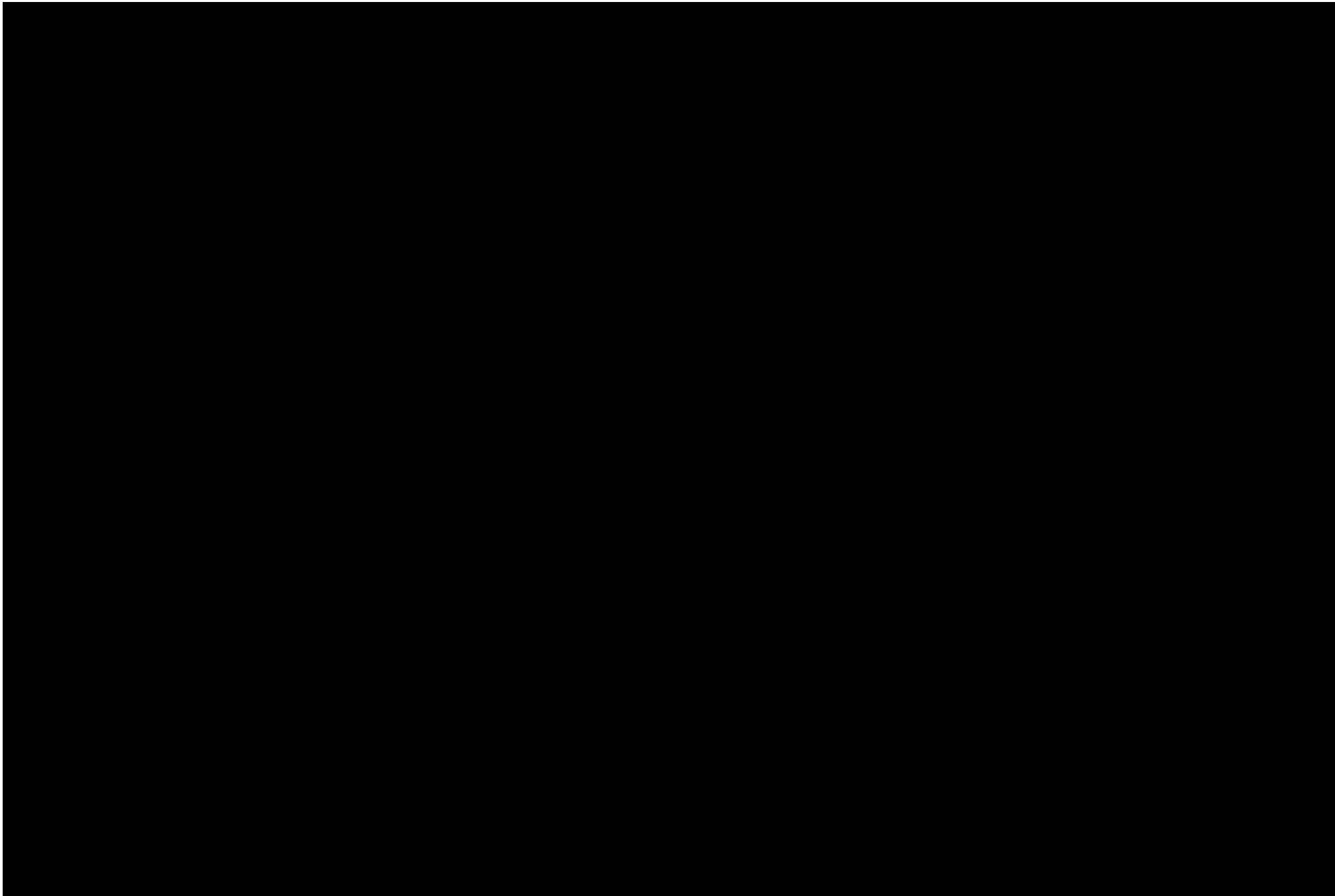


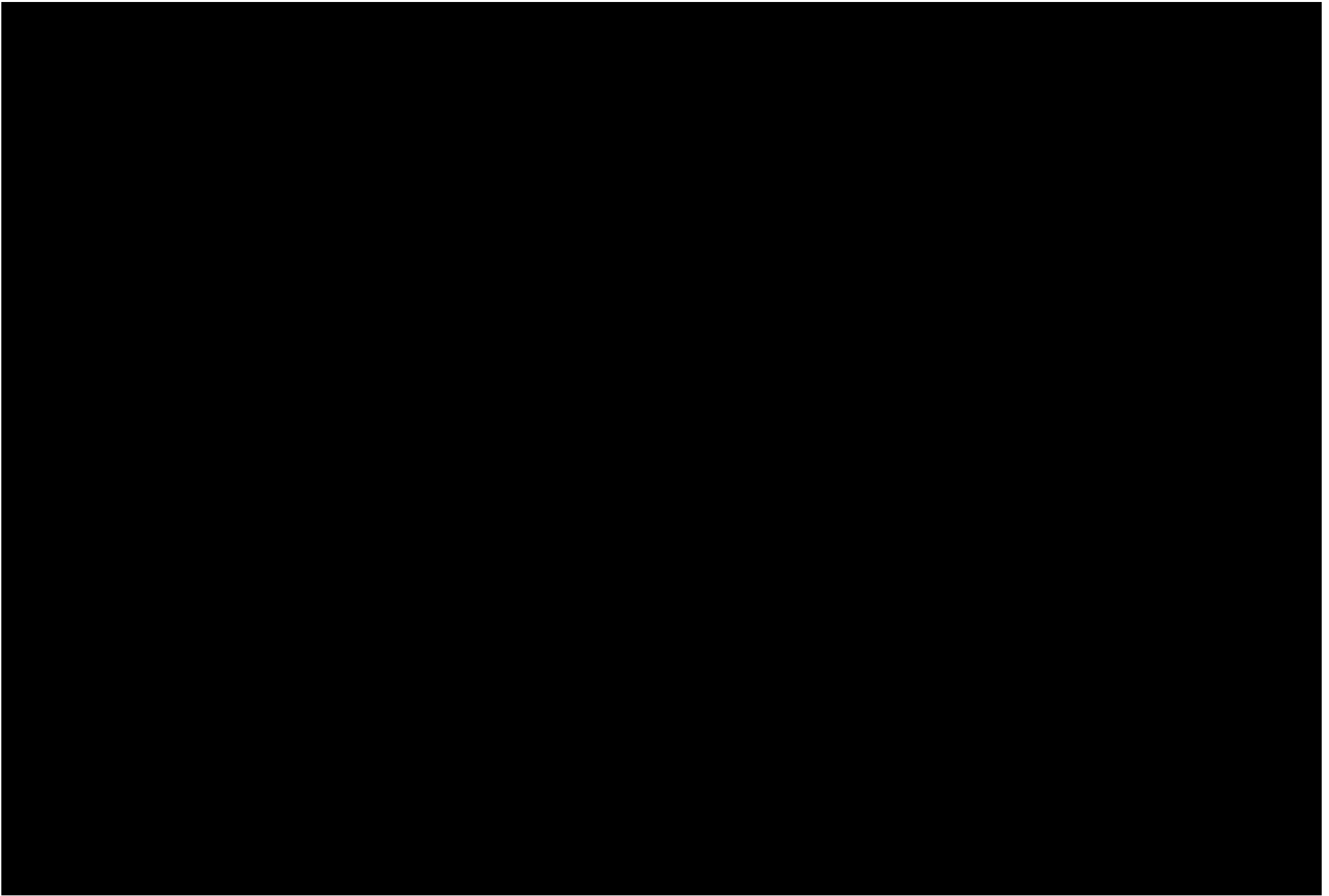


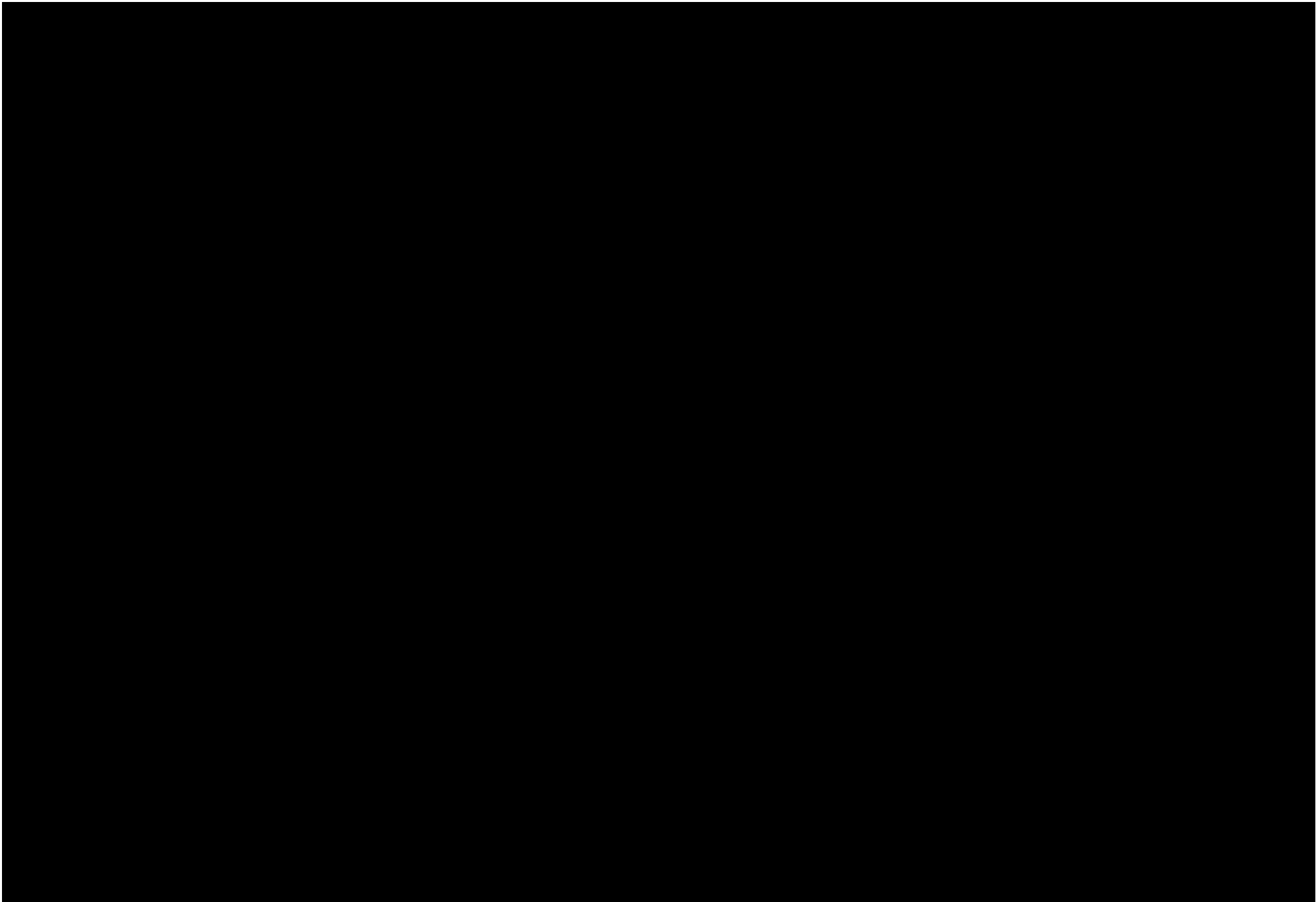


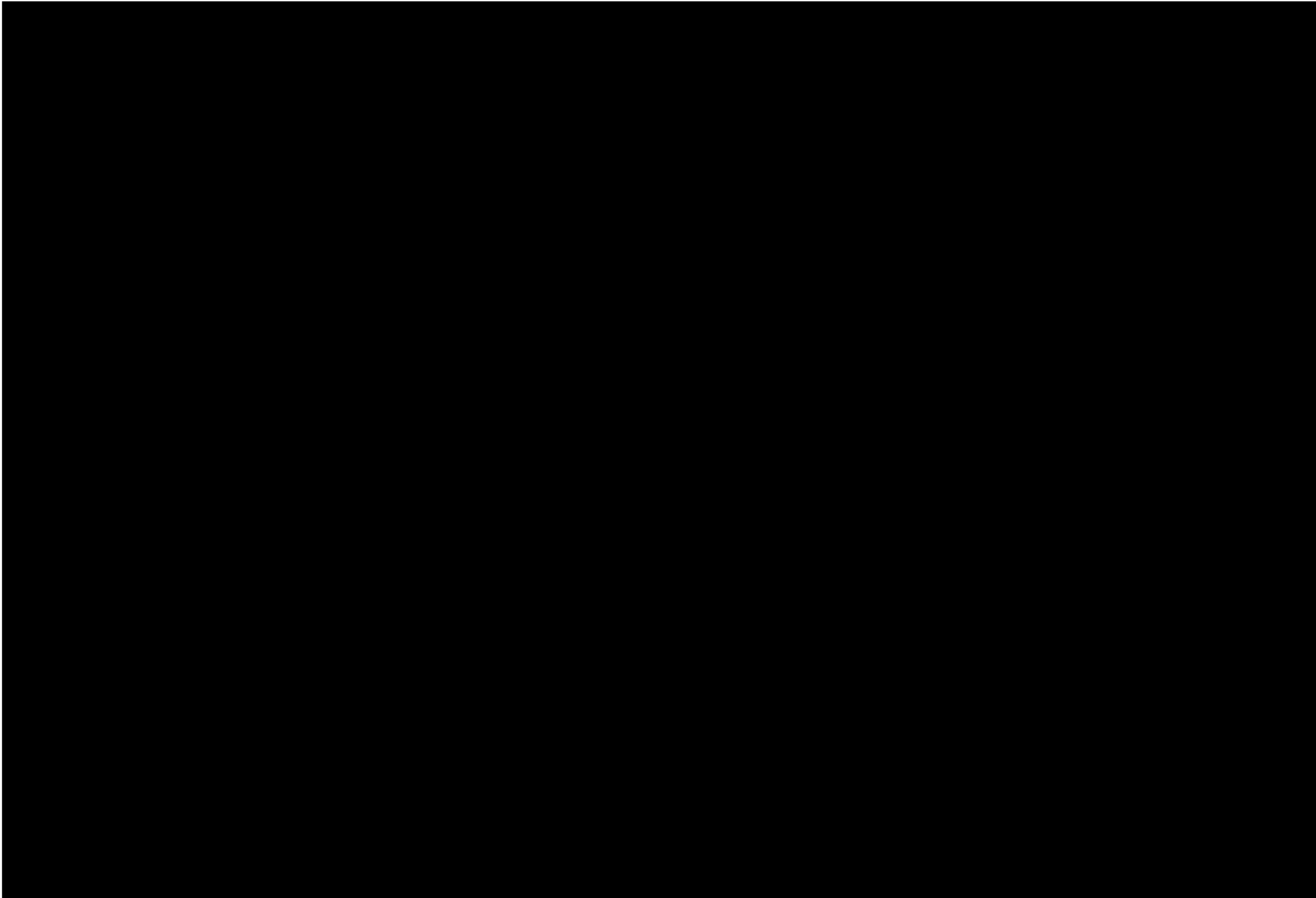


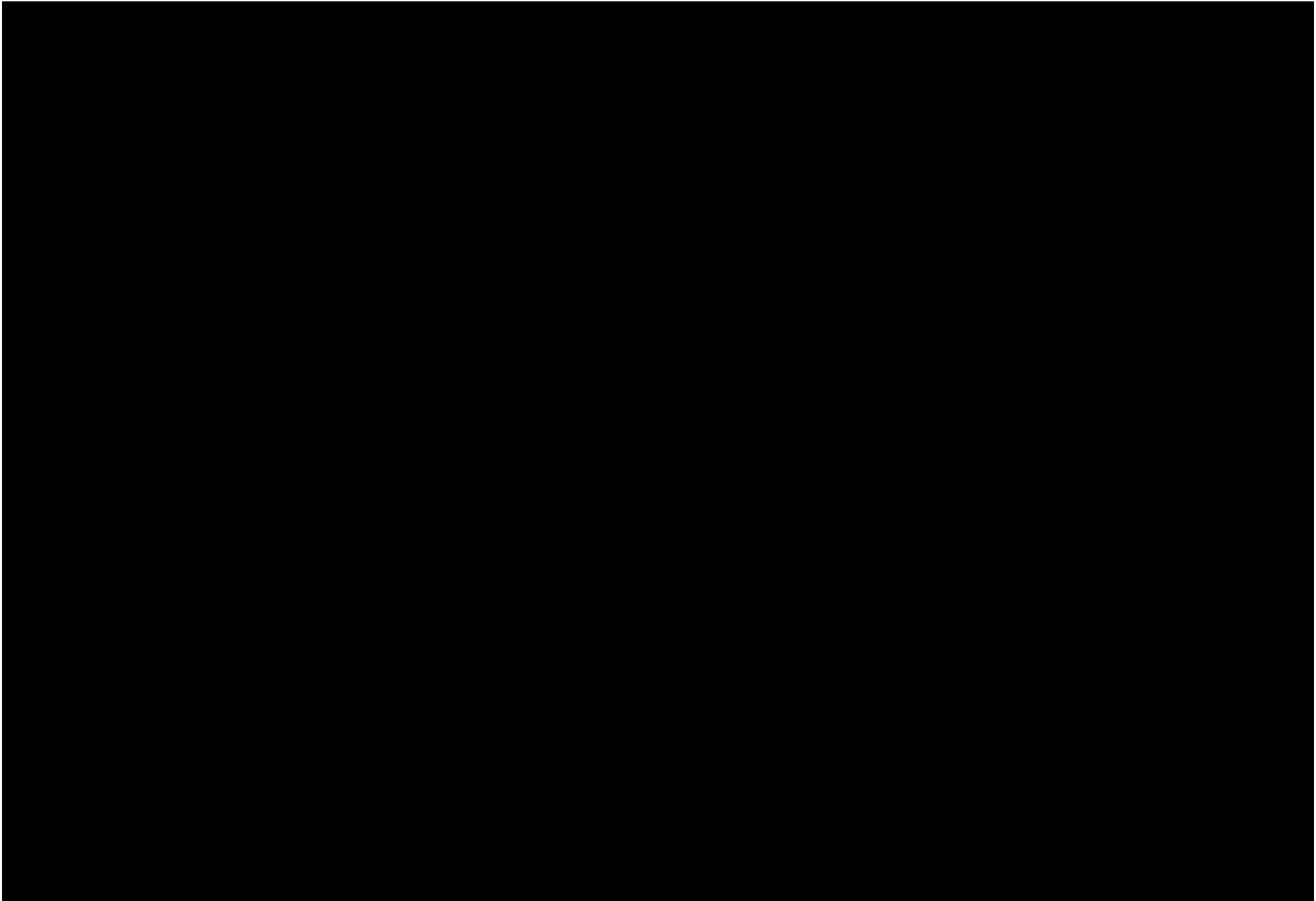


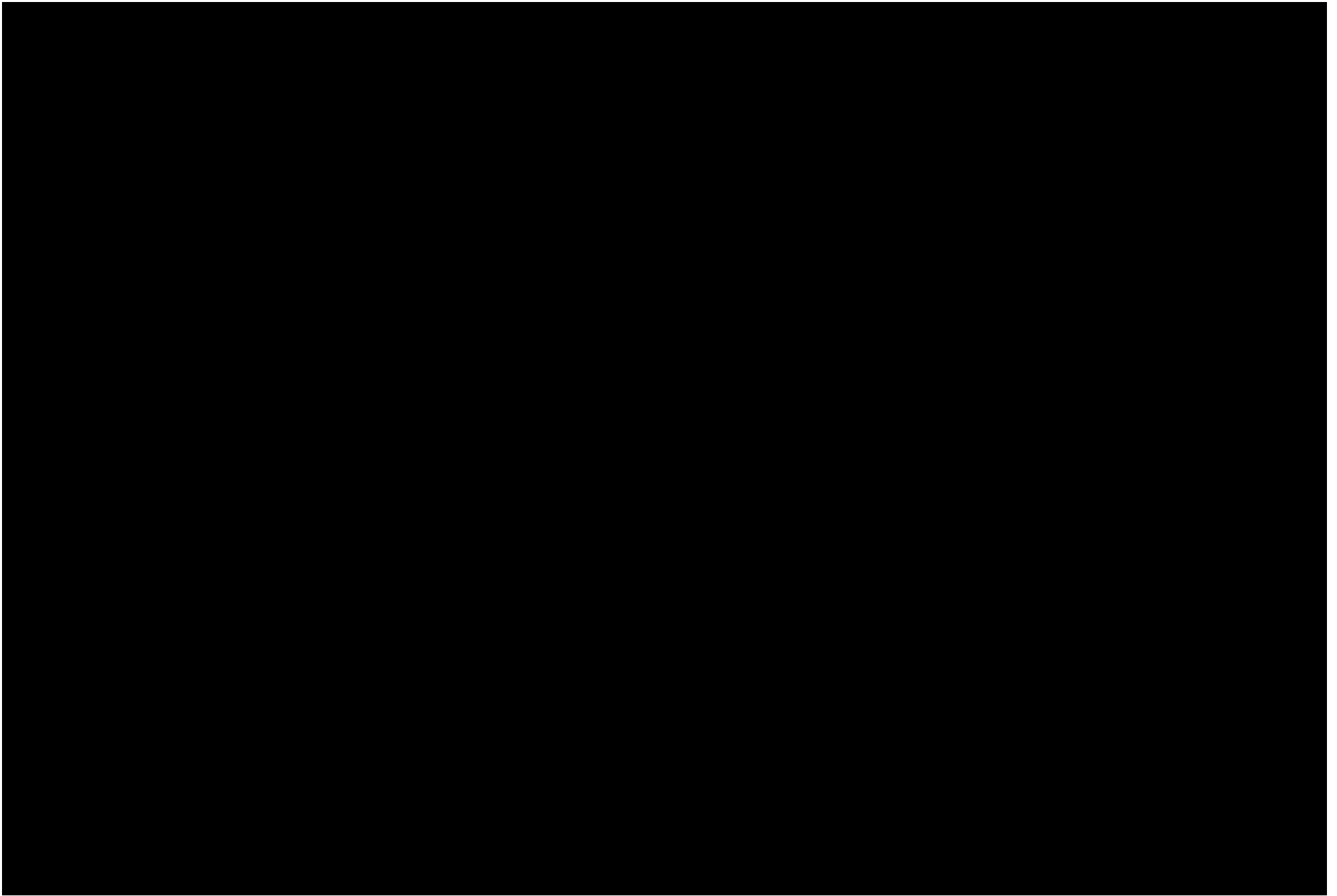


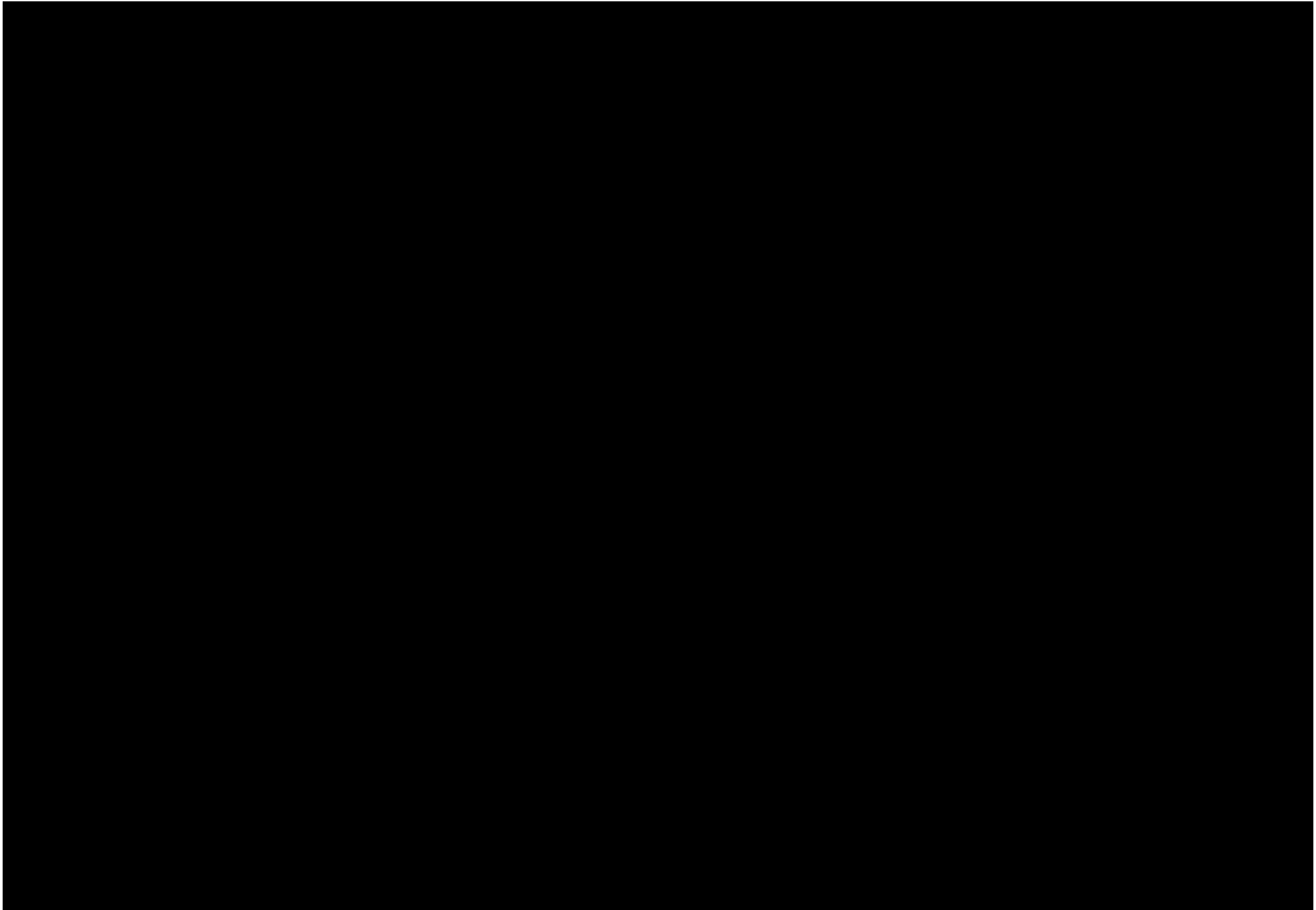


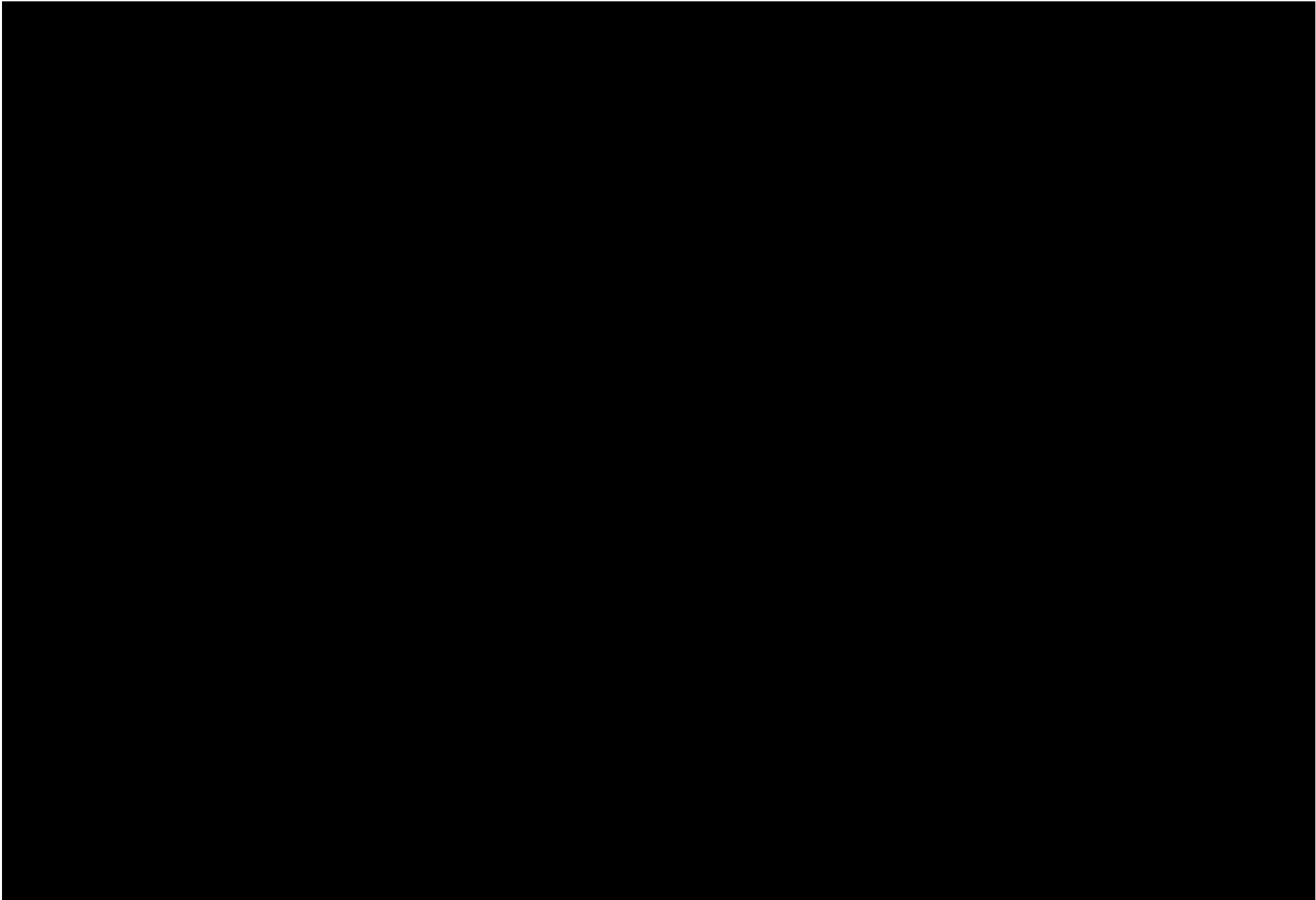


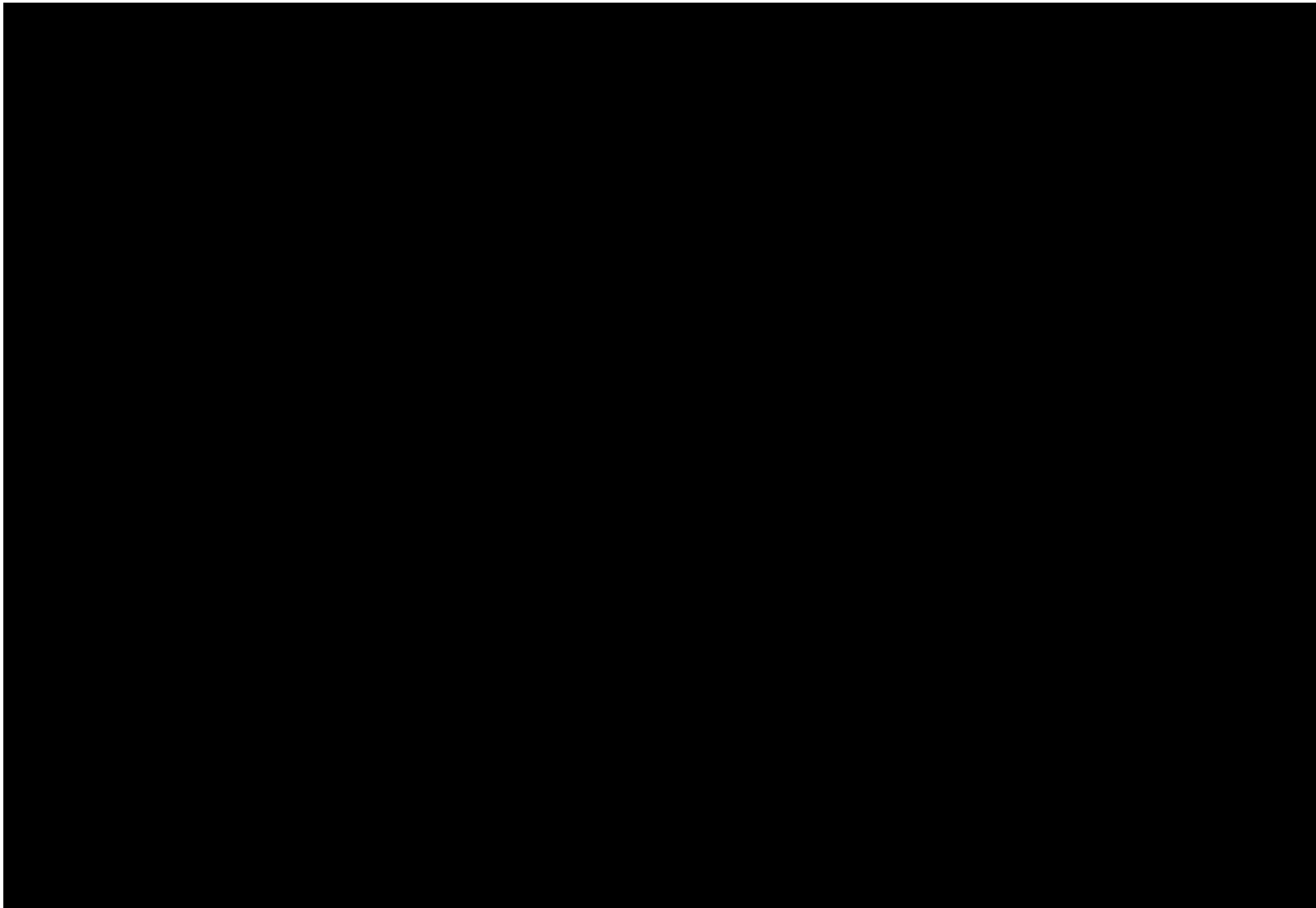


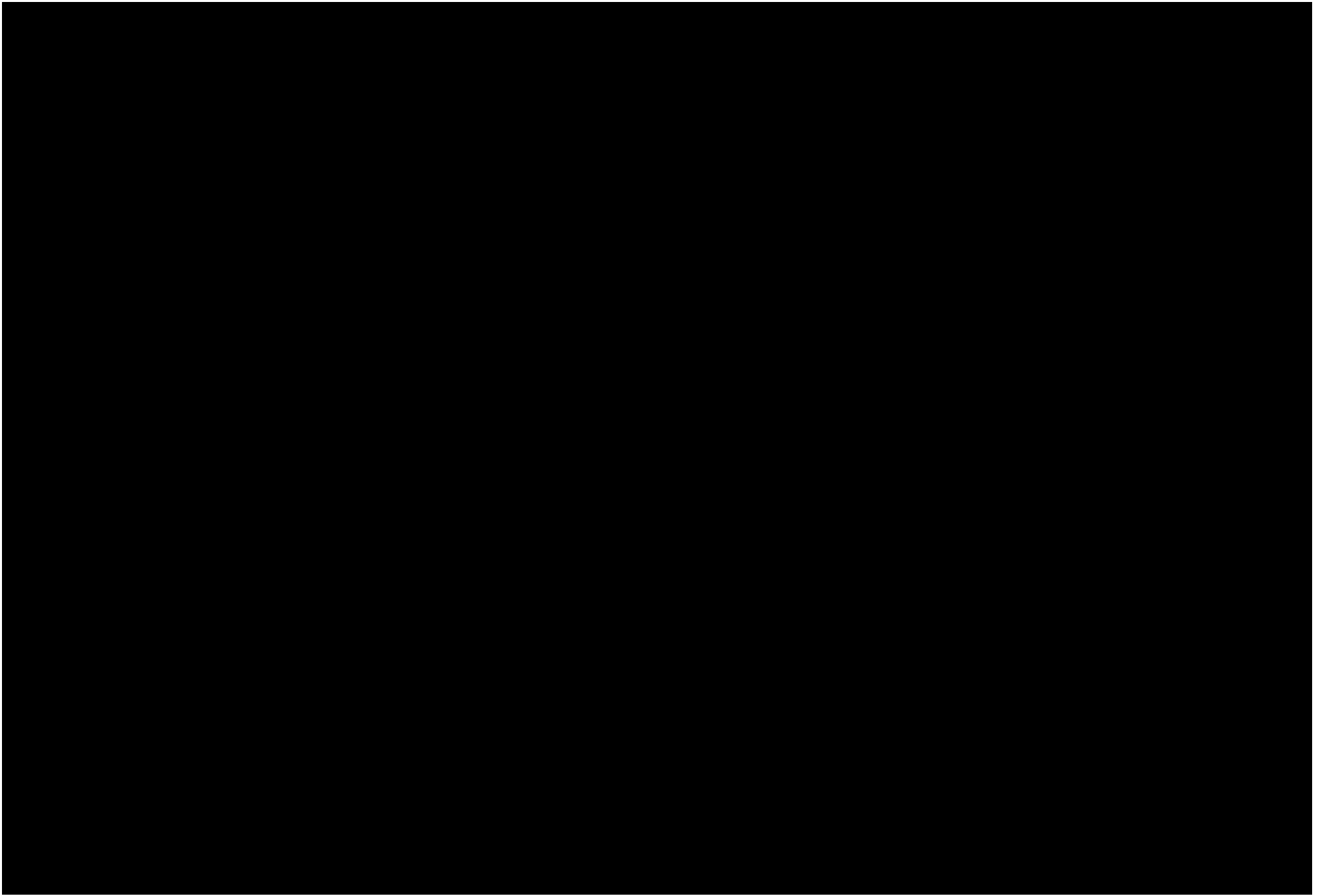


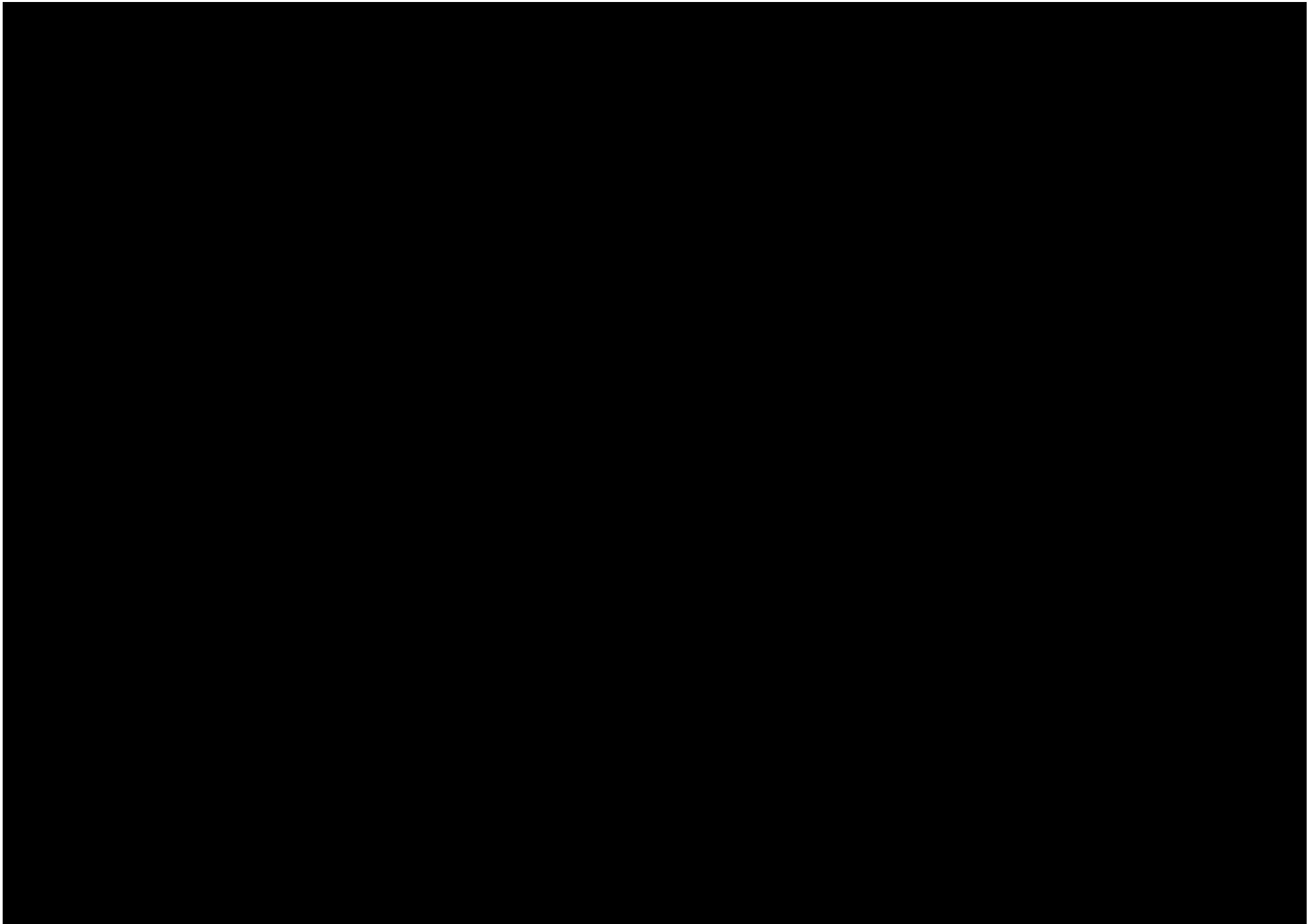


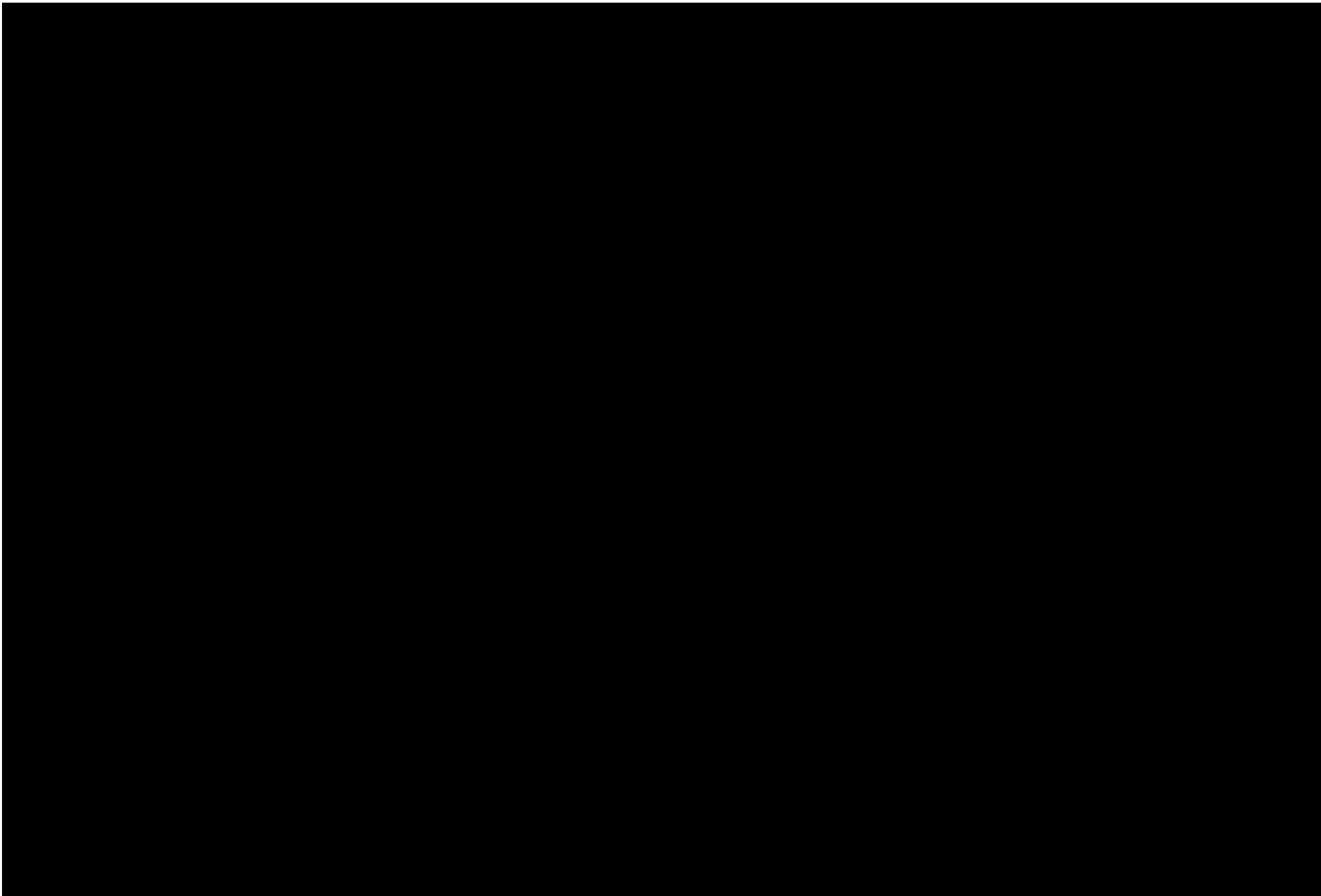


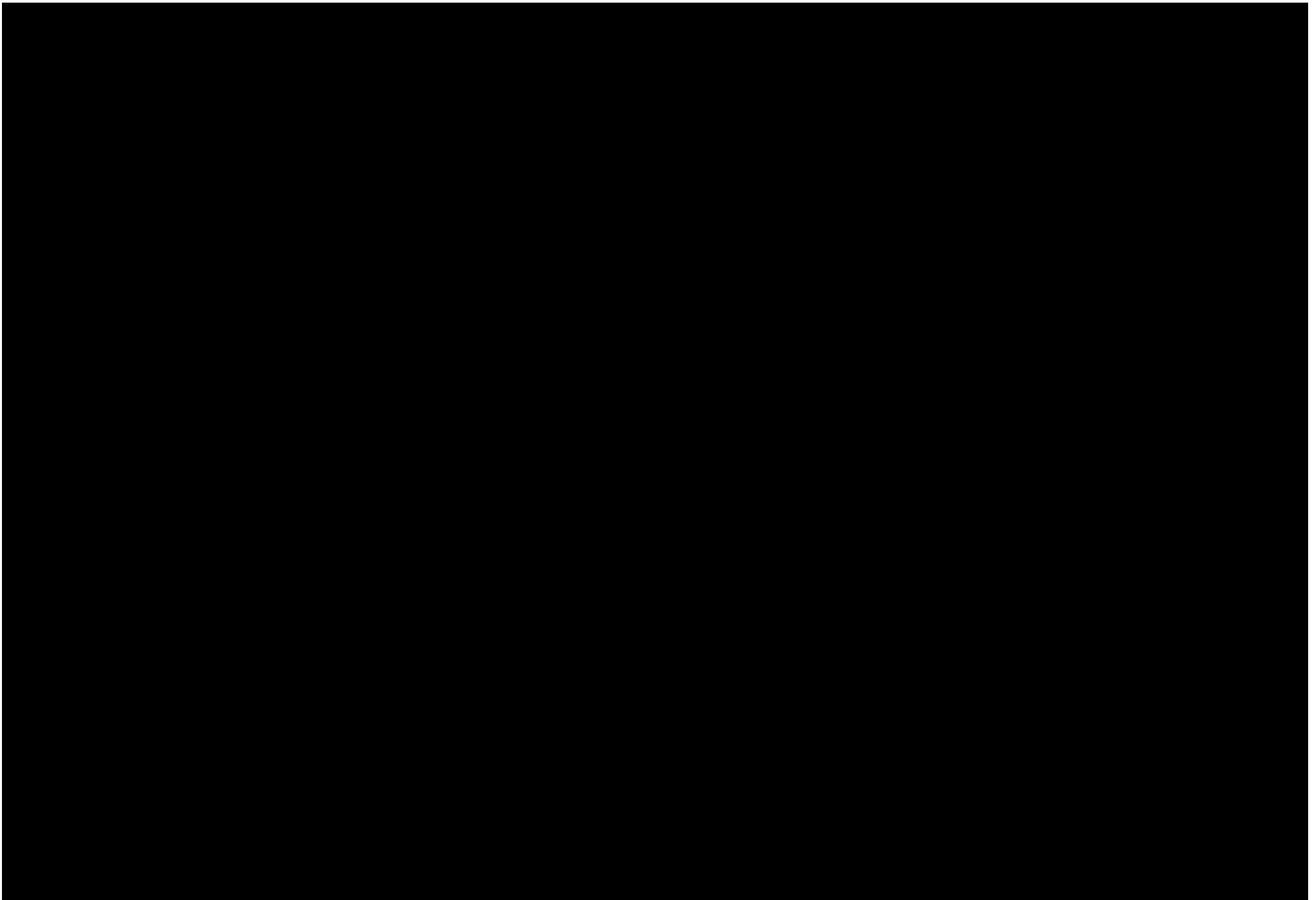


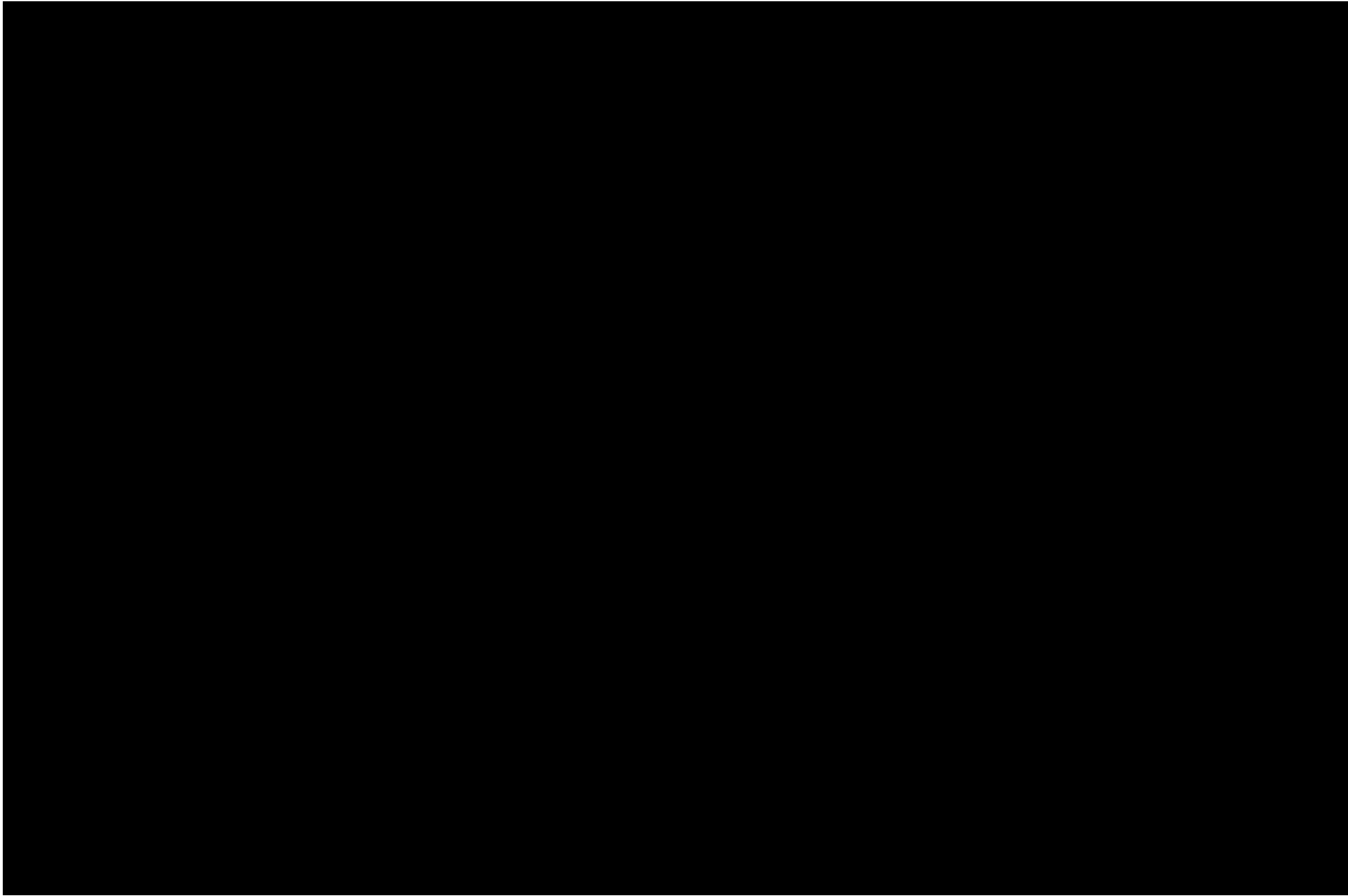


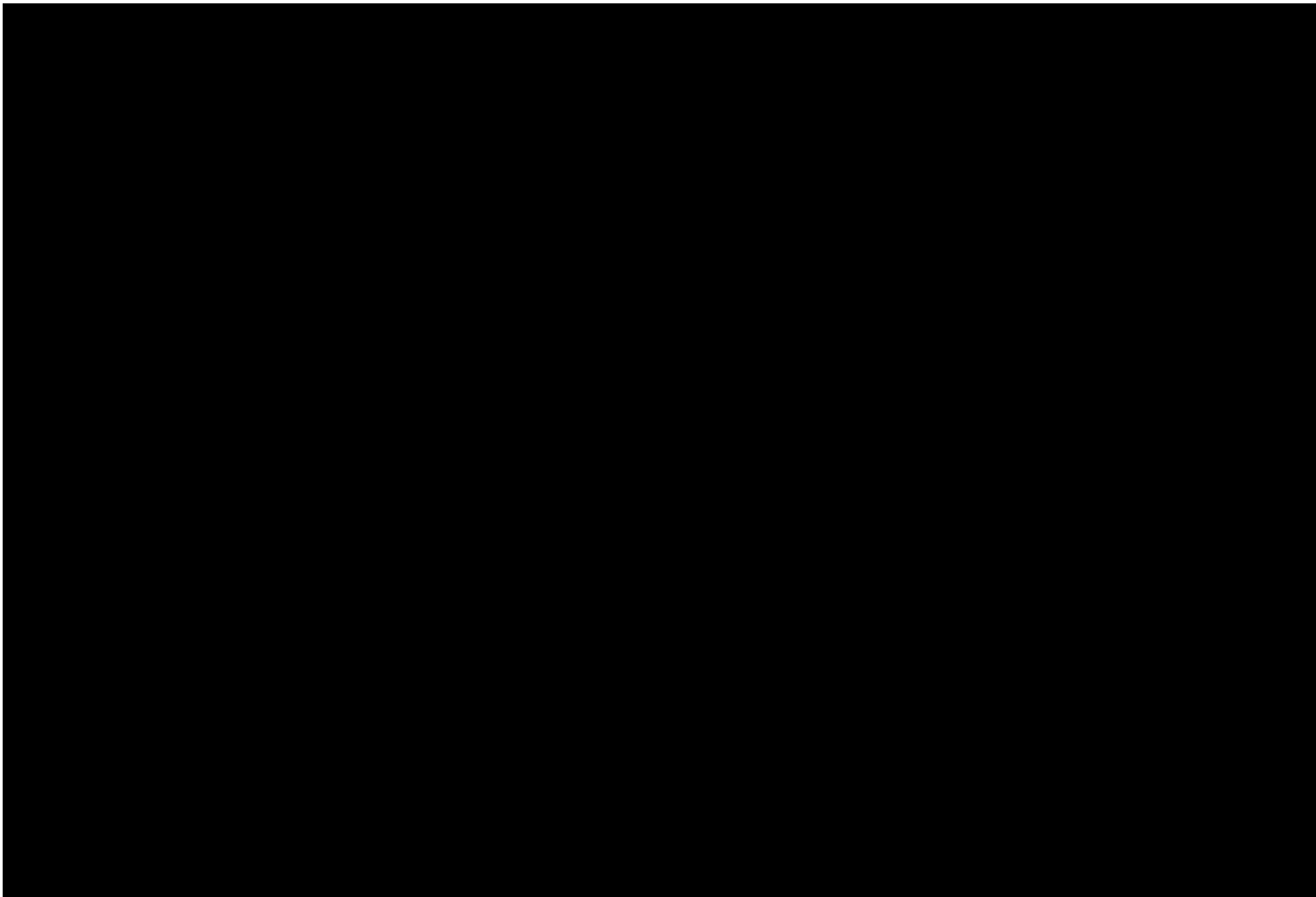


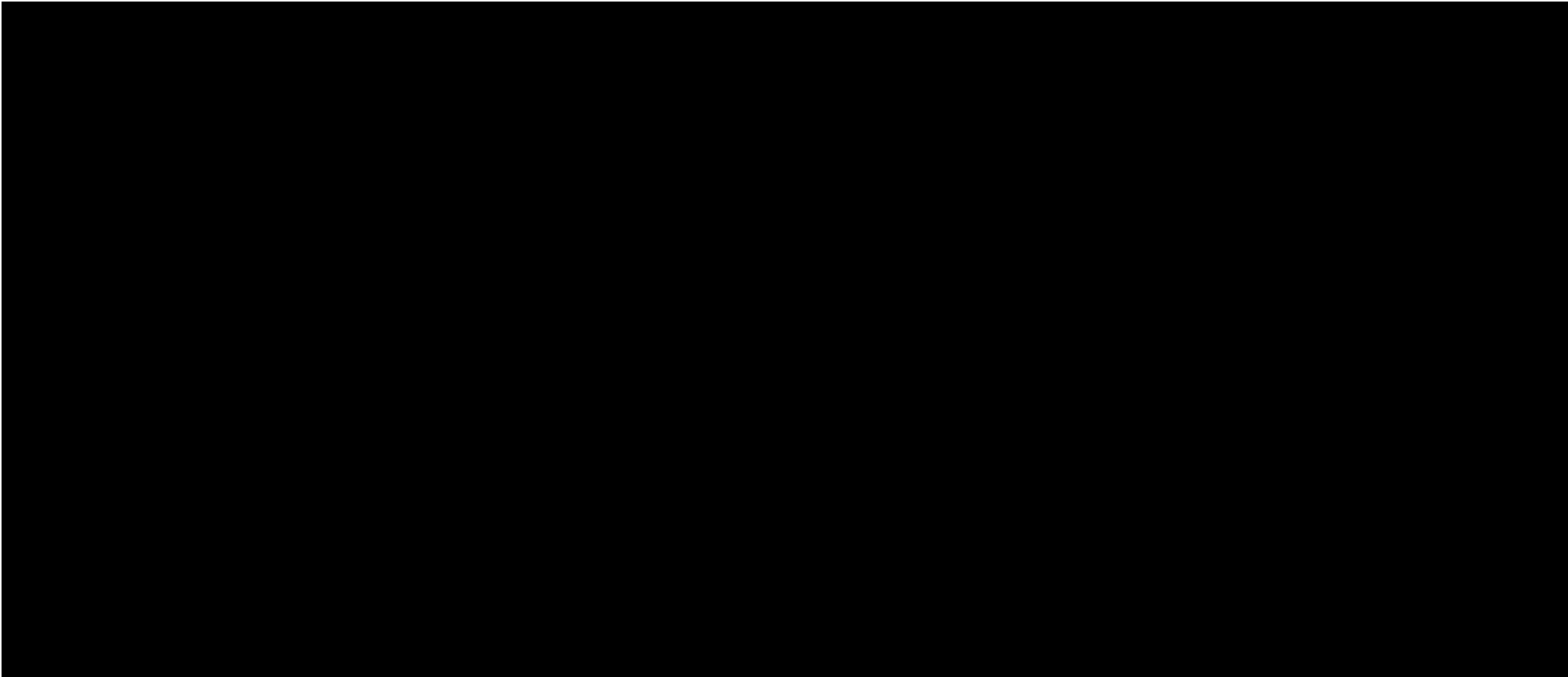












SCHEDULE 3.7
PURCHASE PRICE ADJUSTMENT

Lot Category	Price Adjustment
Beach Front	\$5,000 USD per foot of linear waterfrontage
River Front	\$2,000 USD per foot of linear waterfrontage
Lagoon Front	\$4,000 USD per foot of linear waterfrontage
Interior Land	\$150,000 USD per lot