

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No. 18-cv-3309-PX

RECEIVER’S ASSET SALE STATUS REPORT, FINAL RECOMMENDATION AND REQUEST FOR ENTRY OF ORDER (I) APPROVING 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 submits his Belize asset sale status report, final recommendation with the concurrence of the Federal Trade Commission and request for entry of order approving the sale of the receivership estate’s Belize land assets and related personal property and intangible assets pursuant to direction from the Court at the January 31, 2025 status conference.

As detailed in the Receiver’s preliminary recommendation and motion, memorandum of points and authorities and supporting declaration (*see* Doc. 1556 – 1556-3, collectively “Preliminary Recommendation and Motion”), after an extensive period and breadth of marketing activities, the Receiver reached an agreement to sell the Property to First Belizean Investment Market Ltd. (“Purchaser” or “FBIM”) pursuant to the terms of the Purchase Agreement dated January 27, 2025 (*see* Doc. 1556-3).¹ As set forth in the Receiver’s Preliminary Recommendation and Motion, which is incorporated herein, the Receiver recommended approval of the sale to

¹ Terms used but not defined herein are as defined in the Preliminary Recommendation and Motion.

Purchaser in accordance with the terms of the Purchase Agreement and as reflected in the Preliminary Recommendation and Motion -- *subject only to a statutory notice and overbid process, followed by the Court's consideration and approval.*

Having now completed the notice and overbid process, the Receiver is hereby providing notice that there were no prospective purchasers who satisfied all of the specified prerequisites to qualify for bidding at auction in accordance with the process described in the Preliminary Recommendation and Motion. As there were no qualifying bids, the Receiver did not hold an auction. The Receiver is now (i) submitting his final recommendation for the Court to approve the sale to Purchaser pursuant to the terms of the Purchase Agreement, and (ii) requesting entry of the proposed form of Sale Authorization Order filed herewith.

I. OVERBIDDING PROCESS STATUS UPDATE

As described in the Preliminary Recommendation and Motion, the Receiver caused notice of the sale of the Belize assets to be published, reflecting the opportunity for overbidding, as well as the deadline to qualify as a competing bidder and the date for an auction in the event of qualified overbidders. The notice was published once a week for four weeks in advance of the Receiver making this final recommendation to the Court in the *Amandala*, a national-circulation Belizean print newspaper, as well as in the regional *Caribbean Journal* via widespread electronic distribution by email to the publication's substantial online subscriber network. *See* Supplemental Declaration of Marc Ferzan ("Ferzan Decl."), ¶3.

The Receiver additionally posted similar notice of the sale and overbidding opportunity on the receivership website (<https://sanctuarybelizereceivership.com/>) for the duration of the four-week period during which the advertisements appeared in the above-referenced print and electronic publications. *Id.*, ¶4. CBRE also separately emailed notice of the sale to its substantial

network of prospective global investors and developers within the four-week period during which notice of the sale was published. *Id.*

To qualify as a bidder, among other things, any prospective buyer was required by no later than 5:00 pm ET on February 25, 2025 to (a) submit a completed bidder questionnaire and term sheet, (b) execute a form purchase and sale agreement for the properties on substantially the same terms and conditions as Purchaser, but with a purchase price of at least \$22,550,000, (c) provide the Receiver with an earnest money deposit of \$1,650,000, and (d) show proof of funds within their control necessary to close the sale transaction. *Id.*, ¶5.

There were no prospective bidders who met all of the threshold overbidder requirements.² *Id.*, ¶6. As there were no qualifying bids, the Receiver did not hold and administer an auction. *Id.*

II. DISPUTED LIENS STATUS UPDATE

In the Preliminary Recommendation and Motion, the Receiver asked that the Court approve the sale of the Property free and clear of two disputed liens of which the Receiver was aware on the Kanantik parcels, a (i) Deed of Encumbrance dated July 20, 2011 between Palmaya Development Ltd. and William Steinhagen and Mary Steinhagen (“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 (“Kessler”) in the stated principal amount of \$1,500,000 (“Kessler Lien”).

The Receiver, however, obtained the agreement of Steinhagen to remove the Steinhagen Lien and has now completed execution and submission of the requisite Belizean documentation, which has been accepted by the Government of Belize. *Id.*, ¶8. As such, the Sale Authorization

² While two prospective competitive bidders expressed interest during the overbidding period, neither was able to meet the threshold overbidder requirements in order to qualify by the noticed and published February 25, 2025 deadline. *Id.*, ¶6, n.1.

Order reflects only the Receiver's request that the sale of the property be approved free and clear of the Kessler Lien, as discussed in the Preliminary Recommendation and Motion. The Receiver, additionally will be filing a separate motion to determine that the Kessler Lien has been satisfied and/or is not a liability of the receivership and should, therefore, be extinguished.

III. RECEIVER'S FINAL RECOMMENDATION

The Receiver hereby makes his final recommendation, in consideration of quantitative and qualitative considerations, that the sale of the receivership's Belize assets, pursuant to the terms of the Purchase Agreement, to Purchaser, FBIM, be approved.

As detailed in the Receiver's Preliminary Recommendation and Motion, this matter has a long and complex history rooted in a fraudulent scheme perpetuated by the defendants. The Central American property being sold in a developing country is vast and varied, and includes inhabited lots that were sold to individuals who built residences on them, as well as others with anticipated build plans. As discussed in the Receiver's Preliminary Recommendation and Motion, among other things, FBIM's principals have substantial residential and commercial real estate development and operations experience, including in Belize; FBIM offered thoughtful and well-reasoned consideration of potential accommodations for existing and anticipated residents, as well as future lot purchasers; and FBIM made a cash offer for the entirety of the Belizean assets - with no financing or other funding contingencies. *Id.*, ¶12-14. In the Receiver's judgment, the proposed sale to FBIM balances the objectives of maximizing sale proceeds for consumer redress payments, providing accommodations for existing residents, and enabling potential future lot purchase opportunities for other victims of the scheme, and is the best offer taking into account all of the relevant facts and circumstances. *Id.*

In support of the Receiver's Final Recommendation, the Receiver is filing a proposed form of Sale Authorization Order to govern key provisions addressing the transfer of the Belize assets and related receivership administration. As detailed further in the Preliminary Recommendation and Motion, key provisions of the Sale Authorization Order include:

- **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 and includes corresponding personal property located on the land assets and related intangible assets.³

- **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, subject to certain potential adjustments as set forth in the Purchase Agreement. Purchaser has deposited \$1,500,000 into escrow in accordance with the terms of the Purchase Agreement.

- **As-is, Where-is.** The Property is generally being sold on an "as-is, where-is" basis without any representations or warranties.

- **Closing Date.** It is anticipated that closing is to occur within 45 days of entry of the Sale Authorization Order.

- **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, which services may include providing security resources, and maintaining the roadways and other infrastructure, subject to the Purchaser's discretion.

³ 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.

- **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. To this end, the Sale Authorization Order includes a 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.

- **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”).⁴

- **Modification of RCCEs and the Association.** Considering that the RCCEs and the Sanctuary Belize Property Owners’ Association (“Association”) were developed, established and implemented during, and as part of, the 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

⁴ 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. Other than the foregoing, all pre- Receivership Memorandum of Sale contracts governing the purchase of individual lots at the Property are terminated as such lots are being sold pursuant to the Purchase Agreement and this Order.

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.

IV. ANTICIPATED WIND-DOWN OF RECEIVERSHIP ESTATE

As noted in the Preliminary Recommendation and Motion, 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 matter.

Early in this case, a consumer committee was established by order of the Court, and constituted with consumer victims, to serve as an advisory, non-governing body to receive progress updates from, and provide feedback to, the Receiver in regular, periodic meetings in connection with the Property and other receivership matters. *See* Doc. 559, 1446, ¶16. Following the sale of the Property, the receivership will turn its attention to winding down operations, seeking the Court's guidance to distribute final redress payments to eligible consumer victims, and addressing any remaining, viable creditor claims. Subject to entry of the Sale Authorization Order and the Receiver subsequently holding a final consumer committee meeting, the committee will have served its purpose such that it would not be beneficial to continue to expend receivership resources to host committee meetings. *Id.*, ¶9-11. As such, the Receiver asks that the Sale Authorization Order include a provision authorizing the Receiver to hold a final consumer committee meeting, after which the committee will be disbanded and the corresponding meetings concluded. *Id.*

V. FTC'S JOINDER

The FTC has advised the Receiver that the FTC joins in the Receiver's Preliminary Recommendation and Motion and this Final Recommendation.

VI. CONCLUSION

For all the reasons set forth in the Preliminary Recommendation and Motion, and herein, the Receiver respectfully requests the Court enter the proposed Sale Authorization Order filed herewith. The Receivership Team will remain available should the Court set a hearing on approval of the sale sought herein.

Respectfully submitted,

Dated: March 10, 2025

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UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DISTRICT

In re SANCTUARY BELIZE LITIGATION

No. 18-cv-3309-PX

**SUPPLEMENTAL 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 Status Report, Final Recommendation and Request for Entry of Order (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 (“Final Recommendation”). Terms used but not defined herein are as defined in the Receiver’s

preliminary recommendation and motion, memorandum of points and authorities and supporting declaration (*see* Doc. 1556 – 1556-3, collectively “Preliminary Recommendation and Motion”).

I. Report on Over bidding Process

3. Before making my Final Recommendation to the Court, I caused 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.

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

5. To qualify as a bidder, among other things, any prospective buyer was required by no later than 5:00 pm ET on February 25, 2025 to (a) submit a completed bidder questionnaire and term sheet, (b) execute a form purchase and sale agreement for the properties on substantially the

same terms and conditions as Purchaser, but with a purchase price of at least \$22,550,000, (c) provide the Receiver with an earnest money deposit of \$1,650,000, and (d) show proof of funds within their control necessary to close the sale transaction.

6. There were no prospective bidders who satisfied all of the bid qualification requirements.¹ As there were no qualifying bids, the Receiver did not hold an auction.

II. Report on Disputed Liens

7. As set forth in my initial declaration, based on my, and the Receivership Team's, review of available property records and information, I was aware two remaining liens on Kanantik parcels, a (i) Deed of Encumbrance dated July 20, 2011 between Palmaya Development Ltd. and William Steinhagen and Mary Steinhagen ("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 ("Kessler") in the stated principal amount of \$1,500,000 ("Kessler Lien").

8. The Receivership Team has obtained the agreement of Steinhagen to remove the Steinhagen Lien and has now completed execution and submission of the requisite Belizean documentation, which I understand from the receivership's counsel in Belize has been accepted by the Government of Belize. As such, the only remaining lien of which I am aware, based on my, and the Receivership Team's, review of available property records and information, is the Kessler Lien. 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 Kessler Lien.

¹ While two prospective competitive bidders expressed interest during the overbidding period, neither was able to meet the threshold overbidder requirements in order to qualify by the noticed and published February 25, 2025 deadline.

III. Anticipated Wind-Down of Receivership Estate

9. Following the sale of the Property, the receivership will turn its attention to winding down operations, seeking the Court's guidance to distribute final redress payments to eligible consumer victims, and addressing any remaining, viable creditor claims.

10. The Receivership Team generally hosts consumer committee meetings on a quarterly basis to provide updates to and receive feedback from the committee members relating to the Property and other receivership matters. Subject to entry of the Sale Authorization Order, and the Receiver subsequently holding a final consumer committee meeting, the committee will have served its purpose such that it would not be beneficial to continue to expend receivership resources to continue to host committee meetings.

11. The conclusion of the consumer committee and corresponding meetings will not have any adverse impact on the receivership's ongoing efforts to keep consumer stakeholders informed, as the Receiver will continue to employ the dedicated receivership website, email distributions, and other consumer communications channels to keep consumer stakeholders informed.

IV. Final Recommendation

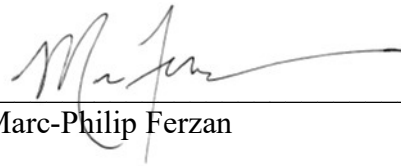
12. After diligently undertaking the RFI and RFP processes, and the statutory notice and overbidding process, with CBRE, I am now making the final recommendation to the Court that the sale of the Property, pursuant to the terms of the Purchase Agreement, to Purchaser, FBIM, be approved.

13. As detailed in my initial declaration, among other things, FBIM's principals have residential and commercial real estate development and operations experience, including in Belize; FBIM offered thoughtful and well-reasoned consideration of potential accommodations for

existing and anticipated residents, as well as future lot purchasers; and FBIM's is a cash offer for the entirety of the Belizean assets, with no financing or other funding contingencies.

14. After carefully evaluating all bids, it is my conclusion that the proposed sale to FBIM balances the objectives of maximizing sale proceeds for consumer redress payments and considering potential future lot purchase accommodations, given that there are consumers who currently own lots in Belize and others who may seek to buy lots in the future, and is the best offer taking into account all of the relevant facts and circumstances.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on March 10, 2025 in Montgomery County, Pennsylvania.



Marc-Philip Ferzan

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PX

PROPOSED ORDER GRANTING RECEIVER’S 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 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 (“Motion”), was brought by the Court’s appointed Receiver, Marc-Philip Ferzan of the Ankura Consulting Group, LLC (“Receiver”). The Court, having read and considered the Motion (Doc. 1556), memorandum of points and authorities in support (Doc. 1556-1) and Declaration of Marc Ferzan (“Ferzan Declaration”) (Doc. 1556-2-1556-3) and all other evidence filed in support of the Motion; and having held a status conference on January 31, 2025 with appearances as stated on the record; and having read and considered the correspondence filed by the Receiver on February 28, 2025, and the asset sale status report, final recommendation and request for entry of order filed by the Receiver on March 10, 2025 and supplemental declaration filed therewith; and having considered that the Federal Trade Commission (“FTC”) joined in the Receiver’s final recommendation; and having read and considered all papers filed in opposition to the Motion, if any, and the Receiver’s reply thereto; and having held any hearing, with appearances as stated on the record, and having considered the arguments made at the hearing; and having considered that:

- A. The Receiver is authorized pursuant to prior orders of the Court to control, market and sell the Property (as defined in the Purchase Agreement and Exhibits thereto), including without limitation pursuant to the Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants John Usher, et al. (Doc. 1112), Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker and Luke Chadwick (Doc. 1194) and Final Order Concerning Kanantik (Doc. 1193).
- B. In addition, the Receiver was more particularly authorized pursuant to the Request for Information (“RFI”) and Request for Proposals (“RFP”) bidding process directives set forth in the June 14, 2023 Order Implementing Next Phase of Consumer Redress (Doc. 1446, the “June 14, 2023 Order”) to, among other things, undertake efforts to market and sell the Property and engage an international real estate brokerage firm to assist in that process. In accordance with the foregoing order, the Property was formally marketed with substantial guidance and contribution from a dedicated team of experienced and knowledgeable professionals with global real estate firm CBRE, for approximately nine months, with pre-marketing activities occurring for several months before that.
- C. The extensive marketing and sales process undertaken for the more than 18,000 acres of Belize land and physical assets that make up the Property, as detailed in the Receiver’s Motion and the Ferzan Declaration, was commercially reasonable, constituted a fair process to sell the Property, and maximized the value of the Property and funds available for distribution to eligible consumer victims.
- D. After careful quantitative and qualitative evaluation of all bidder proposals submitted in connection with the RFP bidding process, the Receiver, solely in his capacity as Receiver and on behalf of the receivership entities Sittee River Wildlife Reserve, Eco-Futures Belize Limited, Mango Springs Development Limited, and G&R Development Company of

Belize Limited (collectively, the “Record Owner”), entered into the Purchase Agreement dated January 27, 2025 (“Purchase Agreement”) for the as-is, where-is sale of the Property, without representations or warranties, to First Belizean Investment Market Ltd.

(“Purchaser”) in accordance with the terms of the Purchase Agreement, now subject only to the Court’s approval.¹

- E. The Purchaser represents in the Purchase Agreement that it is not affiliated in any way with the Record Owner or its officers directors, employees, agents, representatives, and/or the FTC enforcement action Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Rod Kazazi, Brandi Greenfield, Frank Costanzo, and/or Michael Santos.
- F. The Purchase Agreement provides for the sale and transfer of the Property to the Purchaser, in exchange for payment at closing of \$16.8 million for the specified Sanctuary Belize assets, and \$3.7 million for the specified Kanantik assets, subject to the terms and conditions of the Purchase Agreement and any pre-closing and post-closing price adjustments as may be necessary in accordance with the terms of the Purchase Agreement.
- G. Under the Purchase Agreement, the Purchaser is not acquiring any of the Record Owner companies, and is expressly not undertaking any obligation with respect to any development, construction, service, management, leasing, operation, maintenance, repair, employment (including employee severance or termination responsibilities of the receivership or Record Owner) or other contracts affecting the Property, including all amendments and modifications thereto, and/or all pre-Receiverhip Memorandum of Sale contracts governing the purchase of individual lots at the Property, subject only to adherence to the terms of the Restrictive Covenants, Conditions and Easements (“RCCEs”)

¹ Any Terms used but not defined herein are as defined in the Purchase Agreement, a copy of which, in partially redacted form, was filed in the record as Document 1556-3.

in effect from time to time as may be amended, modified or terminated. The RCCEs also refer to the Deed of Incumbrance (as amended, the “Deed of Incumbrance”), dated as of March 21, 2016, among Sittee River, Eco-Futures Belize Limited and the Sanctuary Belize Property Owners Association (the “Association”), including the Declaration of Restrictive Covenants, Conditions and Easements of Sanctuary Belize (as amended, and dated as of March 3, 2016, by and among Sittee River, Eco-Futures Belize Limited and the Association, attached thereto).

- H. The Purchase Agreement also recognizes the nature, scope, and instrumentalities of the Defendants’ fraud scheme and provides, among other things, that Purchaser will have the unilateral right, after Closing, to amend, modify or terminate the RCCEs, abolish the Association and reconstitute a new property owners’ association in its discretion, as well as to amend, modify or terminate the Association Documents, which include all organizational documents or rules and regulations governing the Association (the “Association Documents”).
- I. The RCCEs and the Association were developed, established and implemented during, and as part of, the Defendants’ underlying fraud scheme. Therefore, 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 facts and circumstances here, and is within the broad authority of the Court to approve and order in connection with the terms of a sale of receivership assets.
- J. Following the Receiver’s preliminary recommendation to the Court and Motion to approve the sale of the Belize assets to the Purchaser, the Receiver caused notice of the sale to be published, reflecting the opportunity for overbidding, as well as the deadline to qualify as a

competing bidder and date for an auction in the event of qualified overbidders. The notice was published once a week for four weeks in advance of the Receiver making his final recommendation to the Court in the Amandala, a national-circulation Belizean print newspaper, as well as in the regional Caribbean Journal via widespread electronic distribution by email to the publication's substantial online subscriber network.

- K. The Receiver additionally posted similar notice of the sale and overbidding opportunity on the receivership website (<https://sanctuarybelizereceivership.com/>) for the duration of the four-week period during which the advertisements appeared in the above-referenced print and electronic publications. CBRE also separately emailed notice of the sale to its substantial network of prospective global investors and developers within the four-week period during which notice of the sale was published.
- L. Notice of the sale, including publication thereof, and the overbid process set forth in the Motion was sufficient, equitable and in accordance with applicable law, including 28 U.S.C. 2001(a) and 28 U.S.C. 2002.
- M. There were no prospective purchasers who satisfied all of the requirements to qualify to bid in accordance with the process described in the Motion. As there were no qualifying bids, the Receiver did not hold an auction.
- N. The Receiver disputes that any amount is owing by the receivership estate in connection with the Kanantik property relative to the Deed of Mortgage dated June 19, 2015 between Mango Springs Development Ltd. and B.F. Kessler, who is believed to be deceased, and Agness A. Nagy Kessler ("Kessler"), who is a U.S. resident, in the stated principal amount of up to \$1,500,000 ("Kessler Lien"). Kessler was given notice of the Motion and did not respond to the Motion. Conveying the Property under the Purchase Agreement free and clear of the Kessler Lien by order of this Court is equitable and advisable under the facts

and circumstances here, and is within the broad authority of the Court in connection with the terms of a sale of receivership assets. Accordingly, upon entry of this Order, and in accordance with the Receiver's recognition orders previously obtained upon application from the High Court of Belize, the Receiver will make the necessary applications and take the required steps with the Government of Belize to seek to remove the Kessler Lien from the title of the corresponding Kanantik property.

- O. Purchaser having expressed its intent in the Purchase Agreement to, among other things, reconstitute a property owners association and to provide certain Sanctuary Belize development area services to consumer victim lot owners and purchasers who completed the buy outs of their lots and proceeded to closing, as well as to consider offering lots for sale in the future to those eligible consumer victims who the Receiver determined as part of the Lot Choice Survey under the Court's June 14, 2023 Order may have interest in potentially acquiring lots from a new development area owner under terms and conditions that may be acceptable to them, it will be necessary for the Receiver to provide the Purchaser with the names, contact information, Claim Application determinations, and other information that may constitute Personal Identification Information, as well as other confidential information (collectively, the "Confidential Consumer Information"). Such disclosure of the Confidential Consumer Information is equitable and advisable under the facts and circumstances here, and is within the broad authority of the Court to approve and order in connection with the terms of a sale of receivership assets.
- P. A Consumer Committee was established in this matter by order of the Court, and constituted with consumer victims, to serve as an advisory, non-governing body to receive progress updates from, and provide feedback to, the Receiver in regular, periodic meetings in connection with the Property and other receivership matters. Following the sale of the

Property pursuant to the terms of the Purchase Agreement, the receivership will turn its attention to winding down operations, seeking the Court's guidance to distribute final redress payments to eligible consumer victims, and addressing any remaining, viable creditor claims. Subject to the Receiver holding a final Consumer Committee meeting after the entry of this Order, the committee will have served its purpose such that it would not be beneficial to continue to expend receivership resources to host committee meetings. The conclusion of the Consumer Committee and corresponding meetings will not have any impact on the receivership's ongoing efforts to keep the impacted consumer stakeholders informed, as the Receiver will continue to employ the dedicated receivership website, email distributions, and other consumer communications channels to keep consumer stakeholders informed.

Based on findings made by the Court, and upon the record made before this Court, and due and proper notice of the Motion and the sale having been given, and good and sufficient cause appearing therefore, it is hereby **ORDERED, ADJUDGED AND DECREED THAT**

1. The Motion shall be and is hereby granted.
2. The Receiver is authorized to sell the Property (as defined in the Purchase Agreement and Exhibits thereto), which is comprised of the real property commonly known as Sanctuary Belize, including Plenty Tract and Southern Long Coco Caye, as well as Kanantik, including Pelican Range Caye, and the personal property located thereon and related intangible assets, to Purchaser pursuant to the Purchase Agreement.
3. Following an extensive marketing and sales process undertaken by the Receiver, the arm's length negotiation for the sale of the Property to Purchaser resulted in a purchase price that is fair and reasonable under the facts and circumstances, and is in the best interests of the receivership estate.

4. The sale of the Property complies with the requirements of 28 U.S.C. 2001(a).

5. The terms and conditions of the Purchase Agreement are hereby approved by the Court. The Court authorizes the Receiver to perform all of his obligations under the Purchase Agreement and to consummate the sale and transfer of the Property.

6. The Property is being sold in an “as is, where is” condition, without any warranties or representations, and with all faults known and unknown, as more particularly set forth in the Purchase Agreement.

7. The Purchaser is acquiring only the assets that constitute the Property, not any of the Record Owner companies, and shall have no obligation with respect to any development, construction, service, management, leasing, operation, maintenance, repair, employment (including employee severance or termination responsibilities of the receivership or Record Owner) or other contracts entered into by the Record owner companies and/or 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 only to adherence to the terms of the RCCEs in effect from time to time as may be amended, modified or terminated.

8. In accordance with 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 pre-Receivership Memorandum of Sale contracts, regardless of whether the consumers have received title documents from the Government of Belize after Closing. Other than the foregoing, all pre-Receivership Memorandum of Sale contracts governing the purchase of individual lots at the Property are terminated as such lots are being sold pursuant to the Purchase Agreement and this Order.

9. The Receiver is authorized to execute all documents and instruments necessary or appropriate to complete, implement, effectuate and close the sale of the Property to Purchaser, including but not limited to, any and all instrument(s) conveying title to the Property to the Purchaser.

10. At Closing, the Property shall be transferred to Purchaser free and clear of any claim by the Record Owner such that Record Owner will have no claim to title to any of the Property upon Closing.

11. At Closing, the Property shall be transferred to Purchaser free and clear of any liens, encumbrances or related claims, other than the Permitted Exceptions as set forth in the Purchase Agreement.

12. At Closing, the Property shall be transferred to Purchaser free and clear of the Kessler Lien by this Order of the Court. The Receiver is hereby directed, with this Order, to make application and take all necessary steps with the Government of Belize to seek to remove the Kessler Lien from the title of the corresponding Kanantik property. Accordingly, the Receiver shall reserve an amount in escrow sufficient to account for the \$1,500,000 maximum face amount of the Kessler Lien. The Receiver may file a motion in this Court to determine whether Kessler has a valid and enforceable claim of any type against the receivership estate, the amount of any such claim, and/or whether all or any part of such a claim is secured. If the Kessler Lien is not removed from the corresponding Kanantik Property within 120 days after the Closing Date, the Receiver and Purchaser shall comply with the post-closing adjustment provision of Section 1.3 and Section 4.6(e) of the Purchase Agreement as may be applicable.

13. After Closing, by this Order, and in accordance with the Purchase Agreement, the Purchaser may unilaterally amend, modify or terminate the Sanctuary Belize RCCEs affiliated with the Property, abolish the Property Owners Association, and reconstitute a new property

owners' association in its discretion, and amend, modify or terminate all Property Owners Association Documents, all without further consent of any party or order of this Court.

14. In the performance of his obligations pursuant to this Order, the Receiver's liability in connection with the Purchase Agreement and the sale of the Property to the Purchaser shall be limited to the Record Owner's interest in the Property. Neither the Receiver nor his professionals and/or their corresponding firms shall have any personal liability for claims arising out of or relating to the performance of any actions necessary to complete the sale of the Property as provided for herein.

15. The Receiver is authorized to permit and/or cause to be paid from the proceeds of sale closing costs required to be paid by Seller under the Purchase Agreement and any prorated or other amounts applicable to Seller under the Purchase Agreement.

16. Subject to paragraph 12 of this Order, all net proceeds from the sale of the Property ("Net Proceeds") shall be paid to the receivership estate at Closing. The Receiver shall have the sole and exclusive right to oversee all of the Net Proceeds from the sale, on behalf of the receivership estate, and the Net Proceeds shall become property of the receivership estate free and clear of all liens and encumbrances, if any exist. The Receiver is authorized to permit and/or cause to be paid from the Net Proceeds of the sale, the commission fees and costs due to CBRE.

17. Any licensed title insurer, government official (whether in the United States, Belize, or other foreign country), and the Purchaser, Record Owner and Receiver may rely on this Order as authorizing the Receiver to transfer title to the Property free and clear of all liens and encumbrances.

18. Purchaser having expressed its intent in the Purchase Agreement to, among other things, reconstitute a property owners association and to provide certain Sanctuary Belize development area services to consumer victim lot owners holding title and purchasers who

completed the buy outs of their lots and proceeded to closing to seek title transfers, as well as to consider offering lots for sale in the future to those eligible consumer victims who the Receiver determined as part of the Lot Choice Survey may have interest in potentially acquiring lots from a new development area owner under terms and conditions that may be acceptable to them, the Court authorizes the Receiver to provide the Purchaser with the Confidential Consumer Information solely for these purposes.

19. Because following the sale of the Property, it is expected that the receivership will turn its attention to winding down operations, dissolving the Recorder Owner companies, distributing final redress payments to eligible consumer victims, and addressing any remaining, viable creditor claims, following a final Consumer Committee meeting to be hosted and administered by the Receiver after entry of this Order, and wherein members are to be thanked for their service and contributions, the committee is to be disbanded and corresponding meetings concluded.

20. This Court shall retain jurisdiction over any dispute involving the Receiver in connection with the sale of the Property and related receivership matters.

Dated:

HONORABLE PAULA XINIS
UNITED STATES DISTRICT JUDGE