UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION	No: 18-cv-3309-PX

MOTION FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND PROFESSIONALS' FEES AND COSTS FROM MAY 1, 2025 THROUGH AUGUST 31, 2025

Marc-Philip Ferzan of Ankura Consulting Group, LLC ("Receiver"), the Receiver appointed as successor Receiver on October 26, 2021 pursuant to the Order Appointing Marc-Philip Ferzan as Receiver (Doc. 1305), hereby moves the Court for an order approving and authorizing payment of receivership fees and costs for the period from May 1, 2025 through August 31, 2025 ("Reporting Period").

The Receiver specifically moves the Court for an order approving and authorizing the payment of fees of the Receiver and the members of the Receiver's team at Ankura Consulting Group, LLC ("Ankura") and his professionals, and reimbursement of costs during the Reporting Period, comprised of (a) Receiver's fees of $125,535.06 and Receiver's costs of $14,471.40, for a total of $140,006.46; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $23,697.18 and costs of $1,480.51, for a total of $25,177.69; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $21,525.31 and costs of $363.29, for a total of $21,888.60.

In accordance with the Order Regarding Billing Guidelines for the Receiver and its Counsel (Doc. 1519), the proposed order submitted herewith also includes a holdback to be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership of (a) Receiver's fees, including the fees of the Receiver's team at Ankura Consulting Group, LLC, of $13,948.34; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $2,633.02; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $2,391.70.

Respectfully submitted,

Dated: October 7, 2025

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UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION	No: 18-cv-3309-PX

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND PROFESSIONALS' FEES AND COSTS FROM MAY 1, 2025 THROUGH AUGUST 31, 2025

This memorandum of points and authorities is filed by Marc-Philip Ferzan of Ankura Consulting Group, LLC ("Receiver") as successor Receiver to Robb Evans & Associates LLC ("Robb Evans") in support of the Motion for Order Approving and Authorizing Payment of Receiver's and Professionals' Fees and Costs from May 1, 2025 through August 31, 2025 ("Motion"). (Ankura Consulting Group, LLC is referred to herein as "Ankura.")

As detailed further below, and in the report, invoices and supporting declaration filed concurrently with the Motion, the Receivership Team, together with the Receiver's counsel, Mojdehi Galvin Rego LLP and Barnes & Thornburg LLP, have continued to perform extensive and wide-ranging tasks during the relevant reporting period, rendering important and necessary services that were highly beneficial to the estate, in the course of the Receiver's diligent discharge of his duties pursuant to orders of the Court. Of particular note, the Receivership Team closed the sale of the estate's Sanctuary Belize and Kanantik assets. The Receiver submits that the fees and expenses for which approval is sought are reasonable and necessary for the administration of the estate in light of the services rendered, and that the fees and expenses requested should be awarded in their entirety.

I. SUMMARY OF BACKGROUND

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

In January 2019, the Court granted the FTC's motion to amend the Complaint, which added Michael Santos and Newport Land Group, LLC ("NLG") as defendants. On February 13, 2019, the Court entered a Stipulated Preliminary Injunction as to Defendants Rod Kazazi, Foundation Partners, Brandi Greenfield, BG Marketing LLC, Frank Costanzo, Deborah Connelly, Ecological Fox LLC, Michael Santos, Angela Chittenden, and Beach Bunny Holdings LLC (Doc. 195) ("Stipulated Preliminary Injunction"). On October 3, 2019, the Court issued the Preliminary Injunction as to Defendants Andris Pukke, Peter Baker, Luke Chadwick, John Usher, Certain Corporate Defendants, and the Estate of John Pukke (Doc. 615) ("Pukke Preliminary Injunction"). Under the Stipulated Preliminary Injunction and Pukke Preliminary Injunction, Robb Evans remained as receiver over numerous Receivership Entities and over Pukke's, Baker's and Luke Chadwick's ("Chadwick") assets valued at $1,000 or more.

On August 23, 2019, the Court entered the Order Governing Interim Receivership Management (Doc. 559) that requires the Receiver, among other things, to manage and maintain the Sanctuary Belize development.

On September 25, 2019, the Court entered the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendant Atlantic International Bank Limited (Doc. 607) ("AIBL Order"). Among other things, the AIBL Order required AIBL to turn over $23,000,000 and ordered that the $23,000,000 became a Receivership Asset. *Id.*

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 authority in Robb Evans as 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"). Pursuant to the Default Judgment, Robb Evans remained as permanent receiver over the Defaulting Corporate Defendants, as defined therein, and John Usher was ordered to transfer his assets to Robb Evans, which would become assets of the receivership estate, with limited exceptions as set forth in the Default Judgment. On March 24, 2021, the Court entered its Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker and Luke Chadwick (Doc. 1194) ("Pukke Final Judgment"). Robb Evans remained as permanent receiver over the assets of Pukke, Baker and Chadwick, with limited exceptions as set forth in the Pukke Final Judgment. On March 23, 2022, the Court entered its 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 LLC (Doc. 1341) ("Chadwick Stipulated Order"). The Chadwick Stipulated Order modified the Default Judgment and Pukke Final Judgment as it pertained to Chadwick and four of his wholly owned entities.

On October 7, 2021, Robb Evans filed its Statement by Receiver, Robb Evans & Associates LLC, Regarding Receiver's Status (Doc. 1293), advising the Court that as a result of various circumstances, including the fact that Brick Kane passed away on October 2, 2021, it determined that it could no longer serve as receiver beyond the short term. The same day, the FTC filed the FTC's Motion to Appoint Marc-Philip Ferzan of Ankura Consulting Group, LLC as Receiver (Doc. 1294) ("Successor Receiver Motion"). The Court granted the Successor Receiver Motion, and issued its Order Appointing Marc-Philip Ferzan as Receiver on October 26, 2021 (Doc. 1305) ("Successor Receiver Order"), pursuant to which Marc-Philip Ferzan of Ankura Consulting Group, LLC was appointed as successor receiver.

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, as set forth therein at Sections II through III.A, and submit a report to the Court concerning the status of implementation of the Redress Plan within 180 days of the Effective Date of the Redress Plan, which the Receiver did on March 10, 2023 (Doc. 1412).

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 unaffected. 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 December 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.

On June 14, 2023, the Court also entered its Order Implementing Next Phase of Consumer Redress Plan (Doc. 1446, "June 2023 Redress Order"). Among other things, the June 2023 Redress Order enabled the Receiver to make an initial distribution to Consumers with eligible Claim Applications, undertake marketing and sale related efforts as to the Belize Assets (as defined in the June 2023 Redress Order), and survey Consumers with eligible Claim Applications as to their choices with respect to lots. On December 28, 2023, the Court additionally entered the Stipulated Order Authorizing Measures to Assist Consumers During the Redress Process (Doc. 1499, "December 2023 Order").

On May 13, 2025, the Court entered the 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 (Doc. 1588, "Sale Authorization Order") thereby authorizing the sale of the estate's property assets in Belize. As discussed more below, the Receivership Team has since consummated the sale.

Pursuant to multiple orders of the Court, the Receiver, and his counsel, "are entitled to reasonable compensation" and the Receiver is directed to file and serve on the parties periodic requests for the payment of reasonable compensation for the performance of his duties and for the cost of his out-of-pocket expenses from the assets of the receivership estate. (*See* Doc. 607, §IV; Doc. 688, §IX; Doc. 788, § III; Doc. 789, §VIII; Doc. 819, §V; Doc. 820, §X; Doc. 1112, §IX; Doc. 1194, §IX). This Motion is the thirteenth request for payment of fees and costs incurred by the Receiver and his counsel since his appointment pursuant to the Successor Receiver Order. The prior twelve fee motions filed as successor Receiver, covering the initial period from his appointment through December 31, 2021, all of 2022, all of 2023, all of 2024, and the first four months of 2025 were granted as set forth in the respective orders entered by the Court. (Docs. 1345, 1348, 1370, 1381, 1427, 1476, 1507, 1524, 1530, 1545, 1586, 1593). This Motion covers the four-month period from May 1, 2025 through August 31, 2025 ("Thirteenth Reporting Period") and includes a request for payment of the fees incurred by Mojdehi Galvin Rego LLP ("MGR") and Barnes & Thornburg LLP ("Barnes & Thornburg"), counsel for the Receiver, during the Thirteenth Reporting Period.

II. SUMMARY OF THE FEES AND COSTS SOUGHT BY THE RECEIVER DURING THE THIRTEENTH REPORTING PERIOD

Concurrently with the filing of this Motion, the Receiver is filing his Receiver Report of Activities for the Period May 1, 2025 through August 31, 2025 ("Receiver's Thirteenth Report"). The Receiver's Thirteenth Report covering the four-month period is also attached as Exhibit 1 to the Declaration of Marc-Philip Ferzan ("Ferzan Declaration") which accompanies this Motion. The Receiver's Thirteenth Report provides a detailed report concerning the status of the implementation of consumer redress as required by orders of the Court, including the June 2023 Redress Order. It also includes a detailed summary of the work undertaken by the Receiver during the Thirteenth Reporting Period. The Receiver's Thirteenth Report also provides financial statements, including a Statement of Net Assets and a Statement of Net Recoveries (the "Financial Statements"), at pages 15-16. The Financial Statements reflect the fees and costs incurred during the Thirteenth Reporting Period by the Receiver, including his team at Ankura, as well as MGR and Barnes & Thornburg. These fees and costs are more particularly detailed in the billing records of Ankura, MGR, and Barnes & Thornburg attached as Exhibits 2, 3 and 4 to the Ferzan Declaration.[1]

During the Thirteenth Reporting Period, spanning four months of Receivership activities, the Receiver incurred fees and costs as follows: (a) fees of $139,483.40 and costs of $14,471.40, for a total of $153,954.80, for the Receiver and the Receiver's team at Ankura; (b) fees of $26,330.20 and costs of $1480.51, for a total of $27,810.71 for Receiver's counsel at MGR; and (c) fees of $23,917.01 and costs of $363.29, for a total of $24,280.30, for Receiver's counsel at Barnes & Thornburg. The Receiver requests an order approving and authorizing the payment of: (a) Receiver's fees of $125,535.06 and Receiver's costs of $14,471.40, for a total of $140,006.46; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $23,697.18 and costs of $1,480.51, for a total of $25,177.69; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $21,525.31 and costs of $363.29, for a total of $21,888.60. In accordance with the Order Regarding Billing Guidelines for the Receiver and its Counsel (Doc. 1519, "Guidelines Order"), the proposed order submitted herewith also includes a holdback to be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership of: (a) Receiver's fees of $13,948.34; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $2,633.02; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $2,391.70.

[1] The billing records filed with this Motion have been redacted where appropriate to preserve confidential, sensitive, tactical, strategic, attorney-client privileged and/or attorney work-product information.

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

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

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

2 Clark, Ralph Ewing, *A Treatise on the Law and Practice of Receivers* § 637, p. 1052 (3rd ed. Rev. 1992); *see also SEC v. Merrill*, 18-cv-2844 RBD, 2019 WL 4916164, *2 (D. Md. Oct. 4, 2019) ("A receiver appointed by a court who reasonably and diligently discharges his duties is entitled to be fairly compensated for services rendered and expenses incurred. The entitlement to reasonable compensation extends to the professionals employed by the receiver.").

A receiver is an officer of the Court charged with a myriad of duties under the Court's orders, many of which have no relationship to recovery of assets or increasing the funds available for distribution to creditors. Because of the nature of the administrative and other services required in receiverships, the benefit a receiver confers on receivership property cannot be determined based solely on the increase or decrease in the value of property in the receiver's possession. As the Court explained in *Securities and Exchange Commission v. Elliott*, 953 F. 2d 1560, 1577 (11th Cir. 1992):

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

> receiver reasonably and diligently discharges his duties, he is entitled to compensation. [Citations omitted.]

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

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

The Receiver and the Ankura team, along with counsel at MGR and Barnes & Thornburg, have continued to perform extensive and wide-ranging tasks during the Thirteenth Reporting Period in this complex and multi-faceted receivership proceeding and have rendered important and necessary services for the receivership estate during the Thirteenth Reporting Period that were highly beneficial to the estate. Significantly, in accordance with the Sale Authorization Order, the Receivership Team consummated the sale of the Sanctuary Belize and Kanantik assets to First Belizean Investment Market Ltd. ("FBIM"). Leading up to the closing for the transfer of the Belize assets to FBIM on June 26, 2025, the Receivership Team closely coordinated with Belize legal counsel and Closing Agent for the sale transaction -- Barrow & Williams -- to satisfy an array of contractual, legal and administrative obligations. Following extensive efforts, including analysis of land and tax records, development of title abstracts, preparation of more than 30 separate instruments of transfer with accompanying land descriptions (to account for more than 18,000 acres of corresponding real estate), drafting of cancellations of mortgage, and engagement with various government instrumentalities, the sales transaction contemplated a total purchase price of $20,500,000 under terms and conditions set forth in the contract. Of this amount, $16,800,000 was allocated for the purchase of Sanctuary

Belize assets and $3,700,000 was allocated for the purchase of the Kanantik assets. Upon closing, FBIM assumed all duties, responsibilities and liabilities associated with Sanctuary Belize and Kanantik, and the Receivership Team commenced efforts to wind down Belize operations and responsibilities.

In addition to consummating the sale of the Belize assets, the Receivership Team's activities over the Thirteenth Reporting Period included: (i) obtaining Court approval to sell a 0.29 acre lot of unimproved receivership real estate located in Missouri for the amount of $28,250; (ii) continuing to make available customer support resources to assist consumers with questions regarding the redress program and other receivership activities; and (iii) continuing coordination with Belize legal counsel with respect to the processing of title for eligible consumers who elected to proceed with lot purchases under the Lot Choice Survey.

During the relevant time period, counsel at MGR and Barnes & Thornburg, among other things, participated in a contested hearing resulting in entry of the Sale Authorization Order; advised with respect to the closing of the sale of the estate's Belize assets, including closing and post-closing escrow and lien matters; assisted in the Receiver's response to a subpoena issued in connection with Pukke's criminal conviction and related protective order; filed a motion to dismiss litigation against the receivership estate initiated by a consumer (Case No. 24-cv-02706); obtained an order authorizing the sale of the receivership's Missouri property referenced above; and participated in conferences with FTC counsel relating to sale and other receivership matters.[2]

[2] In March 2025, the receivership engaged MGR as Receiver's counsel due to the departure of Allison Rego, Esq. from Barnes & Thornburg. Ms. Rego has been the receivership estate's primary United States counsel since March 2024. Accordingly, the Receivership Team retained the services of her new firm -- at the same billing rate -- to ensure continuity of legal services and has continued to utilize counsel at Barnes & Thornburg who previously worked on this matter as well.

The work summarized above is also reflected in the detailed billing statements, Exhibits 2, 3 and 4, attached to the Ferzan Declaration. The Receiver submits the fees are reasonable and necessary in light of the services rendered, and that the fees and expenses requested should be awarded in their entirety with the exception of the amounts that are subject to holdback in accordance with the Guidelines Order. *See Federal Trade Commission v. Capital Acquisitions & Management Corp.*, 2005 U.S. Dist. LEXIS 18504 (N.D. Ill. August 26, 2005).

IV. CONCLUSION

Based on the Motion, this Memorandum of Points and Authorities, and the supporting declaration of Marc-Philip Ferzan, along with the exhibits attached thereto, it is respectfully requested that the Court grant the Motion in its entirety and enter an order substantially in the form of the proposed order filed herewith.

Respectfully submitted,

Dated: October 7, 2025

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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 MOTION FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND PROFESSIONALS' FEES AND COSTS FROM MAY 1 , 2025 THROUGH AUGUST 31, 2025

I, Marc-Philip Ferzan, declare:

1. I am a Senior Advisor with Ankura Consulting Group, LLC ("Ankura"), and serve as the Court-appointed Receiver in the above-captioned action. I and my colleagues at Ankura assigned to support the receivership are collectively referred to in this declaration as the "Receivership Team." 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. In accordance with Section IX of the Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker, and Luke Chadwick (Doc. 1194), the Receiver has prepared a Receiver Report of Activities for the Period May 1, 2025 to August 31, 2025 (the "Receiver's Report"), which is being separately filed with the Court, a copy of which is also attached hereto as Exhibit 1, to update all stakeholders on the progress of the receivership and material developments impacting the estate from May 1, 2025 to August 31, 2025 (hereinafter, the "Reporting Period"), and to support a request for payment for

the performance of services and out-of-pocket expenses incurred that enabled the ongoing functions of the receivership estate.

3. As shown on page 16 of the Receiver's Report at Exhibit 1, $785,426 was expended on operations and maintenance costs associated with managing the Sanctuary Belize and Kanantik development areas during the four-month Reporting Period. Upon consummating the sale of the Sanctuary Belize and Kanantik assets to First Belizean Investment Market Ltd. ("FBIM") on June 26, 2025, FBIM assumed all duties, responsibilities and liabilities associated with Sanctuary Belize and Kanantik, and the Receivership Team commenced efforts to wind down Belize operations.

4. The Receiver also seeks payment of Ankura's fees and costs incurred over the Reporting Period, as set forth in detailed billing records attached hereto as Exhibit 2. During the Reporting Period, Ankura incurred fees of $139,483.40 and costs of $14,471.40, of which $13,984.34 constitutes a holdback to be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership, in accordance with the Order Regarding Billing Guidelines for the Receiver and its Counsel (Doc. 1519; the "Billing Guidelines Order").

5. The hourly rates charged by the Receivership Team in this case, as reflected in Exhibit 2, are substantially discounted from the commercial rates ordinarily charged by Ankura in private sector matters. The Receiver will abide by the provisions in the Court's October 26, 2021 Order (Doc. 1305) and the Billing Guidelines Order with respect to allowable hourly rates and charges.

6. Pursuant to my experience and responsibilities with Ankura, I am familiar with the methods and procedures used by the professionals assigned to the Receivership Team to record time associated with performing receivership duties. The records attached as Exhibit 2

are regularly prepared by the members of the Receivership Team at or about the time the services are rendered. Each member of the team has a duty to accurately record the time associated with his or her services. The records are then reviewed by senior Receivership Team staff and me to ensure accuracy and reasonableness. Based on my experience, I believe the Receivership Team's methods and procedures for recording time associated with services rendered for the receivership estate are reliable and accurate, and that Ankura's fees and costs are reasonable and necessary for the administration of the receivership estate.

7. Throughout the Reporting Period, I continued to engage Barnes & Thornburg LLP ("Barnes & Thornburg") as the Receiver's legal counsel to support the performance of my duties and responsibilities as was reasonable and necessary.

8. In March 2025, I also engaged Mojdehi Galvin Rego LLP ("MGR") as the Receiver's legal counsel due to the departure of Allison Rego, Esq. from Barnes & Thornburg. Ms. Rego has been the receivership estate's primary United States counsel since March 2024. Accordingly, the Receivership Team retained the services of her new firm -- at the same billing rate -- to ensure continuity of legal services.

9. I supervised all work performed by Barnes & Thornburg and MGR throughout the Reporting Period.

10. Attached hereto as Exhibit 3 are copies of the billing records for the attorneys at Barnes & Thornburg and who performed work on this matter during the Reporting Period. I am advised that Barnes & Thornburg's billing practices during the Reporting Period continued as generally described in prior declarations submitted by counsel of record with previous fee requests. As set forth in the billing records, Exhibit 3, during the Reporting Period, Barnes & Thornburg incurred fees of $23,917.01 and costs of $363.29, of which $2,391.70 constitutes a

holdback to be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership, in accordance with the Billing Guidelines Order.

11. I have reviewed the billing records of Barnes & Thornburg attached hereto and validated that the work billed was performed at my direction, and was reasonable and necessary for administration of the receivership estate.

12. Attached hereto as Exhibit 4 are copies of the billing records for the attorneys at MGR who performed work on this matter during the Reporting Period. I am advised that MGR's billing practices during the Reporting Period continued as generally described in prior declarations submitted by counsel of record with previous fee requests. As set forth in the billing records, Exhibit 4, during the Reporting Period, MGR incurred fees of $26,330.20 and costs of $1,480.51, of which $2,633.02 constitutes a holdback to be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership, in accordance with the Billing Guidelines Order.

13. I have reviewed the billing records of MGR attached hereto and validated that the work billed was performed at my direction, and was reasonable and necessary for administration of the receivership estate.

14. The billing records attached have been redacted where appropriate to protect confidential, sensitive, tactical, strategic, attorney-client privileged, and / or work product information.

15. I have worked with Ankura for more than eight years and have served in a variety of court-appointed independent oversight roles, including as monitor, trustee, redress administrator, and receiver. Based on my experience, I believe the amounts charged by the Receivership Team, Barnes & Thornburg and MGR for the services rendered during the

Reporting Period are reasonable, appropriate, and necessary for the administration of the receivership estate considering the nature and scope of the services rendered, the quality of services provided, and the complexity of this receivership estate and issues involved, as well as other factors and circumstances.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on October 7, 2025 in Montgomery County, Pennsylvania.

Marc-Philip Ferzan

ankura

In re Sanctuary Belize Litigation

18-cv-3309 (D. Md.) (PX)

Receiver Report of Activities for the Period May 1, 2025 to August 31, 2025

Submitted: October 7, 2025

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I. EXECUTIVE SUMMARY

Marc-Philip Ferzan of Ankura Consulting Group, LLC (the "Receiver") respectfully submits this report to the United States District Court for the District of Maryland (the "District Court" or "Court") to provide an update regarding relevant receivership administration and oversight activities that occurred over the four-month reporting period[1] from May 1, 2025 through August 31, 2025 (the "Reporting Period"), unless otherwise indicated.[2] During the Reporting Period, the Receivership Team, in accordance with the Court's June 14, 2023 Order Implementing Next Phase of Consumer Redress (the "June 2023 Redress Order") and May 13, 2025 Order Granting Receiver's Amended Motion for, among other things, Approval of Sale of Real Property Commonly Referred to as Sanctuary Belize and Kanantik (the "Sale Authorization Order"), consummated the sale of the Sanctuary Belize and Kanantik assets to First Belizean Investment Market Ltd. ("FBIM") and continued to advance other priority redress initiatives.

Leading up to the closing for the transfer of the Belize assets to FBIM on June 26, 2025, the Receivership Team closely coordinated with Belize legal counsel and Closing Agent for the sale transaction -- Barrow & Williams -- to satisfy an array of contractual, legal and administrative obligations. Following extensive efforts, including analysis of land and tax records, development of title abstracts, preparation of more than 30 separate instruments of transfer with accompanying land descriptions (to account for more than 18,000 acres of corresponding real estate), drafting of cancellations of mortgage, and engagement with various government instrumentalities, the sales

[1] Periodic receivership progress reporting for the benefit of the Court and stakeholders generally covers four-month intervals over the calendar year. Accordingly, unless circumstances dictate otherwise, one more progress report is contemplated for the 2025 calendar year.

[2] All capitalized terms that are not otherwise defined herein shall have the meaning ascribed to them in the Redress Plan and/or the Court's orders.

transaction contemplated a total purchase price of $20,500,000 under terms and conditions set forth in the contract. Of this amount, $16,800,000 was allocated for the purchase of Sanctuary Belize assets and $3,700,000 was allocated for the purchase of the Kanantik assets.

Upon closing, FBIM assumed all duties, responsibilities and liabilities associated with Sanctuary Belize and Kanantik, and the Receivership Team commenced efforts to wind down Belize operations and responsibilities. Among other things, the Receivership Team, in coordination with Belize legal counsel and local staff: (i) terminated the employees of the receivership entities, rendered severance payments to personnel in accordance with Belizean legal mandates, and made payments to and filings with government instrumentalities as necessary; (ii) arranged to transfer or cancel active licenses and registrations (including those for water extraction, mining, firearms, automobiles and boats); (iii) transitioned essential utilities that were previously delivered in the name of the receivership entities (including electricity, phone and internet); (iv) concluded insurance policies; (v) satisfied remaining land taxes and other Belize government payment obligations; and (vi) reconciled and paid outstanding vendor invoices. As a result of the closing and transfer of ownership, the receivership estate has been relieved of the substantial expenses associated with operations in Belize and the maintenance of the expansive real estate holdings.

In furtherance of completing its responsibilities, the Receivership Team also: (i) made available to FBIM the names, contact information, Claim Application determinations and other relevant consumer information to help facilitate the new company's engagement with consumers who may have interest in considering a potential future purchase of a lot consistent with the terms of the Sale Authorization Order; (ii) obtained Court approval to sell a small, undeveloped receivership Missouri land parcel titled in the name of Prodigy Management Group, LLC for the amount of $28,250 (as reflected in the Court's August 20, 2025 Order Granting Motion for Order

Approving the Sale of Unimproved Real Property Commonly Known as 3154 Buckeye Circle, Cape Girardeau, Missouri); and (iii) coordinated with legal counsel regarding ongoing Court proceedings.

Over the coming weeks, in consultation with the Federal Trade Commission ("FTC"), the Receivership Team will allocate proposed redress amounts for eligible Sanctuary Belize and Kanantik consumers and seek the Court's approval through a motion filing to make corresponding redress payments on a *pro rata* basis. Factoring in Court review and required administration efforts, it is anticipated that these redress payments to both Sanctuary Belize and Kanantik consumers will be initiated before the end of the 2025 calendar year. The Receivership Team will continue to keep consumers informed of relevant developments through: (i) updates to the receivership website (www.SanctuaryBelizeReceivership.com), which also includes a multitude of resources such as Frequently Asked Questions ("FAQs") and relevant Court filings; (ii) emails to consumers; and (iii) other direct engagement through live customer support personnel. To the extent that consumers have questions concerning the Belize developments and/or future potential opportunities to acquire lots, they should contact FBIM through Matt Medoruma at mmedoruma@mainst.biz. If consumers have other receivership-related questions after reviewing communications and reference materials available on the receivership website, dedicated representatives will remain available over email (help@SanctuaryBelizeLotSurvey.com).

II. THE SALE OF THE BELIZE DEVELOPMENT AREA ASSETS

The Court's June 2023 Redress Order directed redress initiatives that included: (i) the Request for Proposals bidding process ("RFP") to market and sell the Sanctuary Belize and Kanantik development areas; and (ii) administration of the Lot Choice Survey for eligible consumers.

A. The RFP Process, Sale Recommendation and Sale Authorization Order

As previously reported, following an extensive RFP process that was initiated on May 29, 2024, the Receivership Team and CBRE evaluated multiple qualifying offers submitted during the RFP bidding process by, among other things, convening interviews with bidders to review the terms of their proposals, discuss relevant information regarding their background and experience, and address questions related to the properties, the receivership, Court proceedings, and the RFP process. In addition to quantitative considerations, each of the bids was evaluated across other qualitative criteria, including: (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 the 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;[3] (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, United States Court process and RFP administration requirements.[4]

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[3] 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.

[4] Based on available information following the administration of the Lot Choice Survey, it is the Receivership Team's expectation that at least some consumers will be interested in purchasing lots from FBIM. 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.

After diligently administering the RFP process with the support of CBRE, the Receivership Team, in a February 3, 2025 filing, made its preliminary recommendation to the Court that the Belize assets be approved for sale to FBIM, subject only to a required statutory overbid and sales notice process. Following the completion of the overbidding process under 28 U.S.C. § 2001, on March 10, 2025, the Receivership Team made its final recommendation that the sale of the Sanctuary Belize and Kanantik assets be made to FBIM for a total purchase price of $20,500,000 -- $16,800,000 for the specified Sanctuary Belize assets, and $3,700,000 for the specified Kanantik assets -- subject to the terms and conditions of the Purchase Agreement and any price adjustments as may be necessary pursuant to the requirements therein.

As described in the Receiver's motion and February 28, 2025 Report, FBIM is a newly-established, dedicated Belize company that was formed to consummate the purchase of the receivership's Belize assets and support their redevelopment. 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 large-scale projects 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.[5] Notably, and among other things, this same individual was appointed the Honorary Consul General[6] of Belize for Canada in 1999.

[5] As of the end of the second quarter of 2025, Mainstreet Equity Corporation reported that its assets include in excess of 18,500 rental units across western Canada, valued at more than CDN $3.6 billion. *See* https://assets.rentsync.com/mainstreet/documents/1754516722866_Q3_2025.pdf (last visited 9/29/25).

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

As further detailed in the Receiver's February 28, 2025 Report, the recommendation to the Court that FBIM be approved as the purchaser of the Belize assets was based on the comparative strength of its offer across the quantitative and qualitative evaluation criteria outlined above. While all bids were carefully evaluated and methodically considered, the Receiver concluded that FBIM's 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 the interests of the diverse stakeholders in this matter. 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. The Purchase Agreement, including an overview of its key terms, is contained in the Receivership Team's February 3, 2025 Court filing accessible on the Receiver's website (www.SanctuaryBelizeReceivership.com) and through this link.

On May 12, 2025, the Court convened a hearing on the Receivership Team's motion for approval of the sale to FBIM and, on May 13, 2025, issued the Sale Authorization Order. The Sale Authorization Order may be accessed on the landing page of the receivership website at www.SanctuaryBelizeReceivership.com, and may also be accessed directly through this link.

B. The Closing of the Sale

The Receivership Team closely coordinated with legal counsel in the United States and Belize to advance the required closing responsibilities and finalize transfer documentation and other required government engagement and submissions. Indeed, the majority of the pre-closing efforts was undertaken by the Receivership Team's Belize law firm, Barrow & Williams, which also served as the designated Closing Agent for the transaction. Among other things, the firm's efforts included: (i) conducting title investigations and preparing title abstracts associated with more than 30 distinct land parcels that made up the more than 18,000 acres of property being transferred; (ii) drafting instruments of transfer and comprehensive land descriptions for each of those parcels; (iii) preparing and filing cancellations of mortgage to address land encumbrance notations; and (iv) analyzing severance payment obligations for approximately 80 terminated Sanctuary Belize and Kanantik employees in accordance with Belize law.[7]

The closing of the transaction occurred on June 26, 2025 in Belize City at the law offices of Barrow & Williams. While the duties, responsibilities and liabilities for the Belize real estate were immediately transferred to FBIM upon closing, there were a multitude of additional obligations required by the Purchase Agreement and Belize law post-closing. The post-closing obligations, which were primarily carried out by Barrow & Williams at the direction of the Receivership Team, included, among other things:

- resolving remaining land tax obligations, which involved the review, analysis, reconciliation and payment of approximately 1,000 land tax assessments and procurement of corresponding zero balance statements;
- filing, lodging and recording executed closing documents with the Belize Lands Registry and Land Titles Unit;
- meetings with, and application to, the Registrar of Lands and other government instrumentalities in furtherance of the lodging of Transfer Certificates of Title and Deeds of Conveyance, as well as the formal removal of historical encumbrance notations;
- procuring Certificates of Cessation of Charges and Deeds of Cancellation of Mortgage from the Registrar of Companies and Registrar of Lands, respectively; and
- rendering payment of closing fees, costs and expenses to government

[7] The Receivership Team retained a few former members of the management and administrative team as independent contractors on a short-term basis following the closing to facilitate the orderly transition of essential services and the wind down of Belize operations.

instrumentalities as required under Belize law.

In meeting these obligations, the Receivership Team worked closely with Barrow & Williams personnel to enable compliance with Belizean legal and regulatory requirements, which, in a number of instances, required analysis of complex procedural and practical issues of first impression in Belize brought about by the breadth of the real estate transaction, the underlying fraud scheme and history of the receivership, multi-jurisdictional considerations, and other factors.

C. Allocation and Distribution of Redress Payments

In accordance with the terms and conditions of the Purchase Agreement and Escrow Agreement, $19,000,000 of the $20,500,000 in sale proceeds was transferred to the receivership estate from the parties' escrow account on July 3, 2025 and, following the reconciliation of remaining issues, the balance of $1,500,000 was transferred from the escrow account to the receivership estate on August 13, 2025. Over the next reporting period, in consultation with the FTC, the Receivership Team will allocate proposed redress amounts for eligible Sanctuary Belize and Kanantik consumers and seek the Court's approval through a motion filing to make corresponding redress payments on a *pro rata* basis. Factoring in Court review and required administration efforts, it is anticipated that these redress payments to both Sanctuary Belize and Kanantik consumers will be initiated before December 31, 2025.[8] To the extent feasible, the Receivership Team will endeavor to complete all remaining Receivership responsibilities and, ultimately, seek the Court's authorization to dissolve the receivership estate by the end of 2025, or within the first quarter of 2026.

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[8] As part of this process, the Receivership Team will reconcile all financial obligations and consider historical creditor claims in connection with presenting its analysis and recommendation to the Court.

III. WINDING DOWN BELIZE OPERATIONS AND FACILITATING THE TRANSFER OF OWNERSHIP RESPONSIBILITIES TO FBIM

Leading up to the closing of the sales transaction, the Receivership Team generally maintained Belize staffing levels in accordance with the right-sizing initiatives that were implemented in the first quarter of 2022, and otherwise continued to conserve receivership assets while meeting the requirements of the Court's controlling orders. As previously mentioned, the duties, responsibilities and liabilities for the Belize real estate were immediately transferred to FBIM upon closing. However, the efforts to conclude Belize operations following the closing were significant and included the following:

- coordinating the termination of all employees of the Belize receivership entities, including the rendering of severance payouts based on length of service and wages for each employee in accordance with Belizean law;
- transferring or canceling active licenses and registrations, including for water extraction, mining, firearms, automobiles and boats;
- transitioning essential services that were previously delivered in the name of the receivership entities, including electricity, phone and internet;
- managing and concluding insurance policies;[9]
- reconciling payment of outstanding vendor invoices;
- validating and completing the payment of remaining tax obligations, including property, corporate and employment taxes; and
- engaging with the Belize government to facilitate the transfer of assets and dissolution of the relevant corporate entities.

With the termination of staff and the complete transfer of operations and maintenance responsibilities to FBIM, the receivership estate has been relieved of the substantial carrying costs

[9] A brief extension of the general liability insurance policy for the Kanantik development area was required to ensure coverage through the closing date.

associated with maintaining the property, which averaged approximately $155,000 per month since January 2023.[10]

IV. THE SALE OF THE MISSOURI LAND PARCEL

In furtherance of receivership wind down activities, the Receivership Team also sought and obtained Court approval to sell a 0.29 acre lot of unimproved receivership real estate located in Missouri for the amount of $28,250. Title to the property was previously held in the name of Prodigy Management Group LLC ("Prodigy") -- a receivership entity. Pursuant to a series of orders entered against defendant, Luke Chadwick, Mr. Chadwick was required to turn over to the receivership all legal and equitable interests in Prodigy as well its assets.

In accordance with the Court's August 20, 2025 Order Granting Motion for Order Approving the Sale of Unimproved Real Property Commonly Known as 3154 Buckeye Circle, Cape Girardeau, Missouri, the Receiver was authorized to complete the sale of the property on a "where is, as is" basis without any warranties or representations. The Order further provided that the purchase was an arm's length transaction and that the purchase price of $28,250 was fair, reasonable, and in the best interests of the receivership estate. On September 18, 2025, the receivership estate executed the closing documents and, on September 26, 2025, $25,938.22 in sale proceeds (factoring in certain prorations, adjustments and charges) was transferred to the receivership estate. These sale proceeds will be included in the allocation of redress payments to consumers.

[10] As mentioned above, the Receivership Team retained a few key Belize personnel as contractors on a temporary basis to facilitate the orderly transition of Belize operations.

V. LOT CHOICE SURVEY OUTCOMES & COORDINATION

As previously reported, the Lot Choice Survey was distributed by email on April 8, 2024, and consumers generally had through July 8, 2024 to review their lot choice options and consider other relevant factors in making their selection for each eligible lot. In accordance with the June 2023 Redress Order, each eligible consumer was afforded the opportunity to select one of three options:

- Acquire their lot(s) and proceed to finalize the purchase, to the extent that title to the property was available to be transferred, in advance of the RFP process being completed ("Option No. 1");[11]
- Defer the decision of whether to acquire their lot(s), or a new a lot, until after completion of the RFP bidding process and Court approval of a potential sale of some or all of the Belize assets -- to the extent that an investor or developer may choose to offer lots for sale to consumers under terms and conditions that are acceptable to them ("Option No. 2"); or
- Decline to acquire their lot(s) and waive all rights to acquire a lot at any time in the future as part of any Court-approved redress ("Option No. 3").

The survey also allowed consumers believing that they already hold title to their lot to provide notice to the Receivership Team accordingly for review and feedback. Of course, consumers with title to a lot were instructed that they were not required to choose from Option Nos. 1, 2 or 3.

[11] Despite the express requirements of the June 2023 Redress Order, one consumer challenged, among other things, whether Option No. 1 should have been included in the Lot Choice Survey because some lots, including those in Kanantik, were ultimately unable to be transferred. The Receivership Team moved to dismiss the complaint with prejudice -- which remains pending -- on the basis that the assertions in the complaint are contrary to: (i) the express language of the June 2023 Redress Order, which stated that Option No. 1 would be offered "subject to the permissibility of such transactions pursuant to Belize legal and regulatory requirements, encumbrances, competing claims, and other relevant considerations that may preclude transferability"; and (ii) the clear and extensive communications and disclosures to consumers advising that they may ultimately not be able to acquire their lot under Option No. 1 due to various potential transfer limitations.

In administering the Lot Choice Survey, the Receivership Team helped facilitate closings for Sanctuary Belize consumers[12] who selected Option No. 1 and were eligible to complete the buy out of their lot in accordance with the requirements of the June 2023 Redress Order.[13] As mentioned above, with respect to Sanctuary Belize and Kanantik consumers who either selected or were assigned Option No. 2 (and may still be interested in acquiring a Belize development area lot), the Sale Authorization Order required the Receivership Team to provide to FBIM, following the closing, their names, contact information, Claim Application determinations and other relevant information. Accordingly, on July 25, 2025, the Receivership Team transmitted to FBIM the relevant information for Option No. 2 consumers to facilitate the transfer of operations and potential engagement with those consumers who may be seeking to acquire a lot.[14]

The terms and conditions of any potential lot offerings are entirely at the discretion of FBIM and could include incentives such as discounts and potential financing for qualified borrowers.

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[12] As previously reported, although government land records reflect that the Mango Springs subdivision of Kanantik received certain Belizean government approvals, other complicating factors were identified impacting the transferability of the individual lots, including the existence of encumbrances on the underlying land parcels, the lack of boundary surveys (which the defendants failed to complete), administrative lapses relating to the underlying land parcels in the Belize Land Titles Register, and the lack of recognition of the subdivided lots by the Belize taxing authority. Consequently, all Kanantik consumers electing Option No. 1 were subsequently provided notice that, due to the factors impacting transferability, and after considering the anticipated timetables, costs, and uncertainties, as well as other receivership priorities, the Court agreed with the Receiver and FTC's joint recommendation that the Receiver should not attempt to transfer the Kanantik lots in accordance with the June 2023 Redress Order.

[13] The Receivership Team also accommodated certain individuals who did not participate in the Claim Application process, but separately contacted the Receivership Team to express interest in acquiring their lots. To the extent the lots were deemed available for transfer, these individuals were able to complete sales under their original contracts, proceed to closings, and seek to acquire title.

[14] The Receivership Team has been advised by Belize legal counsel that it may take several months before the Belize government issues new Transfer Certificates of Title and other documents formally memorializing FBIM's ownership of the Sanctuary Belize and Kanantik development areas. The timing of the issuance of the relevant government documents could impact when FBIM is in a position to initiate outreach and/or engage in conversations with consumers concerning the availability of lots.

Consumers with questions concerning potential opportunities to acquire lots are encouraged to contact FBIM through Matt Medoruma at mmedoruma@mainst.biz.

VI. CUSTOMER SUPPORT ENGAGEMENT

Throughout the Reporting Period, the Receivership Team continued to make available customer support resources to assist consumers with questions regarding the redress program and other receivership activities. The Receivership Team also provided status updates through the Receivership website, which includes an overview of recent developments, FAQs and relevant Court filings. Over the Reporting Period, the survey administrator received and responded to more than 100 inquiries regarding the survey process and related redress matters. In addition, the Receivership Team addressed approximately 50 other consumer inquiries concerning topics that included future redress payments, reformed contract closings, land taxes, as well as other matters that required escalation by the survey administrator.

VII. ACCOUNTING AND FINANCIAL STATEMENTS

The financial data reflected in the statements below show the current net assets in the receivership estate, as well as net recoveries after expenses through August 31, 2025, unless otherwise specified. The operating expenses of Sanctuary Belize and Kanantik[15] are generally recorded on a cash basis as payments are approved and issued. Over the four-month Reporting Period, the Receivership Team continued to roll over its cash holdings into subsequent monthly, interest-bearing timed deposits. By doing so, the receivership estate generated additional income

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[15] As provided in the Final Order Concerning Kanantik, the Court ruled that the entities and corresponding land that comprise Kanantik are receivership assets. The Receiver conserved, managed and preserved the Kanantik development area for the benefit of consumers, despite the historical lack of liquid Kanantik assets to support operations and maintenance costs. Consequently, related costs incurred in connection with addressing Kanantik responsibilities were satisfied by applying other receivership estate funds. As reflected in the tables in this Section of the Report, the Receivership Team accounted for Kanantik and Sanctuary Belize expenditures separately.

associated with its cash holdings, including from the sale of the Belize assets, resulting in earned and accrued interest during the Reporting Period of $222,040.[16]

Below are the Statement of Net Assets and Statement of Net Recoveries for the four-month Reporting Period.

[16] The receivership estate has also received in excess of $900,000, net of associated expenses, in additional potential revenue from the receipt of principal payments made by consumers who elected to proceed to closing on their lots. Because there can be governmental delays associated with the processing of title transfers, the Court's December 28, 2023 Order provides that those consumers who proceed to closing but do not receive title within six months will have the right to cancel their reformed contracts and obtain a refund of any additional principal payments they made at closing, subject to certain conditions set forth in the Order.

In re Sanctuary Belize Receivership
Statement of Net Assets

			As of August 31, 2025
Assets:			
Cash		$	30,570,440
Accrued interest on timed deposit	(1)		18,060
Total assets		**$**	**30,588,499**
Liabilities:			
Allocated redress payment distribution per June 14, 2023 Court Order	(2)	$	76,229
Ankura professional fees and expenses	(3)		224,023
Barnes & Thornburg professional fees and expenses	(3)		51,099
Mojdehi Galvin Rego professional fees and expenses	(3)		29,253
Other accounts payable			70,958
Total liabilities			**451,562**
Net assets available		**$**	**30,136,937**
Funds in escrow	(4)	**$**	**-**

Footnotes:

(1) In April 2024, the Receiver transferred $10.63 million to a Citibank Timed Deposit account with an interest rate of 4.6% and a maturity date of September 3, 2024. On the maturity date, the receivership estate received the $10,670,443 deposit plus interest of $42,826.15. Starting on September 3, 2024, the Receiver began rolling over the balance in the timed deposit account plus interest earned on a monthly basis. From May 2025 to August 2025, the timed deposit account earned interest at a rate that ranged between 3.31% and 3.37%. The amount reported in this schedule is the calculated interest accrued on this timed deposit as of August 31, 2025.

(2) This liability accounts for redress payments that were issued but had not yet been accepted by consumers as of August 31, 2025, in addition to holdbacks for Post-Filing Transferee claims that were ultimately determined to be ineligible by the Court.

(3) These amounts payable reflect the pending fee application requests relating to Ankura, Barnes & Thornburg, and Mojdehi Galvin Rego invoices as of August 31, 2025 in accord with the guidelines set forth in the Court's June 18, 2024 Order Regarding Billing Guidelines for the Receiver and its Counsel. Pursuant to the Order, a 10% holdback is also applied in connection with fee application requests and accounted for as a payable until the Court considers the holdback amounts as part of a final fee request submitted at the close of the receivership.

(4) In connection with the sale of the Belize assets, the Receiver entered into an escrow agreement with FBIM to hold the earnest money deposit for the purchase while the closing was pending. A total of $19,000,000 of the $20,500,000 in sale proceeds was transferred to the receivership estate from the escrow account on July 3, 2025 and the balance of $1,500,000 was transferred to the receivership estate from the escrow account on August 13, 2025. Accordingly, as of August 31, 2025, all funds that were previously held in the escrow account had been disbursed.

In re Sanctuary Belize Receivership
Statement of Net Recoveries

		For the Period May 1, 2025 to August 31, 2025	From Inception to August 31, 2025
Recoveries:			
Atlantic International Bank settlement	(1)	$ -	$ 23,000,000
Previously reported recoveries		-	20,786,502
Belize Property Assets Sale		20,500,000	20,500,000
Consumer Lot Purchases		-	1,000,168
Other collections		11,188	1,237,449
Interest income		222,040	1,480,982
Total recoveries		**$ 20,733,228**	**$ 68,005,101**
Disbursements:			
Redress payment distributions	(2)	-	$ 9,966,090
Expenses:			
Sanctuary Belize operating expenses			
Payroll		$ 362,139	$ 6,205,403
Equipment, maintenance, and supplies		45,725	3,003,715
Employment taxes		77,274	1,009,051
Property taxes and other government payments		211,041	562,656
General, administrative, and other expenses		31,513	1,262,134
Legal fees and costs		45,050	756,467
Total Sanctuary Belize operating expenses		772,741	12,799,428
Kanantik operating expenses			
Payroll		6,005	431,075
Equipment, maintenance, and supplies		290	66,590
Employment taxes		-	44,422
Property taxes and other government payments		-	100,572
General, administrative, and other expenses		6,389	201,243
Legal fees and costs		-	45,197
Total Kanantik operating expenses		12,685	889,100
Real estate property expenses		780	1,811,981
Corporate entity expenses		-	80,859
Other expenses	(3)	937,273	1,395,393
Receiver fees and expenses			
Ankura fees and expenses		153,955	5,094,781
REA fees and expenses		-	2,847,275
Barnes & Thornburg fees and expenses		24,280	2,829,937
Mojdehi Galvin Rego fees and expenses		27,811	42,236
Arnold & Porter Kaye Scholer fees and expenses		-	111,084
Total receiver fees and expenses		206,046	10,925,313
Total distributions & expenses		**1,929,525**	**37,868,164**
Net recoveries/ (distributions & expenses)		**$ 18,803,703**	**$ 30,136,937**

Footnotes:

(1) On October 19, 2023, the Court entered an order permitting the Receiver to use: (i) all interest that has accrued or will accrue on the Atlantic International Bank Limited ("AIBL") funds for the payment of any expenses of the receivership estate; and (ii) up to $2 million of the principal of the AIBL funds for the payment of expenses of the receivership estate. Further, on November 11, 2024, the Court entered an order permitting the Receiver to use: (i) all interest that has accrued or will accrue on the AIBL funds for the payment of any expenses of the receivership estate; and (ii) up to $2 million of additional principal AIBL funds for the payment of expenses of the receivership estate. As of August 31, 2025, approximately $3,400,000 of the AIBL principal funds had been allocated for expenses (taking into account accrued liabilities).

(2) Under the Court's June 2023 Order, $10 million was allocated for Sanctuary Belize consumer redress payments, and an aggregate of $9,889,861.09 was transferred to eligible beneficiaries as of August 31, 2025.

(3) Other expenses include a commission payment made to CBRE related to the sale of the Belize property assets, costs for customer support services provided by vendor Rust Consulting, as well as payments for records storage.

VIII. COURT PROCEEDINGS

Over the Reporting Period, the Receivership Team continued to coordinate with its United States counsel regarding ongoing legal proceedings. An overview of the current status of relevant Court matters is set forth below.

Criminal Conviction and Sentencing of Andris Pukke

- As previously reported, on July 10, 2024, a jury returned verdicts of guilty on each of the two counts in the indictment charging Mr. Pukke with wire fraud and obstruction of an official proceeding, respectively.

- On September 9, 2024, Mr. Pukke filed a motion for judgment of acquittal or new trial, which the Court denied on July 25, 2025.

- Mr. Pukke's sentencing, which was previously scheduled for May 2, 2025, was adjourned to allow briefing on the amount of loss attributable to the wire fraud conviction.[17] The parties filed their respective briefs and the Court convened oral argument in early July 2025.

- On September 22, 2025, the Court sentenced Mr. Pukke to 8 years in prison, with 3 years of supervised release. Mr. Pukke is to begin service of his sentence by November 3, 2025. In addition, the Court ordered Mr. Pukke to forfeit $9,912,396.[18]

[17] Mr. Pukke's counsel obtained a Court order authorizing service of a subpoena for receivership records pertaining to the issue of loss amount. To ensure the confidentiality of consumer information, the Receivership Team, prior to responding to the subpoena, obtained a Protective Order that, among other things, limited production of any responsive documents to Mr. Pukke's counsel, the government and authorized Court personnel -- while prohibiting disclosure to Mr. Pukke himself and/or any unauthorized third parties. In accordance with the Court order and subpoena, the Receivership Team timely produced responsive records to Mr. Pukke's counsel, subject to the conditions set forth in the Protective Order. In addition, the Receivership Team complied with separate information requests related to the loss amount from the U.S. Attorney's Office for the Southern District of New York (the "U.S. Attorney's Office"), in accordance with governing Court orders requiring cooperation with reasonable requests for information or assistance from law enforcement agencies.

[18] The U.S. Attorney's Office stated in a September 23, 2025 press release that Mr. Pukke stole nearly $10 million from Sanctuary Belize for, among other things, the purchase and renovation of a waterfront home, the repayment of a personal loan, personal investments in startup companies, child support payments, purchase of land in the Bahamas, and payments to family and friends. The press release recognized the FTC for the assistance it provided with the case and noted that consumer victims sent nearly two hundred letters to the Court describing the harm they endured.

- On September 25, 2025, Mr. Pukke filed a notice of appeal of his conviction and sentence.

United States Court of Federal Claims Proceeding

- On July 3, 2023, certain of the defendants filed a complaint in the United States Court of Federal Claims alleging that the United States government "illegally exacted" assets from them in connection with the proceedings before the District Court.

- On September 29, 2023, the United States filed a motion to dismiss the complaint on the basis that the Court of Federal Claims lacks jurisdiction to hear the case and, even if it did have jurisdiction, the complaint does not state a valid claim for illegal exaction.

- On September 9, 2024, the Court of Federal Claims granted the United States's motion to dismiss.

- On September 13, 2024, the defendants filed a Notice of Appeal. The appeal has been fully briefed, but oral argument has not yet been scheduled.

IX. CONCLUSION

Over the Reporting Period, the Receivership Team, working closely with United States and Belize legal counsel, consummated the sale of Sanctuary Belize and Kanantik and transitioned all duties, responsibilities and liabilities associated with the development areas to FBIM. Following the closing, the Receivership Team made substantial progress winding down the Belize receivership entities and will continue those efforts in the upcoming reporting period, culminating in the anticipated dissolution of the corporations. Over the coming weeks, the Receivership Team, in consultation with the FTC, will allocate proposed redress amounts for eligible Sanctuary Belize and Kanantik consumers and seek the Court's approval through a motion filing to make corresponding redress payments on a *pro rata* basis. Factoring in Court review and required administration efforts, it is anticipated that these redress payments to both Sanctuary Belize and Kanantik consumers will be initiated before the end of the 2025 calendar year. Consumers will continue to be informed about the status of pertinent developments, including the timing of anticipated redress payments, through receivership website updates, reporting, emails, and other direct consumer communications.

By:________________________________

Marc-Philip Ferzan
Receiver

Submitted: October 7, 2025

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
SOUTHERN DIVISION

In re SANCTUARY BELIZE LITIGATION	No: 18-cv-3309-PX

[PROPOSED] ORDER GRANTING MOTION FOR ORDER APPROVING AND AUTHORIZING PAYMENT OF RECEIVER'S AND PROFESSIONALS' FEES AND COSTS FROM MAY 1, 2025 THROUGH AUGUST 31, 2025

The Motion for Order Approving and Authorizing Payment of Receiver's and Professionals' Fees and Costs From May 1, 2025 through August 31, 2025 (the "Motion") filed by the Receiver, Marc-Philip Ferzan of Ankura Consulting Group, LLC ("Receiver"), came before this Court for determination pursuant to regularly noticed motion. The Court, having read and considered the Motion and all pleadings and evidence filed in support thereof, and opposition to the Motion, if any, and good cause appearing therefore, it is

ORDERED that:

1. The Motion is granted;

2. The following fees and costs incurred from May 1, 2025 through August 31, 2025 are hereby approved and authorized to be paid immediately from the assets of the receivership estate: (a) Receiver's fees of $125,535.06 and Receiver's costs of $14,471.40, for a total of $140,006.46; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $23,697.18 and costs of $1,480.51, for a total of $25,177.69; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $21,525.31 and costs of $363.29, for a total of $21,888.60.

3. In accordance with the Court's June 18, 2024 Order Regarding Billing Guidelines for the Receiver and its Counsel, the following additional fee amounts incurred from May 1, 2025 through August 31, 2025 are hereby held back and will be paid at the Court's discretion as part of the final fee request submitted at the close of the receivership: (a) Receiver's fees, including the fees of the Receiver's team at Ankura Consulting Group, LLC, of $13,948.34; (b) Receiver's counsel Mojdehi Galvin Rego LLP's fees of $2,633.02; and (c) Receiver's counsel Barnes & Thornburg LLP's fees of $2,391.70.

Dated:

____
HONORABLE PAULA XINIS
UNITED STATES DISTRICT JUDGE