



In re Sanctuary Belize Litigation

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

**Receiver Report of Activities for the
Period September 1, 2025 to December
31, 2025**

Submitted: February 2, 2026



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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 during the four-month reporting period¹ from September 1, 2025 through December 31, 2025 (the “Reporting Period”), unless otherwise indicated.² During the Reporting Period, which immediately followed the June 26, 2025 closing of the sale of the Belize assets to First Belizean Investment Market Ltd. (“FBIM”), the Receivership Team focused efforts primarily on concluding operations in Belize and taking measures to distribute additional redress payments, factoring in the \$20,500,000 in sales proceeds obtained by the receivership estate.

After the asset sale closing, the Receivership Team coordinated with Belize legal counsel and Closing Agent, Barrow & Williams, to ensure that contractual contingencies and remaining U.S. and Belize legal obligations were timely and fully satisfied pursuant to the terms of the parties’ Purchase Agreement. Among other things, these efforts included reconciling and paying all remaining tax and other government payment obligations to obtain the full value of the Purchase Agreement for the benefit of the receivership estate and victim consumers.

In addition, the Receivership Team coordinated with Belize legal counsel and local staff to complete the wind down of operations in Belize, which included: (i) termination of receivership entity employees and rendering of severance payments in accordance with Belizean legal mandates;

¹ Periodic receivership progress reporting for the benefit of the Court and stakeholders generally covers four-month intervals over the calendar year. Unless circumstances dictate otherwise, the Receivership Team expects to continue to follow this cadence until the conclusion of the receivership.

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.



(ii) transferring or canceling active licenses and registrations; (iii) transitioning payment obligations for essential utilities to FBIM; and (iv) reconciling and paying outstanding vendor invoices. In furtherance of its obligations under the Court’s May 13, 2025 Order approving the Sale of Sanctuary Belize and Kanantik (the “Sale Authorization Order”), the Receivership Team also provided to FBIM a detailed listing of the names, contact information, Claim Application determinations and other relevant consumer information to help facilitate FBIM’s engagement with those consumers who may have interest in considering a potential future purchase of a lot consistent with the terms of the Sale Authorization Order.

Following the ultimate receipt of more than \$20.5 million in payments in connection with the sale of receivership assets -- which, in addition to the sale of Sanctuary Belize and Kanantik, included the sale of a small, undeveloped land parcel in Missouri -- the Receivership Team calculated aggregate proposed redress amounts for eligible consumers in consultation with the Federal Trade Commission (“FTC”), and sought the Court’s approval to make disbursements through a motion filing on October 24, 2025 (the “Redress Payment Motion”). The Redress Payment Motion sought authorization to make a second round of redress payments in the aggregate amount of nearly \$23 million for the benefit of consumer victims. The proposed *pro rata* redress payments were intended to supplement the initial distribution of \$10 million to eligible Sanctuary Belize consumers in late 2023, and provide for initial payments to eligible Kanantik and other qualifying development area consumers,³ while the Receivership Team continued to take the necessary steps towards winding down the estate. As part of the motion, the Receivership Team also alerted the Court to potential claims from pre-receivership (non-consumer) creditors and

³ At the time of the first distribution, there were no cash proceeds available to make redress payments to Kanantik or other covered development area lot purchasers, as the Redress Plan directed that such payments were dependent on the liquidation of the Kanantik assets (which were subsequently sold on June 26, 2025).



sought authorization to establish a corresponding reserve until they are appropriately addressed and resolved, as well as to support related receivership administration costs and remaining wind down expenses.

On January 12, 2026, the Court issued an Order granting the Redress Payment Motion (the “Redress Payment Order”). Following the parallel efforts to prepare to distribute redress payments to eligible consumers during the pendency of the motion, the Receivership Team requested that the survey and payment administration vendor make final preparations to initiate distributions, and subsequently approved the printing of checks in connection with more than 1,600 eligible claims with an aggregate value of nearly \$23,000,000. Payments are expected to be distributed through the first half of February 2026. Moreover, when receivership estate responsibilities are substantially addressed, the Receivership Team will determine if sufficient funds remain to initiate a final distribution to consumers.⁴ The Receivership Team is seeking to complete necessary work to fully wind down and request the Court’s approval to dissolve the receivership estate by the close of the second quarter of 2026, or as soon as practicable thereafter.

In accordance with past practices, during the Reporting Period, the Receivership Team provided updates regarding the status of the asset sales, wind down efforts and anticipated redress payment distributions through: (i) the receivership website (www.SanctuaryBelizeReceivership.com), which provides for an array of resources such as Frequently Asked Questions (“FAQs”) and relevant Court filings; (ii) email notifications to consumers; and (iii) other direct engagement through live customer support personnel. To the

⁴ The Receivership Team will evaluate the viability of making a recommendation to the Court for a subsequent distribution of any remaining funds in consideration of the FTC’s input, administration costs, applicable legal standards, and any other relevant factors.



extent that eligible consumers have questions concerning redress payments after reviewing communications and reference materials available on the receivership website, inquiries should be directed to dedicated customer service resources at: Payment@SanctuaryBelizeRedress.com. If consumers have questions regarding the Belize developments and/or future potential opportunities to acquire lots, they should contact FBIM through Matt Medoruma at mmedoruma@minst.biz.

II. POST-CLOSING LEGAL OBLIGATIONS AND CONCLUSION OF BELIZE DEVELOPMENT AREA OPERATIONS

Following the closing of the sale of Sanctuary Belize and Kanantik on June 26, 2025, there were a multitude of legal obligations required to be satisfied by the Purchase Agreement and under Belize law. As previously reported, the post-closing obligations, which were primarily carried out by Barrow & Williams at the direction of the Receivership Team, included, among other things: (i) resolving remaining land tax obligations; (ii) filing, lodging and recording executed closing documents for each of the various parcels transferred in the sale with the Belize Lands Registry and Land Titles Unit; (iii) meeting with, and application to, the Registrar of Lands and other Belize 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; (iv) procuring Certificates of Cessation of Charges and Deeds of Cancellation of Mortgage from the Registrar of Companies and Registrar of Lands, respectively; and (v) rendering payment of closing fees, costs and expenses to government instrumentalities as required under Belize law.

Pursuant to the terms of the Sale Authorization Order, for Sanctuary Belize and Kanantik consumers who, as part of the Lot Choice Survey, either selected or were assigned Option No. 2 -- reflecting their deferral of a decision on whether to acquire a lot -- the Receivership Team provided FBIM with a detailed listing of their names, contact information, Claim Application determinations and other relevant information. This information was organized and provided to, among other



things, facilitate engagement by FBIM with those consumers who may still be seeking to acquire a Belize lot.⁵ 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. Consumers with questions concerning potential opportunities to acquire lots are encouraged to contact FBIM through Matt Medoruma at mmedoruma@minst.biz.

In addition to fulfilling various legal and contractual obligations, the Receivership Team took necessary steps to conclude operations in Belize, which involved: (i) coordinating the termination of all employees of the Belize receivership entities and rendering of severance payouts in accordance with Belizean law; (ii) transferring or canceling active licenses and registrations, including for water extraction, mining, firearms, automobiles and boats; (iii) transitioning essential services that were previously delivered in the name of the receivership entities, including electricity, phone and internet; (iv) terminating insurance policies; (v) reconciling payment of outstanding post-receivership vendor invoices; and (vi) validating and completing the payment of remaining tax obligations, including property, corporate and employment taxes. The Receivership Team, in coordination with local counsel, also initiated the wind down of the relevant Belize receivership entities through the filing of Articles of Dissolution and execution of formal board member resignations, as applicable.⁶

⁵ The Receivership Team was 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.

⁶ As explained in greater detail below, because all alleged pre-receivership debt obligations, including those that may have arisen in Belize, fall within the jurisdiction of the United States receivership proceedings, the Receivership Team anticipates seeking the United States District Court's consideration of any such identified obligations and/or creditor claims through the filing of a motion.



With the complete transfer of operations and maintenance responsibilities to FBIM and dissolution filings in connection with the Belize corporate entities, the receivership has been relieved of the substantial carrying costs associated with maintaining the development area properties, which, for the nearly 2 ½ years prior to the sale, had averaged more than \$150,000 per month.

III. DISTRIBUTION OF ADDITIONAL REDRESS PAYMENTS

A. The Filing of the Redress Payment Motion

Following the receipt of \$16,800,000 in proceeds from the sale of Sanctuary Belize assets, \$3,700,000 in proceeds from the sale of the Kanantik assets, and \$25,938.22 in proceeds from the sale of the small real estate parcel located in Missouri,⁷ the Receivership Team calculated proposed aggregate redress amounts for eligible Sanctuary Belize and Kanantik consumers in consultation with the FTC, and sought the Court’s approval through the October 24, 2025 Redress Payment Motion to make corresponding redress payments on a *pro rata* basis. More specifically, the motion sought authorization to make a second round of redress distributions in the aggregate amount of nearly \$23 million, supplementing the initial distribution of \$10 million to eligible Sanctuary Belize consumers in late 2023, and providing for initial payments to eligible Kanantik and other qualifying development area consumers, while the Receivership Team continued to take the necessary steps towards winding down the estate.

⁷ As previously reported, in furtherance of receivership wind down activities, the Receivership Team 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 -- a receivership entity. 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 Receivership Team completed the sale of the property on a “where is, as is” basis without any warranties or representations and, on September 26, 2025, the estate received \$25,938.22 in sale proceeds (factoring in certain prorations, adjustments and charges).



As referenced above, there were no cash proceeds available to make redress payments to Kanantik or other covered development area lot purchasers at the time of the first distribution because the Redress Plan contemplates that such payments are to come from the liquidation of Kanantik assets (of which none had been sold prior to the June 26, 2025 closing referenced above). Moreover, as Kanantik did not historically have any liquid assets, funds were in effect borrowed from Sanctuary Belize-designated cash assets to enable necessary operations and maintenance that were unique to Kanantik. As reflected in Section V below, through the end of the Reporting Period, the Kanantik expenses, in aggregate, totaled \$889,100 (the “Cost True-Up Amount”).⁸

Through the Redress Payment Motion, the Receivership Team requested approval from the Court to issue distributions as follows:

- \$20,000,000 on a *pro rata* basis to Sanctuary Belize consumers with Claim Applications deemed eligible in accordance with the notifications provided by the Receiver on or about February 9, 2023 (the “Eligible Claims Notifications”);⁹ and
- \$2,836,838.22 on a *pro rata* basis to Kanantik consumers and others¹⁰ with Claim Applications deemed eligible in accordance with the Eligible Claim

⁸ In accordance with the definitions set forth in the Redress Plan and confirming stakeholder input, the receivership separately accounted for expenses exclusively associated with the Kanantik development area. On the other hand, expenditures incurred for a common purpose to benefit both development areas (*i.e.* in part for Sanctuary Belize and in part for Kanantik) were accounted for collectively and attributed to Sanctuary Belize.

⁹ The Sanctuary Belize distribution will be funded by the proceeds of the sale of the Sanctuary Belize assets as allocated pursuant to the Purchase Agreement, the Cost-True Up Amount and remaining funds from the Atlantic International Bank Limited Judgment.

¹⁰ The defendants’ wrongdoing resulted in certain “other” eligible consumer claims (not directly affiliated with Sanctuary Belize or Kanantik per the definitions in the Redress Plan). More particularly, the misconduct impacted Redress Plan-qualifying sales in: Bamboo Springs (Belize), Palmaya (Belize), Rancho Del Mar (Costa Rica), and Playa Cortez (Mexico). There are approximately 58 of these “other” eligible claims that were validated through the Claims Application process. After reviewing the controlling definitions and the Court’s guidance, as well as conferring with the FTC, these “other” development area claims have been treated as Kanantik claims for purposes of calculating the instant round of redress payments.



Notifications.¹¹

As with the distributions made under the June 14, 2023 Redress Order, the calculations for *pro rata* redress payments pursuant to the January 12, 2026 Redress Payment Order are based on the Amount Paid set forth in the Eligible Claim Notification for each Sanctuary Belize and Kanantik (or other) lot, respectively, divided by the aggregate Amounts Paid set forth in all Eligible Claim Notifications associated with the corresponding development areas.

Further, the Redress Payment Motion sought to establish a reserve for potential claims of pre-receivership (non-consumer) creditors, as well as to support required administration obligations and expenses through the end of the receivership. While, based on its review of the relevant facts and law, the Receivership Team intends to oppose any putative pre-receivership non-consumer creditor claims, it has reserved for such claims should the Court conclude otherwise.¹² Regardless, in an effort to expedite the distribution of the majority of available redress proceeds to eligible consumers, under the approach set forth in the January 12, 2026 Redress Payment Order entered by the Court, any potential creditor issues will be resolved after the second round of consumer redress payments are distributed.

Following this second round distribution and the substantial completion of remaining wind down responsibilities, the Receivership Team expects to make a filing with the Court to resolve the pre-receivership, non-consumer creditor claims by seeking their discharge. Moreover, after such

¹¹ The Kanantik distribution will be funded by the proceeds of the sale of the Kanantik assets as allocated pursuant to the Purchase Agreement and the proceeds from the sale of the Missouri property, adjusted for the Cost True-Up Amount. As there are not currently any other funds from which Kanantik consumers could receive a distribution from the estate, it is expected that this will be the only distribution made to Kanantik consumers.

¹² The requested reserve amount at the time of the filing of the Redress Payment Motion was approximately \$5.325 million, in addition to the approximately \$900,000, net of associated expenses, of additional potential revenue from the receipt of principal payments made by consumers who elected to proceed to closing on their lots during the administration of the Lot Choice Survey Program.



creditor claims are resolved, the Receiver will determine if sufficient funds remain in the estate for additional consumer redress, and, if so, seek authorization from the Court to distribute a final round of payments to eligible Sanctuary Belize consumers.¹³

B. Second Distribution of Redress Payments

Over the Reporting Period, the Receivership Team conducted consumer outreach and took other preparatory steps to facilitate the efficient and effective delivery of additional redress payments to eligible consumers. Following the filing of the Redress Payment Motion, the Receivership Team requested that consumers provide their most recent mailing address to the extent they had recently relocated. As a result, the survey and payment administration vendor reviewed and processed over 400 responses. The Receivership Team also engaged with consumers to address and resolve a series of unique and more complex scenarios, including consumer bankruptcy and decedent estate issues. In addition, the Receivership Team evaluated and processed requests for name changes, issuance of payments to more than one individual, and recognition of powers of attorney.¹⁴

In accordance with the Court's Redress Payment Order, the Receivership Team requested that the survey and payment administration vendor make preparations to initiate distributions to eligible consumers and subsequently approved the printing of checks. More than 1,200 redress payments are expected to be issued in connection with Sanctuary Belize lots in an aggregate amount

¹³ As described above, the Receivership Team will evaluate recommending to the Court another potential distribution in consideration of the FTC's input, administration costs, applicable legal standards, and any other relevant factors.

¹⁴ Furthermore, the Receivership Team, in collaboration with the survey and redress administration vendor, conducted outreach to consumers who previously received a redress payment via wire and/or demonstrated a need for an accommodation related to their redress distribution due to extenuating circumstances.



of approximately \$19.9 million,¹⁵ and a total of nearly 450 redress payments are expected to be issued in connection with Kanantik lots in an aggregate amount of more than \$2.8 million. Redress payments will be sent by mail to eligible consumers' most recent address, with some limited exceptions that are expected to result in the transmittal of wires due to extenuating circumstances that prevent consumers from accepting payment by check. If there were multiple owners listed in a Claim Application, a single payment will be issued to all the eligible owners, which will be sent to the most recent mailing address provided by the lead claimant.¹⁶ In advance of receiving the payments, eligible consumers will be provided an email notice with details about their payment, including the payment amount.¹⁷ Payments are expected to be distributed through the first half of February 2026.

IV. CUSTOMER SUPPORT ENGAGEMENT

Throughout the Reporting Period, the Receivership Team also continued to make available customer support resources to assist consumers with questions regarding the redress program and other receivership activities. Upon entry of the Redress Payment Order, the Receivership Team: (i) updated the receivership website landing page with pertinent information, including a link to the Redress Payment Order; (ii) posted revised FAQs, which include details on the second round of redress payments; and (iii) established and promoted a dedicated email address --

¹⁵ There is an approximately \$48,000 difference between the anticipated, actual payout amount and authorized payout amount due to claims involving purported heirs of eligible consumers for which the Receivership Team has requested and is awaiting additional documentation to validate the proper legal recipient.

¹⁶ The joint check requires all listed parties (including co-owners, business entities, trusts, estates, and IRAs) to endorse it. Consumers maintain responsibility for complying with any legal and regulatory requirements associated with their business entity, trust, estate, or IRA in connection with receiving and directing check proceeds.

¹⁷ For the limited number of consumers who did not deposit their initial redress checks issued pursuant to the June 14, 2023 Redress Order, their second redress distribution has been calculated to include the previously undeposited redress amount.



Payment@SanctuaryBelizeRedress.com -- to address consumer inquiries related to the redress payment process. Over the Reporting Period, the survey and redress payment administration vendor received and responded to approximately 500 inquiries regarding a range of topics that included the distribution of redress payments. In addition, the Receivership Team addressed approximately 100 other consumer inquiries concerning topics that included contact information updates and unique claim scenarios, as well as other matters that required escalation by the survey and redress payment administration vendor.

V. 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 December 31, 2025, unless otherwise specified. The operating expenses of Sanctuary Belize and Kanantik¹⁸ have been generally recorded on a cash basis as payments were 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 associated with its cash holdings, including from the sale of the Belize assets, resulting in earned and accrued interest during the Reporting Period of \$295,498.15.¹⁹

¹⁸ As mentioned above, the Receivership Team 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.

¹⁹ The receivership estate has also collected approximately \$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 in order to acquire their lots. Recognizing that 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 the terms and conditions as set forth therein.



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

**In re Sanctuary Belize Receivership
Statement of Net Assets**

	As of December 31, 2025
Assets:	
Cash	\$ 30,215,168
Accrued interest on timed deposit	(1) 1,395
Total assets	\$ 30,216,563
Liabilities:	
Allocated redress payment distribution per June 14, 2023 Court Order	(2) \$ 76,229
Ankura professional fees and expenses	(3) 179,865
Barnes & Thornburg professional fees and expenses	(3) 36,963
Mojdehi Galvin Rego professional fees and expenses	(3) 20,007
Other accounts payable	70,958
Total liabilities	384,023
Net assets available	\$ 29,832,540

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 September 2025 to December 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 as of December 31, 2025.

(2) This liability accounts for redress payments that were issued but had not yet been accepted by consumers as of December 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 December 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.



In re Sanctuary Belize Receivership
Statement of Net Recoveries

	For the Period	From Inception to	
	September 1, 2025 to	December 31, 2025	
Recoveries:			
Atlantic International Bank settlement	(1)	\$ -	\$ 23,000,000
Previously reported recoveries		\$ -	\$ 20,786,502
Belize Property Assets Sale		\$ -	\$ 20,500,000
Consumer Lot Purchases		\$ -	\$ 1,000,168
Other collections	(4)	\$ 25,938	\$ 1,263,387
Interest income		\$ 295,498	\$ 1,776,480
Total recoveries		\$ 321,436	\$ 68,326,537
Disbursements:			
Redress payment distributions	(2)	\$ -	\$ 9,966,090
Expenses:			
Sanctuary Belize operating expenses			
Payroll		\$ -	\$ 6,205,403
Equipment, maintenance, and supplies		\$ 10,382	\$ 3,014,097
Employment taxes		\$ -	\$ 1,009,051
Property taxes and other government payments		\$ 860	\$ 563,516
General, administrative, and other expenses		\$ 8,492	\$ 1,270,626
Legal fees and costs		\$ 422,281	\$ 1,178,749
Total Sanctuary Belize operating expenses		\$ 442,015	\$ 13,241,442
Kanantik operating expenses			
Payroll		\$ -	\$ 431,075
Equipment, maintenance, and supplies		\$ -	\$ 66,590
Employment taxes		\$ -	\$ 44,422
Property taxes and other government payments		\$ -	\$ 100,572
General, administrative, and other expenses		\$ -	\$ 201,243
Legal fees and costs		\$ -	\$ 45,197
Total Kanantik operating expenses		\$ -	\$ 889,100
Real estate property expenses		\$ -	\$ 1,811,981
Corporate entity expenses		\$ -	\$ 80,859
Other expenses	(3)	\$ 64,286	\$ 1,459,679
Receiver fees and expenses			
Ankura fees and expenses		\$ 95,849	\$ 5,190,630
REA fees and expenses		\$ -	\$ 2,847,275
Barnes & Thornburg fees and expenses		\$ 7,753	\$ 2,837,690
Mojdehi Galvin Rego fees and expenses		\$ 15,932	\$ 58,167
Arnold & Porter Kaye Scholer fees and expenses		\$ -	\$ 111,084
Total receiver fees and expenses		\$ 119,533	\$ 11,044,846
Total distributions & expenses		\$ 625,834	\$ 38,493,997
Net recoveries/ (distributions & expenses)		\$ (304,398)	\$ 29,832,540

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 December 31, 2025, approximately \$3,490,000 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 December 31, 2025.

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

(4) Other collections includes proceeds from the sale of the aforementioned Missouri property.



VI. COURT PROCEEDINGS

The need for Receivership Team engagement in ongoing legal proceedings decreased over the Reporting Period. 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.²⁰ 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. Following an extension, Mr. Pukke was ordered to begin service of his sentence by December 3, 2025. In addition, the Court ordered Mr. Pukke to forfeit \$9,912,396.²¹
- On September 25, 2025, Mr. Pukke filed a notice of appeal of his conviction and sentence. Mr. Pukke's appellate brief is currently due February 26, 2026.

²⁰ 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, required a Protective Order that, among other things, restricted the production of responsive documents to only 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 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 underlying lot transactions and corresponding loss amount calculations 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 law enforcement agencies.

²¹ 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.



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 and oral argument is currently scheduled for March 2, 2026.

Dismissal of Consumer Complaint

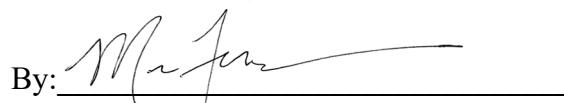
- Despite the express requirements of the June 2023 Redress Order, on September 16, 2024, a consumer filed a complaint challenging, among other things, whether Option No. 1 - which enabled consumers to acquire their lot(s) and proceed to finalize the purchase, to the extent that title to the property was available to be transferred, in advance of the RFP process being completed -- should have been included in the Lot Choice Survey because some lots, including those in Kanantik, were ultimately unable to be transferred.
- On May 20, 2025, the Receivership Team moved to dismiss the complaint with prejudice 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.
- The consumer filed no opposition to the Receivership’s motion, which remains pending.



VII. CONCLUSION

Over the Reporting Period, the Receivership Team largely concluded operations in Belize following the sale of the Sanctuary Belize and Kanantik, and made substantial additional progress towards winding down the receivership estate. After obtaining more than \$20.5 million in proceeds from the sale of the receivership assets, the Receivership Team, in consultation with the FTC, allocated aggregate proposed redress amounts for eligible Sanctuary Belize and Kanantik consumers, and obtained the Court's approval to make corresponding redress payments on a *pro rata* basis. Consistent with the terms of the Redress Payment Order, the Receivership Team directed the survey and payment administration vendor to initiate a second round of redress payments in the total amount of nearly \$23,000,000 in connection with approximately 1,650 eligible claims. The Receivership Team is endeavoring to distribute redress payments through the first half of February 2026, and to complete all remaining Receivership responsibilities, as well as request the Court's approval to dissolve the receivership estate, by the end of the second quarter of 2026, or as soon thereafter as possible.

In the interim, the Receivership Team will address inquiries and provide assistance in connection with redress payments through dedicated customer support channels, and also keep consumers apprised of the status of other pertinent developments through receivership website updates, reporting, emails, and other direct consumer communications.

By: 
Marc-Philip Ferzan
Receiver

Submitted: February 2, 2026