

In re Sanctuary Belize Litigation

Consumer Committee Meeting

Virtual Teleconference

March 30, 2023 | 3:30pm – 5:00pm ET

Invitees	
Name	Affiliation
Craig Hibbert	Consumer Committee Member
James (Jimbob) Slocum	Consumer Committee Member
Jodi Vance	Consumer Committee Member
Leslie Thomas	Consumer Committee Member
Linda Ozminkowski	Consumer Committee Member
Lisa Daniels	Consumer Committee Member
Michele Westlander Quaid	Consumer Committee Member
Shawna Arop	Consumer Committee Member
Shryl Kirkbride	Consumer Committee Member
Benjamin Theisman	FTC
Marc Ferzan	Receivership Team
Mike Schultz	Receivership Team

Agenda

- I. Receivership Administration Update
 - a. Compensation Plan Progress Report & Receiver Recommendations
 - b. Status of FTC's Motion to Reform and Reaffirm the District Court's Final Orders
 - c. 2023 Belize Land Taxes
 - d. Other Operations & Maintenance Issues
- II. Consumer Committee Member Feedback / Questions

Meeting called to order at 3:31 p.m. ET

I. Receivership Administration Update

Compensation Plan Progress Report & Receiver Recommendations

- On March 10, 2023, the Receivership Team filed a report providing a Compensation Plan progress update pursuant to the requirements of the Court's August 18, 2022 Order approving the implementation of the initial stages of the Compensation Plan, along with a status update of other relevant receivership administration and oversight activities that were undertaken from October 1, 2022 through January 31, 2023.
- Section VIII of the report contained recommendations for the Court's consideration concerning proposed Compensation Plan next steps. The Receivership Team believes that the recommendations, which are centered around marketing the various Belize land assets before undertaking substantial additional administration activities (and incurring related costs), can generate considerable process efficiencies, achieve significant savings, and better inform consumer choices.
- On March 27, 2023, the Receivership Team filed a request for a status conference to facilitate the Court's consideration of the recommendations outlined in the Receivership Team's report and enable further progress towards the next stages of consumer redress, including the potential commencement of a first round of payments to eligible consumers.
- On March 28, 2023, the Federal Trade Commission joined in the Receiver's request for a Status Conference, stating that there are time-sensitive and important issues to discuss regarding the receivership and Compensation Plan.
- On March 30, 2023, the Court granted the Receivership Team's request for a status conference and directed the parties to confer and agree upon a proposed date. The Court subsequently scheduled the status conference for April 20, 2023, at 11:00 am ET.

Status of FTC's Motion to Reform and Reaffirm the District Court's Final Orders

- As discussed during the February Consumer Committee meeting, on January 31, 2023, following remand from the Fourth Circuit Court of Appeals, the FTC filed its Motion to Reform and Reaffirm the District Court's Final Orders. Among other things, the FTC's motion seeks an order establishing that all monetary provisions of the prior orders entered against Pukke, Baker, Usher, the Corporate Defendants, and the Estate of John Pukke remain in effect following the Fourth Circuit's ruling. The FTC submitted a proposed order in support of its motion.
- On February 6, 2023, the defendants filed an opposition to the FTC's Motion to Reform and Reaffirm the District Court's Final Orders.
- On February 21, 2023, the FTC filed a reply in further support of its Motion to Reform and Reaffirm the District Court's Final Orders.

- On March 21, 2023, the District Court directed the defendants to submit a proposed order within 20 days identifying the independent relief that they are seeking in their opposition to the FTC's Motion to Reform and Reaffirm the District Court's Final Orders. The District Court also provided 20 days for the FTC to oppose the defendants' proposed order, and the defendants 10 days to reply to the FTC's opposition.
- On March 28, 2023, the defendants submitted their proposed order.

2023 Belize Land Taxes

- In advance of the April 1, 2023 land tax payment deadline, the Receivership Team rendered land tax payments for parcels/lots held in the names of the corporate entities in the Receivership estate.
- As stated in the reminder notice circulated to consumers last month, in instances in which title has been formally transferred by one of the Receivership entities, the subsequent lot owner is responsible for making land tax payments.
- The reminder notice included helpful information for those responsible for making their own land tax payments, including how to get in touch with the relevant Belize government taxing agency (the Ministry of Natural Resources).

Other Operations & Maintenance Issues

- Following a security incident at a resident's home on grounds at the Sanctuary Belize development area in February 2023, a Consumer Committee member inquired about whether security resources had been reduced in recent months. The Receivership Team confirmed that security reductions had not been authorized or approved. After conferring with local management, and considering the periodic turnover of personnel and shift allocations, the Receivership Team reported that security coverage has generally been maintained at constant levels (and in accord with Court-ordered requirements). Moreover, there are no plans to reduce staffing for shifts on grounds at Sanctuary Belize. While the Sanctuary Belize security team responded to the security incident immediately, in light of the February incident resources will be further analyzed.

II. Consumer Committee Member Feedback / Questions

- Engagement on issues raised by Consumer Committee members has generally been incorporated into the above meeting minutes.

Meeting adjourned at 4:38 p.m. ET