

**CONSUMER COMMITTEE MEETING  
March 25<sup>th</sup>, 2021**

**Webex Meeting called to Order at 1:41pm EDT**

**In Attendance:**

**Receiver:**

Brick Kane  
Val Miller  
Anita Jen  
Henry Jen  
Gary Caris  
Srinivasa Krishnan

**FTC:**

Jonathan Cohen  
Caroline Dorsey

**Committee Members:**

Lisa Daniels  
Craig Hibbert  
Shryl Kirkbride  
Linda Ozminkowski  
Jimbob Slocum  
Leslie Thomas  
Jodi Vance

**FTC Update**

- On March 24, 2021, The Court issued a Memorandum Opinion and several final rulings:
  1. The individual Motions filed by the Defendants Andris Pukke, Peter Baker, Luke Chadwick and John Usher to Stay the case were DENIED.
  2. Andris Pukke's Motion to Amend the Final Order of Contempt Judgment against him was DENIED.
  3. Peter Baker's Motion to Amend the Findings of Fact, and thus alter the Judgment regarding Baker, was DENIED.
  4. Luke Chadwick's Motion to Amend the Findings of Fact regarding his knowledge of the Marc Romeo alias and "revisit the Final Order with respect to Chadwick's fencing-in relief and reporting obligations to the FTC" was DENIED.

5. John Usher's Motion to revise the Default Judgment against him was DENIED, and the Maryland Federal Court's proper Jurisdiction over John Usher was established and reaffirmed.
  6. The FTC's Motion to Amend the Final Order against Chadwick was GRANTED – Luke Chadwick is now permanently banned from participating in Kanantik.
  7. The FTC's Motion for a **Final** Order Confirming the Receiver's Control of Kanantik was GRANTED.
- The AMG Capital Management, LLC, et al v. Federal Trade Commission case has not yet been ruled on by the Supreme Court; thus, any potential delay a ruling in this case may cause pertaining to enforcement of the final SBE judgments is therefore unknown.
  - The Court has **not** yet issued rulings regarding *any* proposed Redress Plan and/or *any* Comments and Objections regarding Redress.
  - Beginning with the March 24, 2021 filing date of the Final Judgment, the parties have 60 days to appeal from the Court's Amended Final Order for Permanent Injunction and Monetary Judgment and Supplemental Final Order of Judgment, per 28 U.S.C. 2107(b)(2).
  - The Court can still review and rule on the Redress Plan during the 60-day period of appeal.

## Receiver Discussion Topics

### Updates on:

#### Consumer Redress Plan Mechanics

- **There is NOTHING that any Consumer needs to do at this time!**  
CONSUMERS SHOULD WAIT UNTIL THEY ARE CONTACTED BY THE RECEIVER -- INSTRUCTIONS AND INFORMATION WILL BE PROVIDED AT A FUTURE DATE.  
  
**A Redress Plan has NOT yet been approved by the Court.**  
Later, **AFTER** a Redress Plan has been approved, and **AFTER** the Court has issued a ruling authorizing the implementation of a final Redress Plan, the Receiver will communicate with ALL consumers and provide a timeline of events, claim requirements, and payment information.
- To the extent that Consumer information is incomplete, the Receiver will contact specific Consumers and request any further details needed regarding payments and lots.

#### A. Claims Information

- The Receiver has contracts and payment information for many consumers, which should streamline the claims process.

1. The Sanctuary Belize records are nearly complete, as the SBE records were maintained in the Lending Pro software program and in the Salesforce software program on a day-to-day basis.
2. The Kanantik records are only about 50% complete; information is primarily being obtained via the Lending Pro software program.

## **B. Seller Deceptive Price Calculation**

- The Receiver has the Deceptive Price calculation for nearly all consumers and will send out this information at the appropriate time (**AFTER** a Redress Plan has been approved by the Court).
  1. Consumers are not required to figure this calculation themselves, but they can certainly check it when the price details are sent out by the Receiver at a later date.

## **C. Moderated Information Sessions**

- **After** a Redress Plan has been approved by the Court (and implementation is therefore allowed to begin), the Receiver will conduct Information Sessions for all Consumers of SBE and Kanantik.
- Sessions will be held for 200-300 participants at a time; they will not be interactive.
- Henry Jen is working on a plan to make the Information Sessions effective and thorough; it will be vitally important for all Consumers to have complete awareness and understanding of all Final Redress Plan details.
  1. The current plan is to send out an email giving advance notice of each planned session to the selected participants for same; those consumers will then be invited to send any Redress Plan questions to the Receiver *at that time* so they may be addressed at the upcoming session.
  2. All Information Sessions will be documented; the information presented at each session will be distributed via email to all participants shortly after each event.

## **Statistical and Pictorial Information on Sanctuary Belize**

- The Receiver is in process of collecting photos and compiling information regarding SBE amenities and areas, including updated maps for every subdivision in Sanctuary Belize; the maps will be appropriately marked to indicate lots already sold, as well as those lots still available *as of this time*.
- This project was undertaken primarily to help Kanantik consumers learn more about Sanctuary Belize; the information is expected to be complete in approximately two weeks.

- The information will be extensive, making the files much too large to send out; therefore, a link to the completed files will be sent via email and all interested consumers will be able to view the material on the REA website.

### **Other Business**

- It was noted that the roads in Sanctuary Belize are in bad shape and have not been worked on for some time.
  1. The Receiver is aware of the road situation and has received a proposal for the needed road work; however, they are now in the process of negotiating a new price because the original bid was entirely too costly – the amount proposed was one-third to one-half again *more expensive* than what had been previously charged for the same work.
  2. The proposed repairs consist *only* of putting down additional gravel and compacting; it should also be noted that the original proposal did **not** include work on all SBE roads – Equestrian and WWV roads were *omitted* in the bid, although they are currently dry now that the rainy season has ended.
    - a) The Sittie River overflowed during the 2021 rainy season and caused flooding throughout WWV, reaching a depth of approximately 24”.
- Larry Grice has resigned from the Consumer Committee. All Members join the Receiver in wishing him the best of luck, and we extend our sincere thanks to Larry for his contributions, time and efforts as he dutifully served the Consumer Committee over the last 18 months.

**The Meeting was adjourned at 2:20 pm EDT.**