

**ROBB EVANS & ASSOCIATES LLC**  
**Receiver of the Assets of**  
**DebtWorks, Inc. and**  
**Andris Pukke**

**REPORT OF RECEIVER'S ACTIVITIES**  
**JANUARY 1, 2006 THROUGH JUNE 23, 2006**

This report covers the activities of the Receiver since its last report as of December 31, 2005. This report does not constitute an audit of financial condition and is intended only to provide information for use by the Court in assessing the progress of the Receivership.

**Overview**

In addition to updating the Court on the status of real properties and collection efforts as to other assets, this report will document Andris Pukke's (Mr. Pukke) on-going violations of this Court's April 20, 2005 Preliminary Injunction Order and numerous false statements under oath. As set forth below these violations include concealing assets and transferring assets that should have been disclosed and turned over to the Receiver.

As previously reported, Peter Baker filed an unsuccessful motion to quash a subpoena regarding the Google email account for the Sanctuary Bay website. On March 13, 2006 the United States District Court for the Northern District of California denied Mr. Baker's motion to stay discovery pending his appeal to the Ninth Circuit Court. Subsequently, Mr. Baker's counsel turned over email to the Receiver, which the Receiver has analyzed. Some of the email are included as attachments to this report as documentation of Mr. Pukke's continued violations of the Preliminary Injunction Order.

In addition, the Receiver requested an interview with Mr. Colin Medhurst, a former director of Dolphin Development Company Ltd. (Dolphin) and Sittce River Wildlife Reserve in Belize. As previously reported, Dolphin is developing and selling residential lots known as Sanctuary Bay in Belize. The Receiver served Mr. Medhurst with the Preliminary Injunction Order and Mr. Medhurst turned over documents to the Receiver as required by that Order. Some of these documents are included as attachments to this report as documentation of Mr. Pukke's continued violations of the Preliminary Injunction Order.

## Status of Other Assets

### *Dolphin Development Company Ltd. and Sittee River Wildlife Reserve*

Mr. Pukke disclosed to the Receiver loans receivable of \$3,258,500 due from either Dolphin or Sittee River Wildlife Reserve. Mr. Pukke has filed three sworn financial statements showing this same amount due. Mr. Medhurst turned over to the Receiver the September 30, 2005 balance sheet for Dolphin (Tab 1<sup>1</sup>) and the November 11, 2005 balance sheet for Sittee River Wildlife Reserve. Mr. Pukke's loan is shown on the Dolphin accounting and the actual loan balance is \$3,632,500. Therefore, Mr. Pukke has understated the carrying value of this asset by \$374,000.

From the Dolphin records turned over to the Receiver by Colin Medhurst and from Peter Baker's email, it is apparent that Mr. Pukke is far more than a passive lender. Under Tab 2 is Dolphin's Board of Directors meeting minutes dated May 13, 2005. The minutes show that Mr. Pukke is the Chairman of the Board of Dolphin. Also under Tab 2 is an email<sup>2</sup> dated April 23, 2005 in which Mr. Pukke is responding to Colin Medhurst about Sanctuary Bay lot sale prices and other matters<sup>3</sup>. The Board of Directors minutes and the email demonstrate Mr. Pukke's violation of this Court's Preliminary Injunction Order and his control of this asset.

Under Tab 3 is the Sittee River Wildlife Reserve Board of Directors meeting minutes dated February 7, 2004. The minutes show Mr. Pukke is the Chairman of the Board of Sittee River Wildlife Reserve. Mr. Pukke testified at his July 12, 2005 deposition conducted by the Receiver that he did not know who comprised the Sittee River Wildlife Reserve Board. His answer was "Don't know. Colin and Joan Medhurst and some other people in Belize."

Under Tab 4 is an email dated July 28, 2005 from Colin Medhurst to Mr. Pukke and Peter Baker. Attached to the email are Dolphin's Board of Directors meeting minutes on July 15, 2005. On page 5 of the minutes it states that "Mr. Pukke agreed to subordinate repayment of the loans and advances made by him to the Company in favor of bank loans and furthermore, to assign the voting rites [sic] of his 60% interest to Mr. Medhurst." On July 12, 2005, just three days before this board meeting, Mr. Pukke testified that Colin and Joan owned or controlled Dolphin. Mr. Pukke's agreement to subordinate the loans and assign his voting rights are two additional violations of this Court's Preliminary Injunction Order.

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<sup>1</sup> The balance sheet is stated in Belize dollars. 1 US dollar equals 2 BZ dollars.

<sup>2</sup> The Receiver has redacted a portion of Mr. Medhurst's email address and other personal information contained in this document and other attachments to this report.

<sup>3</sup> In his July 12, 2005 deposition conducted by the Receiver, Mr. Pukke stated he did not know if Colin and Joan Medhurst had an email address.

Under Tab 5 is a September 13, 2005 email from Peter Baker to Colin Medhurst. This email and the attachment set forth the general structure for a new company to take the place of Dolphin. The email states that "...NewCo would retain 90% of the revenue from the sale and pay SRWR 10%. SRWR would use the 10% to fund its [sic] operations and use whatever remains to start paying back the \$3mm loan to me..." It appears from this email that Mr. Pukke has assigned his rights to the loans made to Dolphin to Mr. Baker, another violation of this Court's Preliminary Injunction Order.

Under Tab 6 is a May 9, 2006 email to the Receiver's office from a purchaser of a Sanctuary Bay lot<sup>4</sup>. The email shows the lot was purchased from Starfish Development, Ltd. Also under Tab 6 is information in the public record that shows Starfish Development, Ltd. as a fictitious business name of Peter Baker.

Under Tab 7 is an email dated October 21, 2005 from Colin Medhurst. Attached to the email are Sittee River Wildlife Reserve Board of Directors meeting minutes on October 7, 2005. Organization changes are discussed on page 2 of the minutes. The minutes set forth that Peter Baker will form a new company to replace Dolphin as the developer of the reserve and that Mr. Baker would be the 100% shareholder of the company. By this action, Mr. Pukke transferred his 60% ownership in Dolphin to Peter Baker, another violation of this Court's Preliminary Injunction Order.

Under Tab 8 is a listing of lots sold as of July 15, 2005 that the Receiver compiled based on detail contained in Peter Baker's email. The Receiver then projected the value of future sales based on a Lot Pricing List. Conservatively, total sold and unsold lots at Sanctuary Bay are worth about \$20 million at July 15, 2005.

### **Investment in Xelan Welfare Benefit Trust**

The Receiver's report for the period ending December 31, 2005, described an investment of about \$1.6 million in this tax shelter. The Receiver learned that four related companies (Xelan Inc., Xelan Financial Planning, Inc., Xelan Insurance Services, Inc., and Xelan Pension Services, Inc.) filed voluntary Chapter 11 petitions on June 30, 2004 in the United States Bankruptcy Court for the Southern District of California. The Receiver contacted the bankruptcy trustee and was informed that distributions were made from the bankruptcy estate to the Indianapolis Life Insurance Company for the purpose of purchasing whole life insurance policies for the investors in Xelan Welfare Benefit Trust. The Receiver subpoenaed Indianapolis Life Insurance Company and discovered that Mr. Pukke holds a whole life policy with a net cash surrender value of \$101,367.95 as of April 4, 2006. Under Tab 9 is a letter from the insurance company stating the cash surrender value of the policy on the date this Court issued the Preliminary Injunction Order was \$113,190.51.

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<sup>4</sup> The Receiver has redacted the email address and the name of the originator of this email.

Mr. Pukke's failure to comply with this Court's Order and disclose this asset resulted in an \$11,822.56 decline in the value of this asset. The Receiver has demanded that Indianapolis Life Insurance Company turn the cash value over to the Receiver.

During Mr. Pukke's July 12, 2005 deposition, he unequivocally testified the policy with Indianapolis Life Insurance Company was a term policy. Mr. Pukke did not disclose this asset to the Receiver and did not disclose this asset in any of his sworn financial statements.

### **Investment in Agave, Ltd.**

As previously reported, payments for the \$7.1 million investment in Agave were made between August 3, 2000 and December 31, 2002.

Mr. Pukke claimed to be a victim of this fraud in connection with his investment in Agave and filed a complaint against the organizers of Agave on February 1, 2005. Mr. Pukke also filed a claim with the Detroit receiver of approximately \$5.7 million, after the denial of Seaspray's foreign-claimant status by the receiver of Agave, on March 29, 2005. As previously reported, Mr. Pukke violated this Court's Preliminary Injunction Order by continuing to assert this claim after April 20, 2005 without disclosing its existence to the Receiver or in any of his sworn financial statements. The Receiver was paid \$1,811,845.51 from a distribution made by the Detroit receiver.

### **Canyon Grill Enterprises, LLC**

As previously reported, on May 7, 2003, Puck Key Investments L-1 LLC disbursed \$700,000 from one of its Merrill Lynch accounts to acquire a 30% ownership interest in Canyon Grill Enterprises, LLC (Canyon Grill) which has built and operates two restaurants. Blue Ridge Restaurant Group, LLC (Blue Ridge) is the managing member of Canyon Grill. Mr. David Jones, a partner of Ribis, is the managing member of Blue Ridge. Mr. Jones informed the Receiver that Puck Key Investments L-1 LLC's ownership interest in Canyon Grill was reduced to 26.27% due to its failure to meet a capital call in November 2004. Canyon Grill reported a net loss of approximately \$776,000 on its 2004 Federal tax return. The Receiver has recently completed a confidentiality agreement with the other owners of this asset and is in the process of attempting to negotiate a sale of this asset.

### **Commonwealth Trust Assets**

Since May 2005, the Receiver demanded that Mr. Pukke take all steps necessary and appropriate to turn over to the Receiver the assets of the three family trusts identified in the Preliminary Injunction Order, including the assets of The Pukke 2002 Family Irrevocable Trust (2002 Trust).

Certain assets of the 2002 Trust, consisting of funds in a bank account at MBNA America Bank, were turned over to the Receiver on or about August 2, 2005. However, in April 2006, the Receiver obtained information indicating that additional assets of the 2002 Trust may be in the possession and control of Commonwealth Trust Company (Commonwealth) as Trustee under the 2002 Trust, including the original stock certificates in Fidelity & Trust Financial Corporation which is subject to the Receiver's sale of the stock previously approved in February 2006. The Receiver thereafter made demand upon Mr. Pukke and on Commonwealth to turn over the assets of the 2002 Trust to the Receiver. On June 1, 2006, the Receiver obtained from Mr. Pukke executed releases required by Commonwealth to release and turn over the assets and related documents and information concerning the 2002 Trust and its assets at Commonwealth, which the Receiver delivered to Commonwealth on June 5, 2006. On June 6, 2006 Commonwealth provided the Receiver an inventory of assets of the Pukke 2002 Family Trust currently held by Commonwealth and turned over to the Receiver original stock certificates for Fidelity & Trust Corporation, Kaelin Management, Inc., and Infinity Resources Group, Inc. Commonwealth also turned over other documents and information pertaining to the Trust assets under its supervision and control as Trustee of the Trust. The Receiver is continuing to investigate assets of this Trust and any additional documents and information that Commonwealth may have concerning receivership assets.

### **Hansabanka Accounts in Latvia**

Under Tab 10 is a December 11, 2003 wire transfer for \$1,000,000 from DebtWorks to account number xxxxxxxx5390 (5390) at Hansabanka. Also under Tab 10 is a loan application signed by Andris Pukke on February 12, 2004. On page 2 of the loan application, Mr. Pukke lists an asset of \$1,669,481 in the same account at Hansabanka. In an email dated April 27, 2005 (Tab10), Mr. Pukke requested Colin Medhurst to email Hansabanka wiring instructions for Dolphin. Mr. Pukke has not provided any information to the Receiver about this account at Hansabanka.

On May 22, 2006 the Receiver conducted a deposition of John Pukke, Mr. Pukke's father. John Pukke produced bank account statements for account number 5390, account number xxxxxxxx2845 (2845), and account number xxxxxxxx0054 (0054) at Hansabanka. John Pukke asserted that he owned these bank accounts. Among other items reflected on the bank statements are receipts from Sportingbet Plc.

The Receiver's Third Report discussed Andris Pukke's ties to internet gambling interests.

John Pukke testified he made a \$45,000 investment in 1998 in Internet Opportunity, a company purportedly formed by his godson, John Vipulis. Internet Opportunites was a predecessor company to Sportingbet Plc. John Pukke also testified this investment was to provide start up capital and he acquired 1.75% of the company. He was not able to produce any document evidencing this investment.

John Pukke testified that he had never received any share certificates until January 2005 and did not know the value of the stock until he received a telephone call from a London stockbroker in January 2005. During his 2004 divorce proceeding, Andris Pukke disclosed as one of his closely held business interests an interest in Internet Opportunities.

Under Tab 11 is a compilation of John Pukke's receipts from Sportingbet Plc totaling approximately \$2.2 million, and the proceeds from sale of Sportingbet Plc stock, totaling approximately \$10.6 million. John Pukke testified that the proceeds from the stock sale were about \$8 million. John Pukke further testified that the \$2.2 million in receipts were dividend income he received from Sportingbet Plc. Also under Tab 11 are excerpts from Sportingbet Plc annual reports the Receiver obtained from the Internet. The annual report for the period ending July 31, 2004 states "The Directors do not recommend a dividend." During this time period the account at Hansabanka received \$927,664 from Sportingbet Plc. The annual report for the period ending July 31, 2005 states "The Directors recommend a *maiden* (emphasis added) dividend of 1.0p per ordinary share for the year.....this will be paid on 4 January 2006." The compilation under Tab 11 shows the account at Hansabanka received \$1,314,620 on November 4, 2004 and that all of the shares were sold by February 2005. Therefore, John Pukke's testimony as to the amount received from the sale of the shares and his testimony about receipts of dividends demonstrate his lack of knowledge regarding this investment.

John Pukke also testified that he transferred approximately \$8 million of the Sportingbet Plc proceeds to Miselva Trust in Lichtenstein and that most of that \$8 million was no longer in Miselva Trust. Andrew Baker (not believed to be related to Peter Baker) is apparently the trustee of Miselva Trust. John Pukke testified that he loaned Mr. Baker's entity, Poole, approximately \$4 million for development of a marina in Grenada. John Pukke testified this was a six-month loan with a 15% interest rate made in February 2005. John Pukke further testified that if the loan defaulted he would have to take over the project or a portion of the project. The Receiver intends to investigate Miselva Trust and disbursements from the Trust.

John Pukke testified that he asked Hansabanka to fax to him a complete set of his bank accounts in response to the Receiver's deposition subpoena. He further testified that account numbers 5390, 2845, and 0054 were the only accounts he owned at Hansabanka between 2002 and the present time. He also testified that if there were other accounts at Hansabanka he would not claim any entitlement to the funds in those accounts.

On page 2 of the loan application under Tab 10, Andris Pukke also lists another account, xxxxxxxx8805 (8805), at Hansabanka as an asset with a balance of \$49,298. The bank account statements for account number 5390 described above reflect that between March 21, 2003 and April 20, 2005, account 8805 received \$1,395,949 from and paid \$1,295,067 to account 5390, which net to \$100,882.

Subsequently, account 8805 received \$500,000 from account 5390 on May 10, 2005. Payments totaling \$607,484 from account 8805 to account 5390 were made on June 17, 2005 and June 22, 2005.

Based on Mr. Pukke's ownership of account numbers 5390 and 8805 as set forth on his loan application, Mr. Pukke again violated this Court's Preliminary Injunction Order by not disclosing these accounts and by making transfers from these accounts after April 20, 2005.

John Pukke's deposition has not been completed.

**J.P. Morgan Suisse SA Bank Account**

Under Tab 12 is a final settlement statement for the purchase of the property located at 35 Ocean Heights Drive, Newport Beach, CA. The deposits in escrow include a \$950,000 deposit made by Mr. Pukke on February 18, 2005. Also under Tab 12 are banking details of the incoming wire for this deposit. The wire originated from J.P. Morgan Suisse SA in Geneva, Switzerland and was sent through JP Morgan Chase in New York. Mr. Pukke has not provided any information to the Receiver about this account at J.P. Morgan Suisse SA.

**Media Choice LLC**

At his deposition taken by the Receiver on November 16, 2005, Todd Cook testified that he was the sole member of this LLC. He further testified that Media Choice LLC sold leads to Prudent Choice Mortgage.

Under Tab 13 is an account statement from account number 5390 at Hansabanka. On June 10, 2005 \$200,000 was wired from Hansabanka to account number 0399 at the Bank of America. The notation on the bank statement is "payment for 200,000 shares of Media Choice LLC common." John Pukke testified at his deposition this disbursement was to purchase shares of Media Choice. Again, John Pukke's lack of knowledge regarding this transaction is telling. A LLC cannot have shareholders. Rather, a LLC has members. As noted above, Todd Cook testified six months after this wire transfer that he is the sole member of Media Choice LLC.

**Infinity Resources**

The Receiver continues to collect loan payments. To date, approximately \$1.6 million has been collected.

One of the delinquent Infinity real estate loans is a loan made to Anthony Millon, a friend of Andris Pukke's.

The loan in the original principal amount of \$740,000 was secured by mortgages on two condominium units described as 529 Charles Street, C-1 and C-2, Baltimore, Maryland.

Infinity was served with two complaints to foreclose the equity of redemption in favor of Infinity by the two parties who purchased the condominium units at tax sales. The Receiver has obtained appraisals of the condominium units and determined that there is equity to support a partial repayment of the outstanding balance due Infinity on the Millon loan. The Receiver is therefore taking steps to redeem the condominium units and foreclose on Infinity's mortgage liens against the units.

The Receiver is attempting to sell the entire portfolio. The nature of the loans and makeup of the borrowers require constant monitoring and collection effort, which is not inexpensive. The protracted maturity dates extend far beyond the estimated life of the receivership estate.

The portfolio consists of three consumer loan types: debt consolidation loans, auto loans, and home equity loans. The debt consolidation loans represent the largest portion of the portfolio. They reference a security interest in personal property, but are basically unsecured. These loans are written on extended terms, in some cases as long as ten years, to keep payments within the borrower's budget. The fact that there is no tangible collateral severely impacts the ability to collect the loans in the event of default.

The auto loans present a particular challenge in that the loan amounts exceeded the value of the vehicle at the inception of the loan. Many of the vehicles are 1990's vintage, some early 90's. The borrowers are typically not creditworthy and could not qualify for traditional financing. The low value of the vehicles and impaired credit leaves little incentive for the borrowers to pay in the event of financial hardship or mechanical difficulties with the vehicle. Many vehicles have been repossessed.

There are six home equity loans with an average maturity date of 2019.

### **Real Property Assets**

The Receiver identified ten properties that are subject to the Preliminary Injunction Order entered on April 20, 2005. Four of the properties were sold after the Court entered orders authorizing the Receiver to complete the sales. Net proceeds from the sale of these four properties totaled \$8,189,676.68 and have been deposited in various accounts subject to competing claims and/or liens of the IRS, the FTC, the Receiver, Andris Pukke, and Pamela Pukke pursuant to the orders authorizing the sales. The two properties sold during this reporting period included the vacant oceanfront building lot in Miami Beach, Florida and a commercial condominium located at 3852 Dulles South Court, Chantilly, Virginia.



The Receiver filed a motion seeking authorization from the Court to distribute fifty percent (50%) of the net proceeds of the sale of the commercial condominium to Claridge LLC. On April 4, 2006, the Court entered the order and the Receiver distributed \$292,878.87, plus interest, to Claridge LLC.

The remaining six parcels of real property are comprised of three single-family residences, one vacant commercial lot, a high-rise condominium unit, and a residential lot. The Receiver continues to investigate the acquisition of another single-family residence located at 69 Emerald Bay, Laguna Beach, California which it believes is an asset of the estate.

As a result of the continuing investigation by the Receiver, a review of banking records, documents produced pursuant to subpoenas and depositions, the Receiver has identified additional real estate assets held by Smithburg Medical Arts and Deep Woods Real Estate Development Corporation which it believes are assets of the estate. Each property will be discussed in detail below.

***321 Ballenger Creek Drive, Frederick, Maryland (Ballenger Lot 4)***

Ballenger Lot 4 is owned by Ballenger/DW, LLC, a Maryland limited liability company in which Andris Pukke is the Managing Member and holder of a 50% interest. Tim McCallan purportedly holds the other 50% ownership interest in Ballenger/DW, LLC although the Receiver disputes his entitlement to 50% of the proceeds when the property is sold.

Ballenger Lot 4 is a 247,984 square-foot graded vacant lot. It remained in the receivership estate after the Receiver sold the adjoining two-story, commercial office building, also owned by Ballenger/DW LLC, pursuant to Court Order dated May 26, 2005.

The Receiver reviewed an appraisal prepared by an MAI appraiser shortly before the creation of the receivership estate. The Receiver thereafter sought and obtained an updated appraisal reflecting a greater appraised value for Ballenger Lot 4. After reviewing the two appraisals, interviewing several local brokers and investigating the local commercial real estate market, the Receiver determined that the sale of Ballenger Lot 4 by auction with automatic confirmation of the sale would yield an optimal and fair price for the property and will minimize delay and transactional expenses associated with the sale. On April 28, 2006 the Receiver filed the Receiver's Motion for Order Authorizing and Confirming Sale of Ballenger Lot 4 by Auction Pursuant to Modified Sale Procedures of 28 U.S.C. §§ 2001 and 2002. The Receiver's motion was granted by Order entered on June 7, 2006.

***6493 Allison Road, Miami Beach, Florida (Allison Road Property)***

The Allison Road Property is a five-bedroom, four and one-half bath, 4973 square foot single-family residence located on the waterfront in an upscale gated community in Miami Beach, Florida. Title to the Allison Road Property is held by Andris Pukke and Pamela Pukke as husband and wife. Pamela Pukke and her children reside at the Allison Road Property.

Mr. & Mrs. Pukke acquired the Allison Road Property in August 2003 for a purchase price of \$1,658,000. Mr. Pukke valued the property on his bankruptcy schedules filed in July 2005 at \$2,500,000. The Receiver has obtained two appraisals of the Allison Road Property. The first appraisal obtained by the Receiver valued the property as of September 1, 2005 at \$3,150,000. The Receiver has obtained an updated appraisal dated April 6, 2006 that valued the property at \$3,247,000.

The Receiver listed the property with a broker with substantial knowledge and expertise in the high-end residential real estate market in Miami Beach, Florida who previously successfully marketed and sold the North Bay Property. On April 7, 2006, the Receiver entered into an As Is Sale and Purchase Contract ("Purchase Contract") for the sum of \$3,300,000. The proposed sale is an all-cash sale without financing contingencies pursuant to which the Buyer has deposited \$150,000 as an earnest money, non-refundable deposit toward completion of the sale. The Purchase Contract is expressly conditional upon the Receiver obtaining Court approval of the pending sale. The Receiver prepared a motion seeking an order from the Court authorizing and confirming the sale of the Allison Road Property which was approved by Court Order entered on June 22, 2006.

***31 Linda Isle, Newport Beach, California (Linda Isle Property)***

The Linda Isle Property is titled to Andris Pukke as an unmarried man. According to a broker's opinion of value obtained by the Receiver, the single-family custom residence is worth approximately \$9,000,000. The Receiver obtained an appraisal valuing the home at \$8,000,000 as of July 12, 2005. Washington Mutual holds a first trust deed of about \$5,000,000. The Linda Isle Property is 4,745 square feet and is situated on a 5,580 square-foot lot with ocean views. The Receiver observed a yacht in the boat slip adjacent to this residence. Mr. Pukke did not disclose his ownership of the yacht on his May 26, 2005 IRS Form 433-A.

On or about January 9, 2006, Andris Pukke entered into a Stipulated Final Judgment and Permanent Injunction As To Defendants DebtWorks, Inc. and Andris Pukke (Pukke Stipulated Judgment), which has been entered by the Court. Pursuant to the Pukke Stipulated Judgment, the Receiver will take steps to actively market the Linda Isle Property.

***35 Ocean Heights Drive, Newport Coast, California***

As previously reported, this property is owned by Mr. Pukke, but his close friend Stephen Todd Cook resides there rent-free. Mr. Cook asserts that he is entitled to exercise a purchase option on the property for \$3,225,000. The Receiver disputes the legitimacy and enforceability of the purchase option. The Receiver's efforts to investigate whether Cook has the financial capacity to acquire the property without relying on hidden assets of Mr. Pukke and whether Cook has concealed money and assets which are properly part of the receivership estate have been impeded by Cook's failure to answer various questions at his deposition and by Cook's motion to quash the Receiver's subpoena of various banking records, which is currently pending before Magistrate Judge Day. The Receiver anticipates commencing litigation against Cook to, among other things, obtain a determination that the purchase option is unenforceable and to obtain possession and control of the Ocean Heights property.

***101 20<sup>th</sup> Street, Unit PH-VC, Miami Beach, Florida (Setai Condominium)***

On November 30, 2004, Mr. Pukke and Patrick Callahan III ("Callahan") executed an Operating Agreement of Villa C. Acquisition Co., LLC ("Villa C"). Villa C was formed for the express purpose of acquiring the Setai Condominium. Mr. Pukke and Callahan each hold a 50% "Sharing Ratio" in Villa C.

Previously, Callahan successfully opposed the Receiver's attempt to sell the Setai Condominium, based on the Court's determination that this was not a wasting asset. Callahan opposed the sale because the Receiver sought to hold all sales proceeds pending an investigation of whether and the extent to which Callahan's interest was property of the receivership estate. The Receiver and Callahan have recently entered into a settlement, subject to this Court's approval, whereby the Receiver will transfer Pukke's interest in Villa C to Callahan for \$2,150,000.

***Taft Crescent, Lot #11.002, Centerport, New York (Centerport Property)***

The Centerport Property is a 7,865 square-foot vacant residential building lot with an outstanding view of Centerport Harbor. Title to the Centerport Property is held in the name of Andris Pukke. Pursuant to Section IX. E., of the Stipulated Final Judgment, the Receiver was directed to put the property up for sale and consider any offers received to determine the fair market value of the Centerport Property. An appraisal obtained by the Receiver valued the Centerport Property as of February 8, 2006 at \$450,000. The Receiver entered into a listing agreement to market the property on March 19, 2006 and set the listing price at \$474,900. Thereafter, the Receiver received two offers to purchase the property at the full listing price of \$474,900. On April 5, 2006 an attorney for a local builder memorialized his offer in a written Contract of Sale and submitted it to the Receiver with an earnest money deposit of \$45,000.

The Receiver indicated its willingness to accept the terms of the local builder's offer, subject to John Pukke's right of first refusal and obtaining the Court's approval of the sale.

Section IX. E., of the Pukke Stipulated Judgment states in pertinent part that, "the Receiver shall consider any offer received by Pukke's father, John Pukke, to purchase said property, and allow John Pukke the right of first refusal to purchase the property at fair market value." On March 29, 2006, the Receiver notified John Pukke of the pending offers to purchase and invited John Pukke to advise the Receiver in writing of his interest in exercising a first right of refusal to purchase the property under terms identical to the pending offer. In a letter dated April 6, 2006, John Pukke notified the Receiver of his intention to exercise the first right of refusal and agreed to purchase the property under the terms outlined by the Receiver. In order to meet the terms of the pending contract with the local builder, John Pukke included an earnest money deposit for \$45,000 with his letter of April 6, 2006.

The Receiver's counsel contacted counsel for John Pukke and scheduled a deposition on May 22, 2006. The Receiver wants to assure itself that any funds to be used by John Pukke to purchase the Centerport Property do not constitute Receivership Property. As noted above, John Pukke's deposition has commenced but has not been completed.

### ***69 Emerald Bay, Laguna Beach, California (Emerald Bay)***

The Receiver first reported the suspicious circumstances surrounding the purchase of the Emerald Bay property in the Special Report to the Court dated September 19, 2005.

Under Tab 14 is an email dated June 4, 2005 and an attachment from Mr. Pukke to Peter Baker. The attachment is a contingency removal for the purchase of this property, further demonstrating Pukke's control over the purchase. The Receiver continues to believe this property is an asset of the receivership estate and will aggressively pursue recovery.

Peter Baker obtained a third trust deed loan of \$1.6 million from Countrywide Home Loans, Inc. (Countrywide) against this property on August 15, 2005 (Tab 15). A total of \$645,000 of this loan was used to payoff the second trust deed loan to Countrywide. A total of \$940,688.50 from this loan was transferred to Peter Baker's account at Provident Bank & Trust of Belize Limited on August 16, 2005 (Tab 15).

### ***Smithburg Medical Arts, LLC***

As discussed in the Receiver's Third Report, Mr. Pukke and his companies invested \$2,300,000 in Smithburg Medical Arts, LLC (Smithburg), \$2,050,000 in Deep Woods Real Estate Development, Corp., \$450,000 in Wooded Land Properties, LLC, and \$330,000 in Wooded Land Developing, LLC, which totaled \$5,130,000.

These companies are affiliated through the common control of three of Mr. Pukke's high school friends, Raymond Suris, an attorney in Melville, New York, his brother, Richard Suris, and Matthew Case. On May 25, 2006, the Receiver deposed Raymond Suris.

Smithburg was created for the express purpose of acquiring real estate. Mr. Pukke funded the operation and acquisition activities and placed his close personal friends in positions as principals of Smithburg and the entities comprising its members. Smithburg was formed on October 9, 2003. It has three members, Wooded Land Properties, LLC (55%), The Riverbrook Companies (35%) and National Properties LLC (10%).

Wooded Land Properties, LLC functions as the operational arm of Smithburg and is purportedly owned by Richard Suris and Matthew Case, although an executed operating agreement is not available to the Receiver currently. The Riverbrook Companies was owned by Al Messano, Blair Kummer and Mark Grama. National Properties LLC is 100% owned by Raymond Suris.

On October 31, 2003, Puck Key Investments L-1 LLC, a company wholly-owned by Mr. Pukke, wired \$2.3 million to a law firm retained to handle the closing of Smithburg's first acquisition of real estate known as Lot 2.09, 12.237 acres of vacant land, in the Township of Freehold, New Jersey. Wooded Land Properties received \$300,000 from Puck Key Investments L-1 LLC on January 23, 2004 and \$150,000 from DebtWorks on May 6, 2004.

Lot 2.09 is in escrow for sale by Smithburg for \$3.2 million. Smithburg also pledged Lot 2.09 to the potential buyer for a \$2,100,000 loan in order to purchase Lot 2.08, which is 12.153 acres of vacant land valued at \$1.5 million in 2003. Lot 2.08 was purchased by Smithburg in September 2005. According to Raymond Suris, Lot 2.09 is expected to be sold within the next 60 to 90 days.

Raymond Suris acknowledged in his deposition that Mr. Pukke has an interest in Smithburg and agreed to hold all funds in an escrow account, with the exception of normal and customary closing costs, until an agreement is reached with the other members of Smithburg, the Receiver and the Court.

### ***Deep Woods Real Estate Development Corporation (Deep Woods)***

Deep Woods was created to purchase 397 acres of undivided land in Belchertown, Massachusetts ("Belchertown Property"). Mr. Suris testified that Deep Woods is owned by National Properties LLC (25%) and Matthew Case (75%). National Properties is 100% owned by Raymond Suris.

Wooded Land Developing, LLC functions as the operational arm of Deep Woods and is purportedly owned by Richard Suris and Matthew Case, although an executed operating agreement is not available to the Receiver currently.

In February 2003, Mr. Pukke sent a check to Deep Woods for \$250,000 and on February 3, 2004, DebtWorks wired \$1.8 million to Deep Woods to fund the purchase of the Belchertown Property. Between May 21, 2003 and August 29, 2003, DebtWorks paid \$330,000 to Wooded Land Developing. Currently, there are two mortgages totaling \$600,000 on the Belchertown Property in favor of Country Bank for Savings.

Raymond Suris failed to produce documents at his deposition that had been subpoenaed by the Receiver. The Receiver subsequently obtained documents from Mr. Suris and has reserved the right to depose Mr. Suris further pending a review of the documents. The Receiver believes that Mr. Pukke has a substantial undisclosed ownership interest in Smithburg, Deep Woods, and/or the properties owned by those entities. The Receiver is continuing its investigation into those interests. The Receiver plans on conducting depositions of the other principals.

### **Tax Matters**

The Receiver has obtained a tax identification number for a Qualified Settlement Fund (QSF). Effective April 20, 2005, the receivership estate will be taxed as a QSF as described in Internal Revenue Code Section 468B and Treasury Regulation Section 1.468B-1.

### **Conclusion**

Mr. Pukke has, in conjunction with various friends and relatives, continued to conceal and control assets subject to this receivership. The Receiver plans to file an application for an order to show cause why Mr. Pukke should not be held in contempt for his repeated violations of the Court's Preliminary Injunction Order. This application may also seek to hold others in contempt for their role in concealing assets of the receivership estate.

Respectfully submitted,

/s/

Robb Evans & Associates LLC  
Receiver

# **TAB 1**

2:40 PM

10/05/05

Accrual Basis

**Dolphin Development Co. Limited**  
**Balance Sheet**  
As of September 30, 2005

	Sep 30, 05
<b>Other Current Liabilities</b>	
<b>Payroll Liabilities</b>	
Income Tax	1,525.76
Social Security	416.70
Payroll Liabilities - Other	-273.44
<b>Total Payroll Liabilities</b>	1,669.02
<b>Total Other Current Liabilities</b>	1,669.02
<b>Total Current Liabilities</b>	22,172.88
<b>Long Term Liabilities</b>	
Inter Company Loan- Triton	114,767.72
Officer Loan- A.Pukke 2	
Interest on Loan	23,311.34
Officer Loan- A.Pukke 2 - Other	1,865,000.00
<b>Total Officer Loan- A.Pukke 2</b>	1,888,311.34
Officer Loan- C. Medhurst	-3,429.76
Officer Loan- Peter Baker	520,000.00
Officer Loan A. Pukke 1	
Interest on Loan	119,453.40
Officer Loan A. Pukke 1 - Other	5,400,000.00
<b>Total Officer Loan A. Pukke 1</b>	5,519,453.40
<b>Total Long Term Liabilities</b>	8,039,102.70
<b>Total Liabilities</b>	8,061,275.58
<b>Equity</b>	
Retained Earnings	-881,211.36
Shareholders Equity	600,000.00
Net Income	299,778.47
<b>Total Equity</b>	18,567.11
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>8,079,842.69</b>



8:08 AM  
11/11/05  
Accrual Basis

**Sittee River Wildlife Reserve**  
**Balance Sheet**  
As of November 11, 2005

11/11/05

Nov 11, 05

<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Other Current Assets</b>	
<b>Work In Progress</b>	
WIP- Beach Excavation	15,257.00
WIP- Canal Excavation	135,138.50
WIP- Culvert Construction	20,624.84
WIP- Land Clearing	2,947.50
WIP- Lot Markers & Signs	1,295.70
WIP- Master Planning	45,223.62
WIP- Observation Tower	11,694.43
<b>WIP- Roads</b>	
Cordoroy Road	3,150.00
Marina Road	47,520.00
Subdivision East	15,369.00
Subdivision West	13,995.00
<b>Total WIP- Roads</b>	<b>80,034.00</b>
<b>WIP. Road Work</b>	<b>16,980.00</b>
<b>Total Work In Progress</b>	<b>329,195.59</b>
<b>Total Other Current Assets</b>	<b>329,195.59</b>
<b>Total Current Assets</b>	<b>329,195.59</b>
<b>Fixed Assets</b>	
<b>Property Plant &amp; Equipment</b>	
Property	6,212,285.19
<b>Total Property Plant &amp; Equipment</b>	<b>6,212,285.19</b>
<b>Total Fixed Assets</b>	<b>6,212,285.19</b>
<b>TOTAL ASSETS</b>	<b>6,541,480.78</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Long Term Liabilities</b>	
Loan 1- Dolphin Development	
Interest on Loan	119,453.40
Loan 1- Dolphin Development - Other	5,400,000.00
<b>Total Loan 1- Dolphin Development</b>	<b>5,519,453.40</b>
Loan 2- Dolphin Development	1,182,136.58
<b>Total Long Term Liabilities</b>	<b>6,701,589.98</b>
<b>Total Liabilities</b>	<b>6,701,589.98</b>
<b>Equity</b>	
Retained Earnings	-143,759.20
Net Income	-16,350.00
<b>Total Equity</b>	<b>-160,109.20</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>6,541,480.78</b>

8:08 AM  
11/11/05  
Accrual Basis

**Sittee River Wildlife Reserve**  
**Profit & Loss**  
**April 1 through November 11, 2005**

	<u>Apr 1 - Nov 11, 05</u>
Income	0.00
Expense	
Operating Expenses	
Directors Fees	500.00
Farm Supplies	1,000.00
Sales Tax	14,850.00
Total Operating Expenses	<u>16,350.00</u>
Total Expense	<u>16,350.00</u>
Net Income	<u><u>-16,350.00</u></u>

# **TAB 2**

**DOLPHIN DEVELOPMENT COMPANY LIMITED**  
Minutes of Meeting held at Villa Namaste, Sittee River, Belize  
On May 13<sup>th</sup>, 2005 at 9:50 A.M

PRESENT

Mr. Andris Pukke- Chairman  
Mr. Colin Medhurst- Director  
Mrs. Joan Medhurst- Director  
Mr. Peter Baker- Director

By Invitation

Mishell Hernández- Accountant  
Alfonso Bailey- Maintenance Manager  
Mr. John Usher- General Manager

The meeting was called to order by Mr. Colin Medhurst at 9:50 A.M.

**1. ACCEPTANCE OF MINUTES**

Minutes were read and accepted by Andris Pukke and seconded by Peter Baker.

**2. MATTERS ARISING FROM MINUTES (Sept 18<sup>th</sup>, 2004)**

- a. With regards to lot clearing, it was agreed that we keep the boundary lines clean.

**3. MATTERS ARISING FROM MINUTES (Jan 3<sup>rd</sup>, 2005)**

- a. Concerning the quarry, Mr. Usher will meet with Government to discuss the various options.

**4. GENERAL MANAGER'S REPORT**

- a. All roads are bushed and cleared. The access road to the Marina has been graded. A decision was made to cap the road with 6-8 inches of gravel before the rainy season when work will be delayed. The cost will be approximately US\$ 20,000.00 (Twenty thousand US dollars).
- b. The Regalia house was moved from its original location based upon suggestion of Architect. The ground floor will not be completed as set out on house plan. It will have a conference room and side office for the time being.



- c. There were concerns about putting in AC but the fact that it will consume too much electricity was considered. Another suggestion was therefore made for putting a dedicated unit in conference room which could be use when buyers come down. It was then agreed that that was the way to go.
- d. Sand at the beach has been excavated 30 to 40 feet out. No maintenance has been done at the beach because of the heavy equipments working there. Special equipment will be required for leveling of sands on the beach. It was agreed upon that starting June 1<sup>st</sup>, 2005 the beach will be cleaned on a daily basis. A discussion came about with regards to building Jetty to help build up the beach. It was agreed that we should have Professionals from Jamaica come down and give an opinion on the Beach at All Pines and at the Caye and also get an estimate from them.
- e. A few of the lots have been bushed at the subdivision but survey lines could also be opened. A question was raised as to whether we could open lots and just leave major trees. But the point was brought up that this should be an eco-conscious development. It was agreed that buyers can clear place where house is going to be located and that they should use place where there are no big trees to be cut down. If there is no alternative then they would be allow to cut down trees for house location. It was agreed upon that we should number the lots using the numbers that appear on the plan. These lot markers were to be in process the following week.
- f. A suggestion was made by Peter to put entrance gate as a priority but it was also noted that such project well be costly because radios and gate house will also be needed. It was suggested that we just await master site plans from Mr. Marvin Goodman.
- g. Minimal work was done on the Caye. A question was raised as to whether we could change name but it was later agreed that we should just leave name as is.
- h. Recommendations were made by General Manager to consider buying a front end loader and bob cat to move rocks, sands etc. I can also be used on every aspect. We later agreed to leave decision until next meeting and rent Bob Cat for now.

## 5. MARKETING REPORT

- a. The web site is in process and there are lots of changes to make. They are currently working on an information package. This process will take another month.
- b. A suggestion was made to change the name of the development from Sanctuary Bay to Sanctuary Bay at All Pines because All Pines could be found on the map and it is historical. Andris Pukke said that it really didn't matter whether it was included or not but no final agreement was made.
- c. They have gone a step further by putting website into Google search engine and have gotten 15-20 persons per day interested. Follow up on interest through phone calls.



- d. Purchase and sales agreements are ready.
- e. We don't have an Escrow account as yet but is in the process of getting one with Scotia Bank. This could also be used as collateral for loan. A suggestion was made that in the mean time money can be deposited into an Attorney escrow account. Andris Pukke will meet with attorney to see what could be done.
- f. It was suggested that deposit should be no lower than 8%. Financing will be available for up to a term of 10 years and that rate depends on how much deposit was made. Comment was made that terms of sale had been previously discussed and agreed.

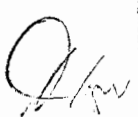
## **6. DOLPHIN WORK SCHEDULE**

- a. The Regalia house construction is under way and by August, furniture should already be ordered. Construction is scheduled to be completed by November. A suggestion was made to import furniture but this is not possible because of the high tax and permit needed. Mrs. Medhurst will make recommendations to the Board for the required furniture and equipment.
- b. The excavation and reclamation of approximately 3 acres behind beach should be completed by August. Reclaim land should be filled by June.
- c. The board has agreed to retain Marvin Goodman & Associates to do a Master Site Plan and outline plans for all buildings. A draft plans is expected to be received by July and final plans in August. Mr. Goodman has requested US\$8,000.00 (Eight thousand dollars) for retainer fee. It was agreed that we pay him the retainer.
- d. It is also expected to commence excavation of Marina in August.
- e. Look-out Towers should be completed by end of June.
- f. A permanent beach crew is scheduled to be in place by June.
- g. The expansion of nursery is in process but the ongoing planting of hardwood seeds and propagation of fruit trees, flowering shrubs and plants is scheduled to continue.
- h. It is also scheduled to commence landscaping of Regalia House by September and Rampen Sisters tomb in October. Landscaping should be completed by November.
- i. It was suggested that we eliminate Board walks from the plan. The Board did not agree but suggested that we wait on site plans.

## **7. EQUIPMENT REQUIREMENTS**

- a. Peter will buy ATV in the states and ship them down. There is also consideration for a chipper shredder.

## **8. APPLICATION TO BELTRADE FOR DUTY EXEMPTION**



- a. The Government has removed some exemptions. The application fee is \$5,000.00 (Five thousand dollars) and it is non-refundable. The Board has agreed that we should apply.

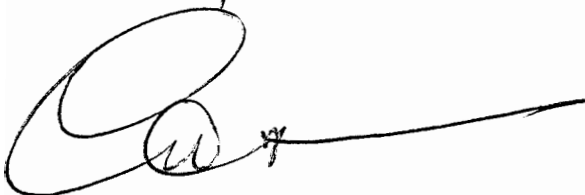
**9. STAFF**

- a. It was recommended that we try to find some one between 18-30 yrs., with sales potential and train him or her to sell the lots. A suggestion was made to send someone from the states. Board did not agree due to the fact that this will take a long and expensive process because person won't be a resident of Belize. Because the cost to do our own sales representation could be expensive it was suggested that we appoint Brokers. A concern was brought up with regards to Brokers being associated with other lands and that could create a problem. It was then suggested that we sign a contract with Broker that they can only show them our property.
- b. A suggestion was made to contact Mr. Brian Yearwood. There were also concerns as to whether Mr. Yearwood does the work himself. The board agreed that we contacted him.

c.

There being no further business, meeting was adjourned at 1:20 P.M.

*Continued*



**Subject:** RE: Web Site  
**From:** "andris pukke"  
**Date:** Sat, 23 Apr 2005 19:11:21 -0700  
**To:** medhurstc@ , peterbelize@gmail.com  
**BCC:**  
**X-Gmail-Received:** 01c82b3ff8ca174622006c8d4322b86879b4e510  
**Delivered-To:** peterbelize@gmail.com  
**Received:** by 10.36.10.19 with SMTP id 19cs13471nzm; Sat, 23 Apr 2005 19:11:23 -0700 (PDT)  
**Received:** by 10.54.16.79 with SMTP id 79mr1243227wrp; Sat, 23 Apr 2005 19:11:23 -0700 (PDT)  
**Return-Path:**  
**Received:** from hotmail.com (bay103-f3.bay103.hotmail.com [65.54.174.13]) by mx.gmail.com with ESMTP id 27si1132423wrl.2005.04.23.19.11.23; Sat, 23 Apr 2005 19:11:23 -0700 (PDT)  
**Received-SPF:** pass (gmail.com: domain of designates 65.54.174.13 as permitted sender)  
**Received:** from mail pickup service by hotmail.com with Microsoft SMTPSVC; Sat, 23 Apr 2005 19:11:22 -0700  
**Message-ID:** <BAY103-F3CA429D620F7840375ED3A52F0@phx.gbl>  
**Received:** from 65.54.174.208 by by103fd.bay103.hotmail.msn.com with HTTP; Sun, 24 Apr 2005 02:11:21 GMT  
**X-Originating-IP:** [65.54.174.208]  
**X-Originating-Email:**  
**X-Sender:**  
**In-Reply-To:** <001401c54863\$69544620\$fe00a8c0@D3YMFJ21>  
**MIME-Version:** 1.0  
**Content-Type:** text/plain; format=flowed  
**X-OriginalArrivalTime:** 24 Apr 2005 02:11:22.0093 (UTC) FILETIME=[E8E831D0:01C54872]

Glad to hear things went well with Marvin Goodman. I look forward to seeing the report on his visit. Don't worry at all about the pricing of the lots on the site or our slightly premature sales efforts. We simply put that price there to attract attention, but we only have to list one lot at that price to be compliant. We haven't created a price list for the lots as of yet, and of course we will consult with the board on something of such high importance. Our sales efforts are simply an experiment to determine initial demand, cost per lead, etc. and thusfar, things are looking extremelly positive.

Glad you liked the site thusfar. I think it came out great! We'll incorporate all of your changes next week. We probably need to speak in order to get the text on some of your recommendations just the way you want it. Hopefully the phone problems will be resolved quickly.

As I predicted, the internet marketing efforts are going extremelly well thusfar. We are generating 10-15 qualified leads a day, with a cost per lead of approximately \$12.00. If we can continue generating that volume of leads at that price, we should be able to sell the lots rather quickly and I have no reason to believe that we won't continue at that pace indefinitely. In fact, we received a lead from a guy who currently lives on Sittee River and who said he was excited that the project is moving forward and was interested in purchasing a lot. I'll get you his name later.

You should have received the wire by now. Please let me know if it hasn't been received yet. I had Penny send it on Thursday.

Give us a call as soon as you can so we can tie up any loose ends and really get



our sales efforts moving.

Hope you guys are doing OK with all of the problems down there. Any news on when things will be resolved??

From: Colin&Joan Medhurst <medhurstc@\_\_\_\_\_>  
To: andris pukke \_\_\_\_\_ Peter Baker <peterbelize@gmail.com>  
Subject: Web Site  
Date: Sat, 23 Apr 2005 19:20:19 -0500

Hi Andi and Peter

A really attractive web site. Much better than the earlier version. Well done. Attached are our comments and requested changes. Please take note and advise.

Sorry about the delay in giving you these comments. Two days after we returned from the States, Marvin Goodman of Marvin Goodman and Associates arrived and escorting them around took all our time. Complicating life has been the riots and disturbances of the past week.

Our major issue has to be the price. Based on conversations with Brian Yearwood of Yearwood Properties in Placencia and Kevin Gonzales, a real estate broker and developer in San Pedro, we should be pricing these lots at \$100,000 and up depending on size and location. We are therefore giving the lots away at \$79,999. We assume you will only be selling a very small number of lots at these prices and that these will be the smaller and most poorly located of the lots. This will mean they will be on the back road away from the beach. Peter please take note. How many lots are you putting on the market at these prices?

To be frank we are surprised that you would go ahead and start selling lots without conferring with the Board. This is particularly important as neither Joan or Colin earn a salary but we have invested a lot of sweat in this project. We do not earn a penny until you have been repaid in full Andi and do feel that you should have discussed this with us before placing the lots on the market.

Having said that, what's done is done and all we can do is to limit the damage. Can we restrict lot sales at this price to say a maximum of five lots until we have met and we have made a researched presentation on the market to the Board.

Finally we have to say that this is not a good time to have people visit the site. The beach looks terrible. Following your suggestion we have reclaimed about ten yards of beach and have stockpiled sand all along the beach. This sand is still discolored by clay and silt and does not look nice. The clay will wash out with the rains but at this time it looks yucky.

Having said that, the project is making big strides forward. We were very impressed with Goodman. He gave us good advice. We will write you separately on his visit. We have built a temporary road alongside the corduroy road and walked an excavator down to the beach. This has enabled us to reclaim a lot of beach and stockpile sand. We have also excavated and began the reclamation of the land behind the beach. This is going well and we should end up with about three acres of reclaimed land. We will have our second burn of trash left over from the cutting of the road through the subdivision this week. After that, one more burn should do away with the trash and enable us to have a bulldozer cut and shape the roads.

Look forward to hearing from you

Joan and Colin

-----  
Colin and Joan Medhurst

# **TAB 3**

SITTEE RIVER WILDLIFE RESERVE  
BOARD OF DIRECTIONS MEETING  
FEBRUARY 7, 2004

Attendance: Andris Pukke, Chairman  
Peter Baker  
John Usher  
Robert Ehrig  
Valerie Woods  
Valdemar Andrade, by Invitation  
Heron Moreno, by Invitation  
Joan Medhurst  
Alfonso Bailey, by Invitation  
Colin Medhurst

Apologies for absence were received from Mrs. Mary Shave

The Minutes of the November 8<sup>th</sup> 2003 meeting of the Board were read and approved on a motion of Mrs. Joan Medhurst seconded by Mr. Andris Pukke.

Colin Medhurst reported to the Board that a Mr. Bowie had laid claim to approximately 30 acres of land being part of the All Pines property. We are advised that he intends to erect a structure on the property. Counsel advises us that we have good title to the property. Unfortunately we do not have an address for Mr. Bowie as litigation appears to be our only course of action.

The Board was advised that discussions were taking place with Naturalite Productions Limited concerning a web site for the Reserve. Ownership and copyright provisions are a concern. Mr. Andrade advised that Mr. Dirk Francisco, Public Participation Officer, Belize Audubon has experience in developing websites and may be considered an alternative to Naturalite. Mr. Medhurst was asked to negotiate ownership arrangements with Naturalite before proceeding.

Considerable discussion took place concerning improving the beach. Mr. Andris Pukke requested that we find an expert to help us improve the beach. Mr. Valdemar advised that he would take up the matter with the Coastal Zone Authority. Note was made that when cleaning up the beach, the only trees cut down had been poisonwood (*metropia brownie*) and that it was important to leave as much vegetation to anchor the beach as the beach moves with the seasonally changing winds.

The Plenty quarry was discussed and Mr. Medhurst advised the Board that the quarry lands had not, to his knowledge been surveyed, and no formal agreement had been entered into with government. This matter would be taken up with the MOW as soon as the EIA had been approved.

Mr. John Usher said that he would set up a meeting with Ministers Rodwell Ferguson and Coye to discuss the quarry site.

The agreement to donate 100 acres of land at Plenty was discussed and like the Quarry lands it was agreed that this should be left until after the EIA had been approved. Mr. Robert Ehrig noted that we need a long-term agreement as there are currently hunters and wood cutting going on at the property.

The proposed Security Company which it is suggested will be named Belize Security and Ranger Service Ltd "BRASS" for short, was discussed in some detail. The concept is to have the company provide both security guard and game warden services. It will be a profit center in its own right and will contract with both members of the Group and outside organizations for business. Game wardens will be required to have a tour guide license and will earn a higher salary than watchmen. Belize Audubon had offered to have our wardens participate in their training programmes. The company is now actively looking for a candidate for the General Manager's position.

This lead into a discussion on mobile communications and it was agreed that all wardens and guards will have to be supplied with reliable two way radios. BCSL: 149800 Frequency. Rate to Government; also rate to BCSL.

Discussions turned to the danger of forest fires in the forthcoming dry season. Note was made of Audubon having fire-fighting equipment provided by PACT

Belize Biochemistry Info System on all the flora & fauna in Belize

Mrs. Valerie Woods called the Board's attention to the new land tax legislation.

Mr. Colin Medhurst made a presentation to the Board on the development plans of Dolphin Development Company Limited.

Mr. Valdemar Andrade advised he had resigned from Belize Audubon effective Feb 20<sup>th</sup>.

The formal Meeting adjourned at 11:55 a.m. on the motion of Mrs. Joan Medhurst seconded by Mr. John Usher.

There followed a tour of part of the All Pines and Regalia properties.

# **TAB 4**

**Subject:** Dolphin Minutes  
**From:** Colin&Joan Medhurst <medhurstc@>  
**Date:** Thu, 28 Jul 2005 11:34:18 -0500  
**To:** Peter Baker <peterbelize@gmail.com>, andris pukke  
**X-Gmail-Received:** dd8e0e8787349f7aeb090673e0b6e2ad31dcbaaa  
**Delivered-To:** peterbelize@gmail.com  
**Received:** by 10.36.10.9 with SMTP id 9cs12017nzj; Thu, 28 Jul 2005 09:35:19 -0700 (PDT)  
**Received:** by 10.38.12.2 with SMTP id 2mr194794rml; Thu, 28 Jul 2005 09:35:19 -0700 (PDT)  
**Return-Path:** <medhurstc@>  
**Received:** from a34-mta0 [66.82.4.90] by mx.gmail.com with ESMTTP id g2si3549606me.2005.07.28.09.35.19; Thu, 28 Jul 2005 09:35:19 -0700 (PDT)  
**Received-SPF:** neutral (gmail.com: 66.82.4.90 is neither permitted nor denied by best guess record for domain of medhurstc@>  
**Received:** from D3YMFJ21 (dpc691916001. [69.19.16.1]) by a34-mta01. (iPlanet Messaging Server 5.2 HotFix 2.05 (built Mar 3 2005)) with SMTP id <0IKC00EVAJDE35@a34-mta01> for peterbelize@gmail.com; Thu, 28 Jul 2005 12:35:19 -0400 (EDT)  
**Message-ID:** <000d01c59392\$38aae7c0\$5a00a8c0@D3YMFJ21>  
**MIME-Version:** 1.0  
**X-MIMEOLE:** Produced By Microsoft MimeOLE V6.00.2900.2180  
**X-Mailer:** Microsoft Outlook Express 6.00.2900.2180  
**Content-type:** multipart/mixed; boundary="Boundary\_(ID\_a+TkaUNTUBX9AIGKYiJZLA)"  
**X-Priority:** 3  
**X-MSMail-priority:** Normal

**Minutes attached. Some important issues were discussed at the last Board Meeting and I need to have confirmation of the Minutes from Andi before we proceed. Please treat this as most urgent. Colin**

---

Colin and Joan Medhurst

Email: [medhurstc@](mailto:medhurstc@)

MINUTES July 15th 2005.doc

**Content-Type:** application/msword  
**Content-Encoding:** base64

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS  
OF DOLPHIN DEVELOPMENT COMPANY LIMITED HELD AT  
MIAMI, FLORIDA, U.S.A ON FRIDAY JULY 15<sup>TH</sup> 2005

Present:	Mr. Andris Pukke	Director
	Mr. Peter C Baker	Director
	Mrs. Joan Medhurst	Director
	Mr. Colin W. Medhurst	Director

The meeting was called to order by Mr. Colin Medhurst, Acting Chairman at 12.20 P.M.

1. Acceptance of Minutes

The Minutes of the meeting of the Board of Directors held on May 13<sup>th</sup> 2005 Were presented to the Board and approved on the motion of Mr. Andris Pukke seconded by Mr. Peter C. Baker

2. Matters arising from the Minutes

The question of air-conditioning the house under construction at Regalia was raised by Mr. Pukke. The Board was advised that the house was designed for air-conditioning so that a prospective purchaser could install central air-conditioning. After some discussion it was agreed to compromise and install a wall unit in the conference room and await completion of the house before making any further installation.

Peter C. Baker advised the Board that he is arranging to ship the two vehicles purchased in the USA to Belize along with two ATV's. Mr. Medhurst asked if he could acquire and ship a commercial grade chipper, and scaffolding along with this shipment. The Board was advised that there was not enough room in the container for a chipper but Mr. Baker would look into shipping it separately.

Mr. Medhurst advised the Board that after lengthy consideration and taking everything into account, it was decided not to approach Government for exemption from duty and other tariffs. He further advised that Government had been contacted on a preliminary basis and we were advised that no incentive packages were being approved at this time.

3. Resident Manager's Report

Mr. Medhurst advised the Board that

- a) Rains have delayed road building and that the main eastern road in the Sanctuary Bay subdivision is impassable. The main access road is

however holding up very well. Plans are to commence work on grading and rolling the subdivision roads as soon as we have some dry weather.

- b) The Regalia house is proceeding on budget but behind schedule. The Company has been stockpiling construction materials as the supply of some items can be delayed. The house is 3,820 sq ft and is estimated to cost \$248,000. The ground floor of the house will be used as the site office, the headquarters for the Sittee River Wildlife Reserve, a conference room and quarters for graduate students doing research on aspects of the natural history of the Reserve. The first floor will be finished to a high standard to demonstrate the quality of work available in Belize and will provide accommodation for visiting professionals etc.,
- c) Little work has been done on moving excavated sand at the beach. The front-end loader is at Triton assisting in the harvesting of shrimps. It is expected that Triton will require the Loader for a further three weeks and as we estimate we have approximately four weeks of work left at the beach to remove sand to behind the beach we do not see the beach work being completed before late September.
- d) Boundary lines between the lots bordering the 1<sup>st</sup> Phase eastern subdivision road have been completed and boundary monuments have been marked with red flags.
- e) A used front-end loader and excavator was purchased in June for \$37,500. Both items of equipment are working very satisfactorily.
- f) A thirty-foot observation tower has been completed on lands immediately in front of the Sanctuary Bay subdivision. This provides an excellent view of the lagoon.
- g) A low cost building has been constructed at Regalia of bush stick and aluminium sheeting to house the equipment, provide temporary stabling for the horses and as a shade house for the nursery.
- h) Mr. Medhurst advised that an escrow account had been opened with Scotiabank (Belize) Limited, Dangriga Branch.
- i) Mr. Medhurst advised the Board that Dolphin Development Company Limited had been incorporated in Nevis.
- j) Finally, Mr. Medhurst advised the Board that he would like the Company to have a cash reserve of at least \$60,000 available to it so that work could commence on the roads as soon as we have a dry spell.



#### 4. Marketing Report

Mr. Peter Baker, Sales Manager advised that the following sales had been made and presented the sales documentation.

Mr. Thomas W. Howes Lots No. S001, S002 and S003 Purchase Price \$30,000, \$50,000 and \$40,000 respectively, terms \$4,000 down on each lot with the balance payable over ten years at 8% interest.

Mr. Keith Sheehan Lots Nos, S008, S006, S042 and S007 Purchase Price \$45,000, \$40,000, \$95,000 and \$45,000 respectively. Purchase Price paid in full.

Ms. Angela Gentry Lot No S086 Purchase Price \$152,150. Terms \$30,430 down with the balance paid over ten years at 6% interest

Mr. Steve Brennan Lot NO. S019 Purchase Price \$79,000. Terms 10% \$7900 down with the balance payable over ten years at 6% interest.

Mr. Baker presented the sales brochure, site plan and price list and advised the Board that the Google Search Engine was producing 17 hits a day and Yahoo 30 hits.

- Mr. Baker advised that several other sales were near completion and that the Britton Foy sale of Lot S085 for \$165,000 had been completed and that the deposit had been placed in escrow.

This lead to a discussion regarding the charging of maintenance fees. It was Agreed that purchasers would start paying maintenance fees when they have possession and titles are available.

Mr. Medhurst raised an objection to the sales terms stating that the cash flow derived from ten year repayment terms will delay any distribution to the shareholders by possibly another seven years and that this was unacceptable to Mr. Colin Medhurst and Mrs. Joan Medhurst. After some discussion it was agreed that we should review our sales performance and projected cash flow there from by August 30<sup>th</sup> 2005 and that the Board would expect a minimum of thirty closed sales to have been achieved by that date.

Mr. Baker advised that a 10% commission is paid to Representatives of the Company upon their closing a sale. A 6% commission has been negotiated with a recently appointed Representative on an exception basis. A 2% commission will be paid should the sale be closed in Belize to however closes the sale.

## Financial Report

Mr. Medhurst tabled the June 30<sup>th</sup> 2005 1<sup>st</sup> quarter in-house balance sheet and profit and loss statement of the Company, He advised the Board that Mr. Marion Usher, CPA had been retained to audit the books of the Company.

## Other Business

Regarding the purchase of Southern Long Caye, Mr. Baker reported that payment had been made in full for the Caye. Mr. Medhurst stated that instructions had been given to register the Caye in the name of the Sittée River Wildlife Reserve (the "Reserve"). While this was not a meeting of the Board of the Reserve, he felt it appropriate as all the directors of the Company are also directors of the Reserve to voice his concerns over the fact that the Company was misrepresenting the use of the Caye in the Company's website and some of its sales material. Purchasers of lots in the subdivisions are promised the "exclusive" use of the Caye. This is not the case as the Company contemplates allowing condominium owners and guests of the hotel to use the Caye and in fact there had been discussions with a director as to the cost of building and financing a personal house on the Caye. Mr. Medhurst pointed out that the Reserve does have outside directors and we cannot place them in a position whereby they could be sued for misrepresenting the use of the Caye. It was agreed that the word "exclusive" used in describing the rights of the lot owners to the Caye would be removed immediately.

Mr. Medhurst advised the Board that the arrangements between the Company and the Reserve have not been documented. He recommended that the responsibilities of both parties be recorded in a document that would also set out the terms of release and repayment of the funds advanced by Mr. Pukke. This was agreed to unanimously and Mr. Medhurst was charged with preparing such an agreement.

Mr. Medhurst again raised the subject of the extended repayment terms for lots sold on credit. He pointed out that lots sold on 10% down with the balance repayable over ten years at a rate of interest between 6 and 8.5% would not generate sufficient funds to pay a dividend until 2012. He pointed out that under the current agreement all loans and advances made by Mr. Pukke had to be repaid prior to any distribution of profits. Mr. Pukke acknowledged the problem and suggested that the loans and advances made by him be restructured to be repaid over ten years commencing 2010.

This lead into a discussion concerning the continued funding of the development and it was agreed that we should look for a bank loan to finance the remaining development costs. Mr. Medhurst pointed out that the controlling shareholder's current financial state would deter any bank from making a loan. After discussion Mr. Pukke agreed to subordinate repayment of the loans and advances made by him to the Company in favor of bank loans and furthermore to assign the voting rites of his 60% controlling interest to Mr. Medhurst. It was noted that this assignment would be confined to voting rites and control only and would not extend to any distribution of profits which would continue to be made to the shareholders of record. Mr. Medhurst agreed to look into the possibility of obtaining a bank loan and would report back to the Board.

There being no further business, the meeting closed on the motion of Mr. Baker seconded by Mrs. Medhurst

# **TAB 5**

From: **Sanctuary Bay** <[peterbelize@gmail.com](mailto:peterbelize@gmail.com)>

Date: Sep 13, 2005 1:22 PM

Subject: new company moving forward

To: Colin&Joan Medhurst <[medhurstc@< dolphindevelopment2004@yahoo.com >](mailto:medhurstc@< dolphindevelopment2004@yahoo.com >)>, Colin Medhurst

Dear Colin:

As discussed, we wanted to clarify with you how we envision the possibility of you getting paid on a priority basis if this was something that you and Joan wished to entertain. We feel that due to the current situation, motivation and direction is lacking by all parties.

Regardless of how you wish to proceed in the future, we must all get on the same page in order for this project to succeed. We are completely open to moving forward either on a "buy out" basis or as status quo, however the decision is yours.

In order to achieve the "buy out" scenario that we discussed, we feel that the companies could be structured in a way whereby NewCo and SRWR enter into a long term marketing and development agreement. The terms can be set out where for each lot sold, SRWR will get a percentage of the revenue. In other words, if a lot is sold by NewCo, NewCo would retain 90% of the revenue from the sale and pay SRWR 10%. SRWR would use the 10% to fund it's operations and use whatever remains to start paying back the \$3mm loan to me and NewCo would use the 90% to fund the project and pay you on a priority basis. The way we understand it, SRWR is obligated to pay the \$3mm note to me, but it can only pay it if it has funds available. This way, NewCo would have the bulk of the revenue to continue marketing and development and it would also be able to buy you out quickly.

If a "buy out" is something that you are still interested in, this is how we envision it working. If you see flaws in our idea, please let us know. If this is not workable in any form, we are certainly looking forward to moving ahead with the project with it's current structure. However, if you choose not to accept the "buy out" or if it's not possible, in order to either bring in outside investors or continue funding ourselves, we would need written acceptance from the SRWR board of the "requests" listed on the attached document.

Please give some thought to our possible "buy out" ideas as well as look at the attached document and let us know if it's something you can agree to. We feel that all of our "requests" are necessary to make the project a success and to raise the funds needed to continue.

We look forward to you thoughts. Talk to you soon.

Peter

## Requested needs for increased investment in Sanctuary Bay

- 1) The elimination of Dolphin Development as the developer on the property.
- 2) The creation of NewCo who is owned by Peter solely or by Peter, Colin and Joan.
- 3) Maya is to be added to SRWR Board with voting rights in the quorum.
- 4) A contract between NewCo and SRWR spelling out the financial agreement of the two entities as well as the following understandings:
  - A) NewCo has the right to develop and sell lots (a maximum of 10) on the reclaimed land on the lagoon side of the beach.
  - B) NewCo has the right to develop the 1000 acres, formally set aside for shrimp farming, as an eco friendly golf course and community located on the other side of the SB road west of Sapodilla Lagoon.
  - C) NewCo has the right to manicure the development as it sees fit. Including the lagoons and corduroy road.
  - D) NewCo has the right to sell a piece of land or an existing lot or lots to an independent developer, who has plans for a small condo or duplex development within Sanctuary Bay.
  - E) Additional lots will be added along the elbow facing the mountains along the high ridge.
  - F) Additional lots (if possible) will be added to the newly formed islands in the lagoon. No smaller than ½ acre each.
  - G) The approval (if permitted by government) to build as many condos as possible based on the demand.
  - H) If faced with a possible foreclosure or non ability to meet a monthly payment to a bank or an investor, as a method of absolute last resort, the approval to sell lots as necessary on the area of the beach.
  - I) NewCo has the ability to develop the Caye as it sees fit.

# **TAB 6**





**TOM DALY**  
**ORANGE COUNTY CLERK-RECORDER**  
**12 CIVIC CENTER PLAZA, ROOM 106**  
**POST OFFICE BOX 238**  
**SANTA ANA, CA 92702-0238**

Recorded in Official Records, Orange County  
Tom Daly, Clerk-Recorder

23.00  
20056054049 11:13am 12/21/05  
76 14 F01  
23.00 0.00 0.00 0.00 0.00 0.00

**FICTITIOUS BUSINESS NAME STATEMENT**

To ensure a prompt and accurate record of your filing, type or print in black ink only.  
DO NOT ABBREVIATE.

THE FOLLOWING PERSON(S) IS (ARE) DOING BUSINESS AS:

1.	Fictitious Business Name(s) <b>STARFISH DEVELOPMENT Limited</b>	(optional) Business Phone No. <b>(949) 743-9629</b>
1A.	<input checked="" type="checkbox"/> New Statement <input type="checkbox"/> Raffle—List Previous No. <input type="checkbox"/> Change	
2.	Street Address, City & State of Principal place of Business (Do NOT use a P.O. Box or P.M.B.) <b>2040 MAIN ST. IRVINE CA 92614</b>	City State Zip Code
3.	Full name of Registrant (If Corporation, enter corporation name) <b>PETER BAKER</b>	If Corporation/L.L.C. State of Incorporation or organization
	Res./Corp. Address (Do NOT use a P.O. Box or P.M.B.) <b>69 EMERALD BAY LAGUNA BEACH CA 92651</b>	City State Zip Code
	Full name of Registrant (If Corporation, enter corporation name)	If Corporation/L.L.C. State of Incorporation or organization
	Res./Corp. Address (Do NOT use a P.O. Box or P.M.B.)	City State Zip Code
	Full name of Registrant (If Corporation, enter corporation name)	If Corporation/L.L.C. State of Incorporation or organization
	Res./Corp. Address (Do NOT use a P.O. Box or P.M.B.)	City State Zip Code
4.	(CHECK ONE ONLY) This business is conducted by <input checked="" type="checkbox"/> an individual ( ) a general partnership ( ) a limited partnership ( ) an unincorporated association other than a partnership ( ) a corporation ( ) a business trust ( ) co-partners ( ) husband and wife ( ) joint venture ( ) Limited Liability Co. ( ) Other—Specify _____	
5.	Have you started doing business yet? Yes <input checked="" type="checkbox"/> Insert the date you started: <b>10/15/05</b> No _____	NOTICE: THIS FICTITIOUS NAME STATEMENT EXPIRES FIVE YEARS FROM THE DATE IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK-RECORDER. A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THAT DATE. THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE).
6.	If Registrant is NOT a corporation, sign below: (See instructions on the reverse side of this form.) Signature <b>PCBL</b> <b>PETER C. BAKER</b> (Type or Print Name)  I declare that all information in this statement is true and correct. (A registrant who declares as true information which he or she knows to be false is guilty of a crime.)	If Registrant is a corporation, an officer of the corporation signs below: If Registrant is a limited liability company, a manager or an officer signs below.  _____ Limited Liability Company Name/Corporation Name  _____ Signature and Title of Officer or Manager I declare that all information in this statement is true and correct. (A registrant who declares as true information which he or she knows to be false is guilty of a crime.)  _____ Print or Type Officer/Manager's Name and Title

(THIS FEE APPLIES AT THE TIME OF FILING)  
FILING FEE \$25.00 FOR ONE BUSINESS NAME.  
\$7.00 FOR EACH ADDITIONAL BUSINESS NAME.  
\$7.00 FOR EACH ADDITIONAL PARTNER AFTER FIRST TWO.  
PROVIDE A SELF-ADDRESSED, STAMPED, RETURN ENVELOPE

# TAB 7

**Subject:** SRWR Minutes

**From:** Colin&Joan Medhurst <medhurstc@>

**Date:** Fri, 21 Oct 2005 09:46:24 -0500

**To:** Peter Baker <peterbelize@gmail.com>, Tom and Barbara <garbutt < >, Richard Moyroud

lindsay  
john usher

**X-Gmail-Received:** f02103e08c4cebe79de83066f64566938a93d2f1

**Delivered-To:** peterbelize@gmail.com

**Received:** by 10.70.38.18 with SMTP id 118cs1868wxl; Fri, 21 Oct 2005 07:46:45 -0700 (PDT)

**Received:** by 10.65.242.2 with SMTP id u2mr2040229qbr; Fri, 21 Oct 2005 07:46:44 -0700 (PDT)

**Return-Path:** <medhurstc@ >

**Received:** from a34-mta01. (a34-mta01. [66.82.4.90]) by mx.gmail.com with ESMTMP id z21si10919907qbc.2005.10.21.07.46.43; Fri, 21 Oct 2005 07:46:44 -0700 (PDT)

**Received-SPF:** neutral (gmail.com: 66.82.4.90 is neither permitted nor denied by best guess record for domain of medhurstc@)

**Received:** from D3YMFJ21 (dpc691916001. [9.19.16.1]) by a34-mta01 (iPlanet Messaging Server 5.2 HotFix 2.05 (built Mar 3 2005)) with SMTP id <OIP00ILD1DX7@a34-mta01. for peterbelize@gmail.com; Fri, 21 Oct 2005 10:46:43 -0400 (EDT)

**Message-ID:** <001d01c5d64e\$37842f10\$7900a8c0@D3YMFJ21>

**MIME-Version:** 1.0

**X-MIMEOLE:** Produced By Microsoft MimeOLE V6.00.2900.2180

**X-Mailer:** Microsoft Outlook Express 6.00.2900.2180

**Content-type:** multipart/mixed; boundary="Boundary\_(ID\_hWFAG6yfahExUtKnEGphYQ)"

**X-Priority:** 3

**X-MSMail-priority:** Normal

Gentleman

I am enclosing the Minutes of the October 7th meeting for your attention and comments.

I have to advise you that following the meeting both Joan and I resigned as directors of the Reserve.

We would have likes to continue our involvement but we were not happy with the direction the Reserve was asked to adopt and it became clear that under the circumstances, the only and best way to deal with the problem was to remove ourselves from the picture and resign.

TTFN

Colin

---

Colin and Joan Medhurst

## **SITTEE RIVER WILDLIFE RESERVE**

Minutes of the Board of Directors Meeting  
Held on October 7, 2005, 10:15 A.M.  
Villa Namaste, Sittee River Village, Belize, C.A.

### **PRESENT**

Tom Swing, Director  
Joan Medhurst, Director  
Colin Medhurst, Director  
Peter Baker, Director  
John Usher, Director

### **Absent with Apologies**

Mr. Lindsay Garbutt  
Mr. Richard Moyroud

### **By Invitation**

Andris Pukke

1. The meeting was chaired by Mr. Colin Medhurst
2. **Approval of Minutes of February 23, 2005 Meeting**

Minutes were accepted on the recommendation of Mr. John Usher and seconded by Mr. Peter Baker.

### **3. Matters Arising from Minutes**

- a) Mr. Swing enquired about pursuing the introduction of Howler monkeys into the Reserve and the need for a university to sponsor the project. It was suggested that our contracts at the Wildlife Conservation Society and Boston University may be of help. The suggestion was made that we could expand our horizons by adding Spider Monkeys to the project. Mr. Swing is to research further and to prepare a business plan and budget.
- b) Mr. Usher advised that the first week of September the tides were extremely high and covered the corduroy road for up to one foot.
- c) Mr. Usher advised that no further action has taken place re the land swap at Plenty.
- d) Mr. Usher advised that the Regalia House was proceeding but behind schedule. It is hoped to be finished by December of this year.

#### **4. Organization Changes**

- a) Mr. Baker recommended to the Board that the Reserve replace Dolphin Development Company Limited with a new developer acceptable to Mr. Baker as developer's of the project. Mr. Baker explained that funding of the acquisition of the lands comprising the Reserve and the development costs had come from unsecured loans made by Mr. Andris Pukke. However, Mr. Pukke was unable to advance further funds and to facilitate new investors interested in investing in the project, Mr. Pukke's involvement would have to be removed. He recommended that a new company be appointed as the developer of the project. The shares of this new company would be registered in the name of Peter Baker. Mr. Pukke would not be a shareholder in the new company. In Mr. Baker's opinion this would enable him to attract new investors. The Board agreed to consider the request.
- b) Mr. Medhurst tabled the Environmental Assessment Plan that was accepted by the Department of Environment.

#### **5. Financial Report**

- a) The financial statements of the Reserve from incorporation to the year ended March 31<sup>st</sup> 2005 are being audited and it is anticipated that the Audited report will be available next week.
- b) The arrangements agreed to by the Reserve to sell 1,000 acres of savannah suitable for shrimp farming was reviewed. The land has been surveyed and appraised by an independent appraiser for one million US dollars. It was noted that this figure had taken into account that the land was zoned for a 640 pond acre shrimp farm and all approvals were in place. While the consideration was agreed to with Triton, the form of consideration was not agreed.
- c) Consideration had been agreed as equity in Triton. Triton is in dire financial straits. The Reserve is committed to complete the sale but was of the opinion that equity was not acceptable in view of the purchasers financial condition.
- d) It was suggested that consideration be in the form of an unsecured loan from the Reserve to Triton for a term of ten years with a moratorium on principal payments for the first three years. Interest would be at 12% per annum. This was agreed by the Board.

#### **6. Marketing**

- a) It was noted that Dolphin Development Company Limited has been selling lots on the Reserve lands. However, there is no brokerage contract between the Reserve and Dolphin and while outline approval for the subdivisions has been obtained, the Reserve does not have approval to issue titles.
- b) The new company to be formed by Mr. Baker wants to write contracts in the name of the Reserve.

- c) Dolphin sales contracts entered into are to be assumed by the new company.
- d) Counsel is to be consulted on how to proceed. John Usher recommended this be approved; seconded by Mr. Swing and passed unanimously.

#### **7. Mr. Baker's Requests**

- a) In order to attract new investors Mr. Baker had submitted a list of conditions and concessions to be included in the proposed contract between the New Company and the Reserve. These items require the Boards approval and are:
- b) The new company wishes to sub-divide the reclaimed land behind the beach. This was agreed subject to approval of the DOE.
- c) The New Company wishes to develop a golf course. This was approved, however a feasibility study for the golf course on 200-400 acres in an area with the least disturbance to the environment is required by the Reserve prior to final approval. The approval of the DOE is also to be obtained.
- d) The new company wishes the right to "manicure" the development as they see fit. The Reserve insists that any such "Manicuring" be consistent with the terms of the ECP.
- e) The New Company requests the right to sell land within Sanctuary Bay to a developer for condo development. Sanctuary Bay lots are zoned for single residences and condo development will require DOE approval and the approval of purchasers of other lots. With these approvals the Reserve was prepared to give its approval.
- f) The New Company wished to have the right to develop as many condos as the market demands. It was agreed that a maximum of 80 condos would be developed and that DOE approval was first obtained.
- g) The New Company asks that it be allowed to develop the Caye as it sees fit. This was agreed subject to DOE approval.

Colin W. Medhurst abstained from voting on items c,d, and e.

#### **8. Other Business**

It was proposed that Maya Bates be invited to sit on the Sittee River Wildlife Reserve Board. Acceptance recommended by Mr. Baker and seconded by Mr. Swing.

#### **9. Adjourned:** The meeting was adjourned at 1:30 P.M.

# TAB 8

# SANCTUARY BAY PROJECT

## ACTUAL AND PROJECTED LOT SALES AS OF JULY 15, 2005

### I. LOTS SOLD:

Lot. No.	Selling Price	Initial Payment	Seller Financing		
			Amount	Interest	Term
S001	\$ 30,000.00	\$ 4,000.00	\$ 26,000.00	8%	10
S002	50,000.00	4,000.00	46,000.00	8%	10
S003	40,000.00	4,000.00	36,000.00	8%	10
S006	40,000.00	40,000.00	-		
S007	45,000.00	45,000.00	-		
S008	45,000.00	45,000.00	-		
S019	79,000.00	7,900.00	71,100.00	6%	10
S042	95,000.00	95,000.00	-		
S086	152,150.00	30,430.00	121,720.00	6%	10
S085	<u>165,000.00</u>		(in escrow)		
10 lots	<u>\$ 741,150.00</u>				

### II. LOTS TO BE SOLD:

	No. of Lots	Average Price/Lot	Extension
River lots	16	\$ 88,000.00	\$ 1,408,000.00
Ocean lots	190	106,000.00	<u>20,140,000.00</u>
			<u>\$ 21,548,000.00</u>

### III. SUMMARY:

Actual and projected sales as of July 15, 2005:	
Actual sales of 10 lots	\$ 741,150.00
Projected sales of 16 river lots	1,408,000.00
Projected sales of 190 ocean lots	<u>20,140,000.00</u>
Total	22,289,150.00
Less maximum commission at 10%	<u>(2,228,915.00)</u>
	<u>\$ 20,060,235.00</u>



# TAB 9

AmerUs Life  
Insurance Company  
611 Fifth Avenue  
Des Moines, IA 50309  
515/283-2371

Jane F. Kerr  
Certified Paralegal

PH: (515) 242-4559  
FAX: (515) 242-4542

**AMERUS**  
*Life*

May 17, 2006

**VIA FACSIMILE 213-243-6330**  
**AND REGULAR MAIL**

Lesley Anne Hawes, Esq.  
McKenna Long & Aldridge  
444 South Flower Street  
Suite 800  
Los Angeles, CA 90071-2901

Re: Federal Trade Commission v. Ameridebt, Inc., et al.  
USDC No. PJM 03-3317

Dear Attorney Hawes:

I am in receipt of your May 10, 2006 letter requesting the cash surrender value of Indianapolis Life Insurance Company Policy No. 100058186 issued to Andris Pukke as of April 20, 2005, the date of the Preliminary Injunction Order. Please be advised that the cash value as of that date was \$113,190.51. This amount is not available today and will continue decline due to the passage of time.

Best regards,

  
Jane F. Kerr  
Certified Paralegal

# **TAB 10**



# Un.orm Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower" as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse will not be used as a basis for loan qualification, but his or her liabilities must be considered because the Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

I. TYPE OF MORTGAGE AND TERMS OF LOAN					
Mortgage Applied for:	<input type="checkbox"/> VA <input type="checkbox"/> FHA	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> USDA/Rural Housing Service	<input type="checkbox"/> Other:	Agency Case Number	Lender Case No. 0083009571
Amount	Interest Rate	No. of Months	Amortization Type:	<input type="checkbox"/> Fixed Rate <input type="checkbox"/> GPM <input checked="" type="checkbox"/> ARM (type: MTA ARM 1 Mo)	
\$ 1,822,200.00	2.650 %	360			

II. PROPERTY INFORMATION AND PURPOSE OF LOAN	
Subject Property Address (street, city, state, & zip code) 35 OCEAN HEIGHTS DRIVE, NEWPORT BEACH CA 92657	No. of Units 1
Legal Description of Subject Property (attach description if necessary) See Attached	Year Built 2002

Property Type	<input type="checkbox"/> 1-4 SFR <input type="checkbox"/> Manufactured Home				
Purpose of Loan	<input type="checkbox"/> Refinance <input type="checkbox"/> Construction-Permanent <input type="checkbox"/> Other (explain):				
<input checked="" type="checkbox"/> Purchase <input type="checkbox"/> Construction <input type="checkbox"/> Home Improvement	Property will be: <input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input checked="" type="checkbox"/> Investment				
<i>Complete this line if construction or construction-permanent loan.</i>					
Year Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a + b)
	\$	\$	\$	\$	
<i>Complete this line if this is a refinance loan.</i>					
Year Lot Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	<input type="checkbox"/> made <input type="checkbox"/> to be made
	\$	\$		Cost: \$	
Title will be held in what Name(s) ANDRIS PUKKE	Manner in which Title will be held SOLE			Estate will be held in: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)	
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain) Savings					

Borrower				III. BORROWER INFORMATION				Co-Borrower			
Borrower's Name (include Jr. or Sr. if applicable) ANDRIS PUKKE				Co-Borrower's Name (include Jr. or Sr. if applicable)							
Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School	Social Security Number	Home Phone (incl. area code)	DOB (MM/DD/YYYY)	Yrs. School				
	(301) 785-1616	02/12/1969	18								
<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input checked="" type="checkbox"/> Unmarried (incl. single, divorced, widowed)	Dependents (not listed by Co-Borrower) no. 0 ages		<input type="checkbox"/> Married <input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (incl. single, divorced, widowed)	Dependents (not listed by Borrower) no. ages					
Present Address (street, city, state, zip code) <input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent 1 No. Yrs 31 LINDA ISLE, NEWPORT BEACH, CA 92660				Present Address (street, city, state, zip code) <input type="checkbox"/> Own <input type="checkbox"/> Rent ____ No. Yrs							
Mailing Address, if different from Present Address				Mailing Address, if different from Present Address							

<i>If residing at present address for less than two years, complete the following:</i>							
Former Address (street, city, state, zip code) <input checked="" type="checkbox"/> Own <input type="checkbox"/> Rent 3 No. Yrs 3556 SWEETWATER MESA, MALIBU, CA 90265				Former Address (street, city, state, zip code) <input type="checkbox"/> Own <input type="checkbox"/> Rent ____ No. Yrs			

Borrower				IV. EMPLOYMENT INFORMATION				Co-Borrower			
Name & Address of Employer DEBTWORKS 12850 MIDDLEBROOK ROAD SUITE, GERMANTOWN, MD 20874				<input checked="" type="checkbox"/> Self Employed Yrs. on this job 10 Yrs. employed in this line of work/profession 7				Name & Address of Employer <input type="checkbox"/> Self Employed Yrs. on this job			
Position/Title/Type of Business PRESIDENT				Business Phone (incl. area code) (240) 401-8836 x				Position/Title/Type of Business Business Phone (incl. area code)			
<i>If employed in current position for less than two years or if currently employed in more than one position, complete the following:</i>											
Name & Address of Employer <input type="checkbox"/> Self Employed				Dates (from - to)				Name & Address of Employer <input type="checkbox"/> Self Employed			
				Monthly Income				Monthly Income			
				\$				\$			
Position/Title/Type of Business				Business Phone (incl. area code)				Position/Title/Type of Business			
Name & Address of Employer <input type="checkbox"/> Self Employed				Dates (from - to)				Name & Address of Employer <input type="checkbox"/> Self Employed			
				Monthly Income				Monthly Income			
				\$				\$			
Position/Title/Type of Business				Business Phone (incl. area code)				Position/Title/Type of Business			

**V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION**

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$ 2,322,000.00	\$	\$ 2,322,000.00	Rent	\$ .00	
Overtime	.00		.00	First Mortgage (P&I)	.00	\$ 7,342.81
Bonuses	.00		.00	Other Financing (P&I)	32,967.00	.00
Commissions	.00		.00	Hazard Insurance	.00	625.00
Dividends/Interest	.00		.00	Real Estate Taxes	.00	3,125.00
Net Rental Income	304.00		304.00	Mortgage Insurance	.00	.00
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues	.00	.00
				Other:	8,371.00	.00
<b>Total</b>	<b>\$ 2,322,304.00</b>	<b>\$</b>	<b>\$ 2,322,304.00</b>	<b>Total</b>	<b>\$ 41,338.00</b>	<b>\$ 11,092.81</b>

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

Describe Other Income Notice: Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$

**VI. ASSETS AND LIABILITIES**

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise separate Statements and Schedules are required. If the Co-Borrower section was completed about a spouse, this Statement and supporting schedules must be completed about that spouse also.

Completed  Jointly  Not Jointly

ASSETS		Cash or Market Value	LIABILITIES		
Description			Name and address of Company	Monthly Payment & Months Left to Pay	Unpaid Balance
Cash deposit toward purchase held by:	\$*				
<i>List checking and savings accounts below</i>					
Name and address of Bank, S&L, or Credit Union			<b>CHASE AUTO</b>	\$ Payments/Months 2,215.00 11	\$ 53,178.00
Acct. no.	7107	\$ 1,976,108.00			
Name and address of Bank, S&L, or Credit Union			<b>G M A C</b>	\$ Payments/Months 762.00 11	\$ 33,786.00
Acct. no.	5390	\$ 1,669,481.00			
Name and address of Bank, S&L, or Credit Union			<b>BB&amp;T BKCRD</b>	\$ Payments/Months 563.00 0	\$ 27,349.00
Acct. no.	0159	\$ 247,468.00			
Name and address of Bank, S&L, or Credit Union			<b>LAND ROVER</b>	\$ Payments/Months 1,834.00 11	\$ 25,422.00
Acct. no.	8805	\$ 49,298.00			
Stocks & Bonds (Company name/number & description)			<b>FRD MOTOR CR</b>	\$ Payments/Months 1,100.00 11	\$ 19,545.00
Life insurance net cash value	\$				
Face amount: \$			<b>CHASE-MNHTN</b>	\$ Payments/Months 2,144.00 1	\$ 18,358.00
<b>Subtotal Liquid Assets</b>		<b>\$ 3,942,355.00</b>			
Real estate owned (enter market value from schedule of real estate owned)	\$	\$ 19,550,000.00			
Vested interest in retirement fund	\$		<b>FORD CRED</b>	\$ Payments/Months 926.00 11	\$ 16,447.00
Net worth of business(es) owned (attach financial statement)	\$				
Automobiles owned (make and year)	\$				
0 MERCEDES BENZ 2		80,000.00			
0 RANGE ROVER 200		55,000.00			
0 GMAC 2003		55,000.00			
Other Assets (itemize)	\$				
MERCEDES 2000		65,000.00			
FORD 2003		30,000.00			
<b>Total Assets a.</b>	<b>\$ 23,832,355.00</b>		<b>Net Worth (a minus b)</b>	<b>\$ 12,196,660.00</b>	<b>Total Liabilities b. \$ 11,635,695.00</b>

**VI. ASSETS AND LIABILITIES (cont.)**

Schedule of Real Estate Owned (If additional properties are owned, use continuation sheet.)

Property Address (enter S if sold, PS if pending sale or R if rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Insurance, Maintenance, Taxes & Misc.	Net Rental Income
31 LINDA ISLE NEWPORT BEACH, CA 92660	SFR	7,750,000.00	6,000,000.00	.00	32,967.00	8,371.00	
121 NORTH BAY ROAD MIAMI BEACH, FL 33139	SFR	7,250,000.00	186,781.00	.00	43,360.00	6,066.00	
11509 DARLIA TERRACE, POTOMAC, MD 20854	SFR	2,200,000.00	999,000.00	.00	2,706.00	1,625.00	
<b>Totals</b>		<b>19,550,000.00</b>	<b>7,185,781.00</b>	<b>3,375.00</b>	<b>93,425.00</b>	<b>18,662.00</b>	<b>304.00</b>

List any additional names under which credit has previously been received and indicate appropriate creditor name(s) and account number(s):

Alternate Name	Creditor Name	Account Number

VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS			
a. Purchase price	\$ 3,037,000.00	If you answer "yes" to any questions a through l, please use continuation sheet for explanation.			
b. Alterations, improvements, repairs	.00	a. Are there any outstanding judgments against you?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
c. Land (if acquired separately)	.00	b. Have you been declared bankrupt within the past 7 years?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
d. Refinance (incl. debts to be paid off)	.00	c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
e. Estimated prepaid items	10,670.70	d. Are you a party to lawsuit?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
f. Estimated closing costs	6,859.85	e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? (This would include such loans as home mortgage loans, SBA loans, home improvement loans, education loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name and address of Lender, FHA, VA case number, if any, and reason for the action.)			
g. PMI, MIP, Funding Fee	.00				
h. Discount (if Borrower will pay)	.00				
i. Total costs (add items a through h)	3,054,530.55				
j. Subordinate financing					
k. Borrower's closing costs paid by Seller	.00	f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? If "Yes," give details as described in the preceding question.		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
l. Other Credits (explain)		g. Are you obligated to pay alimony, child support, or separate maintenance?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
m. Loan amount (exclude PMI, MIP, Funding Fee financed)	1,822,200.00	h. Is any part of the down payment borrowed?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
n. PMI, MIP, Funding Fee financed		i. Are you a co-maker or endorser on a note?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
o. Loan amount (add m & n)	1,822,200.00	j. Are you a U.S. citizen?		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
p. Cash from/to Borrower (subtract j, k, l & o from i)	1,232,330.55	k. Are you a permanent resident alien?		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		l. Do you intend to occupy the property as your primary residence? If "Yes," complete question m below.		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		m. Have you had an ownership interest in a property in the last three years?		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
		(1) What type of property did you own--principal residence (PR), second home (SH), or investment property (IP)?		PR	
		(2) How did you hold title to the home--solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)?		S	

**IX. ACKNOWLEDGMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described herein; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated herein; (6) any owner or servicer of the Loan may verify or reverify any information contained in the application from any source named in this application, and Lender, its successors or assigns may retain the original and/or an electronic record of this application, even if the Loan is not approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the owner or servicer of the Loan may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

Borrower's Signature	Date	Co-Borrower's Signature	Date
	2-11-04	X	

**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may discriminate neither on the basis of this information, nor on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race or sex, under Federal regulations this lender is required to note the information on the basis of visual observation or surname. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

Borrower <input type="checkbox"/> I do not wish to furnish this information		CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information	
Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input checked="" type="checkbox"/> Not Hispanic or Latino	Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race:	<input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input checked="" type="checkbox"/> White	Race:	<input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex:	<input type="checkbox"/> Female <input checked="" type="checkbox"/> Male	Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male

To be Completed by Interviewer This application was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type) <b>BOYAJIAN, RYAN</b>	Name and Address of Interviewer's Employer <b>Strada Financial 140 Newport Center Dr., Ste. 100 Newport Beach, California 92660</b>
	Interviewer's Signature	Date
	Interviewer's Phone Number (incl. area code) <b>(949) 721-5082</b>	

**Subject:** Dolphin wiring instructions  
**From:** Peter Baker <peterbelize@gmail.com>  
**Date:** Wed, 27 Apr 2005 18:22:00 -0700  
**To:** Colin&Joan Medhurst <medhurstc@...>  
**X-Gmail-Received:** c107c13938cdbee7bf045a4be8ad349171a16f61  
**Received:** by 10.36.10.19 with HTTP; Wed, 27 Apr 2005 18:22:00 -0700 (PDT)  
**Message-ID:** <9cfcf26805042718225f12ab0e@mail.gmail.com>  
**Reply-To:** Peter Baker <peterbelize@gmail.com>  
**MIME-Version:** 1.0  
**Content-Type:** multipart/alternative; boundary="-----\_Part\_18\_33172903.1114651320861"  
**Delivered-To:** peterbelize@gmail.com

Colin:

As soon as you receive them tomorrow, please email the wiring instructions for Dolphin to:

[rihards.mezgailis@hansabanka.lv](mailto:rihards.mezgailis@hansabanka.lv)

No need to give him any detail. All he needs is the instructions at this point. He will expedite the wire for \$100K. Sorry again for the delay and hassle.

Andi



# **TAB 11**

# JOHN PUKKE

## CASH RECEIPTS IN CONNECTION WITH SPORTINGBET PLC HANSA BANKA, ACCOUNT NO. XXXXXXXX5390

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### I. Proceeds from Sale of Ordinary Shares:

Dates	Number of Shares	Unit Price			Extension	
		Pounds Sterling	Exchange Rate	US\$	Pounds Sterling	US\$
02/08/05	500,000	£ 2.51	1.85740	\$ 4.66	£ 1,255,000.00	\$ 2,331,037.00
02/08/05	500,000	2.52	1.85740	4.68	1,260,000.00	2,340,324.00
02/09/05	750,000	2.53	1.85490	4.69	1,897,500.00	3,519,672.75
02/09/05	<u>500,000</u>	2.55	1.85490	4.73	1,275,000.00	<u>2,364,997.50</u>
	<u>2,250,000</u>					<u>10,556,031.25</u>

### II. Receipts Directly from Sportingbet Plc:

08/06/03	196,931.00
12/05/03	199,500.00
01/27/04	146,233.00
02/13/04	129,500.00
04/13/04	129,500.00
06/28/04	126,000.00
11/04/04	<u>1,314,620.00</u>
	<u>2,242,284.00</u>

### III. Total

\$ 12,798,315.25

## Directors' Report

The Directors submit their annual report and audited financial statements of the Group for the 16 months ended 31 July 2004. During the period the Group changed its year end from 31 March to 31 July.

### Principal Activities

The principal activities of the Group are the operation of interactive licensed betting and gaming operations over the internet and telephone.

### Results and Dividends

The results of the Group for the 16 month period are set out on page 32 and show a profit for the period of £5.3m (2003: £1.4m). The Directors do not recommend a dividend.

### Review of the Business and Future Developments

The Group operates worldwide internet and telephone betting facilities in respect of a wide variety of sporting events and casino and poker gaming.

During the period the Group acquired a 29.5% share in World Gaming Plc, the parent company of the software licensing company which provides the online platform for the Group's Americas division. The Group also acquired the remaining 40% share holding of Eurosportwetten Limited in order to increase the focus of its German language website.

A more detailed review of the business and future developments is given in the Chairman's statement on page 15 and Chief Executive's review on pages 17 to 19.

### Directors and their interests

The following Directors have held office during the year and subsequently:

P Dicks	Non Executive Chairman
N Payne	Executive
A McIver	Executive
M Blandford	Executive
S O'Connor	Non Executive
B Harris	Non Executive
A Ballester	Non Executive (resigned 23 October 2003)
J Blower	Non Executive (resigned 19 March 2004)
R Holt	Non Executive (appointed 19 March 2004)

Robert Holt, having been appointed during the year, will seek election at the Annual General Meeting. Nigel Payne and Sean O'Connor will retire by rotation at this Annual General Meeting and, being eligible, will each seek re-election. The interests of the Directors and their wives in the shares of the Company and options for such shares, were as shown on pages 28 to 29 both reflecting the year end figures and any subsequent changes. No Director has any interest in any other Group company. Details of the Directors' remuneration and service contracts appear on pages 28 to 29.

### Related Party Transactions

Details of transactions with related parties undertaken by the Group during the year are disclosed in note 24 to the Financial Statements.

### Corporate Governance

The Board's statement on Corporate Governance appears on pages 24 to 25.

### Charitable Donations

During the year, the Group donated £23,500 to charities including £5,000 to the Gaming Industry Charity Trust, £2,600 to the Wooden Spoon Society, £10,270 to local charities in Australia and £795 to local charities in Costa Rica. It is Group Policy not to make political donations and no such donations were made during the year (2003: £Nil).

### Substantial Shareholdings

As at 28 October 2004 the following interests in 3 percent or more of the Company's existing ordinary share capital had been reported:

Shareholder	Number of	% of issued
	Ordinary	Ordinary
	Shares of 0.1	Shares of 0.1
	Pence each	Pence each
DBS Advisors Ltd	32,669,945	15.37
Fidelity	29,579,147	13.91
Merrill Lynch Asset Mgmt (UK)	27,181,685	12.79
M & P Blandford	14,980,173	7.05
Mr G Wilkinson	13,112,603	6.17
Invesco Asset Mgmt	8,830,000	4.15

### Employee involvement and policy

The Directors recognise the need for communication with employees at every level. Copies of the annual Report and Accounts are available to all employees which, together with staff briefings on Group developments, keeps them informed of the Group's progress. The Group is committed to a policy of equal opportunity in matters relating to employment, training and career development of employees and is opposed to any form of less favourable treatment afforded on the grounds of disability, sex, marital status, nationality, race or religion. Full consideration is given to continuing the employment of staff who become disabled and to provide training and career development opportunities to disabled employees.

### Payment of Suppliers

It is the policy of the Group that each company within the Group should agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard written terms to individually negotiated contracts. Payments are normally made in accordance with these terms and conditions. At 31 July 2004 the Company's trade creditors represented 35 days of purchases (2003:

## Operational Review

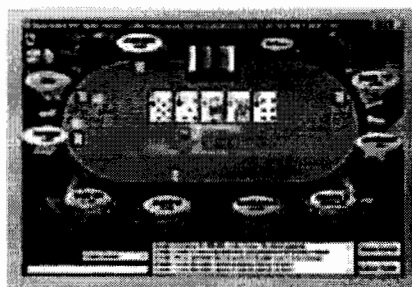
### Paradise Poker

Sportingbet completed the acquisition of Paradise Poker on 3 November 2004. During the period ended 31 July 2005, all aspects of the integration of Paradise Poker have been completed in the US, including the cross-selling "shared purse" technology, which was introduced at the end of July 2005.

Since acquisition Paradise Poker has performed strongly and has exceeded the Board's expectations across all of its performance indicators. Compared to the pro-forma 12 months ended 31 July 2004 the number of active customers who have contributed to rake at Paradise Poker rose significantly by 88.5% to 212,000 (2004: 112,485). The number of games of poker played per day rose by 65.6% to 988,608 (2004: 596,818) generating an average daily rake of \$283,824, an increase of 88.8% (2004: \$150,277).

The cost of acquiring new active customers to Paradise Poker has remained broadly constant at \$139 (2004: \$129), yielding a payback period of less than two months. The increased scale of the business yielded a lower unit cost to £0.38 per £1 of margin (2004: £0.41).

In the 12 months to 31 July 2005, the margin from Sportingbet's other poker websites also grew strongly. Margin from the European region's own poker brands rose by £4.0m (321.0%) to £5.2m (2004: £1.2m), and the margin from the US region's own brands rose to £2.2m (2004: £Nil).



Paradise Poker ran a global marketing campaign promoting the World's First Free Million Dollar Poker Tournament. The billboard shown here is in Times Square, New York.

### Paradise Poker: Revenue (US \$)\* Increased by 88%



\*12 months to 31 July

"We now have over 2.7m registered customers who placed 400m sports and gaming bets in the year, up 51%, and generated an 89% increase in daily poker rake."

### Dividends

The Directors recommend a maiden dividend of 1.0p per ordinary share for the year, amounting to £3.4m. Subject to approval at the Group AGM, this will be paid on 4 January 2006 to shareholders on the register as at 25 November 2005.

### Trading Outlook

During the first ten weeks of the current financial year, trading across the Group has been strong.

The Board is particularly pleased with the performance of its Poker business, and the early benefits of its shared purse technology. Following an intensive and effective marketing campaign at the start of the new financial year, customer signups during the first ten weeks of the quarter were materially higher than last year, with 37,680 new active accounts opened in the ten week period (2004: 20,366) at an average cost of acquisition of \$132 (2004: \$129). Average daily rake during the ten week period has risen 71% over the same ten week period last year and 22% between July and September 2005.

In the US, customer signups at the start of the busy sports season have been strong (up 96.4% over last year) and have been acquired at an average customer acquisition cost of \$235 (2004: \$265). In Europe, customer signups at the start of the busy sports season have also been strong (up 67.1% over last year) and have been acquired at an average customer acquisition cost of £154 (2004: £94).

# **TAB 12**



**Settlement Statement**  
**Final**

**Property:** 35 Ocean Heights Drive, Newport Beach, CA 92657      **File No:** OMV-1255095  
**Officer:** Laurie Noel/EDR  
**New Loan No:** 0083009571  
**Settlement Date:** 02/19/2004  
**Disbursement Date:** 02/19/2004  
**Print Date:** 2/19/2004, 12:18 PM

**Buyer:** Andris Pukke  
**Address:** 35 Ocean Heights Drive, Newport Beach, CA 92657  
**Seller:** Ron P. Saunders, Kimberly Jean Saunders  
**Address:** 35 Ocean Heights, Newport Beach, CA 92657

Buyer Charge	Buyer Credit	Charge Description	Seller Charge	Seller Credit
3,037,000.00		<b>Consideration:</b> Total Consideration		3,037,000.00
		<b>Deposits in Escrow:</b>		
	91,110.00	Receipt No. 12406 on 12/08/2003 by Steven Todd Cook		
	91,110.00	Receipt No. 12645 on 01/05/2004 by Andris Pukke		
	250,000.00	Receipt No. 13129 on 02/13/2004 by Andris Pukke		
	950,000.00	Receipt No. 13186 on 02/18/2004 by Andris Pukke		
		<b>Prorations:</b>		
8,869.84		County Tax 02/18/04 to 07/01/04 @\$12004.29/semi		8,869.84
119.20		Association Dues 02/18/04 to 03/01/04 @\$275.08/mo		119.20
9,000.00		Extention Fee 01/31/04 to 02/18/04 @\$500.00/day		9,000.00
85.55		Association Dues 02/18/04 to 03/01/04 @\$197.42/mo		85.55
		<b>Commission:</b>		
		Commission Paid at Settlement to Coast Newport Properties	75,925.00	
		<b>New Loan(s):</b>		
	1,822,200.00	Lender: Washington Mutual Bank, FA New Loan to File to Washington Mutual Bank, FA		
3,593.46		Interest on New Loan 02/13/04 to 03/01/04 @\$211.380000/day to Washington Mutual Bank, FA		
34.00		Tax Research Fee to Washington Mutual Bank, FA		
47.00		Tax Service Fee to Lereta		
13.00		Flood Certification Fee to Lereta		
35.00		Wire Transfer Fee to Washington Mutual Bank, FA		
430.00		Funding Fee & Review Fee to Washington Mutual Bank, FA		
		Mrtg. Broker: Strada Financial		
		Yield Spread Premium to POC \$18222.00		
		Strada Financial		
		Appraisal Fee to Strada POC-B \$750.00		
		Financial		
450.00		Processing Fee to Strada Financial		
		<b>Payoff Loan(s):</b>		
		Lender: Washington Mutual Bank		
		Principal Balance to Washington Mutual Bank	1,410,000.00	
		Interest on Payoff Loan 01/01/04 to 02/20/04 @\$164.180000/day to Washington Mutual Bank	8,373.18	
		Fee to Washington Mutual Bank	15.00	
		Statement/Forwarding Fee to Washington Mutual Bank	30.00	
		Recording Fee to Washington Mutual Bank	7.00	
		Late Charge (possible) to Washington Mutual Bank	249.69	
		<b>Title/Escrow Charges to:</b>		
		County Documentary Transfer Tax to First American Title Company	3,340.70	
1,230.00		Escrow Fee to First American Title Company	1,230.00	
		Prepare Grant Deed to First American Title Company	50.00	
		Eagle Owners Policy to First American Title Company	5,040.00	
1,281.00		Eagle Lenders Policy to First American Title Company		
50.00		Special Messenger/Courier Fee to First American Title Company		
102.00		Record Trust Deed to First American Title Company		

Initials: \_\_\_\_\_

**Settlement Statement**  
*Final*

**Settlement Date:** 02/19/2004  
**Print Date:** 2/19/2004

**File No:** OMV-1255095  
**Officer:** Laurie Noel/EDR

Buyer Charge	Buyer Credit	Charge Description	Seller Charge	Seller Credit
15.00		Record Grant Deed to First American Title Company		
125.00		Endorsement to First American Title Company		
20.00		PCOR to First American Title Company		
		<b>Disbursements Paid:</b>		
		Tax Installment: Amount 2nd half to Orange County Tax Collector	12,004.29	
197.42		Association Dues February to Ocean Heights HOA		
		Association Dues March to Ocean Heights HOA	197.42	
275.08		Association Dues - March to Newport Coast Master		
1,666.00		Fire Insurance Premium to Fireman's Fund Insurance Co.		
50.00		Notary Signing Fee to Carly Watanabe		
		Document Fee to Merit Property	95.00	
		Document Fee to Merit Property Management	95.00	
		Transfer Fee to Merit Property Management	225.00	
		City Report to City of Newport Beach	154.00	
		Pest Inspection to Hired Gun Exterminating	75.00	
		Property Disclosure Report to Property ID Services	114.00	
		Transfer Fee and Document Fee to Merit Property	225.00	
91,110.00		Release of funds to Todd Cook		
		Release per Instructions to Kimberly Saunders	12,500.00	
		Release of funds per instructions to Ron Saunders	12,500.00	
		Home Warranty to AON Home Warranty	400.00	
		Association Dues for the month February to Newport Coast Master	275.08	
48,621.45		Cash ( From) (X To) Borrower		
		Cash (X To) ( From) Seller	1,511,954.23	
3,204,420.00	3,204,420.00		3,055,074.59	3,055,074.59



**First American Title Company**  
**26440 La Alameda, Suite 250 Mission Viejo, CA 92691-6304**

PR: 06243

Ofc: 3003

(1235)

DATE:

02/18/2004

RECEIPT NO.: 13186

FILE NO.: OMV-1255095

## RECEIPT FOR DEPOSIT

FUNDS IN THE AMOUNT OF: \$950,000.00

WERE RECEIVED FROM: Andris Pukke

CREDITED TO THE ACCOUNT OF:

TYPE OF DEPOSIT: Wire

REPRESENTING: Closing Costs

Comments:

Property Location: 35 Ocean Heights Drive, Newport Beach, CA 92657

### DEPOSITED WIRE INFORMATION:

Bank Name:

Contact:

Federal Routing Number:

Confirmation Number:

Confirmation Date/Time:

BY: Larry Forcey, 02/18/2004

ESCROW OFFICER: Laurie Noel

"The validity of this receipt, for the deposit referenced,  
is subject to clearance by the depository financial institution and credit to our account."

Accounting Copy





Payment Details - > Print View

Payment Type and Details >

Payment Type:	FED Incoming	Status:	Complete
Value Date:	02/17/04	Repline ID:	
Amount:	950,000.00/USD	Originating Account:	BMGTCCHGG
IMAD:	0217B1QGC03C001623	OMAD:	0217L1LFB15C000275
Previous IMAD:			

Debit Party >

Receiving Party >

Account ID:	ABA - 021000021	Account ID:	DDA - 5080
Name:		Name:	2 First American Way
Address:		Address:	Santa Ana, CA 92707
			Attn: Payoff Department

Intermediary Party >

Beneficiary Party >

Account ID:		Account ID:	DDA 5080
Name:		Name:	FIRST AMERICAN TITLE COMPANY
Address:		Address:	

Other Information >

Payment Details:	/RFB/ANDRIA PUKKE FILE OMV 1255095 (LJN)ATTN LAURIE NOEL	Bank to Bank Info:	
Beneficiary Ref.:	2115000048FS	Internal Memo:	

Audit Trail >

Date/Time:
2serverCRTD
11dispatcherCRTD
38dispatcher 31
4dispatcherDPCK
11dispatcherDPCK
38dispatcher 32
4dispatcherARTE
11dispatcherARTE
38dispatcher 109
4dispatcherDATE
11dispatcherDATE
38dispatcher 522
4dispatcherPNRM
11dispatcherPNRM
38dispatcher 556

Close

# **TAB 13**



**TAB 14**

**Subject:** FW: eFax from 0000000 - 1 page(s), Caller-ID: 949-642-6421

**From:** "andris pukke"

**Date:** Sat, 04 Jun 2005 18:18:51 -0700

**To:** peterbelize@gmail.com

**BCC:**

**X-Gmail-Received:** 2c2633fcf82a0b7fe2717580e5379e0c5ceda004

**Delivered-To:** peterbelize@gmail.com

**Received:** by 10.36.10.9 with SMTP id 9cs55889nzj; Sat, 4 Jun 2005 18:18:52 -0700 (PDT)

**Received:** by 10.54.128.20 with SMTP id a20mr1852687wr; Sat, 04 Jun 2005 18:18:52 -0700 (PDT)

**Return-Path:**

**Received:** from hotmail.com (bay103-f32.bay103.hotmail.com [65.54.174.42]) by mx.gmail.com with ESMTP id g3si3015002wra.2005.06.04.18.18.51; Sat, 04 Jun 2005 18:18:52 -0700 (PDT)

**Received-SPF:** pass (gmail.com: domain of ekkup@msn.com designates 65.54.174.42 as permitted sender)

**Received:** from mail pickup service by hotmail.com with Microsoft SMTPSVC; Sat, 4 Jun 2005 18:18:51 -0700

**Message-ID:** <BAY103-F32D0C44EB6BD9EEB7DF658A5F80@phx.gbl>

**Received:** from 65.54.174.210 by by103fd.bay103.hotmail.msn.com with HTTP; Sun, 05 Jun 2005 01:18:51 GMT

**X-Originating-IP:** [65.54.174.210]

**X-Originating-Email:**

**X-Sender:**

**MIME-Version:** 1.0

**Content-Type:** multipart/mixed; boundary="-----\_NextPart\_000\_49a6\_4f3b\_191d"

**X-OriginalArrivalTime:** 05 Jun 2005 01:18:51.0476 (UTC) FILETIME=[8857B140:01C5696C]

From: "eFax" <message@inbound.efax.com>  
To: ekkup@msn.com  
Subject: eFax from 0000000 - 1 page(s), Caller-ID: 949-642-6421  
Date: Sat, 04 Jun 2005 20:50:50 +0000

You have received a 1 page fax at 2005-06-04 20:50:50 GMT.

- \* The reference number for this fax is seal\_did11-1117918174-2534232224-16.
- \* The Caller-ID for this fax is 949-642-6421.

This message can be opened with eFax Messenger. If you have not already installed eFax Messenger on your computer, please download a free copy at <http://www.eFax.com/need>.

With Messenger you can...

- \* Add your signature to outbound documents - easily.
- \* Combine, re-order or delete pages in the thumbnail view.
- \* Add custom rubber stamp images to each document.
- \* Highlight segments of a document.
- \* Embed voice & text annotations for personal notes & data.

Please visit <http://www.eFax.com/help> if you have any questions regarding this message or your service.

Thank you for using the eFax service!

**a2142a16.tif** **Content-Type:** image/tiff  
**Content-Encoding:** base64



CALIFORNIA ASSOCIATION OF REALTORS®

CONTINGENCY REMOVAL No. 1 (C.A.R. Form CR, 10/03)

In accordance with the terms and conditions of the: [X] California Residential Purchase Agreement or [ ] Other (Agreement), dated on property known as 69 Emerald Bay, (Property), between Peter C Baker (Buyer) and Popovich fam trust (Seller),

A. BUYER'S REMOVAL OF BUYER CONTINGENCIES: Buyer removes those contingencies specified below. With respect to any contingency and cancellation right that Buyer removes, unless otherwise specified in a separate written agreement between Buyer and Seller (such as C.A.R. Form RR), as applicable, Buyer shall conclusively be deemed to have: (I) completed all Buyer Investigations and review of reports and other applicable information and disclosures; (II) elected to proceed with the transaction; and (III) assumed all liability, responsibility and, if any, expense for Repairs, corrections, or for the inability to obtain financing.

NOTE: Pre-printed paragraph numbers are for reference only and refer to the specified paragraph in the California Residential Purchase Agreement (C.A.R. Form RPA-CA).

1. ONLY the following individually checked Buyer contingencies are removed:

- A. [ ] Loan (Paragraph 2I)
B. [ ] Appraisal (Paragraph 2J)
C. [ ] Tenant-Occupied Property (Paragraph 3C(iii))
D. [ ] Reports/Disclosures (Paragraphs 4 and 5)
E. [ ] Common Interest (HOA) Disclosures (Paragraph 6B)
F. [ ] Buyer's Investigation, including insurability (Paragraph 9)
G. [ ] Title: Preliminary Report (Paragraph 12)
H. [ ] Sale of Buyer's Property (Paragraph 13)
I. [ ]
J. [ ]
K. [ ]

OR 2. [ ] ALL Buyer contingencies are removed, EXCEPT: [ ] Loan Contingency (Paragraph 2I); [ ] Appraisal Contingency (Paragraph 2J); [ ] Contingency for the Sale of Buyer's Property (C.A.R. Form COP); [ ] Common Interest (HOA) Disclosures; [ ] Other

OR 3. [X] BUYER HEREBY REMOVES ANY AND ALL BUYER CONTINGENCIES. (Once all contingencies are removed, whether or not Buyer has satisfied him/herself regarding all contingencies or received any information relating to those contingencies, Buyer's deposit may not be returned if Buyer does not close escrow. This could happen even if, for example, Buyer does not approve of some aspect of the Property or lender does not approve Buyer's loan.)

Buyer Peter C Baker Date
Buyer Date

B. SELLER REMOVAL OF SELLER CONTINGENCIES: Seller hereby removes the following Seller contingencies: [ ] Contingency for Seller's purchase of replacement property (C.A.R. Form COP); [ ] Other

Seller Popovich fam trust Date
Seller Date

( / ) (Initials) CONFIRMATION OF RECEIPT: A copy of this signed Contingency Removal was personally received by [ ] Buyer [ ] Seller or authorized agent on (date), at [ ] AM/ [ ] PM.

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Published by the California Association of REALTORS®

Reviewed by Date

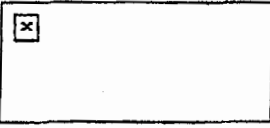


# **TAB 15**



CO-17656 As of 8/16/2005 2:58:42 PM

Page 1

	West Coast Escrow 2121 E. Coast Hwy., #120B Corona Del Mar CA 92625 Phone: (949) 644-9390 Fax: (949) 644-2825 Escrow Officer: Terri Cordero	*CO- <b>17656*</b> CO-17656-TC
---	--	--------------------------------------

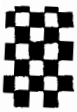
**Buyer's / Borrower's Final Settlement Statement**

<b>Property:</b>	69 Emerald Bay Laguna Beach, CA 92651	<b>Closed Date:</b>	8/15/2005
<b>Buyer:</b>	Peter C. Baker	<b>Escrow Number:</b>	CO-17656-TC

	<u>Debits</u>	<u>Credits</u>
<b>New Loan</b>		
Principal from COUNTRYWIDE HOME LOANS, INC.		\$1,600,000.00
Document Preparation to COUNTRYWIDE HOME LOANS, INC.	\$200.00	
Flood Cert. Fee to COUNTRYWIDE HOME LOANS, INC.	\$26.00	
<b>Payoff</b>		
Principal to COUNTRYWIDE HOME LOANS	\$645,000.00	
Interest to	\$3,313.36	
Interest from 8/1/2005 thru 8/16/2005 @136.9520/day	\$2,191.24	
<b>Escrow Charges</b>		
Escrow Fee	\$750.00	
<b>Title Charges</b>		
Lender's Coverage (2nd) to TICOR TITLE - IRVINE	\$2,814.00	
Messenger Fee	\$9.91	
<b>Recording Fees</b>		
Recording Second Trust Deed	\$57.00	
<b>Additional Settlement Fees</b>		
Hazard Ins Premium to Farmers	\$4,941.05	
<b>Additional Services</b>		
Messenger Fee MN docs from title F6387	\$8.94	
<b>Proceeds or Balance Due</b>		
Borrower Refund	\$940,688.50	
<b>Balance Due</b>		\$0.00
<b>Totals:</b>	<b>\$1,600,000.00</b>	<b>\$1,600,000.00</b>

:

Save this Statement for income Tax purposes.



# Wire Authorization

**Corona Del Mar - WCE**

**Corona Del Mar, CA 92625**

**Corona Del Mar - WCE Acct #**

---

**Wire #: 7912**

**File #: CO-17656-TC**

**Posted: 8/16/2005 11:57:51 AM**

**Printed: 8/16/2005 11:57:51 AM**

**By: Terri Cordero**

**Amount: \$940,688.50**

**Beneficiary: Comerica Bank FBO Peter C. Baker**

**Beneficiary Bank: Deutsche Bank**

**Beneficiary Bank Code: 021001033**

**Beneficiary Account #:**

**For Credit Of: Provident Bank & Trust of Belize Limited**

**Note: Further Credit: Peter Baker Acct.**

<b>Item</b>	<b>Amount</b>
<b>Borrower Refund</b>	<b>\$940,688.50</b>
<b>Total:</b>	<b>\$940,688.50</b>

---

**Issued By: Terri Cordero**

---

**Approved**