

UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM

**FEDERAL TRADE COMMISSION’S NOTICE OF ROD KAZAZI’S AND
FOUNDATION PARTNERS’ FAILURES TO MAKE COURT-ORDERED PAYMENTS**

Defendants Rod Kazazi and Foundation Partners have failed to make certain court-ordered payments. On January 8, 2020, the Court entered the Stipulated Order for Permanent Injunction and Monetary Judgment Against Defendants Rod Kazazi and Foundation Partners, DE 789 (the “Kazazi Order”). Among other provisions, the Kazazi Order imposes a \$144,000,000 judgment against Kazazi and Foundation Partners. DE 789, Section III.A. The Kazazi Order then orders that Kazazi and Foundation Partners make specific payments within 14 days (the “such payments”). *Id.* at Section III.B. & C. In particular Section III.B. requires that Kazazi liquidate certain known assets and turn over the proceeds to the FTC within 14 days. Section III.C. provides that Kazazi’s lawyer, David Wiechert, is holding \$268,873.37 “in escrow for no purpose other than payments to the Commission” and further requires that these funds be turned over within 14 days. The 14-day time period for all of the “such payments” expired on January 22, 2020. As detailed in the Declaration of Kathryn Gillis, Kazazi has not made all of the “such payments,” including the \$268,873.37 payment required by Section III.C., and the January 22, 2020, deadline has long since passed.

The Kazazi Order specifies that the remainder of the \$144,000,000 judgment would be “suspended” if Kazazi and Foundation Partners made the “such payments.” Section III.F. As

just detailed, they did not. While Kazazi and Foundation Partners are still required to make the various payments detailed in the order, their failure to make the payments within 14 days means that it is now impossible for any portion of the judgment to be “suspended.” As a result, the **full \$144,000,000** judgment is now due and payable, less any amounts that the FTC has collected from Kazazi or the other defendants. The FTC is taking steps to collect on these amounts. The FTC previously issued correspondence notifying Kazazi of his failure to make the “such payments” and the consequences of his failure. Declaration of Benjamin J. Theisman, Attachment 1. The FTC has now also issued a formal demand letter for the full \$144,000,000 judgment. Theisman Declaration, Attachment 5. Additionally, the FTC is simultaneously seeking an order requiring Kazazi’s counsel, Mr. Wiechert, to turn over the \$268,873.37 that he purports to hold in escrow for the FTC’s benefit.

Dated: September 1, 2020

Respectfully Submitted,

/s/ Benjamin J. Theisman

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Federal Trade Commission

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202-326-2551 (Cohen); -2223 (Theisman); -3671 (Erickson); -3197 (facsimile)

Certificate of Service

I, Benjamin J. Theisman, hereby certify that on September 1, 2020, I served the foregoing FEDERAL TRADE COMMISSION'S NOTICE OF ROD KAZAZI'S AND FOUNDATION PARTNERS' FAILURES TO MAKE COURT-ORDERED PAYMENTS through ECF and otherwise to the following people and entities by the means identified below:

Rod Kazazi and Foundation Partners at rodkazazi@gmail.com and via overnight FedEx to 3137 Corte Portofino, Newport Beach, CA 92660 (the address he listed on his Answer, DE 342);

David Wiechert at dwiechert@aol.com and via overnight FedEx to 27136 Paseo Espada, Suite B1123, San Juan Capistrano, CA 92675;

Andris Pukke and entities he owns or controls at ekkup@msn.com;

Peter Baker and entities he owns or controls at peterbakerx@gmail.com;

Joseph Rillotta, counsel for John Usher, at joseph.rillotta@dbr.com;

Luke Chadwick and entities he owns or controls at luketchadwick@gmail.com;

Gary Caris, James E. Van Horn, and Kevin Driscoll, counsel for the Receiver, by ECF or at gcaris@btlaw.com; jvanhorn@btlaw.com; and kevin.driscoll@btlaw.com.

/s/ Benjamin J. Theisman