

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

REPORT OF RECEIVER'S ACTIVITIES
JUNE 24, 2006 THROUGH OCTOBER 5, 2007

This report covers the activities of the Receiver since its last report as of June 23, 2006. 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 (Pukke) ongoing 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. These assets are in addition to those assets the Court found as "Concealed Assets" in its March 30, 2007 contempt ruling against Andris Pukke and Peter Baker. This report will also detail the current results of this Court's contempt ruling.

Hanver Documents

In the Receiver's Special Report to the Court dated September 19, 2005, the Receiver discussed Robin Cotterell and Hanver Trust Company located in Nevis. Recently, the Receiver obtained substantial documentation from Hanver Corporate Services Ltd. and Hanver Trust Company.

The Receiver conducted a deposition of Pukke on December 20, 2006. In that deposition Pukke denied having any ownership in Seaspray Holdings Ltd. The following are excerpts from the deposition transcript, page 572, lines 16-22:

- Q. You have an ownership interest in an entity called Seaspray Holdings, Ltd.; is that correct?
- A. No.
- Q. Do you have any ownership interest in that company?
- A. No.

Under Tab 1 is a document of Hanver Trust Company dated August 16, 1999 that states the following companies were formed for Mr. Pukke:

The Carolina Trust
The Carolina Foundation Ltd.
Carolina Reinsurance Company Ltd.
Seaspray Holdings Ltd.

Under Tab 2 is a July 26, 1997 document addressed to Pukke from Internet Opportunity documenting Mr. Pukke's 3.5% interest in Internet Opportunity. Also under Tab 2 is an August 20, 1999 document signed by Mr. Pukke transferring his 3.5% interest in Internet Opportunity to the Carolina Foundation, an entity that was formed for him as documented under Tab 1.

Based on many other Hanver documents discussed in other sections of this report, it is clear that Pukke denied any ownership interest in Seaspray Holdings Ltd. because Seaspray Holdings Ltd. is the primary link to the proceeds from or payments to companies connected to Internet gambling.

Results of this Court's Ruling to Hold Andris Pukke and Peter Baker in Contempt

Subsequent to this Court's March 30, 2007 contempt ruling, the Receiver has received cash, control of properties, or has negotiated agreements for return of cash aggregating at least \$12,400,000.

On April 9, 2007 Peter Baker signed a grant deed and transferred title to the Receiver of the property located at 69 Emerald Bay in Newport Beach, California. The Receiver estimates the minimum net equity in the property to be not less than \$1,500,000.

On May 9, 2007 \$1,749,975 was wire transferred to the receivership estate from Liechtenstein by the Valkyr Trust.

On May 30, 2007 \$4,500,000 was wire transferred to the receivership estate by a third party on behalf of Pukke.

On July 9, 2007 \$130,000 was wire transferred to the receivership estate from Liechtenstein by the Valkyr Trust on behalf of eDebt.com Limited. eDebt.com Limited is discussed below.

The Receiver reached an agreement with a third party whose companies received proceeds from the sale of Sportingbet Plc stock. That agreement provides for the return of \$2,255,000 over a 25-month period.

The Receiver reached an agreement with Angela Chittenden for the return of \$224,480 which were the proceeds from the sale of Sportingbet Plc stock routed through domestic and foreign bank accounts controlled by Peter Baker. Ms. Chittenden has agreed to make monthly payments over 24 months.

The Receiver reached an agreement with Robert Waring for the immediate return of \$200,000 he received from the proceeds of the sale of Sportingbet Plc stock.

The Receiver reached an agreement in principle with Jeff Westrick for the immediate return of \$40,000 he received from the proceeds of the sale of Sportingbet Plc stock.

The Receiver has been advised that Janis Pukke will cause to be returned an additional \$1,090,000 located at HypoBank in Liechtenstein.

Pukke caused the Liechtenstein trust to form a company called Wichita Real Estate, Ltd. to purchase part of an island off the coast of Belize (Long Caye). The Receiver is in the process of assessing the value of the Long Caye property discussed below but currently estimates the minimum net equity to be not less than \$800,000.

The Receiver continues to pursue enforcement of the Contempt Order and related orders. The Receiver has pending demands to Janis Pukke with respect to (a) several properties located in Latvia acquired in whole or in part with assets subject to the contempt proceedings. Janis Pukke through counsel has made a proposal to resolve the Receiver's claims regarding the Latvian properties which is subject to review and discussion; (b) copies of all underlying bank account records pertaining to the Hansabanka account and the accounts at banks in Liechtenstein to which a portion of the Hansabanka funds were transferred; and (c) funds transferred from the Valkyr Trust to other entities established at Pukke's behest, including eDebt.com Ltd. and Amber Project Funding Ltd. in New Zealand. The Receiver also seeks additional records and information from Andris Pukke, including all of the foregoing as well as information regarding Pukke's interest in Placemybet.com and various overseas entities, such as Barracuda Ltd., Thiberia LTDA and others.

The Receiver is continuing to investigate the transfer of \$200,000 in Hansabanka funds to Media Partners Publishing, and is seeking the deposition of that company's president, Mark Peterson, in connection therewith pursuant to subpoena. The Receiver is also continuing to assert claims for recovery of funds transferred to various attorneys, including Richard Librett, counsel for Eriks Pukke, Rus Miliband & McClellan, counsel for Baker, and Rutan & Tucker, also counsel for Baker.

Investments or Loans made using the Concealed Assets

Long Caye, an Island in Belize

As noted above, Pukke caused the Liechtenstein trust to form Wichita Real Estate, Ltd., to purchase Long Caye off the coast of Belize. A copy of the Deed of Incumbrance to purchase the property is under Tab 3. This document which is dated April 13, 2007 was turned over to the Receiver by the seller of the property. Total consideration for the property was \$1,012,400. Peter Baker wire transferred the initial down payment of \$50,000 on September 18, 2006. According to an unverified accounting sent to the Receiver by Andrew Baker in Liechtenstein, the Valkyr Trust made payments totaling \$833,000. The Receiver is currently in discussions with the seller to verify the accounting. As noted above, the Receiver is in the process of making arrangements to determine the market value of the property.

Future FX LLC

The Receiver subpoenaed the banking records at Citibank for Peter Baker dba Starfish Development Ltd. (Starfish). Included in those records was a check payable to Starfish drawn on a Bank of America account in the name of Future FX, LLC (Future FX). The Receiver then issued a subpoena to the Bank of America for the bank documents of Future FX. The sole signatory to the account is Christopher Betts¹. Between April 28, 2006 and December 19, 2006 Peter Baker, through the Starfish bank account, paid \$320,000 to Christopher Betts' personal account at Bank of America. According to Baker, these payments were purportedly for managing the Starfish sales force and for commission payments for the sale of Dolphin Development lots in Belize. Based on financial information compiled by the Receiver, the Receiver does not find Baker's explanation of these payments completely credible.

Under Tab 4 is a compilation of Future FX's Bank of America banking activity. The bank documents show that between August 7, 2006 and February 2, 2007 Future FX received \$400,000 from the Valkyr Trust in Liechtenstein. The documents also show that on May 31, 2006 Betts paid \$100,000 to Future FX from his personal account at Bank of America. Immediately prior to the first receipt from the Starfish account, the balance of Betts' personal account was \$5,460.32. Of the \$320,000 paid from Starfish to Betts, \$260,000 was paid between April 28 and May 18, 2006. The only other additional funds received by Betts during this time period were Prudent Choice LLC payroll payments of \$5,231.34.

¹ Christopher Betts was a 30% owner and Pukke was a 35% owner of Prudent Choice LLC which was located at 2040 Main Street in Irvine, CA. Betts was also an office manager of Mason Credit Counseling Inc., a spin-off company of Ameridebt, Inc.

Therefore, the primary source of funds for Betts' \$100,000 deposit to the Future FX accounts was from the concealed assets under the control of Peter Baker.

The handwritten accounting prepared by Pukke while he was incarcerated shows a \$350,000 investment in Future FX with a notation of "stock being turned over to Receiver." On June 6, 2007 the Receiver met with Pukke and his California counsel. Pukke confirmed that, through the Liechtenstein Trust and Amber Project Funding Ltd., an entity formed in New Zealand, he owned an undocumented 65% of Future FX and that Betts owned 35%.

Pukke told the Receiver that Future FX is a multi-level marketing company formed to sell the same healthcare products that Prudent Choice LLC was selling. Pukke told the Receiver that the company is still operational, but not successful.

Future FX was located at 27201 Puerta Real in Mission Viejo, California. Peter Baker's company, Starfish, also operated from this same facility. The Starfish bank records show that between May 31, 2006 and March 23, 2007 Starfish paid rent and a security deposit of \$195,315 or about \$18,600 per month for this facility. Future FX bank records reflect just one rent payment to Starfish of \$19,573.

Future FX Bank of America records also reflect \$94,620 in cash withdrawals, of which \$30,500 was deposited to Future Teleservices, LLC as discussed below.

Future Teleservices, LLC

On June 6, 2007 Pukke told the Receiver that Betts has a new telemarketing company, Future Teleservices, LLC (Future Teleservices), that sells debt negotiation services. Pukke also told the Receiver that, like Future FX, he owns an undocumented 65% interest in this company.

Under Tab 5 is a compilation of Future Teleservices' banking activity. The compilation shows receipts from Future FX totaling \$30,500. That amount is comprised of four deposits made between August 31, 2006 and February 14, 2007. The Receiver has traced the source of these deposits to cash withdrawals Betts made from Future FX's bank account on the same dates. These withdrawals were all made at a Bank of America branch in Scottsdale, Arizona.

eDebt.com Limited

The unverified accounting sent to the Receiver by Andrew Baker in Liechtenstein shows the Valkyr Trust made payments to eDebt.com Limited (eDebt) totaling \$415,000. On June 6, 2007 Pukke told the Receiver that, through the trust, he bought eDebt. Pukke also told the Receiver that his brother, Eriks Pukke, spent \$150,000 to develop the website and technology and sold the website to the Valkyr Trust for the same amount.

Pukke explained to the Receiver that eDebt is an on-line debt company that markets to and attracts consumers through its website and sells consumer leads to other companies. As detailed above, \$130,000 was wire transferred to the receivership estate from Liechtenstein by the Valkyr Trust on behalf of eDebt. The Receiver will continue to investigate this company.

E Debt

Under Tab 6 is a document the Receiver obtained from the Nevada Secretary of State's website that shows Christopher Betts is the sole officer of a different entity called E Debt. On June 6, 2007 Pukke told the Receiver that Betts was asked by Eriks Pukke to help eDebt with handling customer service. The Receiver has obtained all known bank accounts for E Debt as of July 12, 2007. One of the documents obtained is an October 18, 2006 \$50,000 wire transfer from an eDebt account at Hypo Investment Bank in Liechtenstein to Betts' E Debt account at the Bank of America (Tab 7). The notation on the wire transfer is "Purchase Agreement 1st October less charges." The details of this wire transfer do not comport with Pukke's explanation as to the relationship between his brother and Betts.

Under Tab 8 is a compilation of E Debt's banking activity. Between January 12, 2007 and March 1, 2007, E Debt made three payments totaling \$42,000 to Future Teleservices. Between November 30, 2006 and April 27, 2007, E Debt made four payments totaling \$12,950 to Future FX.

The unexplained cash withdrawals from one company controlled by Betts and immediately deposited into another company controlled by Betts, combined with payments by check between companies controlled by Betts, are suspicious and warrant further investigation by the Receiver.

The Receiver had a deposition of Betts scheduled for June 15, 2007. On June 13, 2007 Betts' attorney confirmed in writing to the Receiver "that Mr. Betts would assert his Fifth Amendment privilege against self incrimination to all questions." The Receiver subsequently took the deposition off calendar without prejudice to re-noticing it.

The Receiver obtained public information that shows on December 19, 2000 Betts pleaded guilty to one count of conspiracy to commit securities fraud, mail fraud, and wire fraud in violation of Title 18, USC Section 371, three counts of securities fraud, in violation of Title 15, USC Section 78j (b), and one count of mail fraud in violation of Title 18, USC Section 1341 before the U.S. District Court for the Southern District of New York.

Additional Assets Concealed by Andris Pukke

Previous Receiver's reports have disclosed assets that Pukke did not disclose on IRS Form 433A submitted to the FTC and the Receiver on May 26, 2005. The Receiver has subsequently discovered additional assets that Pukke did not disclose to the FTC or the Receiver.

Next Game, Inc.

The Receiver's report for the period ending December 31, 2005 noted that according to documents filed on behalf of Pukke with the Agave Receiver in Michigan, Seaspray Holdings Ltd. made a \$90,000 investment in Next Game, Inc. The Hanver documents confirm this investment. Under Tab 9 is Seaspray Holdings Ltd. bank account statement at Bank of Nevis International, Ltd. for the period ending July 31, 2002. A July 18, 2002 entry on the bank statement is a debit advice for \$90,045. Also under Tab 9 is an internal bank document that shows Next Game, Inc. is to be the recipient of \$90,000. A Next Game, Inc. share certificate for 180,000 shares is also under Tab 9.

The Receiver has contacted the successor company to Next Game, Inc. and has confirmed the Seaspray Holdings Ltd. interest in the company. Based on preliminary information from the successor company, the Receiver believes the receivership estate will recover an amount well in excess of the original investment.

PlaceMyBet.com

In the Receiver's report for the period ending December 31, 2005, the Receiver discussed Pukke's investments in Internet gambling businesses, including certain payments made by the two companies affiliated with Pukke, Imagine Communications Inc. (Imagine) and Worldwide Internet Group, Inc. (Worldwide), for the "Place My Bet Campaign."

In that same report, the Receiver also described that Worldwide, a company in which Pukke holds an unknown interest, received \$1,516,590 from Barracuda Ltd. (Barracuda) in Nevis between May 18, 2000 and June 24, 2005 and that Costix, Inc. (Costix), a company owned by Pukke's friend, William Sargent, received approximately \$2.6 million of leads-selling income from DebtWorks, Inc. between January 23, 2001 and July 24, 2003.

The Hanver documents show that the accounts of Seaspray Holdings Ltd. at Ansbacher (Bahamas) Ltd. and Lloyds TSB Bank in London received \$822,323 in total from Barracuda between May 18, 2000 and January 28, 2002. The Hanver documents also show that the accounts of Seaspray Holdings Ltd. at Bank of Nevis International Ltd. and H.E. Capital S.A. in Dominican Republic paid \$1,101,282 in total to Costix between June 28, 2002 and June 27, 2003 and paid \$316,100 to Lead Stream, Inc. (Lead Stream), a company of Eriks Pukke, between June 25, 2002 and November 11, 2002.

Included in the Hanver documents is an invoice issued by Costix to Seaspray Holdings Ltd. for selling of leads. However, the Receiver has reviewed certain Federal tax returns of Costix which reported receipts from DebtWorks, Inc. and Seaspray Holdings Ltd. as consulting fee income instead of sales income.

Under Tab 10 is a Hanver document showing an invoice dated August 30, 2002 issued by Lead Stream to Seaspray Holdings Ltd. with a description of "Casino leads." Under Tab 11 is another Hanver document dated October 10, 2002 which states that Seaspray Holdings Ltd. signed a joint venture agreement with Thiberea LTDA (Thiberea) on June 1, 2002 and that Costix is the vendor (owner) of Thiberea and would invoice Seaspray directly for certain costs on behalf of Thiberea.

Under Tab 12 is public information that shows Thiberea was the domain name registrant of PlaceMyBet.com effective April 6, 1999. Under Tab 13 is public information that shows PlaceMyBet.com, part of a public company traded on the AIM Market of the London Stock Exchange, announced on May 5, 2004 a merger with SportingParlor.com and "Together, PlaceMyBet.com and SportingParlor.com. have become one of the Internet's largest Internet Gaming Providers!" The public company mentioned in the May 5, 2004 announcement is Sportingbet Plc. Therefore, PlaceMayBet.com became part of Sportingbet Plc sometime between June 1, 2002 and May 5, 2004. The Receiver has confirmed that PlaceMyBet.com was not part of the sale of Internet Opportunity to Sportingbet Plc.

On June 6, 2007 Pukke told the Receiver that James Catsos, partial owner of Worldwide, owns Barracuda and that Barracuda owns the PlaceMyBet.com website. Pukke stated that he had a 20% interest in the PlaceMyBet.com website, not the company which owns the website, while James Catsos and Mark Kane, another partial owner of Worldwide, own the remaining 80% equally. Pukke also told the Receiver that PlaceMyBet.com was never sold to Sportingbet Plc; instead, Barracuda received license fees from Sportingbet Plc as the owner of the website and distributed them to Pukke, James Catsos and Mark Kane. Finally, Pukke told the Receiver that the operation of PlaceMyBet.com became unprofitable and he walked away from it.

On January 5, 2007 the Receiver conducted a deposition of James Catsos. James Catsos testified that Barracuda was the largest customer of Worldwide, but he did not deal with anybody at Barracuda, meet or speak to anybody that worked for Barracuda, find out who the principals of Barracuda were, or recall Barracuda was involved in online gaming. James Catsos also testified that he did not know who owned PlaceMyBet.com, but he knew that Worldwide did not own PlaceMyBet.com and he did not recall that Worldwide advertised for PlaceMyBet.com. Mr. Catsos further testified that he did not recall ever having any contact with any representative of PlaceMyBet.com and that he did not know any person or entity that had any direct or indirect interest in PlaceMyBet.com.

Under Tab 14 is a Hanver document showing an e-mail communication from “Mike Burchard” to Robin Cotterell at Hanver on September 13, 2002, in which the names Seaspray, Barracuda, and Thiberea LTDA were mentioned. The Hanver documents show that Mr. Burchard is a director of Seaspray Holdings Ltd. Under Tab 15 is another Hanver document showing an e-mail communication from “Mike Burchard” to Robin Cotterell at Hanver on November 20, 2002, in which the names Costix, Leadstream, Thiberea (or Thib), and Worldwide were mentioned. On August 17, 2007 the Receiver conducted a deposition of Mr. Burchard. Mr. Burchard testified that he had never seen or authored these e-mails and that he did not recall anything about Barracuda, Thiberea, or PlaceMyBet.com.

On August 24, 2007 the Receiver conducted a deposition of Mark Kane. Kane stated that Worldwide is one of the two owners of Thrive Media, Inc. (Thrive Media), an Internet gambling software development company based in Vancouver, Canada to which Worldwide paid approximately \$195,000 between January 26, 2000 and May 12, 2003. Kane stated that he did not recall Worldwide’s ownership percentage in Thrive Media. He also stated that Thiberea was incorporated in Costa Rica to sell online poker-game software developed by Thrive Media to potential customers in South America and it never owned the software or any other assets, or had a domain name PlaceMyBet.com. Kane also stated that Thiberea is owned by Thrive Media (or individually by Erhen Richardson, president of Thrive Media), Catsos, and himself.

Kane also stated that Pukke and his companies were not involved in or had no ownership interests in PlaceMyBet.com or the company that holds that website, Thrive Media, Thiberea, Barracuda, or Clockmedia Inc. (Clockmedia). Clockmedia is an Internet gambling software development company based in Vancouver, Canada in which Pukke invested approximately \$448,000 between November 13, 2001 and September 27, 2002. Kane stated that Pukke was not a part owner of Worldwide, although Pukke listed on his Chapter 11 bankruptcy filing an “unknown interest” in Worldwide.

Worldwide received \$105,495 from InterContinental Financial in Nevis and received \$51,600 from Red Deer Investments, Ltd. in Bermuda. Kane stated that neither of these entities were customers or clients of Worldwide. He also stated he did not know why Worldwide received funds from InterContinental Financial and that he had never heard of Red Deer Investments, Ltd.

At his deposition, Kane asserted his Fifth Amendment privilege against self-incrimination when he was questioned about the following topics:

- The owner of the domain name PlaceMyBet.com
- Whether Worldwide did business for or ever invested in PlaceMyBet.com or the company which holds that website
- Whether or when PlaceMyBet.com was acquired by Sportingbet

- Whether any of Worldwide's customers were located offshore
- The owners and the business nature of Barracuda
- Whether Barracuda was a client of Worldwide
- The receipts totaling \$1,516,590 to Worldwide from Barracuda
- Whether Barracuda ever received funds from PlaceMyBet.com or the company which holds that website
- Why Barracuda made payments to Seaspray Holdings Ltd.
- Whether Worldwide ever invested in Clockmedia

The Receiver found that the statements provided by Messrs. Pukke, Catsos, Burchard and Kane regarding PlaceMyBet.com were evasive, in conflict with each other, or not in conformity with the Receiver's current understanding about PlaceMyBet.com.

Under Tab 16 is a Summary of Known Cash Disbursements and Receipts in Connection with PlaceMyBet.com of the Companies Owned/Controlled by Pukke. The summary shows that Pukke ultimately paid at least \$5,565,894 in connection with the operation of PlaceMyBet.com and received a return of no more than \$822,323. Under Tab 17 is a Summary of Known Cash Disbursements and Receipts in Connection with PlaceMyBet.com of Catsos and Entities Owned/Controlled by Kane. The summary shows that Catsos paid \$100,000 and received a return of at least \$452,664 and Kane paid \$100,000 and ultimately received a return of at least \$925,598. The Receiver will conduct further investigation on this matter.

Seaspray Holdings Ltd. account at H.E. Capital

Under Tab 18 is an August 10, 2005 letter from Hanver Trust Company to H.E. Capital S. A. authorizing a \$4,614.80 transfer from the Seaspray Holdings Ltd. account with H. E. Capital to Hanver Corporate Services Limited for preparation of the Agave/Genesis claims. Also under Tab 18 is a January 24, 2007 letter from Hanver Trust Company to H. E. Capital S.A. authorizing an \$8,174.00 transfer from the Seaspray Holdings Ltd. account with H. E. Capital to D & O Service Limited for management fees.

The Receiver does not yet have a current balance of the Seaspray Holdings Ltd. account at H. E. Capital S.A. Based on the documents under Tab 18, at least \$12,788.80 should have been disclosed by Pukke and turned over to the Receiver.

Pizzonia Associates Development Corp.

Pizzonia Associates Development Corp. and Pizzonia Construction, Inc. are affiliated through common control of Vito Pizzonia. Between March 17, 1999 and October 7, 1999, Infinity Resources paid \$319,666 to Pizzonia Construction, Inc. Between October 27, 1999 and March 6, 2002, DebtWorks, Pukke, and Infinity Resources paid \$729,125, \$60,000, and \$10,000 to Pizzonia Associates Development Corp., respectively. In

summary, payments to the two Pizzonia entities by Pukke and his companies totaled \$1,118,791 between March 17, 1999 and March 6, 2002, while none of them was repaid.

Currently there are three real properties connected to the two Pizzonia entities which received funds from Andris Pukke and his companies. All three properties are located in Greenlawn, New York with an appraised As-Is value of \$1,780,000 as of June 19, 2007 and outstanding mortgage notes payable totaling approximately \$1,110,000 as of September 1, 2007.

Pukke did not disclose these assets on his May 26, 2005 IRS Form 433-A or July 22, 2005 Chapter 11 bankruptcy filing.

The Receiver is currently negotiating settlements with Timothy McCallan and Vito Pizzonia regarding these assets.

Other Matters under Investigation

Ameriquote.com

Under Tab 19 are two checks drawn on the Starfish account. Check number 1001 payable to Afternic in the amount of \$5,000 has a notation of ameriquote.com. Check number 1013 payable to Afternic in the amount of \$500 has a notation of ameriquote.net. Afternic is a company that buys and sells Internet domain names. Also under Tab 19 are public documents that list Pamela Pukke, Pukke's estranged wife, and Anthony Mock as the sole proprietors of this company. The initial fictitious business name filing was on September 8, 2006 under Pamela Pukke's name. The fictitious business name filing was amended to add Mock on November 6, 2006.

On June 6, 2007 Pukke told the Receiver that he purchased the Ameriquote.com name and that he worked on the website design. Pukke also told the Receiver that the website was stagnant for six months until the business began operation under Mock. Pukke advised the Receiver that Mock is a structural engineer and the boyfriend of Pamela Pukke.

Under Tab 20 is an article the Receiver obtained from the Internet that discusses Ameriquote. Page 3 of that article lists Peter Baker as the Director of Marketing for Ameriquote.com. The Receiver met with Peter Baker on June 19, 2007. Mr. Baker claimed he did not know anything about this company and did not know why he is listed as the Director of Marketing.

On September 18, 2007 the Receiver conducted a deposition of Anthony Mock. Mr. Mock stated that Ameriquote.com was engaged in generating mortgage and financial leads from Google Adwords Advertising and selling leads exclusively to a company owned by

Keith Waring at a price of \$55 per lead. He also testified that Pamela Pukke was not involved in the operations of the company.

According to the 2006 U.S. Return of Partnership Income provided by Mock in connection with the deposition, Ameriquote.com started its business on September 20, 2006 with two partners, Anthony Mock and Pamela Pukke.

The Receiver has reviewed the bank statements of Ameriquote.com for the period from September 11, 2006 to June 21, 2007. During this period, Ameriquote.com had 16 deposits totaling \$416,135; however, only five of the 16 deposits, totaling \$141,680, were divisible by the unit lead-selling price of \$55.

Mr. Mock initially testified that Ameriquote.com paid all its advertising expense to Google through Pamela Pukke's personal credit card account. The 2006 U.S. Return of Partnership Income of Ameriquote.com showed that \$29,915 was paid to Google between September 20, 2006 and December 31, 2006; however, the credit card statements of Pamela Pukke provided by Mock showed that only \$12,151 was paid to Google in 2006.

The Receiver has reviewed the statements of an American Express credit card account carried under the name of Andris N. Pukke, DebtWorks Inc. for the period from June 21, 2006 to July 26, 2007. Mock subsequently acknowledged Pukke's account was used for Ameriquote.com's purchase of Google Adwords. Google charged \$5,755 to this account between October 7, 2006 and December 31, 2006 and \$28,996 between January 1, 2007 and April 13, 2007, which totaled \$34,751.

The Receiver will continue its investigation of Ameriquote.com.

First Nevisian Stockbrokers Ltd. and Stein Re LLC

In the Receiver's previous reports to the Court, the Receiver discussed Pukke's investment in Agave, Ltd. (Agave) which totaled approximately \$7.1 million. Under Tab 21 is a document included in Andris Pukke's claim package filed with the receiver of Agave on March 29, 2005. The document shows that Andris Pukke was the claimant on behalf of Stein Re.

Under Tab 21 is a Hanver document which shows that Stein Re had an account at VP Bank (BVI) Limited. Also under Tab 21 is another Hanver document which shows that Stein Re also had an account at First Nevisian Stockbrokers and that Charlene Chaderton of Hanver administered the records for First Nevisian Stockbrokers.

Under Tab 21 is a document which shows that First Nevisian Stockbrokers Ltd. was also known as FN Stockbrokers Ltd. and maintained an account at Lloyds TBS Bank in London.

Under Tab 21 is a Hanver document which shows that Charlene Chaderton, who administered the records for FN Stockbrokers Ltd., also administered the records for Seaspray Holdings Ltd.

Under Tab 21 is a handwritten document provided by Pukke's attorney in connection with the Agave case which shows that one of the companies Pukke owns is either FNS Ltd. or FND Ltd. The Receiver will conduct further investigation on this matter.

Offshore Bank Accounts of Seaspray Holdings Ltd.

The Hanver documents show that Seaspray Holdings Ltd. had accounts at certain financial institutions located in Nevis, Bahamas, Cayman Island, Dominican Republic, and England.

Under Tab 22 is a document provided by the Agave Receiver in Michigan, which shows that Agave received a \$199,970 wire transfer from Seaspray Holdings Ltd. on February 2, 2001. However, the Receiver was unable to match this payment to any of the bank accounts of Seaspray Holdings Ltd. that the Receiver is aware of. The Receiver will conduct further investigation on this matter.

International Technology Ventures Ltd.

Page 1 under Tab 23 is a Hanver document dated August 13, 2001 adding new signatories to bank accounts for Seaspray Holdings Ltd. and International Technology Ventures Ltd. Page 2 under Tab 23 is a Hanver document which shows that the account of Seaspray Holdings Ltd. at Lloyds TSB Bank in London transferred \$150,000 to International Technology Ventures Ltd. on November 2, 2001. Page 3 under Tab 23 is another Hanver document which shows that Hanver recorded \$50,000 of the \$150,000 as an "investment in Better Way Toys" and the remaining \$100,000 "to Tradewinds as loan to Mike." Better Way Toys is a company owned by Chris Betts and in which Seaspray Holdings Ltd. invested \$170,000 in total between August 13, 2001 and November 2, 2001. It is believed that Mike stands for Michael Burchard.

The Receiver will conduct further investigation on International Technology Ventures Ltd.

International Credit Corporation Ltd.

Under Tab 24 are three Hanver documents which show that Pukke owns International Credit Corporation Ltd., a company also administered by Hanver Trust Company.

On June 6, 2007 Pukke told the Receiver he knew nothing about this entity. The Receiver will conduct further investigation on International Credit Corporation Ltd.

Accounting of the Valkyr Trust in Liechtenstein

On June 16, 2005, account number xxxxxxxx5390 at Hansabanka transferred 4,346,501 in British pounds to the Valkyr Trust. A statement of cash receipts and disbursements of the Valkyr Trust, prepared and delivered by Andrew Baker on May 11, 2007, shows an initial Trust Fund deposit of 3,826,376 in British pounds was received from “J. Pukke” on September 27, 2005. The difference amounted to 520,125 in British pounds, or approximately \$947,000 U.S. dollars.

On August 7, 2007, Janis Pukke’s attorney delivered an analysis of the Hansabanka accounts from June 27, 2002 through June 21, 2007 prepared by a CPA firm in New York City. The analysis did not provide any explanation regarding this discrepancy.

On October 3, 2007, Janis Pukke’s attorney wrote a letter to the Receiver that stated “We have now located the missing \$947,000.” According to Janis Pukke’s attorney these funds are on deposit at HypoBank in Liechtenstein and now amount to approximately \$1,090,000.

There are other circumstances which cause the Receiver to believe that the accounting of the Valkyr Trust prepared and delivered to the Receiver by Andrew Baker is incomplete. The Receiver will continue to investigate this matter.

The Suspicious Circumstances of the Acquisition of Three Single Family Residences in the Newport Beach-Laguna Beach Area of California

On April 17, 2006 Birgitta Shuster (Shuster), Pamela Pukke’s (Ms. Pukke) mother, completed a transaction to purchase a \$4,400,000 single-family residence located at 1621 Bayadere Terrace in Newport Beach. On August 4, 2006 Shuster and Ms. Pukke completed a transaction to purchase a \$1,800,000 single-family residence located at 1424 Serenade Terrace in Corona del Mar. On January 9, 2007 Shuster completed another transaction to purchase a \$2,700,000 single-family residence located at 129 Emerald Bay in Laguna Beach. The Receiver has conducted an extensive investigation surrounding the acquisition of these properties.

A summary of the acquisition of the three properties follows:

	1621 Bayadere Terrace	1424 Serenade Terrace	129 Emerald Bay	Total
Contract sales price	\$4,400,000	\$1,800,000	\$2,700,000	\$8,900,000
Settlement charges and adjustments	<u>52,960</u>	<u>34,037</u>	<u>54,199</u>	<u>141,196</u>
	<u>\$4,452,960</u>	<u>\$1,834,037</u>	<u>\$2,754,199</u>	<u>\$9,041,196</u>

Payments and financing:

Payments by (refund to) Shuster	\$ 358,312	\$ -	\$ (43,801)	\$ 314,511
Payments by Ms. Pukke	-	484,037	-	484,037
Refinancing of a Maryland property owned by Shuster	574,648	-	-	574,648
Payment by an unknown party	-	-	638,000	638,000
Bank loans	<u>3,520,000</u>	<u>1,350,000</u>	<u>2,160,000</u>	<u>7,030,000</u>
	<u>\$4,452,960</u>	<u>\$1,834,037</u>	<u>\$2,754,199</u>	<u>\$9,041,196</u>

On June 6, 2007 Pukke told the Receiver that he was aware of these properties and he had not put any money into these properties. In addition, Pukke told the Receiver that since the acquisition of these properties was financed by “no-doc” loans, the mortgage broker introduced to Ms. Pukke by him, Ryan Boyajian (Boyajian), encouraged the loan applicants to lie on the loan applications. The Court may remember that Boyajian testified at the contempt trial that he had been terminated from Countrywide Home Loans, Inc. for fraud.

On September 13, 2007 the Receiver conducted a deposition of Shuster. Shuster stated that in order to help her daughter to acquire the properties, she would just sign the papers when presented and nominally took title to the properties. At the deposition, Shuster was shown various documents in connection with the acquisition of the three properties and the refinancing of the Maryland property which she purchased in 1973. She stated that a great number of the documents contained false information including, among others, forged signatures, false personal financial information, and false employment history. For example, under Tab 25 is a loan application dated January 5, 2007 that shows Shuster’s former address as 31 Linda Isle, Newport Beach, CA. This address is the former residence of Pukke. The loan application also states Shuster has been the owner of Starfish Development for 30 years with a monthly salary of \$125,000. Shuster denied providing false information. Based on the documents obtained, the Receiver finds Shuster’s testimony to be credible.

On September 17, 2007 the Receiver conducted a deposition of Ms. Pukke. Ms. Pukke stated that she was not actively involved in the operation of Ameriquote.com and she considered herself self-employed in home remodeling.

At the deposition, Ms. Pukke was shown various documents in connection with the acquisition of the three California properties and the refinancing of the Maryland property that Shuster purchased in 1973, including certain of those shown to Shuster at her deposition. Ms. Pukke stated that a great number of the documents contained false information including, among other things, forged signatures. An example is attached under Tab 26. Both Shuster and Ms. Pukke believed that the signature shown on page 1 under Tab 26 was forged. Neither of them recognized the landlord's name of Andy Smith as shown on page 4. The telephone number after "Andy Smith" is Pukke's cell phone number. Ms. Pukke also stated that Pukke put her into contact with Boyajian, but she did not assist Boyajian in preparing any loan documents. Ms. Pukke denied providing false information and forging her mother's signature. Based on the documents obtained, the Receiver finds Ms. Pukke's testimony in this regard to be credible.

With respect to the 1621 Bayadere Terrace property, Ms. Pukke stated that she had consulted with Pukke before acquisition of the property.

At the deposition, Ms. Pukke was shown six deposits into her personal account totaling \$162,500 between May 9, 2006 and August 17, 2006. These deposits were comprised of five payments from Keith Waring totaling \$102,500 and one payment of \$60,000 from Keith Waring's father's company. Ms. Pukke testified that the \$162,500 represented a verbal loan and the proceeds were used for remodeling of the 1621 Bayadere Terrace property.

Keith Waring's company, Epic Financial Management, was also the exclusive customer of Ameriquote.com and started paying Ameriquote.com effective September 11, 2006, less than one month after Waring's last payment to Ms. Pukke's personal account.

To finance the acquisition of the 1621 Bayadere Terrace property, Shuster pledged a Maryland property she and her deceased husband purchased in 1973 for two loans totaling \$585,000 on April 1, 2006. The monthly mortgage payments were made by Ms. Pukke with the exception that one of the payments was made by Peter Baker.

With respect to the 1424 Serenade Terrace property, Ms. Pukke testified that she purchased the property with excess cash from the sale of the Allison Road property in Florida obtained from the settlement with the Federal Trade Commission. Ms. Pukke stated that the 1424 Serenade Terrace property was sold in August 2007 for \$1,750,000 and she received approximately \$90,000 from the sale.

The circumstances surrounding the purchase of the 129 Emerald Bay property are remarkably similar to the purchase of the 69 Emerald Bay property, which was one of the subjects of the contempt trial. The initial purchase agreement dated October 12, 2006 was signed by Eriks Pukke. Through amended escrow instructions dated December 26, 2006 Eriks Pukke assigned his rights to this property to Shuster². Ms. Pukke stated that Andris Pukke asked her to acquire the property because Eriks Pukke was unable to complete the acquisition. Eriks Pukke deposited \$50,000 and \$10,000 into the escrow on November 6, 2006 and November 7, 2006, respectively, and obtained a refund of \$60,000 on January 10, 2007.

A cashier's check of \$638,000 dated January 8, 2007 was deposited to a title company as part of the payment for the \$2,700,000 contract sales price for the 129 Emerald Bay property. Neither Shuster nor Ms. Pukke knew who purchased this \$638,000 cashier's check. On January 25, 2007, a second trust deed loan of \$269,990 was obtained from Washington Mutual on this property to pay off an undated \$269,500 demand letter signed by Dan Sparks. Shuster testified she did not know Dan Sparks, while Ms. Pukke stated that she learned from Boyajian that Dan Sparks loaned an unknown amount of funds to Shuster to purchase the 129 Emerald Bay property. The Receiver noted that Ms. Pukke paid Dan Sparks \$8,390 on February 9, 2007 and \$7,433 on March 2, 2007. Ms. Pukke stated that she did not know how much was still owed to Dan Sparks and she had to inquire of Boyajian about how much to pay to Dan Sparks monthly.

Ms. Pukke also testified that the 129 Emerald Bay property has been rented and is currently being listed for sale at \$3,000,000.

The Receiver will continue its investigation of these California properties.

Under Tab 27 is a \$276,576.99 check issued by Countrywide Home Loans, Inc. on June 20, 2005 to Andris & Pamela Pukke. This check was deposited into Ms. Pukke's account at Citibank. Ms. Pukke stated that she did not recall a deposit of this check.

On May 22, 2006 Ms. Pukke deposited into her bank account a \$24,935.35 check issued by Bill's Marine Service. Ms. Pukke stated that she and Pukke each owned a boat and that this was the proceeds from sale of her boat. Seaspray Holdings Ltd. wire transferred \$79,415 to Bill's Marine Service between May 20, 2001 and July 13, 2001 from its account at Ansbacher (Bahamas) Ltd. for the purchase of two boats.

² The Court may remember that the initial offer on the property at 69 Emerald Bay was made by Angela Chittenden and her rights were later assigned to Peter Baker.

Status of Other Assets

Dolphin Development Company Ltd. and Sittee River Wildlife Reserve

The Receiver is attempting to negotiate a resolution of this asset with the Sittee River Wildlife Board of Directors. The Board of Directors has taken the position that it owns all of the lots, except the river lots. The Board has acknowledged the funds loaned by Pukke, but has not yet presented a satisfactory offer to the Receiver. If a resolution cannot be reached, the Receiver may initiate litigation in Belize.

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. As previously reported, 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 Pukke held a whole life policy. This asset was not disclosed by Pukke on IRS form 433A submitted to the Receiver on May 21, 2005.

The Receiver made demand on the insurance company for payment of the cash surrender value and received \$92,768.64 on July 11, 2006.

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 an ownership interest in Canyon Grill Enterprises, LLC (Canyon Grill) which built and operates two restaurants. Blue Ridge Restaurant Group, LLC (Blue Ridge) is the managing member of Canyon Grill. The Receiver recovered \$600,000 from this asset.

Infinity Resources

The Receiver continues to collect loan payments. To date, approximately \$2.6 million has been collected.

One of the delinquent Infinity real estate loans was a loan made to Anthony Millon, a friend of 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. The Receiver foreclosed on Infinity's mortgage liens against the units and is currently marketing the units for sale.

The Receiver is attempting to sell the entire Infinity 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.

Real Property Assets

The Receiver liquidated six properties after the Court entered orders authorizing the Receiver to complete five sales and one negotiated settlement. Net proceeds from the disposition of these six properties totaled \$12,373,377. The remaining properties will be discussed in detail below.

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

The Linda Isle Property was titled to Pukke as an unmarried man. Pursuant to the Pukke Stipulated Judgment, the Receiver took custody of this residence, obtained two appraisals and retained the services of a broker to market the property. The Receiver entered into a sales agreement to sell the property for \$9.225 million. On August 8, 2007 the sale transaction was completed and the receivership estate received net proceeds of approximately \$3,139,806.

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

Pursuant to the Court's Order holding Peter Baker in contempt, Baker turned over control of this property to the Receiver. The Receiver recently sold this property, subject to this Court's approval, for \$6,975,000. The estimated net return to the Receivership Estate is \$1.5 million.

35 Ocean Heights Drive, Newport Coast, California

The Receiver negotiated a settlement to resolve disputed claims as to the ownership of this property. The Receiver has taken control of this residence, is obtaining valuations, and will soon be marketing the property for sale.

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

The Receiver entered into an agreement to sell the property on March 9, 2007 and subsequently received a \$45,000 deposit. On May 22, 2007, the Court entered an order confirming the sale. The Receiver then learned the buyer was not able to complete the sale and in fact was a straw buyer for Janis Pukke. When the buyer's contract lapsed, the Receiver retained the \$45,000 deposit. The Receiver has re-listed the property.

Smithburg Medical Arts, LLC

As discussed in the Receiver's Third Report, 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 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. 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 is 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 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 was sold on October 23, 2006. 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. The Receiver is in the process of finalizing an agreement whereby the Receiver will retain \$186,375 from the sale proceeds of Lot 2.09 and receive 75% of the net sales proceeds from the sale of Lot 2.08, which is estimated to generate net proceeds of approximately \$1 million. Raymond Suris acknowledged in his deposition that Pukke has an interest in Smithburg.

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, 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. In April 2003, Matthew Case sent a check to Wooded Land Developing for \$50,000. 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 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.

Conclusion

Since the inception of the receivership estate gross recoveries in excess of \$31 million have been generated³. Because of Pukke's ongoing failure to fully and completely disclose and turn over assets of the receivership estate, as well as the failure of numerous of his family, friends and business associates to cooperate and turn over receivership assets, the Receiver continues to aggressively investigate his financial affairs in an effort to recover substantial additional assets for the benefit of consumers.

Respectfully submitted,

/s/

Robb Evans & Associates LLC
Receiver

³ This figure does not include, among other things, payments yet to be collected under settlement agreements, pending asset sales, and as yet uncompleted transfers of money and property.