


IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

In re SANCTUARY BELIZE LITIGATION

No: 18-cv-3309-PJM


~~PROPOSED~~ STIPULATED ORDER PARTIALLY MODIFYING THE COURT'S
ORDERS AT DOCKET ENTRIES 1112 AND 1194 AS TO DEFENDANTS LUKE
CHADWICK, PRODIGY MANAGEMENT GROUP LLC, BELIZE REAL ESTATE
AFFILIATES LLC, EXOTIC INVESTOR LLC, AND SOUTHERN BELIZE REALTY
LLC

On October 31, 2018, Plaintiff the Federal Trade Commission (“Commission” or “FTC”), filed its Complaint for Permanent Injunction and Other Equitable Relief (“Complaint”), pursuant to Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), and the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108. On January 11, 2019, the Court granted the FTC’s motion to amend, substituting the Amended Complaint for Permanent Injunction and Other Equitable Relief (“Amended Complaint”) for the Complaint. Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC were served with the Amended Complaint and summons. The Commission and Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC stipulate to the entry of this Stipulated Order Modifying the Court’s Orders at Docket Entries 1112 and 1194 as to Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC (“Order”) to resolve all matters in dispute between them in this action.

IT IS THEREFORE ORDERED:

Unless otherwise expressly specified herein, none of the Court’s prior orders are modified and all remain in full force and effect, including the following orders: (1) Docket

Entry 1112, Final Order for Permanent Injunction and Monetary Judgment Against Defaulting Defendants John Usher, Global Property Alliance Inc., Sittee River Wildlife Reserve, Buy Belize LLC, Buy International Inc., Foundation Development Management Inc., Eco Futures Development, Eco-Futures Belize Limited, Newport Land Group LLC, Power Haus Marketing, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Sanctuary Belize Property Owners' Association, and the Estate of John Pukke ("Default Order") and (2) Docket Entry 1194, Amended Final Order for Permanent Injunction and Monetary Judgment Against Defendants Andris Pukke, Peter Baker, and Luke Chadwick ("De Novo Order"). For clarity, unless otherwise expressly specified herein, the provisions of this Order are in addition to and not in lieu of any prior order or section of any prior order.

FINDINGS

In addition to the findings contained in the Default Order, the De Novo Order, and the Court's Memorandum Opinion at Docket Entry 1020, the Court finds as follows:

1. Only for purposes of this action, Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC admit the facts necessary to establish jurisdiction.
2. Nothing in this Order waives any Fifth Amendment privilege that Luke Chadwick may have.
3. Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC waive any claims they may have under the Equal Access to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action through the date of this Order, and agree to bear their own costs and attorney fees.

4. Defendants Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC waive all rights to appeal or otherwise challenge or contest the validity of this Order.

DEFINITIONS

Unless otherwise, expressly specified herein, the Definitions contained in the De Novo Order, DE 1194, apply to this Order.

ORDER

I. BAN ON REAL ESTATE GOODS AND SERVICES

IT IS ORDERED that Luke Chadwick is permanently restrained and enjoined from advertising, marketing, promoting, or offering for sale, or assisting in the advertising, marketing, promoting, or offering for sale of any Real Estate Good or Service, whether directly or through an intermediary, including by consulting, brokering, planning, investing, or advising.

As used in this Section, “Real Estate Good or Service” shall mean any interest in, service related to, or development of, any real estate containing or involving more than four lots or units of any kind.

Provided, however, that the Commission’s agreement to this definition is expressly premised upon the truthfulness, accuracy, and completeness of Luke Chadwick’s sworn statement regarding his ownership or control of real estate (“real estate submission”) submitted to the Commission, namely his December 8, 2021 declaration submitted to counsel for the Commission on December 8, 2021. If, upon motion by the Commission, the Court finds that Luke Chadwick failed to disclose any ownership or control over real estate, directly or indirectly, or made any other material misstatement or omission in the real estate submission, “Real Estate Good or Service” as used in this section shall, retroactive to the date of entry of this Order, mean

any interest in, service related to, or development of, any real estate containing or involving three or more lots or units of any kind.

Provided further, and for clarity only, this Section is in addition to and not in lieu of (1) Section I of the De Novo Order, and (2) Section I of the Default Order.

II. MODIFICATION OF MONETARY PROVISIONS AS TO LUKE CHADWICK

IT IS FURTHER ORDERED that:

A. Sections IV. and V. of the De Novo Order shall no longer apply to Defendant Luke Chadwick as of the date this Order is entered. For clarity, nothing in this Order modifies Sections IV. and V. of the De Novo Order for any of the other Defendants, including Andris Pukke and Peter Baker, or otherwise releases them from any of their own obligations under those sections of the De Novo Order.

B. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC hereby turnover to the Receiver any and all legal or equitable interests, of any type, whether owned or controlled directly or indirectly, in any property or entity associated with the real estate developments known as Sanctuary Belize and Kanantik, and any other real estate development that Defendants ever previously controlled. For clarity only, the legal or equitable interests that this paragraph requires Luke Chadwick to turn over to the Receiver include, but are not limited to, all legal or equitable interests he may have, directly or indirectly, in Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Mango Springs Development Ltd., Palmaya Development Ltd., G&R Development Company of Belize Ltd., Kanantik International Limited, and Mango Springs Development LLC.

C. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC relinquish dominion and all legal

and equitable right, title, and interest in all Assets turned over or relinquished pursuant to this Order, the Default Order, or the De Novo order and may not seek the return of any Assets.

D. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC individually, collectively, or in any combination, and their officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, shall fully cooperate with and assist the FTC and the Receiver with the turnover of Assets pursuant to this Order, the Default Order, and the De Novo Order, and are hereby restrained and enjoined from directly or indirectly:

1. Interfering with the Commission's and Receiver's efforts to manage, or take custody, control, or possession of, the Assets ordered to be turned over to the Commission or the Receiver pursuant to any order of this Court;
2. Transacting any of the business of any Receivership Entity or any entity that itself is a Receivership Asset;
3. Transferring, receiving, altering, selling, encumbering, pledging, assigning, liquidating, or otherwise disposing of any Assets ordered to be turned over to the Commission or the Receiver pursuant to any order of this Court; or
4. Refusing to cooperate with the Commission or the Receiver, or the Receiver's duly authorized agents, in the exercise of their duties or authority under any order of this Court.

E. Any money paid to the FTC, for any reason, by, on behalf of, or derived from the assets of Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, Southern Belize Realty LLC, Mango Springs Development Ltd., Mango

Springs Development LLC, Palmaya Development Ltd., Kanantik International Limited, and G&R Development Ltd. may be deposited into a fund administered by the FTC or its designees to be used for consumer relief, such as redress and any attendant expenses for the administration of any redress fund. Defendants have no right to challenge any actions the Commission or its representatives may take pursuant to this Subsection.

F. The facts alleged in the Amended Complaint and otherwise previously found by the Court will be taken as true as to Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC, without further proof, in any subsequent civil litigation by or on behalf of the Commission, including, but not limited to, any proceeding to enforce its rights pursuant to this Order, the Default Order, or the De Novo Order. Such proceedings would include a nondischargeability complaint in any bankruptcy case.

G. The facts alleged in the Amended Complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and this Order will have collateral estoppel effect for such purposes.

H. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC, acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which they have previously submitted to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

I. After Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC have dismissed with prejudice all appeals from any prior orders of this Court, the Receiver shall transfer or relinquish to Luke Chadwick all rights it may have in the real estate located at 1828 Jamaica Road, Costa Mesa, CA 92626.

J. After Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC have dismissed with prejudice all appeals from any prior orders of this Court, the asset freeze imposed on Luke Chadwick pursuant to the prior Temporary Restraining Order (DE 13) entered on November 5, 2018, Interim Preliminary Injunction (DE 34) entered on November 20, 2018, or Preliminary Injunction (DE 615) entered on October 3, 2019, is hereby lifted as to Luke Chadwick.

III. DISMISSAL OF APPEALS

IT IS FURTHER ORDERED that Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC shall immediately dismiss with prejudice all appeals from any prior orders of this Court, including the appeal docketed as Case No. 21-1452 in the United States Court of Appeals for the Fourth Circuit, and further waive any rights to bring any subsequent appeals from any orders entered by this Court prior to this Order.

IV. COOPERATION

IT IS FURTHER ORDERED that Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC must fully cooperate with representatives of the Commission in this case and in any investigation related to or associated with the transactions or the occurrences that are the subject of the Amended Complaint or subsequent findings by the Court. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC must provide truthful and complete information, evidence, and testimony. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC must appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission representative may reasonably request upon

5 days written notice, or other reasonable notice, at such places and times as a Commission representative may designate, without the service of a subpoena.

V. ORDER ACKNOWLEDGMENT

IT IS FURTHER ORDERED that Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC obtain acknowledgments of receipt of this Order:

A. Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC within seven (7) days of entry of this Order, each must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.

B. For twenty (20) years after entry of this Order, Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC each must, for itself and any business that such Defendant, individually or collectively with any other Defendants, is the majority owner or controls directly or indirectly, deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for marketing, sales, or operations, and all agents and representatives who participate in marketing or sales; (3) all payment processors as well as all consultants or contractors who perform services in connection with marketing or sales; and (4) any business entity resulting from any change in structure as set forth in the Section titled Compliance Reporting in the Default Order or the De Novo Order. Delivery must occur within seven (7) days of entry of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.

C. From each individual or entity to which Luke Chadwick, Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty

LLC deliver a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

VI. RETENTION OF JURISDICTION

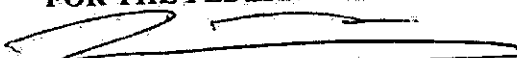
IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED, this ____ day of _____, 202__.

UNITED STATES DISTRICT JUDGE

SO STIPULATED AND AGREED:

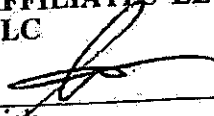
FOR THE FEDERAL TRADE COMMISSION:



2/17/22
Date

Jonathan Cohen (jcohen2@ftc.gov)
Benjamin Theisman (btheisman@ftc.gov)
Christopher Erickson (cerickson@ftc.gov)
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600 Pennsylvania Ave., N.W., CC-9528
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202-326-2551 (Cohen); -2223 (Theisman);
-3671 (Erickson) -3197 (facsimile)

FOR LUKE CHADWICK, PRODIGY MANAGEMENT GROUP LLC, BELIZE REAL ESTATE AFFILIATES LLC, EXOTIC INVESTOR LLC, AND SOUTHERN BELIZE REALTY LLC



12/17/21
Date

Luke Chadwick
Individually and as an Officer of Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC

John B. Williams
Williams Lopatto PLLC (admitted pro hac vice)
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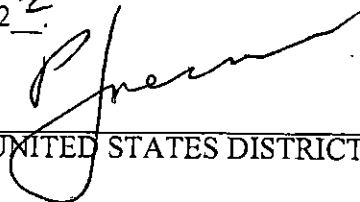
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LLC deliver a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

VI. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

SO ORDERED, this 23 day of March, 2022.


UNITED STATES DISTRICT JUDGE

SO STIPULATED AND AGREED:

FOR THE FEDERAL TRADE COMMISSION:

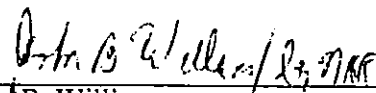
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Date

FOR LUKE CHADWICK, PRODIGY MANAGEMENT GROUP LLC, BELIZE REAL ESTATE AFFILIATES LLC, EXOTIC INVESTOR LLC, AND SOUTHERN BELIZE REALTY LLC

Luke Chadwick
Individually and as an Officer of Prodigy Management Group LLC, Belize Real Estate Affiliates LLC, Exotic Investor LLC, and Southern Belize Realty LLC

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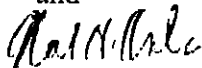


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12/16/2021
Date

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