

- MOBE Ltd. (Malaysia)
 - MobeProcessing.com, Inc. (US)
 - MobeTraining.com, Inc. (US)
 - Transaction Management USA, Inc. (US)
 - MOBE Pro Ltd. (UK)
 - MOBE Online Ltd. (Mauritius)
 - 9336-0311 Quebec, Inc. (Canada)
 - Matt LloydPublishing.com, Pvt (Australia)
 - MOBE Inc. (Panama)
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Tampa, Florida
September 7, 2021

There has been some activity during the past several months. Following is an update.

Claims Administration. As reported in my last update, I filed a motion requesting that the Court authorize me to implement a claims administration procedure designed to make sure that all Non-Consumer Creditors were given an opportunity to present a claim for payment consideration. This was a legal, due-process requirement under the circumstances of this case. The Court granted my motion and entered an order directing me to implement the procedure I recommended. I then publicized the Court's order to all known Non-Consumer Creditors. A handful filed claims for consideration, but after I discussed the matter with them, all agreed to withdraw their claim. I filed my Receiver's Claims Administration Report in April, 2021, and there were no objections filed. The net result is that none of the money collected was needed to pay Non-Consumer Creditors.

Note that the claims administration process was not designed for "Consumer Creditors," who are the individuals that invested and lost money in MOBE. I have recovered MOBE's records, which identifies all Consumer Creditors and the amount of money each invested and also payments each received from MOBE. This information will be sufficient for the FTC to send restitution payments to injured consumers when it begins that process.

Distribution of Funds to the FTC. I have concluded that I have recovered all funds that I can recover in a cost-effective manner. I therefore distributed funds to the FTC so that it can pool them with other funds it collected and begin the process of distributing restitution payments. In June, 2021, I filed a motion requesting authority to distribute USD \$15.2 million to the FTC, retaining approximately USD \$500,000 to fund final receivership expenses. The Court approved my motion and I transferred the money to the FTC on September 2, 2021. My preference would have been to distribute all of the money and close the receivership, but unfortunately there are open tax issues that are not likely to be resolved soon. I do not expect to use all of the \$500,000 I am retaining, and so when the tax issues are resolved, and all receivership expenses are paid, I will pay the remainder to the FTC.

Typically, when the FTC makes distribution payments to injured consumers, payments will be sent to consumers at their addresses on record. The FTC sometimes sends electronic payments by e-mail and it sometimes mails checks depending on the circumstances of the case.

If you have moved since June, 2018, or if you no longer have access to the e-mail address you used with MOBE, it is important that you provide updated contact information either to my paralegal, Mary McLees (mary.mclees@akerman.com), or to the FTC. (moberedress@ftc.gov). However, **we have your contact information as of June, 2018, and you will place a burden on us if you contact us to check on your contact information or ask us to confirm that we have you in our system.** The burden will translate into additional expense that will deplete the settlement fund. The FTC will use MOBE's internal records to calculate redress. Typically, the FTC takes into account the amount a consumer paid, as well as if the consumer earned commissions. In some cases, consumers that made a very small payment will be excluded from the redress pool because the costs of administering redress to these consumers are prohibitive. Unless your contact information has changed, **you do not need to do anything to be included in the redress pool.**

After the initial payment is sent out by the FTC, there is usually a "pot" of unclaimed funds. If the "pot" is large enough (typically, it is), then the FTC will make a second distribution of funds to consumers who accepted their first payment. I expect that the remainder of the USD \$500,000 I am retaining will be a part of the "pot": and available for the second distribution.

Some obvious questions and answers:

- *How much of my investment will I get back?* The MOBE scam defrauded investors of approximately USD \$320 million. The total amount of money available for distribution to consumers is approximately USD \$23 million.
- *Why isn't the redress pool larger?* The FTC and I went to great lengths to identify and collect as much money as possible. We collected funds from more than 20 banks and financial institutions including banks located in the United States, Canada, Australia, Malaysia, Singapore, Costa Rica and Panama. Matt Lloyd was also required to liquidate several international real estate holdings. The redress pool also was increased by the FTC's lawsuits against top MOBE affiliates (Michael Giannulis, Mike Antoni, John Chow, Steven Bransfield, and Scott Zuckman) and payment processors that worked with MOBE (QualPay and Allied Wallet).
- *When will restitution payments be sent?* There are several logistical issues associated with sending restitution payments and, given the international nature of the MOBE scam, I cannot provide a more precise timeline.
- *Is Matt Lloyd in jail?* The FTC's lawsuit against MOBE is a civil lawsuit; the FTC does not have authority to bring criminal charges. As a consequence, any criminal charges will not be the subject of this lawsuit.

Again, I want all to know that I am aware of your frustration with the length of time that this process is taking. This, unfortunately, is the nature of litigation, but I believe the end is in sight.

Mark