

- 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
August 29, 2019

There have been a few developments since the last update on February 2, 2019.

Russell W. Whitney, Jr. The Defendant Russell Whitney died on November 20, 2018. At the time, he had been negotiating a settlement with the Federal Trade Commission, and after his death his heirs continued the negotiation and reached a tentative settlement. Mr. Whitney's affairs are being addressed by a probate court in Florida state court. Mr. Whitney's attorneys have set up the probate estate, and the probate court is considering the proposed settlement. The details of the settlement will be announced when completed.

Special Receiver. As previously reported, the Court ordered credit card payment processor Qualpay, Inc., and its correspondent bank, Synovus Bank, to turn over approximately \$6.3 million to me. This represented funds held as credit card reserves. Qualpay and Synovus argued that the money belonged to them, but the Court disagreed. Subsequently, I began to investigate whether Qualpay or Synovus could be held liable to the receivership estates for "aiding-and abetting" the MOBE scam. My law firm, Akerman, at the time had no relationship to either Qualpay or Synovus. As of December 31, 2018, Synovus purchased a smaller bank that my firm represented in matters unrelated to MOBE. Synovus claimed that this created a conflict of interest that required that my law firm and I both be removed from the case. I was satisfied that under the circumstances neither I nor my firm had a conflict, but I was concerned that Synovus intended to file motions that would have delayed my ability to investigate the matter, and that also would have required that I pay money to lawyers that otherwise could be available for injured consumers. I therefore opted to withdraw as Receiver, but only with respect to the claims involving Synovus and Qualpay. At my recommendation, the Court appointed Burton Wiand as Special Receiver with respect to the Synovus/Qualpay matters. Mr. Wiand, like me, is a seasoned receiver with a significant amount of experience in matters such as this, and I am confident that he will be effective.

Peoples Trust. Peoples Trust was a credit card payment processor that processed credit card payments for MOBE. Peoples Trust is based in Canada, and arguably the Florida Court's Temporary Restraining Order and Preliminary Injunctions did not preclude Peoples Trust from utilizing credit card reserves to fund chargeback requests made after the lawsuit was filed. I therefore hired attorneys in Montreal to file a lawsuit against Peoples Trust, to obtain the return

of the credit card reserves. After approximately 9 months, I settled my claim with Peoples Trust, with Peoples Trust paying USD \$607,000.00. The funds were received in August, 2019.

Steven Bransfield. Steven Bransfield, one of the senior-level affiliates for MOBE, filed a Chapter 11 bankruptcy case on August 26, 2019. Chapter 11 typically is used where debtors intends to "restructure" their financial affairs. Bransfield discloses in his bankruptcy papers that the FTC has initiated an administrative proceeding against him, and that it claims that he is liable for approximately \$9 million. His bankruptcy papers, however, suggest that he has little in the way of tangible assets.

Consumers who feel that they have claims against Bransfield should review his bankruptcy case, which is styled *In re: Steven A. Bransfield*, case no. 19-21442-LMI, United States Bankruptcy Court, Southern District of Florida, Miami Division. If you believe you have a claim against Bransfield, you should file a Proof of Claim form with the clerk. You can download the approved bankruptcy proof of claim form from this link: <https://www.uscourts.gov/forms/bankruptcy-forms/proof-claim-0>. **Be sure you also review the instructions on the link so that you fill out the form properly.** The form, when completed, should be sent to the clerk at the following address: Clerk of Bankruptcy Court, US Bankruptcy Court, 301 N. Miami Avenue, Room 150, Miami, Florida 33128. The clerk has established the deadline for filing a proof of claim as **January 6, 2020.**

Funds Collected. Attached are spreadsheets showing activity in the receivership bank accounts through July 31, 2019. The Receiver is actively working to collect additional funds. Details will be provided as appropriate.

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. I can assure you that the FTC is working very hard to try to resolve the lawsuit, and I expect that there will be an announcement on this subject within the next three months. Additionally, I am working to obtain control of some of Matt Lloyd's real estate holdings, and I want to let you know that he is cooperating with me in this regard. Many of you have told me that MOBE owned or owns an island in Fiji or a resort hotel in Costa Rica, or other properties; the truth is that some of the funds from MOBE were utilized by Mr. Lloyd to purchase a partial interest in companies that, in turn, own partial interests in hotels or other property. I have reached a tentative agreement with Mr. Lloyd for these assets to be liquidated for the benefit of the receivership estate, and I expect to report the details of that agreement to you shortly. A word of caution, though: While it is true that MOBE generated a significant amount of money, almost all of which came from you and almost all of which was based on false promises, much of that money was spent on MOBE's operating costs and thus cannot be recovered.

Also, I am aware that some of you are considering filing your own lawsuits against MOBE. As you consider doing so, bear in mind that I have already recovered all of MOBE's assets, which means that even if you win there will be nothing available to pay any judgment you might receive. This is consistent with Section XIII of the Preliminary Injunction, by which the Court has directed that all assets of MOBE should be turned over to me, and not anyone else. Note also that Section XVII of the Preliminary Injunction enjoins everyone (including investors, creditors, stockholders, lessors, customers and other persons) from filing any lawsuit against MOBE.

Be sure to check back in a couple of weeks for further updates.

Mark

Valley National Bank
Money Market Acct. no. XXXXXXXXX6672

<u>Date</u>	<u>Description</u>	<u>Credit</u>	<u>Debit</u>	<u>Balance</u>
06/15/2018	DEPOSIT (wire transfer from i-Payout)	101,779.55		101,779.55
06/20/2018	DEPOSIT (from Russell Whitney, check #141886837)	207,405.44		309,184.99
06/22/2018	REVERSAL (Russell Whitney, check #141886837 - bank stopped payment on it due to TRO)		(207,405.44)	101,779.55
06/22/2018	Deposited Item Rev. Fee		(10.00)	101,769.55
06/25/2018	DEPOSIT (Chase check #4556274985 for Wealth Building Technologies, acct. #2188)	89,009.17		190,778.72
06/25/2018	DEPOSIT (Chase check #4556274989 for Wealth Building Technologies, acct. #8359)	136,215.66		326,994.38
06/25/2018	DEPOSIT (Chase check #4556274988 for Wealth Building Technologies, acct. #9775)	113,733.27		440,727.65
06/25/2018	DEPOSIT (Chase check #4556274987 for Wealth Building Technologies, acct. #2099)	39,440.48		480,168.13
06/25/2018	DEPOSIT (Chase check #4556274986 for Wealth Building Technologies, acct. #7977)	59,980.34		540,148.47
06/25/2018	DEPOSIT (Wells Fargo check #0001511129 for MOBEProcessing, Inc.)	55,950.74		596,099.21
06/27/2018	DEPOSIT (wire transfer from Electronic Merchant Services (EMS) - credit card reserves)	3,051,048.49		3,647,147.70
06/27/2018	DEPOSIT (from Paypal, check #110522)	17,233.71		3,664,381.41
06/29/2018	Interest credited deposit	209.56		3,664,590.97
07/03/2018	DEPOSIT (from OfferBlue Print, wire transfer)	148,490.00		3,813,080.97
07/03/2018	Wire transaction fee		(15.00)	3,813,065.97
07/09/2018	DEPOSIT (from Cash Network, wire transfer)	193,505.00		4,006,570.97
07/09/2018	Wire transaction fee		(15.00)	4,006,555.97
07/13/2018	DEPOSIT (from Bank of America, check #1020035276)	803,375.99		4,809,931.96

07/13/2018	DEPOSIT (from Calif Property, wire transfer)	189,875.00		4,999,806.96
07/16/2018	Wire transaction fee		(25.00)	4,999,781.96
07/23/2018	DEPOSIT (wire transfer from Credicorp Bank, Panama PA) (MOBE account)	335,475.00		5,335,256.96
07/30/2018	DEPOSIT (wire transfer from Kopelowitz OS Throw PA for Costa Rica) (Whitney money)	406,261.91		5,741,518.87
07/30/2018	Wire transaction fee		(15.00)	5,741,503.87
07/31/2018	Interest credited deposit	5,131.18		5,746,635.05
08/02/2018	DEPOSIT (wire transfer UOB Malaysia for MOBE Ltd)	230,997.35		5,977,632.40
08/06/2018	DEPOSIT (wire transfer from Allied Wallet)	2,096,967.81		8,074,600.21
08/06/2018	Wire transaction fee		(25.00)	8,074,575.21
08/07/2018	DEPOSIT (wire transfer from Hong Kong personal funds from Matthew McPhee)	9,258.01		8,083,833.22
08/07/2018	Wire transaction fee		(25.00)	8,083,808.22
08/09/2018	DEPOSIT (wire transfer from Kuala Lumpur MY personal funds from Matthew McPhee)	18,974.60		8,102,782.82
08/09/2018	Wire transaction fee		(25.00)	8,102,757.82
08/10/2018	Check #1001 Blake, Cassels & Graydon (engagement of Canadian counsel)		(15,000.00)	8,087,757.82
08/13/2018	DEPOSIT (wire transfer from United Overseas Bank (Malaysia) personal funds from Matthew McPhee)	6,766.23		8,094,524.05
08/13/2018	Wire transaction fee		(25.00)	8,094,499.05
08/23/2018	DEPOSIT (wire transfer i-Payout)	37,434.22		8,131,933.27
08/23/2018	Wire transaction fee		(15.00)	8,131,918.27
08/28/2018	DEPOSIT (wire transfer Maybank (Malaysia) for MobeProcessing.com Inc.)	76,050.29		8,207,968.56
08/28/2018	Wire transaction fee		(25.00)	8,207,943.56
08/29/2018	DEPOSIT (wire transfer from Priority Payment Systems)	193,362.06		8,401,305.62
08/29/2018	Wire transaction fee		(15.00)	8,401,290.62
08/31/2018	Interest credited deposit	1,654.63		8,402,945.25
09/04/2018	DEPOSIT (Check #142323785 from Edward Jones for Russell Whitney)	208,068.21		8,611,013.46

9/13/2018	DEPOSIT (wire transfer from Westpac (Australia) for MobeProcessing.com Inc.)	1,169,692.60		9,780,706.06
09/13/2018	Wire transaction fee		(25.00)	9,780,681.06
09/18/2018	DEPOSIT (Cashier's check from Bank of America for MobeProcessing.com Inc.)	36,045.37		9,816,726.43
09/21/2018	Check #1002, Cove Law, P.A. (legal fees per agreement)		(50,000.00)	9,766,726.43
09/26/2018	DEPOSIT (wire transfer from Royal Bank of Canada for MobeProcessing.com Inc.)	107,160.82		9,873,887.25
09/26/2018	Wire transaction fee		(25.00)	9,873,862.25
09/28/2018	Interest credited deposit	2,183.90		9,876,046.15
10/01/2018	DEPOSIT (check from Toronto-Dominion Bank - partial reimbursement of cost bond)	49,652.43		9,925,698.58
10/03/2018	Transfer to checking account #xxx0574 to pay fees and costs		(163,000.00)	9,762,698.58
10/05/2018	Transfer to checking account #xxx0574 to pay invoices		(20,000.00)	9,742,698.58
10/31/2018	Interest credited deposit	15,456.56		9,758,155.14
11/08/2018	DEPOSIT (wire transfer from Priority Payment Systems)	17,995.92		9,776,151.06
11/08/2018	Wire transaction fee		(15.00)	9,776,136.06
11/13/2018	DEPOSIT (wire transfer from National Australia Bank for Matt Lloyd Publishing.com)	31,852.04		9,807,988.10
11/13/2018	Wire transaction fee		(25.00)	9,807,963.10
11/19/2018	DEPOSIT (check #637643 from BB&T for Transaction Management USA, Inc.)	19,213.73		9,827,176.83
11/27/2018	DEPOSIT (wire transfer from Aquesta Bank for Mobeprocessing.com, Inc.)	2,500.00		9,829,676.83
11/27/2018	Wire transaction fee		(15.00)	9,829,661.83
11/27/2018	DEPOSIT (wire transfer from Aquesta Bank for Mobeprocessing.com, Inc.)	2,495.21		9,832,157.04
11/27/2018	Wire transaction fee		(15.00)	9,832,142.04
11/30/2018	Interest credited deposit	14,103.87		9,846,245.91
12/14/2018	DEPOSIT (MOBE retainer refund from Vorys, Sater in OH)	2,500.00		9,848,745.91
12/14/2018	Wire transaction fee		(15.00)	9,848,730.91

12/31/2018	Interest credited deposit	14,647.16	9,863,378.07
01/02/2019	DEPOSIT (check from BOA for the benefit of Susan Zanghi)	33,400.00	9,896,778.07
01/31/2019	Interest credited deposit	14,716.97	9,911,495.04
02/28/2019	Interest credited deposit	13,314.46	9,924,809.50
03/29/2019	Interest credited deposit	13,808.83	9,938,618.33
04/30/2019	Interest credited deposit	15,259.63	9,953,877.96
05/20/2019	DEPOSIT (Carbone Capital - Nov. 2018-May 2019 Distributions to Whitney)	2,709.00	9,956,586.96
05/31/2019	Interest credited deposit	14,806.54	9,971,393.50
06/28/2019	Interest credited deposit	13,394.92	9,984,788.42
07/31/2019	Interest credited deposit	15,809.97	10,000,598.39

Valley National Bank
Money Market Acct. no. XXXXXXXXX6699

<u>Date</u>	<u>Description</u>	<u>Credit</u>	<u>Debit</u>	<u>Balance</u>
08/16/2018	DEPOSIT (check #165900253 from Synovus Bank for QualPay reserves)	6,314,342.09		6,314,342.09
08/31/2018	Interest credited deposit	648.76		6,314,990.85
09/28/2018	Interest credited deposit	8,483.15		6,323,474.00
10/31/2018	Interest credited deposit	10,012.63		6,333,486.63
11/30/2018	Interest credited deposit	9,116.15		6,342,602.78
12/31/2018	Interest credited deposit	9,433.80		6,352,036.58
01/31/2019	Interest credited deposit	9,447.83		6,361,484.41
02/28/2019	Interest credited deposit	8,545.60		6,370,030.01
03/29/2019	Interest credited deposit	8,862.91		6,378,892.92
04/30/2019	Interest credited deposit	9,794.07		6,388,686.99
05/31/2019	Interest credited deposit	9,502.35		6,398,189.34
06/28/2019	Interest credited deposit	8,594.91		6,406,784.25
07/31/2019	Interest credited deposit	10,144.54		6,416,928.79

Valley National Bank
Checking Acct. no. XXXXXXXXX0574

<u>Date</u>	<u>Description</u>	<u>Credit</u>	<u>Debit</u>	<u>Balance</u>
06/15/2018	DEPOSIT (\$10,000 from Regions, \$5,000 from i-Payout)	15,000.00		15,000.00
06/18/2018	Check # 99 Daniel Bernet (payroll for 6/4/18 thru 6/15/18)		(285.00)	14,715.00
06/27/2018	Wire transaction fee (wire transfer from Electronic Merchant Services (EMS) - credit card reserves - moved to MM account)		(15.00)	14,700.00
07/03/2018	Check #100 Daniel Bernet (payroll for 6/18/18 thru 6/29/18)		(435.00)	14,265.00
07/18/2018	Check #1001 Daniel Bernet (payroll for 7/1/18 thru 7/14/18)		(187.50)	14,077.50
07/20/2018	DEPOSIT (ck from Square, Inc.)	1,903.90		15,981.40
07/20/2018	Check #1002 International Sureties (Receiver's bond)		(125.00)	15,856.40
07/27/2018	Deluxe Bus. Sys. (checks)		(209.07)	15,647.33
08/01/2018	DEPOSIT (wire transfer from Stripe \$2,955.45 and check from First Citizens Bank \$665.66)	3,621.11		19,268.44
09/24/2018	Check #1041 MacFarlane Ferguson (invoice 360668 9/11/18)		(787.50)	18,480.94
09/25/2018	Wire transfer out (to pay Simon Fagence invoice 9/17/18)		(5,000.00)	13,480.94
09/25/2018	Wire transaction fee		(50.00)	13,430.94
10/03/2018	DEPOSIT (check #142491198 from Edward Jones for Russell Whitney)	59.26		13,490.20
10/03/2018	DEPOSIT (transfer from money market account #xxx6672 to pay fees/costs)	163,000.00		176,490.20
10/03/2018	Check #1042 Akerman LLP (fee and cost award)		(62,270.58)	114,219.62

10/03/2018	Check #1043 Akerman LLP (fee and cost award)	(99,726.00)	14,493.62
10/04/2018	Check #1044 Mark J. Bernet, Receiver (expenses awarded under Court Order)	(780.35)	13,713.27
10/05/2018	DEPOSIT (transfer from money market account #xxx6672 to pay invoices)	20,000.00	33,713.27
10/15/2018	Debit purchase on 10/11 (Google*GSuite Myonline CC Google.com)	(19,361.99)	14,351.28
10/15/2018	Debit purchase on 10/12 (International Service Fee)	(580.86)	13,770.42
10/18/2018	DEPOSIT (wire transfer from Francis David Corp. for MOBEprocessing.com)	15,036.00	28,806.42
10/18/2018	Wire transaction fee	(15.00)	28,791.42
12/06/2018	Wire transfer out (re BLG)	(12,000.00)	16,791.42
12/06/2018	Wire transaction fee	(50.00)	16,741.42
2/28/2019	DEPOSIT (McPhee/Westpac Banking)	90.13	16,831.55
04/02/2019	Check #1045 Int'l Sureties, Ltd. (Receiver's Bond Premium)	(100.00)	16,731.55
04/08/2019	Check #1046 for hard drive	(54.35)	16,677.20
04/29/2019	DEPOSIT (Whitney funds from Cardone Equity)	2,000.00	18,677.20