

Since the Receiver's most recent status report, the Receiver and Dutch prosecutors have been actively negotiating a settlement with the IB Capital Defendants for the release of funds that are frozen in the Netherlands in connection with the ongoing Dutch criminal proceeding. The Receiver had previously made an expiring offer to the IB Capital Defendants related to the funds, and conversations in response to that offer have thus far been encouraging. While the Receiver's ability to detail the settlement discussions is limited at this time, he will keep the Court apprised of any significant developments as discussions progress. The Receiver expects to provide the Court with an interim update in approximately 30 days.

Relatedly, the Receiver's Dutch counsel recently informed the Receiver of various options for preserving investors' rights to the frozen funds. The Receiver is currently exploring the relative benefits and costs of bringing a limited action for judgment attachment of the assets in question, which could result in a pro rata interim distribution of a significant portion of the funds. The cost of this proceeding is expected to just exceed \$10,000 euros. The Receiver will continue to explore this option in the context of continuing settlement discussions with the IB Capital Defendants.

The Receiver will continue to keep the Court apprised of these and any other major developments in this matter in the coming months.

Respectfully submitted,

HOHMANN, BROPHY, SHELTON & WEISS, PLLC

By: /s/ Carrie Puccia

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**ATTORNEY FOR GUY M. HOHMANN
IN HIS CAPACITY AS RECEIVER FOR
THE PROPHETMAX RECEIVERSHIP
ESTATE**

CERTIFICATE OF SERVICE

On January 31, 2018, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Western District of Texas, using the electronic case filing system of the court. I hereby certify that I have served all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/ Carrie Puccia _____
Carrie Puccia