

tranches. The payments from ING will allow the Receiver to distribute 33.78% of each Investors Claimants approved claim amount.¹

On July 20, 2023, the Receiver notified ING Bank and its counsel the Receiver's distributed the first tranche. On July 28, 2023, the Receiver received the second tranche from ING Bank. The Receiver anticipates distributing the second tranche by August 31, 2023. Pursuant to the settlement agreement with ING Bank, the Receiver has until October 20, 2023. All unremitted ING settlement funds must be returned to ING Bank.

B. Motion for First Interim Distribution

On March 23, 2023, this Court granted the Receiver's Unopposed Motion for Disbursement of Funds for Approval of First Interim Distribution Plan & Procedures.² The first interim distribution will allow the Receiver to distribute \$4,829,874.28. This distribution will be distributed from funds the Receiver has recovered from a number of different sources and will represent a return of approximately twenty (20) cents on the dollar for each investor's approved claim amount.

Once the distributions for ING settlement is complete, the Receiver will begin making payments attributable to the first interim distribution.

Cyprus - Randius, Ltd. – New Recovery \$107,837.34

On July 10, 2023, the Receiver's Dutch counsel received payment of the EUR 100,000. After converting the funds to USD, it amounted to \$107,837.34 and was deposited into the

¹ As part of the ING Bank Settlement the settlement amount is confidential; the agreement also outlines their terms filed under seal. [Dkt.# 206].

² Signed Order, [Dkt #253]. Receiver's Motion for Distribution Plan and Procedures for Approval of Distribution of Funds to Approved Investor Claimants from the ING Bank Settlement.

Receivership estate. It will be available for future distributions. With the receipt of these funds, the Cyprus recovery efforts are now concluded.

C. Slovakia - Riknik & Sons Ltd. Funds – Estimated recovery \$7.2 million

1. Step One Complete - Forfeiture proceeding in the Netherlands

The DPPO explained to the Receiver that, once the convictions of Echade and Geurkink occurred, it was then necessary for a forfeiture proceeding to be filed in the Netherlands. Once the Netherlands forfeiture proceeding was finalized, a separate proceeding had to be initiated in Slovakia to have the results of the forfeiture proceeding recognized in Slovakia. The Receiver has been informed by the DPPO, the forfeiture proceeding in the Netherlands is complete.

2. Step Two - In Process– Slovakian Court to recognize Forfeiture Proceeding

The Receiver has been unable to obtain any substantive updates from his contacts at the DPPO regarding the proceeding or the results of the forfeiture proceeding that has to be recognized in Slovakia. This may be due to the fact the Slovakian government appears to be undergoing significant turmoil.³

As a result of the above referenced delays, the Receiver contacted his Slovakian counsel in May of 2023 to explore the possibility of having the \$7.2 million judgment it obtained against Riknik & Sons, Ltd. in this proceeding, domesticated in Slovakia.

That proceeding has been initiated and is expected to be completed by mid-August 2023. Assuming no one objects to the domestication, an enforcement officer will be in communication with the bank that is holding the funds to have them repatriated to the receivership estate.

³ The Guardian SLOVAKA (08.05.2023) (May 8, 2023), *Slovakia PM quits and is replaced by caretaker as political crisis deepens*.

Retrieved (July 31, 2023). <https://www.theguardian.com/world/2023/may/08/slovakia-pm-quits-replaced-caretaker-political-crisis-deepens>

D. Morocco – Estimated recovery \$4.87 million

The Receiver continues his efforts to repatriate funds in three separate bank accounts.⁴ The funds in question are presently on deposit in a bank in Morocco and are in Moroccan Dirham (47,510,496.23 MAD). The amounts referenced in this section are at estimated exchange rates in USD.⁵

On March 23, 2023, this Court granted the Receivers motion to retain new Moroccan and French counsel. [Dkt. #254]. After extensive evaluation, the Receiver's French and Moroccan counsel recommended the account holder and the Receiver execute an Irrevocable Transfer Order directing the Moroccan bank holding the funds to transfer the funds to the Receivership estate.⁶

They are currently working with the bank's counsel and are in the process of finalizing the language in the Irrevocable Transfer Order. As previously reported, it is the Receiver's understanding from multiple sources it is difficult to repatriate 100% of the funds out of the Kingdom of Morocco

Conclusion

The next status report will be submitted to the Court on January 31, 2024. If significant developments occur in the interim, the Receiver will file a report before that date.

⁴ There are four tracts of land the DPPO identified as being acquired with funds wrongfully misappropriated from IB Capital. The tracts are in the names of either Rabia or Essadia Moutaouakkil. After a significant amount of time and expense trying to unsuccessfully hire a Moroccan realtor, it is the Receiver's belief it is no longer feasible to continue his efforts to obtain the property deeds and sell the tracts of land. The Receiver believes there is a much stronger success rate focusing time and resources on the bank accounts.

⁵ XE: Convert USD/MAD (July 24, 2023).

Retrieved from

<https://www.xe.com/currencyconverter/convert/?Amount=4870000&From=USD&To=MAD>

⁶ The Receiver and the Receiver's U.S counsel agreed with their strategy.

Respectfully submitted,

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**RECEIVER FOR THE PROPHETMAX AND
IB CAPITAL RECEIVERSHIP ESTATES**

Certificate of Service

On July 31, 2023, 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/ Guy Hohmann

Guy Hohmann