

ROBB EVANS & ASSOCIATES LLC

Receiver of the Assets of

DebtWorks, Inc., and

Andris Pukke

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Federal Trade Commission v. Ameridebt, Inc., et al.

CASE No. PJM 03-3317

**Order for Immediate Incarceration of Andris Pukke and
Peter Baker to Coerce Compliance with Court Orders**

Filed May 4, 2007

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
SOUTHERN DIVISION

MAY - 4 2007

AT GREENBELT
CLERK U.S. DISTRICT COURT
DISTRICT OF MARYLAND
DEPUTY

FEDERAL TRADE COMMISSION,)
)
 Plaintiff,)
)
 vs.)
)
 AMERIDEBT, INC., et al.,)
)
 Defendants.)

Civil Action No. PJM 03-3317

ORDER FOR IMMEDIATE INCARCERATION OF ANDRIS PUKKE AND PETER BAKER TO COERCE COMPLIANCE WITH COURT ORDERS

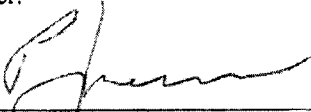
The matter of the Receiver's Application for Supplemental Relief Under Order Holding Andris Pukke and Peter Baker in Contempt of Court; Request for Immediate Incarceration of Andris Pukke and Peter Baker to Coerce Compliance With Court Orders ("Receiver's Application") filed by Robb Evans & Associates LLC as Receiver over the assets of Andris Pukke and DebtWorks, Inc. ("Receiver") and the Federal Trade Commission's Application for Immediate Incarceration ("FTC Application") came before the Court for hearing at 2:00 p.m. on May 2, 2007. Gary Owen Caris of McKenna Long & Aldridge LLP appeared on behalf of Robb Evans & Associates LLC as Receiver over the assets of Andris Pukke and DebtWorks, Inc.; Malini Mithal appeared on behalf of the Federal Trade Commission; and Geoffrey S. Irwin of Jones Day appeared on behalf of Andris Pukke ("Pukke") and Peter Baker ("Baker"); Pukke and Baker also personally appeared before the Court in response to being advised that warrants for their arrest had been issued by the Court in connection with the Order Holding Andris Pukke and Peter Baker in Contempt of Court filed March 30, 2007 ("Contempt Order"). The Court, having issued warrants for the arrest of Pukke and Baker on April 27, 2007 ("Arrest Warrants"), having reviewed and considered the Receiver's Application, the pleadings and papers filed by the Receiver in support of the Receiver's Application, and the FTC Application, having heard and

considered the arguments and contentions of counsel and the statements made by Pukke and Baker on the record at the hearing, the Court having accepted as Receiver's Exhibit 1 the chart titled Requirements Under the Contempt Order Which Have Not Been Satisfied by Andris Pukke and Peter Baker, a true and correct copy of which is attached to this Order as Exhibit 1, and the Court having stated its findings of fact and conclusions of law on the record at the conclusion of the hearing pursuant to Rule 52 of the Federal Rules of Civil Procedure, including without limitation the Court's finding that Pukke and Baker, and each of them, have failed to perform the duties and obligations under the Contempt Order as set forth in Exhibit 1, and good cause appearing therefor,

IT IS ORDERED that:

1. The Court has executed the Arrest Warrants issued on April 27, 2007 for the arrest of Pukke and Baker;
2. Pukke shall remain in the custody of the United States Marshal until Pukke purges his contempt by complying with the Contempt Order; and
3. Baker shall remain in the custody of the United States Marshal until Baker purges his contempt by complying with the Contempt Order.

Dated: May 2, 2007



PETER J. MESSITTE
United States District Judge

EXHIBIT 1

REQUIREMENTS UNDER THE CONTEMPT ORDER WHICH HAVE NOT BEEN SATISFIED BY ANDRIS PUKKE AND PETER BAKER

Pukke's Duties re Turnover of Assets	Order/Letter Provision
<p>1. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the IO/Sportingbet Stock and Proceeds including the assets reflected on the Cash Proceeds Chart within thirty (30) days of the date of entry of the Contempt Order.</p>	<p>Contempt Order, para. 4.A.</p>
<p>2. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the Hansabanka Funds and Proceeds including the assets reflected on the Cash Proceeds Chart within sixty (60) days of the date of entry of the Contempt Order.</p>	<p>Contempt Order, para. 4.B.</p>
<p>3. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the Dolphin Development Rights and Proceeds including the assets reflected on the Cash Proceeds Chart within thirty (30) days of the date of entry of the Contempt Order, including the proceeds of sales of properties in Sanctuary Bay Estates, all contract rights, development rights, ownership rights, property rights and legal, equitable and beneficial claims and interests held by Dolphin Development, including contract rights, development rights, ownership rights and property rights pertaining to Sittee River Wildlife Reserve, that existed on April 20, 2005 or were acquired or arose thereafter</p>	<p>Contempt Order, para. 4.E.</p>
<p>4. Take steps to immediately countermand all instructions to Sittee River Wildlife Reserve which have impaired the Receiver's ability to take possession and control of the Sanctuary Bay Estates project, including without limitation countermanding letters purporting to</p>	<p>Contempt Order, paras. 4 and 5 (duty of turnover and duty of cooperation)</p>

<p>terminate the development rights of Dolphin Development, Sanctuary Bay and Starfish, and letters directing lot owners to make their lot purchase payments to Sittee River Wildlife Reserve</p>	
<p>Pukke's Duties Re Accounting and Disclosure of Information and Documents</p>	<p>Order/Letter Provision</p>
<p>5. Within 15 days (4/17/07), describe under oath the number of shares of stock, percentage stock ownership or similar ownership interest held by or for the benefit of Pukke in IO/Sportingbet, the manner in which the stock was held and the documentation evidencing the ownership interest, and provide contact information for the person or entity holding the stock or ownership interest</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section I.A.(1) and (2)</p>
<p>6. Within 15 days (4/17/07), identify under oath all writings reflecting or comprising the ownership interest held by or for the benefit of Pukke in IO/Sportingbet Stock and state the contact information for the person with custody of the stock or other ownership interest or with custody of the other writings evidencing the ownership</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section I.A.(2)(a) and (b)</p>
<p>7. Within 15 days (4/17/07), state under oath the manner in which Pukke disposed of the stock or other ownership interest of Pukke in the IO/Sportingbet Stock and Proceeds</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section I.A.(3).</p>
<p>8. Within 15 days (4/17/07), provide a statement under oath accounting for all shares of IO/Sportingbet Stock and Proceeds held by or for the benefit of Pukke from inception to the present, including all that was sold, the contact person to whom the stock was transferred, the date of each transfer or disposition, the amount of all proceeds paid to or for the benefit of Pukke, the contact information of the person who received any proceeds other than Pukke, a description of how the proceeds were used, and a description</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section I.A., unnumbered paragraph on page 2</p>

<p>of the manner in which Pukke disposed of the stock</p>	
<p>9. Within 15 days (4/17/07), turnover IO/Sportingbet Stock and Proceeds Documents to the Receiver, including all writings reflecting or comprising the shares or other ownership interest and any writings evidencing or pertaining to the accounting and disclosures required in Section I.A. above</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section I.B.</p>
<p>10. Within 15 days (4/17/07), identify under oath the nominal title holders on all Hansabanka accounts with respect to the Hansabanka Funds and Proceeds and state the account numbers and balance of funds in each such account as of April 20, 2005 and as of the present</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section II.A.(1) and (2)</p>
<p>11. Within 15 day (4/17/07), state the contact information for all transferees of funds from the Hansabanka accounts other than those transferees identified on the Cash Proceeds Chart attached as Exhibit 1 to the Contempt Order</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section II.A.(3)</p>
<p>12. Within 15 days (4/17/07), provide an accounting under oath of the use, transfers and disposition of all the Hansabanka Funds and Proceeds, with the contact information for all persons in possession of Hansabanka Funds and Proceeds, and an accounting of the Hansabanka Funds and Proceeds used to purchase two properties (house on Lake Baltezers known as "Sarti" and undeveloped farm land known as "Boti" or "Dizi")</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section II.A., unnumbered paragraph on page 3</p>
<p>13. Within 15 days (4/17/07), turn over all bank statements, cancelled checks, wire transfer receipts and communications with Hansabanka</p>	<p>Contempt Order, para. 5.A.; 4/2/07 letter, section II.B(a) through (d)</p>

Baker's Duties to Turn Over Assets	Order/Letter Provision
<p>1. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the IO/Sportingbet Stock and Proceeds including the assets reflected on the Cash Proceeds Chart within thirty (30) days of the date of entry of the Contempt Order.</p>	<p>Contempt Order, para. 4.A.</p>
<p>2. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the Emerald Bay Property and Proceeds including the assets reflected on the Cash Proceeds Chart within thirty (30) days of the date of entry of the Contempt Order; while Baker has deeded the Emerald Bay Property to the Receiver, Baker is also obligated to turn over to the Receiver all proceeds of that property, "including without limitation all proceeds of any financing and refinancing" of the property and any tangible and intangible property into which the proceeds have been converted.</p>	<p>Contempt Order, para. 4.D. and para. 3.C. (definition of Emerald Bay Property and Proceeds)</p>
<p>3. Take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith of the Dolphin Development Rights and Proceeds including the assets reflected on the Cash Proceeds Chart within thirty (30) days of the date of entry of the Contempt Order, including specifically all balances in the bank accounts of Starfish and Sanctuary Bay, including the proceeds of sales of properties in Sanctuary Bay Estates, all contract rights, development rights, ownership rights, property rights and legal, equitable and beneficial claims and interests held by Dolphin Development, including contract rights, development rights, ownership rights and property rights pertaining to Sittee River Wildlife Reserve, that existed on April 20, 2005 or were acquired thereafter</p>	<p>Contempt Order, para. 4.E.; Kane 4/13/07 e-mail to Baker para. 12)</p>

<p>4. Take steps to immediately countermand all instructions to Sittee River Wildlife Reserve which have impaired the Receiver's ability to take possession and control of the Sanctuary Bay Estates project, including without limitation countermanding letters purporting to terminate the development rights of Dolphin Development, Sanctuary Bay and Starfish, and letters directing lot owners to make their lot purchase payments to Sittee River Wildlife Reserve</p>	<p>Contempt Order, paras. 4 and 5 (duty of turnover and duty of cooperation)</p>
<p>Baker's Duties to Disclose Information, and Provide Accountings and Turn Over Documents</p>	<p>Order/Letter Provision</p>
<p>5. Within 15 days (4/17/07), provide an accounting under oath of all Sportingbet stock received by Baker, including a detailed description of what stock he received and what stock he sold and what the proceeds were used for, with the dates, amounts and contact information for the recipients of any proceeds he transferred, other than the funds transferred to Mariner's Escrow to purchase the Emerald Bay Property</p>	<p>Contempt Order, para. 5.C.; 4/2/07 letter, section I.A.(1)(a) and (b)</p>
<p>6. Within 15 days (4/17/07), turn over to the Receiver all documents pertaining to the IO/Sportingbet Stock and Proceeds evidencing the ownership interest of Baker in the stock, communications regarding his interest in the stock and any transfers or disposition of the proceeds, and all documents pertaining to transfers of the proceeds to third parties and any obligation of those third parties to return or repay the transfers</p>	<p>Contempt Order, para. 5.C.; 4/2/07 letter, section I.B.</p>
<p>7. Within 15 days (4/17/07), provide an accounting under oath of all payments made on the loans secured by the Emerald Bay Property and of all payments made for maintenance and repairs of the Emerald Bay Property</p>	<p>Contempt Order, para. 5.C.; 4/2/07 letter, section II.A.(1) and (2)</p>

<p>8. Within 15 days (4/17/07), provide an accounting under oath of the disposition of the \$940,000 in refinance proceeds obtained by Baker from the Emerald Bay Property, including the contact information for all recipients of proceeds of those funds and the nature and purpose of all such transfers</p>	<p>Contempt Order, para. 5.C.; 4/2/07 letter, section II.A.(3)</p>
<p>9. Within 15 days (4/17/07), turn over to the Receiver all documents pertaining to the payments made on or pertaining to the Emerald Bay Property and the proceeds of the refinance, including all communications related thereto, copies of all contracts, invoices and other documents pertaining to work performed on the property</p>	<p>Contempt Order, para. 5.C.; 4/02/07 letter, section II.B.</p>
<p>10. By April 18, 2007, state and/or provide under oath all of the following information and documents concerning the Dolphin Development Rights and Proceeds: (a) the contact information for all vendors to the Sanctuary Bay project, and contracts with all vendors and related invoices and records; (b) information regarding all accounts payables for Sanctuary Bay, including providing an accounts payable ledger; (c) a list of all bank accounts of Dolphin Development, Starfish and Sanctuary Bay and statements and supporting documents for all bank accounts; (d) a statement of all persons or entities who owe money to Starfish and Sanctuary Bay and/or attach an accounts receivable ledger; (e) a statement listing all payments received by Starfish and Sanctuary Bay from February 1, 2007 forward; (f) all corporate records of Starfish and Sanctuary Bay, including minute books, corporate stamps, articles of incorporation, and similar documents; and (g) lot sales contracts, consumer demands for refunds, lease agreements, title documents, equipment inventory, website password access, all other electronic and hard copy accounting data for Starfish and Sanctuary Bay, electronic files and data for financed lots, property tax</p>	<p>Contempt Order, para. 5.C.; (a) 4/02/07 letter, section III.A.(1); Kane e-mail to Baker 4/13/07 para. 3); (b) 4/2/07 letter, section III.A.(3); Kane e-mail to Baker 4/13/07 para. 9); (c) 4/02/07 letter, section III.A.(4); Kane e-mail to Baker 4/13/07 para. 8); (d) 4/02/07 letter, section III.A.(5); Kane e-mail to Baker 4/13/07 para. 9) and 10); (e) 4/02/07 letter, section III.A.(6); (f) 4/02/07 letter, section III.B.; Kane 4/13/07 e-mail para. 4); and (g) Kane 4/13/07 e-mail and e-mail to Baker of 4/16/07 with proposed letter to John Usher</p>

information and payments, computers and passwords, an employee list and payroll list, Starfish check register	
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