

**Robb Evans, Receiver of
Equinox International Corp.,
Advanced Marketing Seminars, Inc.,
BG Enterprises, Inc.,
Related Corporations or Business Entities
and Certain Other Assets**

**REPORT OF RECEIVER'S ACTIVITIES
SEPTEMBER 1, 2002 THROUGH FEBRUARY 28, 2003**

This report covers the activities of the Permanent Receiver since his last report to the Court dated August 31, 2002. This is the eighth report to the Court on the progress of the Receivership. It does not constitute an audit of financial condition and is intended only to provide information for use by the Court in assessing the progress of the Receivership.

Class counsel filed a response to my Motion for Order Approving Report of Receiver's Activities for the Period ending August 31, 2002. The FTC and I filed a reply to the response. To date, my August 31, 2002 Report remains unapproved.

Asset Evaluation and Sales

I previously completed an inventory of the Estate's assets as of April 20, 2000, when the Settlement Agreement was entered. Under Tab 1 is a non-cash asset inventory as of February 28, 2003 listing items sold since April 20, 2000 and items remaining in the Estate.

In my previous report, I advised the Court that the remaining major assets to be liquidated were the 17,500 square foot residence in Boca Raton, Florida, and the 116 ft. Norship yacht. Since that report, I have sold the Norship yacht and have completed construction of the home in Boca Raton. In my declaration filed with the Court in November, 2002, in support of our Reply to Response of Class Counsel to Receiver's Motion for Order Approving Report of Receiver's Activities for the Period Ending August 31, 2002, I informed the Court that an offer was pending for the sale of the Norship yacht for \$4.8 million..

On November 25, 2002, I obtained an Appraisal Survey and Report from a marine surveyor as required by the buyer. The surveyor concluded that the market value of the Norship yacht was only \$4,150,000.00 and also detailed in the report more than \$1,000,000 in needed or recommended repairs and improvements. After negotiation, I agreed to reduce the sales price by \$425,000 for survey deficiencies. After payment of the customary sale commission, the net proceeds to the estate were \$3,925,000.00. I believe that the sale was very beneficial for the Estate, given that the appraisal report identified extensive repairs and improvements, and the current weak demand for vessels of this size and type. The continued expenditure of approximately \$60,000.00 of estate resources each month to maintain the yacht terminated as a result of the sale.

Even though construction of the single-family residence in Boca Raton has been completed, I continue to receive offers far below the listing. Because some of the luxury estates in the immediate area have been involved in public corporate scandals, full value recovery for this 17,500 square foot residence is even more challenging. Given the difficult market conditions and complete absence of any reasonable offer for the home, real estate experts have suggested that I consider an international auction with reserve for this property. We are currently investigating this as an alternative method to liquidate this asset.

Pending Litigation and Remaining Claims

There are three pending pre-receivership actions. One of these actions is a products liability lawsuit filed in the Supreme Court of New York. The New York action is covered under a general liability policy with a \$50,000 deductible. The Receiver's counsel is currently exploring settlement of the case. The other two product liability cases, also covered under the same general liability policy, have remained inactive for over a year, and we do not expect them to be revived.

Since our last report, we have settled several more water damage claims. Most of the remaining cases have been denied or have been closed for lack of a timely response to our settlement offer.

As previously reported, approximately 22 existing or potential pre-receivership claims from vendors and service related providers, which could exceed \$500,000, are expected to be resolved through the claims process.

Internal Revenue Service Issues

The IRS claim for approximately \$12 million is still pending. The Federal Trade Commission's attorney successfully arranged for the Department of Justice to intervene in the dispute arising from the competing claims from two agencies of the U.S. government. In my last report, I stated that I had responded to a request from the Department of Justice for a settlement offer. Although we have not received a response to our offer, we continue to monitor, and periodically inquire about, the progress of their evaluation of our offer.

Claim Administration and Consumer Redress

As previously reported, I have completed the administration of claims. On January 10, 2003, counsel for the Receiver filed a Motion For Order Establishing Claims Bar Dates, Claims Objection Procedures And Approving Receiver's Prior Claims Determinations. Thereafter, counsel for the Class Plaintiffs filed an opposition to our motion and on February 3, 2003, we filed a reply to the Class Plaintiffs' opposition. No hearing date has been set and we await further direction from the Court.

We continue to respond to numerous inquiries about the status of the claims administration process and timeframe for distribution of the consumer redress fund. The amount of funding available for the consumer redress program depends on the resolution of the sale of the home in Boca Raton and the pending claim from the IRS.

Sources and Uses of Funds: September 1, 2001 through February 28, 2002

Under Tab 2 is a statement of cash inflow and outflow for the current reporting period, and for the period after February 28, 2000, the date used to estimate the value of assets turned over to the Receivership Estate. During the current six-month reporting period, cash outflow totaled \$1.291 million compared to \$1.295 million in the previous reporting period. However, cash outflow in this period included a court-ordered payment of \$583,959 to class counsel for expenses. All other areas of expense were lower this period, including Corporate, \$101,000 lower, Partnership Asset, \$467,000 lower, and Receivership Expenses, \$20,000 lower.

We expect reduced operating expenses to continue. However, such reductions do not include possible payments for taxes and class counsel fees or additional expenses.

Financial Report

Under Tab 2 is the Receiver's Financial Report of Administration Expenses for the period beginning April 20, 2000 and ending February 28, 2003.

Conclusion

I request that:

- This Report be approved.
- I be authorized to pay the indicated accrued fees and expenses owing myself.
- My actions in making other payments and taking such other actions described in this Report be confirmed.

Respectfully submitted,

<SIGNED>

Robb Evans
Receiver
