

ROBB EVANS & ASSOCIATES LLC

Receiver of

**Global Marketing Group, Inc.; Global Business Solutions, LLC;
Globalpay, Inc.; Globalpay, LLC; Globalpay BV;
Synergy Consulting Services, LLC; and First Processing Corporation**

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**Federal Trade Commission v. Global Marketing Group, Inc., et al.
CASE No. 8:06 CV-2272-T-30TGW**

**Report of Receiver's Activities
September 1, 2008 Through March 31, 2010**

Filed May 19, 2010

ROBB EVANS & ASSOCIATES LLC
Receiver of
Global Marketing Group, Inc., et al.

REPORT OF RECEIVER'S ACTIVITIES
SEPTEMBER 1, 2008 THROUGH MARCH 31, 2010

This fifth report covers the activities of the Receiver¹ since the last report, provides updated details on the information in the fourth report, and describes the activities that are underway and will be taken to complete the Receiver's activities and to close the Estate. This report does not constitute an audit of financial condition and is intended only to provide information for the Court about the progress of the Receivership and the remaining activities to close the Estate.

Summary of Current Activities

For convenience of the Court and other readers, the Receiver has attached under Tab 1 the previously filed fourth report covering the period March 1, 2008 through August 31, 2008. The fourth report is part of the period covered by the attached financial report and provides important background for the events and activities detailed in this fifth report.

In previous reports, including the attached fourth report, the Receiver described its concentrated efforts, and the results to date, to recover funds of the Receivership entities that were held by financial institutions or authorities in foreign jurisdictions, including the Philippines, Belize, Israel, and Great Britain. The funds held by the financial institutions were generated by credit card processing either for worldwide telemarketing and internet merchants, or for consumer transactions for offshore internet gambling. The funds in foreign financial institutions were sent or directed to be sent by defendants in the Federal Trade Commission action, including Ira N. Rubin (Rubin). Rubin fled to Costa Rica to avoid arrest under a Civil Contempt Order issued by this Court.

Remaining Uncollected or Unresolved Funds in Foreign Jurisdictions

Philippines

After locating information in company records about credit card processing and reserve accounts, the Receiver requested and the court approved, and entered, an Order on October 17, 2007 authorizing the Receiver to hire an attorney in the

¹ Reference to the Receiver in this report means the Receiver, the Receiver's deputies, its staff, and its counsel.

Philippines to assist with recovering funds and data of the Receivership defendants. Bankcard, Inc., the Philippine credit card processor, filed a complaint to have funds exceeding \$950,000 interpleaded to the Philippine court.

Receivership defendant entities, through local Philippine counsel and without identifying the individuals engaging the local counsel to pursue the actions, have managed to delay the Philippine proceedings until recently. With answers filed to the Interpleader complaints by the receivership defendant entities, and after discussions and exchanges of documents with the Receiver and its attorney, Philippine counsel is proceeding more confidently with the litigation process. He plans to seek a prompt Summary Hearing and hopes to successfully argue that the court should release all Interpleaded funds to the Receiver.

The Estate of Phoelicia Daniels

Relief Defendant Phoelicia Daniels and the FTC were discussing a resolution of claims for assets funded by transfers from the defendant companies and from Ira Rubin when she suddenly passed away in February 2008. The Receiver was the largest creditor or claimant for the estate assets and claimed that the proceeds of a life insurance policy and other assets should be turned over to the Receivership Estate. The probate estate substituted a new counsel and after a trial in the Probate Court over a contested will, the Probate Court appointed a new personal representative.

After new counsel and the new personal representative assumed control and management of the estate, the FTC, the Receiver, and the Daniel's estate agreed to resolve the claims of the Receiver. The estate agreed to turnover the proceeds from most of the assets and life insurance proceeds to the Receiver. After the Court issued an Order, life insurance proceeds of \$209,872.81 previously deposited with the Court were turned over to the Receiver.

However, progress toward liquidating the real property, automobiles, and other personal property has been slow. Recently, the Receiver agreed to advance funds to the Daniel's estate for repairs and maintenance to the real property so it could be listed for sale. The estate has also agreed to accelerate the sale of automobiles and personal property. The Receiver is working with the personal representative and his attorney to agree on a stipulation to turnover, in kind, the remaining estate assets. The proposed stipulation would provide a process to resolve other claims against the Daniel's Estate, which appear to be nominal. The Receiver expects the remaining assets to total about \$200,000.

Conclusion

The Receiver intends to follow-up closely with Philippine counsel to pursue the Interpleader action to a prompt conclusion and to receive the Interpled funds. The Receiver will also coordinate frequently with the attorney and the personal representative for the Daniel's estate. The Receiver will assist in any helpful way to promptly receive the final proceeds from the Daniel's estate. Although the Receiver cannot accurately project a specific timetable, the Receiver will proceed diligently to close the Receivership Estate before the end of 2010.

Attached under Tab 2 is the Receiver's Administrative Expense Report, which includes previously approved expenses and monthly details of the Receiver's fees, Receiver's expenses, operating expenses, and legal expenses for the reporting period. Although the activity in this report began September 1, 2008, the expense reporting began March 1, 2008. The activity in the attached fourth report includes the period March 1, 2008 through August 30, 2008. The Receiver's fees in the reporting period totaled \$46,884. The Receiver's expenses, primarily for tax preparation fees and charges passed on by Pilot Bank, totaled \$32,591. Operating expenses, primarily advancing funds to preserve assets in the Daniel's estate, were \$41,222. Legal expenses for the Estate from various attorneys totaled \$273,765, bringing total reporting period expenses for the Receivership estate to \$394,462.

Within a few days, the Receiver will file a motion to approve the Receiver's third request for order authorizing the payment of the Receiver's and its counsels' fees and expenses.

Requests of the Court

The Court is respectfully requested to:

1. Approve this Report and confirm the actions of the Receiver described therein.

Respectfully submitted,

/s/

Robb Evans & Associates LLC
Receiver