

ROBB EVANS
Receiver of
MX Factors, LLC, BBH Resources, LLC, and
JTL Financial Group, LLC

REPORT OF RECEIVER'S ACTIVITIES
MARCH 5, 2004 THROUGH MAY 31, 2004

This is the second report to the Court and the first report as Permanent Receiver. The purpose of this report is to:

- Provide updated financial information about receivership estate and other assets.
- Provide a current summary of major issues confronted by the receivership estate.
- Obtain approval of estate expenses through May 31, 2004.

This report does not constitute an audit of the financial condition of the receivership; it is intended only for the information of the Court and should not be relied upon for other purposes.

In the first report a number of investments and other disbursements were identified. Since that time, further analysis of the details of the investments and disbursements has resulted in a somewhat more reliable preliminary projection of potential recoveries.

MX Factors, LLC

The Warrior, aka The Libresea

As previously reported, the Temporary Receiver located and took control of a commercial fishing vessel known as the Libresea (formerly the Warrior), identification number 508814. The vessel was in dry dock near Seattle, Washington.

The Receiver's counsel and members of the Receiver's staff have consulted with a number of experienced professionals to estimate the value of the Libresea, the extent and cost of repairs needed, the repairs in progress, the outstanding liens, and the potential for fishing rights. The Temporary Receiver's report cited an August 2001 appraisal of \$2.6 million. The Receiver has since learned that the outdated appraisal was based on old information before the vessel was substantially dismantled for upgrades and repairs. The Temporary Receiver also reported disbursements from MX Factors, LLC (MX) for the vessel of about \$1.53 million.

The former captain of the Warrior has confirmed that a number of repairs were in progress at the time of the Receiver's appointment. The captain was responsible for overseeing all of the repairs for the boat. He was hired as a consultant for MX under a management consulting contract dated June 19, 2003. The captain worked directly for Richard Harkless and was in contact with him on a regular basis concerning the scope of the repairs and payment of the outstanding invoices.

Members of the Receiver's staff have determined that MX paid all the invoices for repairs. Copies of the invoices and records of payment show that payment was made through International Services Ltd. (International Services) in Belize from bank accounts set up by Richard and Julie Harkless in the name of MX Factors Ltd. Records of MX show that Richard and Julie Harkless sent the instructions to International Services for the payment of the invoices. International Services is a firm that provides accounting and other financial services to persons establishing accounts and trusts in Belize. Mr. Santiago Gomez is the account manager at International Services.

The current minimum outstanding repairs needed to be completed on the Libresea are the following:

- Replace the drive shafts and wheels.
- Repair the gearboxes. MX has spent \$16,500 to repair the gearboxes and additional funds are needed to complete the repair. Jeff's Diesel in Seattle was doing this work. Jeff's Diesel has a lien against the vessel in the amount of \$65,400 for work that was in progress when Mr. Harkless stopped making payments last November.
- Reassemble the engine. Jeff's Diesel is doing the repairs and the work is two-thirds finished. All of the parts have been purchased, but some parts may have been returned due to lack of payment to complete the work.
- Install electrical panel switchgear. El Tech has a lien against the vessel in the amount of \$35,420 for electrical work performed to date. Installation of the electrical panel switchgear may cost another \$25,000.
- Replace or repair the propellers.

Two marine professionals familiar with the Libresea estimate the total costs of repairs to make the vessel fully operational could exceed \$1 million. It would be highly speculative to assume that an investment of \$1 million or more could be recouped on the sale of the vessel.

The real potential value of the vessel is to someone with fishing rights. Otherwise, the estimated sales price is between \$200,000 and \$500,000, depending on the cost of the additional repairs and based on an “as is” sale of the vessel. In its present condition, it is not operable.

The Receiver’s counsel has spoken with a number of individuals concerning fishing rights. MX has no licenses or fishing rights. There are no licenses that go with the vessel. A potential purchaser would need his/her own license or would have to buy one. Permits are very expensive and difficult to acquire due to legislative changes involving fishing quotas in Alaska.

James Warren, a former owner of the Libresea, has also filed a lien against the vessel in the amount of \$5,613,809. Members of the Receiver’s staff spoke with Mr. Warren and he claimed that the lien is based on his expectation of profits from his investment with MX. Mr. Warren has not provided the Receiver with any invoices or documents to support his lien. The Receiver has been advised that a maritime lien against the vessel must be based on goods or services provided to the vessel.

Because of the outstanding liens, a potential purchaser is likely to insist that the vessel be cleared of liens. If this is done through a Marshal’s sale it will take a minimum of 120 days in the Western District of Washington, where the vessel is located, and may only realize 60% -70% of the value.

Liens do not have to be registered, so there could be other liens against the vessel that the Receiver is not aware of and that do not appear on the Abstract of Title. This is another factor in favor of a Marshal’s sale or sale free and clear of all liens, with all claims attaching to the proceeds and a specified time for filing all claims. Otherwise, the receivership estate could be at risk for unidentified claims.

The Receiver is currently negotiating with two parties who have expressed interest in purchasing the vessel in its current condition. The Receiver anticipates those negotiations can be completed within thirty days.

Based on all information currently available, the Receiver now believes that \$500,000 will be the maximum recovery on this asset, although net proceeds could be reduced to \$200,000 to \$300,000.

Belize Bank Accounts

As previously reported, beginning in September 2002 large sums were transferred from MX to MX Factors Ltd.’s accounts at two banks in Belize. The Receiver has since reviewed documents from both Belize banks that show MX transferred a total of about \$2.5 million to those banks. Of that amount, at least \$288,000 was transferred

from these accounts after this Court's February 26, 2004 Temporary Restraining Order. The bank information is through the period ending March 30, 2004. At the end of March, the remaining balances in these accounts were about \$45,000.

International Services has refused to comply with a demand from the Receiver for the production of documents and the transfer of funds. Richard Harkless refused to sign a letter requested by the Receiver directing Mr. Gomez of International Services to provide copies of all records for MX Factors Ltd. to the Receiver and requesting that he cooperate with a request to transfer the funds remaining in the MX Factors Ltd. bank accounts to the Receiver. The Receiver requested this letter from Richard Harkless because Richard Harkless added Santiago Gomez as a signatory to the MX Factors Ltd. account at Atlantic International Bank Ltd. in Belize on September 17, 2002. Under Tab 1 is a copy of the request, signed by Richard Harkless, to add Mr. Gomez as a signatory and appointing him Nominee Director of MX Factors, Ltd., and a copy of the proposed letter to Mr. Gomez, which Mr. Harkless refused to sign.

The Receiver also requested letters of authorization from Julie Harkless, which she has refused to sign. Under Tab 2 are copies of signature cards showing Julie Harkless is a signatory for the MX Factors Ltd. accounts and copies of the proposed letters which Julie Harkless failed to sign. Mr. Gomez has advised the Receiver, through his counsel, that he is unable to comply with the Receiver's request for transfer of the funds without the authorization of his clients.

As shown in the invoice for setting up MX Factors Ltd. as an International Business Company, under Tab 3, the invoice was addressed to MX Factors Ltd., c/o Richard Harkless at 3631 10th Street, Suite 222, Riverside, CA 92501. Also under Tab 3 is a mail forwarding authorization, signed by Richard Harkless, authorizing International Services to forward all mail for MX Factors Ltd. to 3631 10th Street, Suite 222, P.O. Box 1627, Riverside, CA 92502, attention: Richard Harkless. This was the address for MX at the time of the Receiver's appointment.

Because of Mr. Harkless' failure to comply with this Court's Orders, the Plaintiff has filed an Application for Order to Show Cause re: Contempt.

Based on all of the information currently available, the Receiver does not anticipate a substantial recovery from the \$2.5 million that was sent to Belize.

BBH Resources LLC Loans and Equity Positions

The Receiver reviewed balance sheets and financial statements and conducted interviews of the principals of BBH Resources (BBH) to identify the various loans and equity positions described in this report. The interests held in the entities listed below are held in the names of Thomas Hawkesworth, Daniel Berardi, BBH or a related entity created by Messrs. Hawkesworth and Berardi. All monies used to fund loans or

purchase equity positions attributable to BBH came from investor funds first placed with and then obtained from MX, or from commissions for the sale of MX Factors interests to third parties. For purposes of this section of the report, BBH will include any interest held by Thomas Hawkesworth or Daniel Berardi or held in the name of an affiliated company for the benefit of Mr. Hawkesworth and Mr. Berardi.

Key Observations:

BBH was engaged in financing many start-up companies, as well as providing large amounts of loan funds to support negative capital positions of its borrowers. Most loans and investments were consummated on a handshake basis with no written documentation memorializing the respective interests and duties of the parties. Consequently, the loans and investments were made without BBH obtaining a security interest in the assets or documenting its equity interest in these businesses.

When BBH identified a start-up company, it would review the financial needs of the company and develop an estimated operational budget. BBH would then invest a sum from its commissions back to MX to generate interest distributions sufficient to cover the estimated operational costs. When BBH would receive interest distributions from MX, BBH would then forward the interest income to the start-up company to fund part of their ongoing operational costs.

Due to the absence of transaction documents and records, it has not yet been possible to verify the exact nature of several of the loans or investments.

On September 26, 2003, MX and Richard Harkless consented to an order by the California Department of Corporations prohibiting MX and Harkless from engaging in unregistered securities offerings. Shortly thereafter, interest distributions to BBH from MX ceased. BBH stopped funding loans and operational costs for the start-up companies. As a result, many of the start-up companies either failed completely or continue to struggle financially. In many of the interviews, a common theme emerged. Recipients of BBH investments claim that their business ventures were severely damaged by the sudden and unexpected failure of BBH to continue funding their operations.

A complicating factor in many of the investments is that the BBH interest is held indirectly through other entities and with other principals claiming an interest in the investment. Efforts are being made to reach agreements with these principals in advance of any attempt to liquidate certain of the assets.

Given the foregoing, a firm opinion on the potential recovery from these loans and investments is not yet possible. However, it appears highly unlikely that a significant return will be realized from any of the entities. Given the lack of written agreements or instruments evidencing the loans and investments, enforcement of agreements and

collection efforts are likely to be very difficult and time consuming. A cost benefit analysis of recovery efforts on specific assets is appropriate prior to committing estate funds to specific recovery efforts.

The subsections below describe the currently known status and estimated value of BBH assets of \$100,000 or greater. The dollar amount shown in each heading is the cost amount carried on the BBH balance sheet not the estimated current value. That amount does not always agree with the available records of the payee or borrower.

BBH distributed over \$8.6 million dollars to the following entities:

JamPac Technologies, Inc. (XROS Technologies, Inc.) \$1,427,543

Thomas Hawkesworth and Daniel Berardi each own 634,464 shares. Initial investments were made in XROS Technologies, Inc., who later transferred all of its assets to JamPac Technologies, Inc. (JamPac).

JamPac was a start-up company developing an ATM switch used to route data transfers. The company was developing prototypes and conducting marketing efforts in Asia. When BBH funding ceased in September 2003, the company struggled financially, was not able to complete workable prototypes and eventually ceased operations. The company has been shut down. One of the major shareholders has filed bankruptcy and the inventor of the technology is facing bankruptcy. The only assets are in Washington State, consisting of used office equipment, which were initially purchased on E-bay for \$5,000 and are being held as collateral by the landlord who is owed a significant amount of money. JamPac also owes legal expenses in excess of \$15,000 and consulting fees of \$60,000. The Receiver does not expect any recovery from this entity.

HellBound Steel, LLC (HBS) \$948,830

HBS is a motorcycle manufacturing company. The Receiver has interviewed the owner of the company and reviewed current financial statements. HBS was in the process of developing a market niche through trade shows and advertisements when the BBH funding ceased. The company is operational, but continues to struggle with sales.

BBH provided operational capital to HBS through an entity called, Mullet Funding (Mullet). Mullet owns a 30% equity interest in HBS. Mullet is owned by an attorney holding a 50% interest and Townsend Equities also holding a 50% interest. Townsend Equities is owned by Thomas Hawkesworth (45%), Daniel Berardi (45%) and Steven Hawkesworth (10%), a cousin of Thomas Hawkesworth.

The owner of HBS made a proposal to purchase Mullet's 30% interest for about \$76,000. Based on the review of the financial statements, the Receiver is inclined to accept the offer, but is currently negotiating with BBH's partners in Mullet to reach an agreement on claims against the proceeds of the sale. If an acceptable distribution agreement can be reached with the other owners of Mullet, an application will be made seeking the Court's approval prior to concluding a sale.

American Made, Inc. (AMI) \$925,029

AMI fabricates frames and parts for the construction of motorcycles. AMI was in the fabrication business for a number of years prior to meeting BBH. AMI manufactures approximately 90% of the parts used by HBS. The funds invested by BBH were used to purchase equipment and develop a prototype motorcycle frame.

AMI was growing until the fall of 2003 when BBH's funding ceased and a large customer, Indian Motorcycles, filed for bankruptcy. AMI is still operational, but is struggling financially. The Receiver's staff interviewed the owner and requested financial statements on the current condition of the company. BBH's ownership interest in AMI is through Mullet and identical to the ownership structure in HBS. The owner has expressed an interest in negotiating a purchase of the 30% interest held by Mullet. Although negotiations are in progress, the Receiver does not anticipate a meaningful recovery from this investment.

Baagoo, LLC \$751,000

Baagoo is a manufacturer and distributor of lanolin-based lubricant located in Australia. The owner had worked in the home shopping network business for some time and met Thomas Hawkesworth prior to the development of Baagoo. The owner of Baagoo sought capital to finish developing the product and produce an infomercial. BBH funds were used to complete development of the project, design and print packaging and purchase raw lanolin, which required large commitments to secure the material. BBH invested in a production company that specializes in producing infomercials (See C. Spot Run Entertainment, Inc. section below). The infomercial produced by C. Spot Run was not acceptable. The company is still operational, but struggling financially.

When BBH funding ceased, Baagoo finished a new infomercial in Australia and is still attempting to increase its market share. The assets are comprised primarily of packaging and raw materials tied specifically to the Baagoo product. The Receiver has requested financial information from the owner and invited a proposal to purchase the interest held by BBH. BBH holds a 33% equity interest in Baagoo through a Hong Kong-based company called Champease Holdings Ltd., Hong Kong. The Receiver does not currently anticipate any meaningful recovery from this investment.

C.P. Henderson \$560,000

This investment is a non-recourse participating loan, with repayment of principal and interest apparently limited to the financial success of the borrower. There are no written documents memorializing the terms of the loan. The owner of C.P. Henderson described the terms of the participating loan as including a ten-year payout from profits. If the company is not profitable, then the loan is terminated without further obligation on the part of C. P. Henderson. Mr. Berardi confirmed these terms during his interview with the Receiver. BBH funds were used to purchase franchise rights to approximately 23 Cash Plus stores and the start up costs associated with one Cash Plus store currently operating in Henderson, Nevada.

The owner has agreed to provide financial statements, but claims that the company does not have the necessary capital to expand to the 23 other stores. Investigation regarding the potential liquidation value, if any, of the franchise rights to the remaining stores and negotiations with the current owner are in progress.

BBH also spent \$13,383 to open a new Cash Plus store in Florida. BBH financial records show the disbursement to C.P. Coral Springs. New state laws in Florida made the registration process difficult and the project was abandoned. The store never opened. The potential recovery from this loan is uncertain at this time.

C. Spot Run Entertainment, Inc. (CSRE) \$517,383

CSRE specialized in the production of personalized infomercials to market products on television. As set out above, BBH invested in Baagoo and sought bids to produce an infomercial. BBH decided to acquire a majority interest in CSRE with the intention to use CSRE to produce the infomercial for the Baagoo product. BBH funds were used to purchase computers, phone systems and other office furniture and to fund production of the infomercial for Baagoo. CSRE also sought other clients.

When BBH funding ceased, a rift developed between the owner of CSRE and BBH. An attorney representing the owner of CSRE sent the Receiver a letter claiming damages to his client in excess of \$50,000. Counsel for the owner also claims that there are no remaining assets in CSRE.

In an interview with BBH, the Receiver learned that the owner of CSRE started a new company with a similar name and may have taken the existing clients and failed to account to BBH for any profits from the in-progress projects. The Receiver is seeking financial documents and business records showing the status of all in-progress projects as of the fall of 2003. The potential recovery amount, if any, from this investment is unknown at this time.

R.M. Sports (RMS) \$493,574

RMS is located in Palm Springs, California and markets specialized clothing with embroidery and silk screening. BBH owned 50% of RMS. The investment funds were used to purchase expensive equipment such as single and six-headed embroidery machines, four to eight-color spider stations used for multiple color silk screening projects, and specialized drying equipment.

BBH does not have a security interest in the equipment. Prior to the appointment of the Receiver, the owner of the other half of RMS entered into an agreement to purchase the 50% interest held by BBH and executed a promissory note for \$300,000. RMS made two payments under the note and is currently in default.

The Receiver interviewed the owner and confirmed that he had reviewed a copy of the Preliminary Injunction Order and understands that he is not to sell or otherwise encumber the property pending negotiating a settlement to purchase BBH's interest in RMS. The business is operational, but the owner claims that he has serious cash flow problems and is unable to pay the balance of the \$300,000 promissory note. Financial information has been requested but not yet received. The potential recovery amount, if any, from this investment has not yet been determined.

Poly Finance (Poly) \$439,965

Poly is a company in Hong Kong and was set up as a research-based company to research Asian markets for BBH and source various products and raw materials for entities owned or controlled by BBH. For example, Poly sourced motorcycle parts for HellBound Steel and the lanolin raw materials for Baagoo. When BBH funding ceased, the company closed down. The Receiver reviewed financial statements submitted by Poly that stated there were no remaining assets. Recovery from this investment is unlikely.

Traffic Vendors, LLC (Traffic Vendors) \$332,595

Traffic Vendors was an Internet marketing company selling "hits" on various websites. When BBH funding ceased, Traffic Vendors could not continue financing the growth of the company, and eventually closed on February 26, 2004. The acting president resigned. The Receiver has taken possession of office equipment, furniture and supplies in a storage facility. The assets are of nominal value, but will be included in an auction with other BBH personal property assets.

Premier Securities \$300,000

BBH intended to set up a company with licensed securities brokers and financial planning consultants. After spending a significant amount of money for legal fees,

BBH had concerns about its intended partner and withdrew the remaining funds of \$200,581. The formation of the company was never formalized. The company never operated and there are no remaining assets.

Global Internet \$226,887

Prior to the appointment of the Receiver, BBH relinquished its 50% ownership interest in this company by written agreement dated July 28, 2003.

Premier ICP (Premier) \$200,000

Premier was set up to fund movies produced by Regent Films. Regent produces low budget movies designed to go directly to television or videotape and then sells the exclusive distribution rights in various parts of the world.

The Receiver has interviewed the principal of Premier who is attempting to purchase the interest currently held by BBH for \$200,000. The Receiver was advised that this buy back should close within the next sixty days.

Creative Wealth Marketing, LLC (CWM) \$192,053

Messrs. Berardi and Hawkesworth each own a 25% interest in CWM which they have agreed is an asset of the receivership estate. The other two partners each own a 25% interest and are members of the Anderson Law Group (ALG). CWM was established to market tax strategies and asset protection services in the Palm Desert area. Faced with a great deal of competition, the marketing efforts were not successful and the marketing efforts ceased. The principals of CWM then decided to invest in real estate and purchased an office building located at 3225 McLeod Drive, Las Vegas, Nevada.

A member of the ALG agreed to be interviewed by the Receiver's staff only in the presence of his counsel. An interview via teleconference with counsel was conducted and ALG took the position that BBH does not have an ownership interest in the office building in Las Vegas. The two principals of ALG also share common ownership interests with BBH in various other entities. The rights of the respective parties are difficult to ascertain, as BBH did not memorialize their agreements in writing.

CWM may also have an ownership interest in the following entities: Essential Wealth, Essential Tax, Essential Lending, Essential Planning and Business Office Suite Services. It has not yet been possible to make an estimate of the potential recovery from these assets because ownership interests are not documented and are subject to competing claims from potential "partners."

Luni Technologies (Luni) \$175,000

Luni is a company located in Everett, Washington. Luni has been developing a lighted computer keyboard. The initial marketing plan was to target "internet gamers" who could play various games in the dark using lighted keys. The second application was going to use the lighted keys to assist in tutorials for first time users of various software programs.

BBH funds were used to build a prototype keyboard. The company has struggled since BBH stopped funding the project. BBH holds its interest in conjunction with principals of the Anderson Law Group which, to date, have not been willing to recognize the ownership interests held by BBH in this and various other entities.

It is too early to project a return from this investment, although the likelihood of any return seems remote. Principals of the company are searching for additional capital funding to complete the prototype and fund marketing efforts.

Global Equipment \$143,893

BBH used funds to purchase various pieces of construction equipment that were then leased to a contractor in Palm Springs, California. The Receiver obtained valuation information on the equipment, and has negotiated a market value purchase price of \$82,700 for these assets with the contractor subject to this Court's Approval.

Remaining Loans and Investments

The remaining loans and investments of less than \$100,000 are comprised of start-up companies that were never operational, entities organized to manage interests held by BBH, consulting fees, office equipment and furniture placed with retailers on consignment, a retail outlet for the custom motorcycle manufacturer, and personal loans. The majority of the funds are lost and no assets exist providing a source of recovery. The Receiver has located two individuals receiving personal loans and is recovering payments on those notes.

While reviewing statements from American Express, the Receiver's staff discovered periodic charges by an entity located in the South Pacific nation of Vanuatu. Vanuatu is a country known for asset protection services and has been the subject of a number of money laundering accusations. According to Mr. Berardi, \$10,000 was sent to a law firm in Vanuatu for a new start-up business that did not become operational. The Receiver is working with Messrs. Berardi and Hawkesworth to seek return of the \$10,000 held in trust.

Real Property Assets of Berardi & Hawkesworth

The most significant potential return to the estate is from the personal assets of the individual defendants, Daniel Berardi and Thomas Hawkesworth. In an agreement between the plaintiff and Messrs. Berardi and Hawkesworth, the parties agreed to turn over supervision of personal assets to the estate to be liquidated. Five parcels of residential property, with an average appraised value totaling \$3,336,000 were placed under the supervision of the Receiver to sell. There are liens against the properties totaling \$1,437,000. All of the properties are currently under contract for \$3,595,000.

Personal property in the homes will either be sold to the purchasers or through an auction conducted by the Receiver.

JTL Financial Group, LLC

Randall Harding informed the Receiver's staff of a \$150,000 investment made from JTL funds into a company operating in the Phoenix, Arizona area. Mr. Harding attempted to get the principal of the company to return the investment, but the company refused to do so. The Receiver's Deputy based in Scottsdale then called on the company principals and demanded repayment. After some negotiations, the company agreed to turn over \$150,000.

It was reported that Randall Harding obtained the consent of his wife to sell the family residence held in her name and deliver the proceeds to the Receiver. Although the property is listed for sale, there is no written agreement about the disposition of the proceeds.

Summary of Assets

The funds MX spent on the Libresea and sent to Belize, the funds BBH invested in businesses, and the single investment made by JTL total \$10,719,278. Based on all of the information available, the Receiver does not anticipate recovering more than \$1,000,000 or 9.3% of these funds. However, the estimated gross sales proceeds from the sale of the real and personal property of Daniel Berardi and Thomas Hawkesworth may total \$2,158,000. If an agreement is reached between the Plaintiff and Randall Harding, the sales proceeds from that residence will provide an additional recovery to the estate.

Other Issues

Reconstruction of Financial and Investor Data

The process of completing the reconstruction of financial and investor data is underway. This process has been complicated because of the incomplete and complex

accounting records of MX. When this process is completed, the Receiver will send a preliminary statement of claim to all investors intended to resolve any discrepancies that may exist between the receivership defendants' records and investor records.

Potential Claims against Third Parties and Others

The Receiver is in discussions with an experienced law firm that might represent the estate in pursuing third party actions that may produce recoveries for investors. If these discussions advance to a further stage, the Receiver would engage the law firm on a contingent fee basis, to evaluate and pursue third parties that may have negligently contributed to victims' losses. This would be undertaken in circumstances where the Receiver feels that the costs and risks of such litigation are not justifiable expenses for the estate.

The Receiver is also analyzing investor data to identify those investors who received payments greater than their investment. If any such investors are identified, the Receiver may seek return of those funds.

Receivership Estate Receipts and Administrative Expenses

Under Tab 4 is a report of the receipts of the estate and expenses incurred by the Receivership from its February 26, 2004 inception through May 31, 2004.

Requests of the Court

The Court is respectfully requested to:

1. Approve this report and confirm the actions of the Receiver described therein.
2. Approve and authorize payment of expenses of the Receivership from February 26, 2004 through May 31, 2004, as detailed under Tab 4.

Respectfully Submitted,

Robb Evans
Receiver

BELIZE

MX FACTORS, LTD.

Incorporated under the International Business Companies Act, No. 9 of 1990 of the Laws of Belize, I, the undersigned being a Director of the above named company hereby resolve that:

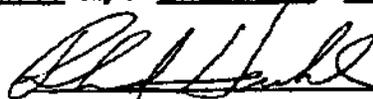
Santiago Gomez be appointed Nominee Director with immediate effect;

And that

Santiago Gomez be added as a Signatory to *MX Factors, Ltd.*, Corporate Account #100-000-892 at Atlantic International Bank Ltd.

Dated this 17th day of September, 2002

Signature:



Name:

Richard Harkless

Position:

Director and Signatory



Mr. Santiago Gomez
International Services Ltd.
#62 Gabriel Lane
P.O. Box 2284
Belize City, Belize C.A.

Dear Mr. Gomez:

Re: MX Factors, LLC

I have instructed Provident Bank and Atlantic Bank to transfer all funds remaining in the MX Factors Ltd. account, and any other accounts under my control or signatory authority or on which I am authorized to draw, to Robb Evans, Receiver of MX Factors LLC. Please cooperate with the banks in this regard. I am also authorizing you to send copies of all records in your possession for MX Factors Ltd., or any other entities under my control, to Robb Evans, Receiver of MX Factors LLC, 11450 Sheldon Street, Sun Valley, CA 91352. Please send copies of the monthly bank statements and records of all wire transfers, cancelled checks, or withdrawals from January 1, 2004 to the present date to the Receiver's office by telefax or federal express. The telefax number is 818-768-8802.

Sincerely,

Date: _____

Richard Harkless



ATLANTIC INTERNATIONAL BANK LIMITED
COR. CLEGHORN ST. / FREETOWN RD. - 4th Floor
P.O. BOX 481
BELIZE CITY, BELIZE C.A.
www.atlanticibl.com

Tel: 501-2-33152
Fax: 501-2-33528
atlantic@btl.net

APPLICATION FOR A BANK ACCOUNT
CORPORATE

CUSTOMER NUMBER _____ ACCOUNT NUMBER _____

Company Name MX FACTORS, LTD. IBC

Address 62 Gabriel Lane P.O. Box 0284

City Belize City State - ZIP - Country Belize

Line / Type of Business: _____

CONTACT INFORMATION

Telephone Numbers: Home 223-6140 Work 223-2077 Cellular 614-8160

Fax Number: 223-5313 E-Mail: gomezisl@btl.net

Any notice, statement or other communication is to be forwarded to:

Mailing Address 40 International Services Ltd, P.O. Box 0284, Belize City, Beliz

Held by you

The following persons are hereby authorized to execute any instructions in connection with the account(s) opened in connection with and pursuant to the Mandate executed by the Company with Atlantic International Bank Limited. The signatures set opposite each of the names set out below are the genuine signatures of such persons and shall operate as specimen signatures of such persons.

Name Richard Harkless Joint _____ or Auth _____ Signature [Signature]

Name Julie Harkless Joint _____ or Auth _____ Signature [Signature]

Name _____ Joint _____ or Auth _____ Signature _____

Instructions concerning the operation of the account must be signed by:

Tick (✓) One: Any One Any Two All of the above Other (specify) _____

It is agreed by the undersigned that this account shall be governed by the Rules and Regulations of the Atlantic International Bank Limited relative to Demand Deposit Accounts. All payment orders shall bear the specimen signature(s) in accordance to the above instructions.

Signed: X [Signature]
DIRECTOR R.H.

X [Signature]
DIRECTOR / SECRETARY J.H.

Each signatory must fill in his own information and sign a statement of non-resident status.

(1) Customer Name Richard Harkless Customer Number _____
Address 3631 10th Street, Suite 222 P.O. Box _____
City Riverside State CA ZIP 92501 Country U.S.A.
Nationality U.S.A. Resident of: U.S.A.
Date of Birth 27 May, 1944 Passport Number: 037610096
Tel. Home: 909-684-4552 Cel: _____ Male Female Single Married

STATEMENT OF NON-RESIDENT STATUS (We can only do offshore banking business with non-residents of Belize)

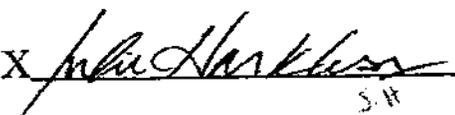
This is to confirm that I am a non-resident of Belize within the context of the Offshore Banking Act, 1996 which describes a "resident" as person ordinarily residing in Belize (12 consecutive months) irrespective of nationality.

SIGNATURE  DATE _____
R. H.

(2) Customer Name Julie Harkless Customer Number _____
Address 3631 10th Street, Suite 222 P.O. Box _____
City Riverside State CA ZIP 92501 Country U.S.A.
Nationality U.S.A. Resident of: U.S.A.
Date of Birth 2 Sept, 1958 Passport Number: 037610095
Tel. Home: 909-684-4552 Cel: _____ Male Female Single Married

STATEMENT OF NON-RESIDENT STATUS (We can only do offshore banking business with non-residents of Belize)

This is to confirm that I am a non-resident of Belize within the context of the Offshore Banking Act, 1996 which describes a "resident" as person ordinarily residing in Belize (12 consecutive months) irrespective of nationality.

SIGNATURE  DATE _____
J. H.

PRO
OF

Please do
not date
documents.

& TRUST
)

35 Barrack Road, P.O. Box 1867
Belize City, Belize

Application For A Bank Account
Company

ACCOUNT TYPE - Tick Box(es)			
DDA	SA	FID	Other
ACCOUNT NUMBER - Internal Use			

Name of Company: MX FACTORS, LTD. the "Company"

Registered Office: #62 Gabourel Lane
Belize City, Belize

Name and Address: International Services Ltd.
(of Registered Agent) #62 Gabourel Lane, Belize City, Belize

Telephone: 223-2077 Fax: 223-5313

Website Address: _____ E-mail: gomezisl@bt1.net

Correspondence: Any notice, statement or other communication is to be Held by you [] or Forwarded to the following address []

1/0 International Services Ltd.
P.O. Box 2284
Belize City

NOTE: Please ensure that all sections included in this form are completed to avoid any delay in the processing of your application for an account.

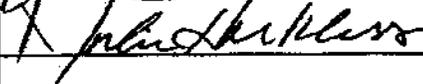
We hereby request you to open an account in the above Company's name and in addition to this form and in pursuance of this request, we enclose:

1. Photo identification of all parties to the account.
2. References on beneficial owner and signatories of the account.
3. A true, complete and up-to-date copy of the incorporation documents of the company (translated into English where necessary).
4. Certified copy of Resolutions of the Board of Directors regulating the conduct of this account / Instruction Schedule for Authorized Signatories. (Form 415)
5. Statements of Non-Resident Status for beneficial owner(s) or majority shareholder. (Form 420)
6. Indemnity for Facsimile, Email and Internet instructions. (Form 425)
7. Signed copy of the Bank's Depository Agreement. (Form 435)
8. ProAxis Internet Banking Agreement (Form 440)
9. Anticipated Activity for New Accounts. (Form 445)
10. Declaration of Source of Funds. (Form 450)

INSTRUCTION SCHEDULE - AUTHORIZED SIGNATORIES

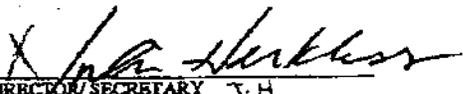
Account Number

The following persons are hereby authorized to execute any instructions in connection with the account(s) opened in connection with and pursuant to the Mandate executed by the Company with Provident Bank & Trust of Belize Limited dated _____. The signatures set opposite each of the names set out below are the genuine signatures of such persons and shall operate as specimen signatures of such persons.

NAME (BLOCK CAPITALS)	TITLE (eg Director)	SIGNATURE
1. Richard Harkless	Director	
2. Julie Harkless	Director	
3.		
4.		
5.		

Instructions concerning the operation of the account: Tick appropriate box.

- Any one of the above named parties. All of the above named parties.
 Any two of the above named parties. Other

Signed:  DIRECTOR R.H.  DIRECTOR/SECRETARY J.H.

CERTIFIED EXTRACT OF BOARD MEETING OF

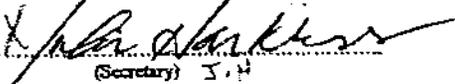
MX FACTORS, LTD.
(The Company)

I, Julie Harkless Secretary of MX FACTORS, LTD.

..... (the "Company") hereby certify that set out below is a true extract from the minutes of a meeting of the Board of Directors of the Company duly convened and held at 62 Gabriel Lane, Belize City on _____ at which a quorum was present and voting throughout. A copy of the resolution has been entered into the minute books of the Company.

"There was produced to the Meeting a copy of the Bank Mandate (the "Bank Mandate") required by [PROVIDENT BANK & TRUST OF BELIZE LIMITED] (the "Bank") in order for the Company to open and operate various accounts at the Bank as provided therein. After careful consideration of the terms of the Bank Mandate the form of which has been completed by an officer of the Company and with the Directors noting in particular the completed Instruction Schedule containing details of the authorized signatories of the Company.

IT WAS RESOLVED THAT the Bank Mandate be and it is hereby approved and the Company be and it is hereby authorized to enter into the Bank Mandate and the Secretary or any Director of the Company be and he is hereby authorized to execute each section of the Bank Mandate on behalf of the Company together with such amendments as he may see fit and to deliver the Bank Mandate and all such deeds and documents required in connection therewith including all documents listed at section 1. b. iii. of the Bank Mandate to the Bank."

Signed:  (Secretary) J.H.

Dated

STATEMENT OF NON RESIDENT STATUS

The Manager

Date: _____

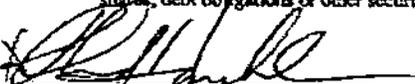
Provident Bank & Trust of Belize Limited
35 Barrack Road, P.O. Box 1867
Belize City, BELIZE

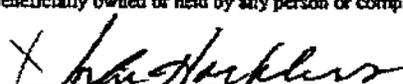
(Required from each account holder, or in the case of a company from the beneficial owner or majority shareholder of the company).

	1.	2.	3.
Surname:	Harkless	Harkless	
First Name:	Richard	Julie	
Nationality:	U.S.A.	U.S.A.	
Country of Residence:	U.S.A.	U.S.A.	
Since:	Birth	Birth	
Mailing Address:	3631 10 th St. Suite 222 Riverside, CA 92501 U.S.A.	3631 10 th St. Suite 222 Riverside, CA 92501 U.S.A.	
Position with Company: (if applicable)	Director	Director	

This is to confirm that I am a "non-resident" of Belize within the context of the Offshore Banking Act, 1996 which describes a "resident" as:

- (i) A person ordinarily resident in Belize, irrespective of nationality; or
- (ii) Any incorporated or other body, wherever incorporated formed or organized, that is controlled by a person described in (i) above; or
- (iii) Any company incorporated under the International Business Companies Act (other than a Public Investment Company) that holds shares, debt obligations or other securities beneficially owned or held by any person or company resident in Belize.


Signature R.H.


Signature J.H.

Signature

Mr. Santiago Gomez
International Services Ltd.
#62 Gabriel Lane
P.O. Box 2284
Belize City, Belize C.A.

Dear Mr. Gomez:

Re: MX Factors, LLC

I have instructed Provident Bank and Atlantic Bank to transfer all funds remaining in the MX Factors Ltd. account, and any other accounts under my control or signatory authority or on which I am authorized to draw, to Robb Evans, Receiver of MX Factors LLC. Please cooperate with the banks in this regard. I am also authorizing you to send copies of all records in your possession for MX Factors Ltd., or any other entities under my control, to Robb Evans, Receiver of MX Factors LLC, 11450 Sheldon Street, Sun Valley, CA 91352. Please send copies of the monthly bank statements and records of all wire transfers, cancelled checks, or withdrawals from January 1, 2004 to the present date to the Receiver's office by telefax or federal express. The telefax number is 818-768-8802.

Sincerely,

Date: _____

Julie Harkless

Mrs. Teresita Rudon, Sr. Vice President
Provident Bank & Trust
35 Barrack Road
P.O. Box 1867
Belize City, Belize C.A.

Dear Mrs. Rudon:

Re: MX Factors, LLC

You are hereby authorized and instructed to transfer all funds remaining in the MX Factors Ltd. account, and any other accounts under my control or signatory authority or on which I am authorized to draw, to Robb Evans, Receiver of MX Factors LLC. Funds should be sent by wire transfer upon receipt of this letter to the account listed below:

Bank of The West

333 South Alameda Street,
Los Angeles, CA 90013

ABA #: 1211-00782

Attn.: Bettina Tieh (213) 625-2628

Account #: 770-013787

Credit account of: Robb Evans, Receiver of MX, BBH & JTL

You are also authorized and instructed to send copies of all account records, including monthly statements, cancelled checks, wire transfers, and records of deposit, from the date the account was opened to the present to Robb Evans, Receiver of MX Factors LLC, 11450 Sheldon Street, Sun Valley, CA 91352. Please send copies of the monthly statements and records of all wire transfers, cancelled checks, or withdrawals from January 1, 2004 to the present date to the Receiver's office by telefax or federal express. The telefax number is 818-768-8802.

Sincerely,

Date: _____

Julie Harkless

cc: International Services Ltd.
Attn: Santiago Gomez

Mr. Pelayo, Manager
Atlantic International Bank Limited
COR. Cleghorn St.
Freetown Road, 4th Floor
Belize City, Belize C.A.

Dear Mr. Pelayo:

Re: MX Factors, LLC

You are hereby authorized and instructed to transfer all funds remaining in the MX Factors Ltd. account, and any other accounts under my control or signatory authority or on which I am authorized to draw, to Robb Evans, Receiver of MX Factors LLC. Funds should be sent by wire transfer upon receipt of this letter to the account listed below:

Bank of The West
333 South Alameda Street,
Los Angeles, CA 90013
ABA #: 1211-00782
Attn: Bettina Tieh (213) 625-2628
Account #: 770-013787
Credit account of: Robb Evans, Receiver of MX, BBH & JTL

You are also authorized and instructed to send copies of all account records, including monthly statements, cancelled checks, wire transfers, and records of deposit, from the date the account was opened to the present to Robb Evans, Receiver of MX Factors LLC, 11450 Sheldon Street, Sun Valley, CA 91352. Please send copies of the monthly statements and records of all wire transfers, cancelled checks, or withdrawals from January 1, 2004 to the present date to the Receiver's office by telefax or federal express. The telefax number is 818-768-8802.

Sincerely,

Date: _____

Julie Harkless

cc: International Services Ltd.
Attn: Santiago Gomez

ACCOUNTING & GENERAL SERVICES INC.

P. O. BOX 2184 (62 Gabourel Lane)
 BELIZE CITY, BELIZE CENTRAL AMERICA
 Tel: 501-223-2077/2149 Fax: 501-223-5313 CELLULAR/VOICE MAIL: 501-614-8160
 E-MAIL: gomezisl@btlnet WEBSITE: www.belizepassportoffshore.com

INVOICE NO: 495-O

DATE: July 24, 2002

TO: MX FACTORS, LTD..
ADDRESS: c/o Richard Harkless
3631 10th Street, Suite 222
Riverside, CA 92501

Setting up International Business Company in the name of <i>MX FACTORS, LTD.</i>	US \$1,000.00
Annual Nominee Director Fee	\$ 350.00
Setting up Bank Account at Provident Bank	\$ 450.00
Setting up Bank Account at Atlantic Int'l Bank Ltd.	\$ 450.00
Annual Mail Forwarding Service Fee	\$ 150.00
Deposit for Mail Forwarding Service	<u>\$ 100.00</u>
Total	US \$2,500.00
Deposit to Activate Provident Bank Account	\$1,000.00
Deposit to Activate Atlantic Int'l Bank Account	<u>\$1,000.00</u>
TOTAL DUE	US \$4,500.00

INTERNATIONAL SERVICES LTD.

P.O. BOX 2284 (62 Gabourel Lane)
BELIZE CITY, BELIZE CENTRAL AMERICA
Tel: 501-223-2077/32149 Fax: 501-223-5313
CELLULAR/VOICE MAIL: 501-614-8160
E-MAIL: gomezisl@btlnet WEBSITE: www.belizepassportoffshore.com

MAIL DROP & FORWARDING SERVICES

Date: August 12, 2002

RE: Mx Factors, Ltd.

I/We hereby instruct INTERNATIONAL SERVICES LTD. to forward all mail addressed to the above-mentioned individual/company in accordance with the following instructions:

1. FREQUENCY OF SERVICE: Weekly Monthly Hold Other _____

2. MODE OF FORWARDING: Regular Mail Airmail Courier
 Registered Mail

3. ADDRESS TO BE USED FOR THE FORWARDING OF MAIL BY POST OR BY COURIER:

~~3631 10th Street, Suite 222~~
~~P.O. Box 1627~~

Riverside, California 92502

U.S.A.

~~(909) 684-4552~~ fax ~~(909) 684-4052~~

Attention: Richard Harkless
(If different from name of client)
rharkless@llcregistry.com

- If use P.O. Box number, include physical address
- Include telephone & fax number and email


AUTHORIZED SIGNATURE

- Mail to P.O. Box number is 2284 (62 Gabourel Lane), Belize City, Belize, for one name
- The fee is US \$150.00 for annual services, payable in November for following year
- A Deposit of US \$50.00 is required for forwarding fees and out-of-pocket expenses
- A Deposit of US \$100.00 is required if you will require courier services
- A bill will be sent to you to replenish deposit of US \$50, when necessary
- Mail Drop & Forwarding address will be for 1 name and address
- If individual box is required, additional annual cost of US \$50.

MF1-01495

Robb Evans, Receiver of MX, BBH & JTL
Receipts and Expenses Schedule
From Inception (February 26, 2004) to May 31, 2004

TAB 4

	<u>Feb 04</u>	<u>Mar 04</u>	<u>Apr 04</u>	<u>May 04</u>	<u>TOTAL</u>
Receipts					
Acme Ventures Inc.		18,520.18			18,520.18
American Made Inc.		145.84			145.84
Baagoo LLC		8,103.47			8,103.47
BBH Resources LLC		6,829.79			6,829.79
Cash - Riverside	19,675.00				19,675.00
Cp Henderson dba Cash Plus		19,120.66			19,120.66
Eun Ha Equity LLC		981.78			981.78
Freedom VLP		901.21			901.21
Global Internet Consulting GP		1,887.25			1,887.25
Hawkesworth/Berardi		222,200.50			222,200.50
Jaylin Investments LLC		6,577.40			6,577.40
JCS Capital Management Inc		299.88			299.88
JTL-Retainer Ref Randall Hardin			10,369.52		10,369.52
JTL-RWH;Return of Funds			9,400.00		9,400.00
JTL Financial Group LLC			1,290.24		1,290.24
JTL Management Inc.			324.46		324.46
Jung Suh Asset Management LLC			6,690.96		6,690.96
Jupiter Capital Management Inc.			857.38		857.38
LLC Registry LLC			4,015.21		4,015.21
Mathon Fund I, LLC			150,000.00		150,000.00
Miramonte Holdings LLC		2,534.81			2,534.81
MX Factor		3,315.40			3,315.40
MX Holdings, LLC		336.13			336.13
Mx International, LLC		336.13			336.13
Ourfreedom Inc.		901.21			901.21
Princeton Assets Mgmt LLC		7,049.38			7,049.38
Randall Warren Harding		6,258.72			6,258.72
RWH Asset Management LLC		289.55			289.55
Stonington Consulting Group LC		1,483.40			1,483.40
Townsend Equity LLC		1,860.07			1,860.07
Traffic Vendors LLC		109,012.71			109,012.71
Triad Resources LLC		1,322.65			1,322.65
Trinidad Asset Management LLC		1,773.90			1,773.90
Welendit LLC		828.48			828.48
Refund of property taxes	0.00	0.00	0.00	3,913.13	3,913.13
Refund on purchase of property	0.00	0.00	0.00	1,000.00	1,000.00
Interest Income	0.00	103.87	181.38	160.80	446.05
Miscellaneous Income	0.00	2,002.10	1,510.00	312.97	3,825.07
Total Receipts	<u>19,675.00</u>	<u>424,976.47</u>	<u>184,639.15</u>	<u>5,386.90</u>	<u>634,677.52</u>
Expense					
Pre-receivership priority claim					
Payroll Taxes	0.00	0.00	189.46	0.00	189.46
Payroll processing fees	0.00	0.00	536.80	286.53	823.33
Pre-receivership priority claim - Other	0.00	0.00	1,454.68	0.00	1,454.68
Total Pre-receivership priority claim	<u>0.00</u>	<u>0.00</u>	<u>2,180.94</u>	<u>286.53</u>	<u>2,467.47</u>
Asset Preservation					
Mortgage expense	0.00	8,888.12	18,639.34	6,243.74	33,771.20

Robb Evans, Receiver of MX, BBH & JTL
Receipts and Expenses Schedule
From Inception (February 26, 2004) to May 31, 2004

	<u>Feb 04</u>	<u>Mar 04</u>	<u>Apr 04</u>	<u>May 04</u>	<u>TOTAL</u>
Warrior Expenses					
Repairs & Maintenance	0.00	0.00	2,564.01	0.00	2,564.01
Mooring & Storage	0.00	0.00	4,286.00	1,914.08	6,200.08
Insurance on Warrior	0.00	0.00	1,123.03	0.00	1,123.03
Total Warrior Expenses	<u>0.00</u>	<u>0.00</u>	<u>7,973.04</u>	<u>1,914.08</u>	<u>9,887.12</u>
Vehicle Expenses					
Late Fees	0.00	0.00	9.69	0.00	9.69
Vehicle Expenses - Other	0.00	0.00	1,365.38	589.69	1,955.07
Total Vehicle Expenses	<u>0.00</u>	<u>0.00</u>	<u>1,375.07</u>	<u>589.69</u>	<u>1,964.76</u>
Property tax	0.00	0.00	8,458.07	0.00	8,458.07
Appraisal	0.00	0.00	400.00	2,675.00	3,075.00
Insurance	0.00	0.00	0.00	544.00	544.00
Security/Alarm	0.00	0.00	75.00	0.00	75.00
Association dues					
Late fees	0.00	31.60	35.00	25.00	91.60
Association dues - Other	0.00	431.00	1,343.00	728.00	2,502.00
Total Association dues	<u>0.00</u>	<u>462.60</u>	<u>1,378.00</u>	<u>753.00</u>	<u>2,593.60</u>
Cleaning	0.00	360.00	285.00	135.00	780.00
Gardening	0.00	375.00	1,791.00	180.00	2,346.00
Pest control	0.00	64.00	0.00	0.00	64.00
Rent	0.00	0.00	126.68	0.00	126.68
Utilities	0.00	986.72	1,811.57	769.12	3,567.41
Asset Preservation - Other	0.00	0.00	263.43	2.00	265.43
Total Asset Preservation	<u>0.00</u>	<u>11,136.44</u>	<u>42,576.20</u>	<u>13,805.63</u>	<u>67,518.27</u>
Receiver's Expense					
Receiver Fees	0.00	3,674.00	638.00	110.00	4,422.00
Senior Staff Fees	4,008.00	22,902.00	11,424.00	1,656.00	39,990.00
Financial reconstruction	1,550.00	9,166.00	5,582.00	1,026.00	17,324.00
Asset Preservation & Liquidation	3,009.00	4,956.50	4,473.00	1,548.50	13,987.00
MIS Manager	1,350.00	3,500.00	270.00	0.00	5,120.00
Support Staff Fees	874.14	2,749.96	4,133.76	2,056.94	9,814.80
Legal Fees					
Legal Costs	96.25	0.00	3,079.18	540.83	3,716.26
Legal Fees - Other	1,180.00	3,842.55	10,653.90	10,248.40	25,924.85
Total Legal Fees	<u>1,276.25</u>	<u>3,842.55</u>	<u>13,733.08</u>	<u>10,789.23</u>	<u>29,641.11</u>
Occupancy	0.00	0.00	2,385.79	1,144.95	3,530.74
Equipment Rental	0.00	0.00	301.37	70.06	371.43
Postage/Delivery	27.75	131.18	338.78	222.85	720.56
Reproduction costs	0.00	5,698.14	0.00	0.00	5,698.14
Supplies & Telephone	21.53	45.60	744.86	600.24	1,412.23
Total Receiver's Expense	<u>12,116.67</u>	<u>56,665.93</u>	<u>44,024.64</u>	<u>19,224.77</u>	<u>132,032.01</u>
Total Expense	<u>12,116.67</u>	<u>67,802.37</u>	<u>88,781.78</u>	<u>33,316.93</u>	<u>202,017.75</u>
Net Income	<u><u>7,558.33</u></u>	<u><u>357,174.10</u></u>	<u><u>95,857.37</u></u>	<u><u>(27,930.03)</u></u>	<u><u>432,659.77</u></u>

Robb Evans, Receiver of MX, BBH & JTL
Receipts and Expenses Schedule
From Inception (February 26, 2004) to May 31, 2004

	Paid	Accrued but Unpaid	TOTAL
Receipts			
Acme Ventures Inc.	18,520.18		18,520.18
American Made Inc.	145.84		145.84
Baagoo LLC	8,103.47		8,103.47
BBH Resources LLC	6,829.79		6,829.79
Cash - Riverside	19,675.00		19,675.00
Cp Henderson dba Cash Plus	19,120.66		19,120.66
Eun Ha Equity LLC	981.78		981.78
Freedom VLP	901.21		901.21
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JTL Financial Group LLC	1,290.24		1,290.24
JTL Management Inc.	324.46		324.46
Jung Suh Asset Management LLC	6,690.96		6,690.96
Jupiter Capital Management Inc.	857.38		857.38
LLC Registry LLC	4,015.21		4,015.21
Mathon Fund I, LLC	150,000.00		150,000.00
Miramonte Holdings LLC	2,534.81		2,534.81
MX Factor	3,315.40		3,315.40
MX Holdings, LLC	336.13		336.13
Mx International, LLC	336.13		336.13
Ourfreedom Inc.	901.21		901.21
Princeton Assets Mgmt LLC	7,049.38		7,049.38
Randall Warren Harding	6,258.72		6,258.72
RWH Asset Management LLC	289.55		289.55
Stonington Consulting Group LC	1,483.40		1,483.40
Townsend Equity LLC	1,860.07		1,860.07
Traffic Vendors LLC	109,012.71		109,012.71
Triad Resources LLC	1,322.65		1,322.65
Trinidad Asset Management LLC	1,773.90		1,773.90
Welendit LLC	828.48		828.48
Refund of property taxes	3,913.13		3,913.13
Refund on purchase of property	1,000.00		1,000.00
Interest Income	446.05		446.05
Miscellaneous Income	3,825.07		3,825.07
Total Receipts	634,677.52	0.00	634,677.52
Expense			
Pre-receivership priority claim			
Payroll Taxes	189.46		189.46
Payroll processing fees	823.33		823.33
Pre-receivership priority claim - Other	1,454.68		1,454.68
Total Pre-receivership priority claim	2,467.47	0.00	2,467.47
Asset Preservation			
Mortgage expense	33,771.20		33,771.20
Warrior Expenses			

Robb Evans, Receiver of MX, BBH & JTL
Receipts and Expenses Schedule
From Inception (February 26, 2004) to May 31, 2004

	Paid	Accrued but Unpaid	TOTAL
Repairs & Maintenance	2,564.01		2,564.01
Mooring & Storage	6,200.08		6,200.08
Insurance on Warrior	1,123.03		1,123.03
Total Warrior Expenses	9,887.12	0.00	9,887.12
Vehicle Expenses			
Late Fees	9.69		9.69
Vehicle Expenses - Other	1,955.07		1,955.07
Total Vehicle Expenses	1,964.76	0.00	1,964.76
Property tax	8,458.07		8,458.07
Appraisal	3,075.00		3,075.00
Insurance	544.00		544.00
Security/Alarm	75.00		75.00
Association dues			
Late fees	91.60		91.60
Association dues - Other	2,327.00	175.00	2,502.00
Total Association dues	2,418.60	175.00	2,593.60
Cleaning	780.00		780.00
Gardening	2,166.00	180.00	2,346.00
Pest control	64.00		64.00
Rent	126.68		126.68
Utilities	3,503.53	63.88	3,567.41
Asset Preservation - Other	2.00	263.43	265.43
Total Asset Preservation	66,835.96	682.31	67,518.27
Receiver's Expense			
Receiver Fees		4,422.00	4,422.00
Senior Staff Fees		39,990.00	39,990.00
Financial reconstruction		17,324.00	17,324.00
Asset preservation & Liquidation		13,987.00	13,987.00
MIS Manager		5,120.00	5,120.00
Support Staff Fees		9,814.80	9,814.80
Legal Fees			
Legal Costs		3,716.26	3,716.26
Legal Fees - Other		25,924.85	25,924.85
Total Legal Fees	0.00	29,641.11	29,641.11
Occupancy		3,530.74	3,530.74
Equipment Rental		371.43	371.43
Postage/Delivery		720.56	720.56
Reproduction costs	5,085.37	612.77	5,698.14
Supplies & Telephone		1,412.23	1,412.23
Total Receiver's Expense	5,085.37	126,946.64	132,032.01
Total Expense	74,388.80	127,628.95	202,017.75
Net Income	560,288.72	(127,628.95)	432,659.77