

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

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

BY

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FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMERIDEBT, INC., et al.,

Defendants.

Civil Action No. PJM 03-3317

**ORDER HOLDING ANDRIS PUKKE AND PETER BAKER IN CONTEMPT OF COURT**

The evidentiary hearing on the Order to Show Cause as to Why Andris Pukke and Peter Baker Should Not Be Held in Contempt of Court and for Related Relief issued November 17, 2006 (“Order to Show Cause”) commenced on February 6, 2007, and continued thereafter on February 7, 8, 9, 13, 14, and 15 and March 7, 8, and 14, before the Honorable Peter J. Messitte, United States District Judge presiding. Robb Evans & Associates LLC as Receiver over the assets of Andris Pukke and DebtWorks, Inc. (“Receiver”) appeared by and through its counsel Gary Owen Caris and Lesley Anne Hawes of McKenna Long & Aldridge LLP; plaintiff Federal Trade Commission (“FTC”) appeared by and through its counsel Malini Mithal; and Andris Pukke and Peter Baker (“Baker”) appeared by and through their counsel Peter J. Romatowski, John B. Williams and Geoffrey S. Irwin of Jones Day. The Court having heard and considered the evidence and testimony presented, and having heard and considered the arguments of counsel, and the Court having stated orally and on the record in open court its findings of fact

and conclusions of law following the close of the evidence at the conclusion of the hearing pursuant to Rule 52 of the Federal Rules of Civil Procedure, and good cause appearing therefor,

IT IS ORDERED as follows:

1. Andris Pukke is in civil contempt of court for violation of the Court's Preliminary Injunction Order with Asset Freeze, Appointment of a Receiver, Repatriation of Assets, and Other Equitable Relief dated April 20, 2005 (the "Preliminary Injunction Order") and Stipulated Final Judgment and Permanent Injunction as to Defendants DebtWorks, Inc. and Andris Pukke ("Final Pukke Judgment").

2. Baker is in civil contempt of court for violation of the Court's Preliminary Injunction Order and Final Pukke Judgment.

3. All of the following assets constitute Receivership Property within the meaning of the Preliminary Injunction Order and Final Pukke Judgment and are subject to the Receiver's administration pursuant to the terms, provisions and conditions of the Preliminary Injunction Order and Final Pukke Judgment:

A. Stock ownership interests held by or for the benefit of Andris Pukke, directly or indirectly, of not less than three percent (3%) of the issued shares of Internet Opportunity Entertainment Ltd., all entities with similar names to Internet Opportunity Entertainment Ltd., and all entities related to the foregoing including without limitation all subsidiaries and affiliates thereof (individually and collectively "Internet Opportunity") and stock interests in Sportingbet Plc ("Sportingbet") held by or for the benefit of Andris Pukke, including without limitation the proceeds of stock of Internet Opportunity resulting from the sale of Internet Opportunity to Sportingbet, and all

proceeds thereof, wherever located, and in whatever form, whether tangible or intangible, and all other property into which such stock and its proceeds have been converted, whether held in the name of Andris Pukke or in the name of a third party (individually and collectively the “IO/Sportingbet Stock and Proceeds”);

B. All funds held in accounts at Hansabanka in any bank accounts held by Andris Pukke or for the benefit of Andris Pukke, directly or indirectly, and regardless of the nominal title holder of the account, including without limitation the accounts ending in 5309 and 8805 whether or not such accounts are in the name of Andris Pukke or Janis Pukke, and all proceeds of the funds held in those accounts as of the date of the issuance of the Preliminary Injunction Order on April 20, 2005, wherever located, whether tangible or intangible, and all other property into which the funds in those accounts have been converted, whether held in the name of Andris Pukke or a third party (“Hansabanka Funds and Proceeds”);

C. The real property and improvements located at 69 Emerald Bay, Laguna Beach, California (“Emerald Bay Property”) and all proceeds thereof, including without limitation all proceeds of any financing and refinancing of the Emerald Bay Property, wherever located, whether tangible or intangible, and all property into which such proceeds have been converted, whether held in the name of Baker, Andris Pukke or a third party (collectively “Emerald Bay Property and Proceeds”);

D. All assets, rights, claims and interests of Dolphin Development Company Ltd. and all proceeds thereof, as to which Andris Pukke holds indirectly a majority, 60% controlling ownership interest, including without limitation all proceeds of sales of

properties in Sanctuary Bay Estates, all contract rights, development rights, ownership rights, property rights, including by way of example and not limitation rights in real property, and any other legal, equitable and beneficial claims and interests held by or for the benefit of Dolphin Development, including without limitation all contract rights, development rights, ownership rights and property rights pertaining to Sittee River Wildlife Reserve, that existed as of the date of entry of the Preliminary Injunction Order on April 20, 2005, and/or that were acquired or arose thereafter (individually and collectively “Dolphin Development Rights and Proceeds”), whether or not all or any portion of the Dolphin Development Rights and Proceeds have been transferred to and/or initially acquired by one or more other persons or entities, including but not limited to Sanctuary Bay Limited and Starfish Development Limited;

E. Additionally, and without modification or limitation on any of the foregoing, Receivership Property shall include but not be limited to all assets identified in that certain cash flow chart entitled Sportingbet Plc Proceeds presented to the Court by the Receiver (“Cash Proceeds Chart”) at the conclusion of the hearing on the Order to Show Cause and adopted by the Court in its findings of fact and conclusions of law set forth on the record at the conclusion of the hearing, a true and correct copy of which is attached hereto as Exhibit 1 and incorporated herein by this reference.

4. Andris Pukke and Baker, individually and collectively, shall take all steps necessary or convenient to turn over and deliver possession, custody and control to the Receiver forthwith (“turnover duty”) of the IO/Sportingbet Stock and Proceeds, the Hansabanka Funds and Proceeds, the Emerald Bay Property and Proceeds, the Dolphin Development Rights and

Proceeds and the assets reflected on the Cash Proceeds Chart (said assets hereinafter being referred to individually and collectively as “Concealed Assets” for convenience in this Order). Andris Pukke and Baker shall comply with the turnover duty in accordance with the following time deadlines and procedures:

A. Within thirty (30) days of the date of entry of this Order, Andris Pukke and Baker shall turn over to the Receiver and deliver possession, custody and control to the Receiver of the IO/Sportingbet Stock and Proceeds;

B. Within sixty (60) days of the date of entry of this Order, Andris Pukke shall turn over to the Receiver and deliver possession, custody and control to the Receiver of the Hansabanka Funds and Proceeds;

C. Within ten (10) days of the date of entry of this Order, Baker shall (1) turn over possession, custody and control of the Emerald Bay Property to the Receiver, (2) vacate the Emerald Bay Property and cause any personal property of Baker’s not constituting Concealed Assets to be removed from the Emerald Bay Property, and (3) execute and deliver to the Receiver a grant deed in form and content drawn by and acceptable to the Receiver in its sole and absolute opinion and judgment transferring all title to the Emerald Bay Property to the Receiver on behalf of the receivership estate;

D. Within thirty (30) days of the date of entry of this Order, Baker shall turn over possession, custody and control of any Emerald Bay Property and Proceeds not previously turned over to the Receiver pursuant to paragraph 4.C. of this Order;

E. Within thirty (30) days of the date of entry of this Order, Andris Pukke and Baker shall turn over to the Receiver and deliver possession, custody and control to the

Receiver of the Dolphin Development Rights and Proceeds, subject to the terms, provisions and conditions of paragraph 7 of this Order.

F. The Receiver shall draft such documents as may be appropriate to effectuate its ownership of the assets referred to herein, with the understanding that Andris Pukke, Peter Baker and Janis Pukke will not be deemed to have fully satisfied their obligations hereunder merely by signing such documents and may be required to participate in further acts in order to effectuate full implementation of this Order.

5. In addition to, and to further effectuate performance of, their turnover duty, Andris Pukke and Baker, individually and collectively, shall cooperate fully with the Receiver in connection with the turnover and delivery of possession, custody and control to the Receiver of the Concealed Assets and shall take all steps necessary or convenient to facilitate and effectuate such turnover and delivery of the Concealed Assets (“duty of cooperation”). Said duty of cooperation shall include, but shall not be limited to, the following:

A. Within fifteen (15) days of the date of delivery of a letter to counsel for Andris Pukke from counsel for the Receiver, Andris Pukke shall respond in writing, under oath, to all inquiries and provide an accounting of the Concealed Assets, and all other information and documents pertaining to the Concealed Assets requested by the Receiver and shall comply with all reasonable requests made by the Receiver to facilitate the turnover of the Concealed Assets, including without limitation, making demand upon, directing and instructing in writing third parties to turn over to the Receiver information and records pertaining to Concealed Assets and to turn over to the Receiver assets comprising in whole or in part Concealed Assets, including without limitation those

persons and entities set forth in the Cash Proceeds Chart;

B. Additionally and/or alternatively, within fifteen (15) days of the date of entry of this Order, or thereafter upon ten (10) days written notice to counsel for Andris Pukke, the Receiver may conduct a deposition of Andris Pukke, and Andris Pukke shall appear and answer questions under oath by the Receiver concerning all Concealed Assets subject to this Order;

C. Within fifteen (15) days of the date of delivery of a letter to counsel for Baker from counsel for the Receiver, Baker shall respond in writing, under oath, to all inquiries and provide an accounting of the Concealed Assets, and all other information and documents pertaining to the Concealed Assets requested by the Receiver and shall comply with all reasonable requests made by the Receiver to facilitate the turnover of the Concealed Assets, including without limitation, making demand upon, directing and instructing third parties to turn over to the Receiver information and records pertaining to Concealed Assets, and to turn over to the Receiver assets comprising, in whole or in part, Concealed Assets, including without limitation those persons and entities set forth in the Cash Proceeds Chart.

6. The Receiver may submit one or more additional and/or supplemental orders in furtherance of this Order, including without limitation, to facilitate and implement the turnover duty and duty of cooperation provided for herein, and to implement, effectuate and enforce the Court's determination that the IO/Sportingbet Stock and Proceeds, Hansabanka Funds and Proceeds, Emerald Bay Property and Proceeds and Dolphin Development Rights and Proceeds constitute Concealed Assets subject to the Receiver's powers and duties of administration under

the Preliminary Injunction Order and Final Pukke Judgment. These additional and/or supplemental orders may include by way of example and not limitation one or more orders compelling Janis Pukke to turn over and deliver Concealed Assets to the Receiver and one or more orders to vest the Dolphin Development Rights and Proceeds in Dolphin Development Company Ltd. subject to the controlling, majority interest held by the Receiver on behalf of the receivership estate.

7. As to the turnover of the Dolphin Development Rights and Proceeds, the Receiver shall have discretion and authority to evaluate all assets comprising the Dolphin Development Rights and Proceeds, the nature, extent and status of such Rights and Proceeds, and the nature and effect of the laws of Belize and any other applicable foreign jurisdiction on such Rights and Proceeds and to implement procedures, prepare documentation and take other action in the Receiver's opinion and judgment in order to preserve the value of the Dolphin Development Rights and Proceeds and to maximize value of such Rights and Proceeds for the receivership estate, which steps may include, without limitation, in the Receiver's discretion, ratification and adoption of certain contracts and transactions and rejection of other contracts and transactions pertaining to the Dolphin Development Rights and Proceeds.

8. The Receiver is authorized to take such additional steps, file such additional motions or pleadings, and/or obtain such additional orders or relief in this Court and/or in other courts and jurisdictions as may be necessary or convenient to implement the terms and provisions of this Order and the Court's ruling on the Order to Show Cause and to cause the Concealed Assets, wherever located, to be delivered to the possession, custody and control of the Receiver.



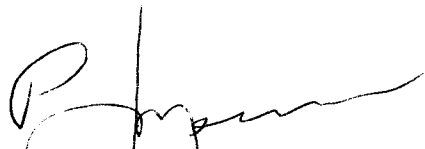
9. Andris Pukke is ordered not to leave the United States without obtaining prior permission from the Court by Court order upon written application to the Court with notice to the Receiver and FTC.

10. In the event that Andris Pukke and/or Baker, or either of them, fails to comply strictly, fully and timely, with the terms and provisions of this Order, including without limitation with the turnover duty and duty of cooperation and time deadlines provided for herein, then the Receiver may file one or more additional motions with the Court to seek additional relief against Andris Pukke and/or Baker and/or any other person or entity to implement and compel compliance with the terms and provisions of this Order and the Court's ruling on the Order to Show Cause.

11. The Court hereby expressly reserves jurisdiction over the Receiver's contempt application and Order to Show Cause to issue such further orders and grant such additional relief, including without limitation to impose sanctions and to impose an order of incarceration on Andris Pukke and/or Baker, to implement and effectuate the terms and conditions of this Order and the Court's ruling on the Order to Show Cause and compel compliance with this Order and all related orders issued in connection herewith.

Dated:

3/30/07

  
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PETER J. MESSITTE  
United States District Judge