

## PROPHETMAX RECEIVERSHIP

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February 21, 2013

Dear Investors:

In my capacity as Receiver for the ProphetMax Receivership Estate, I recently filed a status report in the United States District Court for the Western District of Texas, Austin Division, in the case styled *United States Commodity Futures Trading Commission v. Senen Pousa, et al.* (the "CFTC Action"). The status report provides helpful information concerning my administration of the Estate, including the progress of various investigations and asset seizures in the United States, Australia and the Netherlands. You may obtain a copy of this status report from the Estate's website at [www.prophetmaxreceivership.com](http://www.prophetmaxreceivership.com).

At the court's request, I have written this letter to inform you about several positive developments that have occurred since I filed the status report on December 21, 2012. First, in January 2013, I negotiated a settlement agreement with an unnamed third party ("John Doe") to recover \$712,500 for the Estate. Based upon my investigation, I determined that Mr. Doe previously received \$750,000 from Defendant Senen Pousa, and although Mr. Doe was not involved in the alleged fraud, the funds that he received were traceable to the fraud. The court approved this settlement with Mr. Doe on January 31, 2013 and the funds have been deposited in a bank account for the Estate.

I believe this settlement with Mr. Doe provides an extraordinary recovery for the Estate because we recouped 95% of the funds that Mr. Doe received from Senen Pousa without any formal litigation, which is both time-consuming and expensive for the Estate. Additionally, I am very pleased that the court approved the settlement because I do not believe these funds would have been recovered by any domestic or foreign authorities.

In addition to these funds, the Estate has also fully recovered \$750,000 from Defendant Elevation Group, Inc., which previously agreed to return commissions that it received from Defendant ProphetMax Managed FX. As a result of these payments from John Doe and Elevation Group, the Estate account held nearly \$1.4 million as of February 6, 2013. On that same day, the court granted my second fee application, which sought the court's approval to pay

fees and expenses of approximately \$196,000. As a result of these payments, the Estate account currently holds nearly \$1.2 million.

At this time, I am still investigating potential claims against other third parties who may have received funds that are traceable to the alleged fraud. In particular, I am currently investigating a third party who may have received \$250,000 from ProphetMax as compensation for introducing ProphetMax's Senen Pousa to Defendant Michael Dillard of Elevation Group. If I am unable to negotiate a favorable settlement with this third party, then I may file a lawsuit to recover these funds for the Estate.

There have also been positive developments on the international front. As discussed in my status report, Dutch authorities have arrested two suspects in their criminal investigation of IB Capital and its involvement in the alleged fraud. Both suspects are currently charged with money laundering. According to Dutch authorities, both suspects have prior convictions for fraud, and one conviction specifically related to investment fraud. Other news reports suggest that one of the arrested suspects is a director of IB Capital.

In January, Dutch authorities contacted me about these criminal proceedings in the Netherlands. Under Dutch law, an investor representative may be entitled to receive certain information from Dutch authorities concerning these proceedings, subject to approval of the Dutch court. As a duly authorized representative of the investors in the CFTC Action, I have submitted a request for information to Dutch authorities and I expect to serve as an investor representative at an appropriate time in the future.

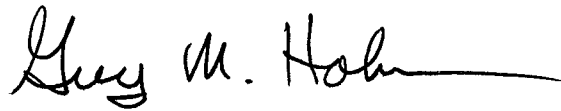
At the present time, I also understand that authorities in the United States and the Netherlands are preparing a Memorandum of Understanding to exchange information pursuant to a Mutual Legal Assistance Treaty between the two countries. When this process is complete, I believe authorities in the United States will receive sufficient information to determine whether IB Capital and its affiliates, including its directors and officers, should be included in the CFTC Action. As part of this process, I may file a lawsuit to add IB Capital and its directors and officers as relief defendants in the CFTC Action, and may ask the court to add the relief defendants' assets to the ProphetMax Receivership Estate so that I can recover these assets for the benefit of the Estate and injured investors.

Finally, as I noted in the status report, I believe that I have now identified the substantial majority of assets that may be recovered by the Estate. Accordingly, my legal counsel and I have adjusted staffing in order to reduce future fees and expenses incurred by the Estate. At some point in the future, I may ask the court in the United States to formally reduce or limit my duties to the Estate so that I can further reduce fees and expenses.

If you have any questions concerning this letter or any other issues involving the Estate, please email me at [receiver@prophetmaxreceivership.com](mailto:receiver@prophetmaxreceivership.com) and I will respond as fully as possible. Please understand that confidentiality laws and other privacy rules often limit my

ability to share non-public information about the Estate or any related investigations or judicial proceedings.

Sincerely,

A handwritten signature in black ink that reads "Guy M. Hohmann" followed by a long horizontal flourish.

Guy M. Hohmann

Receiver of the ProphetMax Receivership Estate