

October 30, 2012

I want to give you an update on our efforts to recover assets from which we will be able to refund victims of Rex Venture Group LLC.

Our preliminary analysis has identified more than 800,000 affiliate User IDs who put more money into Rex Venture than they took out. We estimate that losses will total between \$500 million and \$600 million. We have already recovered more than \$300 million and continue to pursue millions more held in financial institutions. To fill the gap between what we have recovered and what victims lost, we will pursue recovery from those who took out of Rex Venture more than they put in. There are more than 100,000 User IDs in this category representing hundreds of millions of dollars.

This week we will issue subpoenas to approximately 1,200 affiliates who profited most from ZeekRewards. The subpoenas ask for financial information, including dealings with Rex Venture. Depositions and litigation will follow if necessary. With each subpoena will be a letter offering to negotiate voluntary surrender of profits (victims' money, really) instead of going to Court. Additional subpoenas and demands for return of profits will be served on thousands more in the weeks to come. I can't tell you we will recover enough to make all victims 100% whole, but if we don't it won't be for lack of trying.

As soon as we are able we will submit to the Court for approval an Official Claim Form. Once approved the Form will be posted on this website. When that process has run we will ask the Court for permission to make a preliminary, partial distribution to qualified claimants from recovered funds. A final distribution will have to wait until we have finished collecting all recoverable assets. This will unfortunately take quite a while, and I appreciate your support and patience.

Finally, I have received emails from many of you asking if you need to, or should, hire an attorney or join a group that has hired an attorney to assist in your recovery of claims. I cannot and do not advise you one way or another about hiring an attorney. I can tell you that my direction from the Court, and my duty to you, is to seize all recoverable assets and distribute them to victims as fully and fairly as possible. That, I will do.

Kenneth D. Bell  
Receiver