

October 15, 2013

To Affiliates and Other Creditors of Rex Venture Group, LLC:

Now that September 5 has passed and the 120 day period to file claims has expired, I want to provide an update of where we stand and where we go from here. There were approximately 175,000 claims filed that total in excess of \$590 million. We are in the process of reconciling those claims against our records. We expect to begin sending Determination Letters by email to tens of thousands of claimants in the next few weeks. These letters will inform claimants whether we are able to accept the claim as filed or whether we need to discuss a discrepancy between the claim and what our records support. Many other claims will take additional time to evaluate, but Determination Letters will be emailed to all claimants as quickly as we are able to evaluate them. Determination Letters will be issued on a rolling basis. Please do not contact us if you have not yet received a Determination Letter. I will announce on the website when I have completed sending Determination Letters so that you may contact the Receiver Team if you did not receive a Determination Letter.

Please add the email address ZRWDeterminations@tgcginc.com to your spam filter as an authorized sender so that no emails from that address are blocked by your spam filter or internet service provider. This will be the email address used to provide your Determination Letter. Adding that email to your spam filter will ensure that you receive your Determination Letter once it is sent. Emails sent to that email address will not be monitored, so **please do not send emails to that email address.**

Additionally, many thousands of claims were made without providing a ZeekRewards User Name, or provided a User Name that does not appear in the ZeekRewards database. We are sending emails to all these claimants asking that they follow a link in the email to the Claims Portal and provide the User Name used while an affiliate of ZeekRewards. If we don't have an identifiable ZeekRewards User Name we may not be able to validate your claim, which may lead to a denial of the claim. We will try to verify all claims, with or without a User Name, based on other identifiers, but ZeekRewards' records do not always contain such information. Also, it is much more expensive to verify claims that do not provide a ZeekRewards User Name, and that is money I would rather return to victims than spend verifying claims. If you do not receive an email asking for this information you do not need to take any action.

We have asked the Court for permission to extend the date for filing a claim until November 15, 2013 for a very small number of potential claimants. For more information please review FAQ 29 on the receivership website. Potential claimants that fall into this category will receive notification if and when the Court grants our motion.

I have received a great many requests to generally allow claims to be filed after the Court ordered Bar Date of September 5, 2013. I am truly sorry that anyone who might have had a valid claim against the Receivership failed to file a timely claim, for whatever reason. However, after giving these requests much consideration, I have decided not to ask the Court for authority to reopen the claims process for individuals who fall outside of those addressed in FAQ 29, and I want to tell you my reasoning for not deviating from the previously entered Court order approving the claims process.

A significant reason for not reopening the claims process for all potential claimants is that we would need to provide notice, again, to more than 2 million potential claimants. We estimate that this notice process would deplete the Receivership Estate's assets by nearly \$500,000. There would also be additional increased database charges for permitting the continued filing of claims and amendments of claims. These costs would result in a dollar for dollar reduction in the amount that we have to distribute to the victims of the Ponzi scheme that timely filed claims.

Another concern of mine is that reopening the claims process for all would delay the return of funds to the victims of the scheme who timely filed claims. By the end of this year I still hope to ask the Court for permission to make an interim partial distribution. We have recovered more than \$300 million cash that I want to distribute to victims. However, we can't make an interim distribution until we know the maximum amount of all potential allowable claims. Extending the claims period would delay that process for many months at least. Extending the date for filing claims for the limited number of affiliates and institutions addressed by FAQ 29 will not delay this process, as we know with a fair degree of certainty the maximum amount of the potential claims that arise in that context.

Finally, reopening the claims process for all individuals would unfairly affect those claimants that complied with the Court's order establishing the claims process. If we accepted additional claims after September 5, 2013 it would dilute the recovery of all those who timely filed claims by increasing the claims pool. This prejudices the claimants that complied with the Court's order approving the claims process to the benefit of those claimants that did not comply with that order. My team and I worked diligently to provide notice to all parties possible. Notice of the claims process was published in newspapers, published on MLM websites, emailed directly to all parties in the ZeekRewards database (not only net losers, but all entities in the ZeekRewards database), directly mailed to all parties whose email addresses failed, and was sent to financial institutions through direct mail and through notification of industry groups. Additionally, there was vast press coverage of the claims process by numerous organizations. Once online, the claims process remained open for 120 days. In that time, more than one-hundred and fifty thousand claimants worked diligently to get their claim timely filed. I do not think it is fair to them to reopen the claims process for the few individuals who did not comply with the Court's order establishing the claims process.

To summarize, extending the period to file claims would be expensive for all claimants and significantly reduce the amount of money we will be able to return to victims. It would delay for months our intention to make a partial interim distribution to validated claimants. And it punishes the more than one-hundred and fifty thousand claimants who timely filed claims for the sake of those who did not.

Many of you have written to say that you did not receive acknowledgment that your claim has been received. I have looked into this, and all those who completed claims were sent an email confirming receipt. Please check your email, including your spam folders, for this notice.

Finally, I realize everyone is anxious to know when you will receive the partial interim distribution I have often referred to. There are lots of moving parts to this, some of which are out of our control, but here are the basics. As I said above, we are working quickly to reconcile

the tens of thousands of filed claims and send Determination Letters by email. I expect that we will accept the vast majority of properly filed claims at the amount requested. For the minority for whom we are unable to verify the claimed amount, we will be required to review the claim that the claimant filed, issue a Determination Letter and, to the extent the claimant objects to that determination, we will have to enter into discussions to resolve the discrepancy. If we are unable to resolve the issue by agreement, we will have to provide due process to allow claimants to take the dispute through a Court approved process for resolution. All of this will take time, but I still believe that in the next few months we will be able to get a partial distribution out to the victims.

Let me close by asking again that you not send emails to me directly, nor call my office. With hundreds of thousands of affiliates, it would be impossible, and expensive, for me or a member of our team to take individual calls. We have posted FAQs to address the questions that commonly arise, and add to them when appropriate. You may also send questions to info@ZeekRewardsReceivership.com. Every email sent to that address is read, and many are forwarded to me for attention. Please take advantage of these resources.

As always, thank you for your patience and support.

Kenneth D. Bell
Receiver