

March 7, 2022 - Notice to Silver Saddle Investors of Claims Determinations

Claim Determination letters have gone out today to Silver Saddle investors who invested in the Galileo Project (sometimes called LandBanking Plus). Investors should look for the letter in the U.S. mail. If you are an investor and do not receive a letter by March 15, 2022, please contact the Receiver's office at info@regulatoryresolutions.com. As explained below, if you disagree with the Receiver's determination you **must** contact the Receiver's office by mail or email on or before April 8, 2022.

Background

Thomas Maney and the companies running these investments (the "Defendants") were sued by the California Department of Financial Protection and Innovation ("DFPI") in 2019. Thomas W. McNamara was appointed as the Receiver in this case. As the Receiver, it is Mr. McNamara's job to identify, pursue, collect, and preserve the assets of the Receivership Estate while the lawsuit proceeds. Trial is presently scheduled for May of this year. If the DFPI is successful at trial or the parties reach a settlement, then the Receiver will seek permission from the Court to distribute the funds in the Receivership Estate to the Silver Saddle investors. In order to move promptly when the case is resolved, we are providing notice to all investors of the Receiver's claims determinations.

The Receiver's goal is to maximize the amount of money that each of the Silver Saddle investors will receive from the Receivership Estate should the Court approve a distribution. **However, because the Silver Saddle Ranch & Club and the Galileo Project land are worth far less than the investors paid into the Galileo Project, no investor will be returned all of the money he or she invested. Instead, each investor will receive a share of the proceeds proportionate to his or her investment in the Galileo Project (a "pro rata share"). In other words, no investor will receive the full amount of his or her claim.**

A simple example can help explain how this works. Let's assume Investor A invests \$200, Investor B invests \$500, and Investor C invests \$300 for a total of \$1,000 invested. As a result, Investor A has a claim for \$200, Investor B has a claim for \$500, and Investor C has a claim for \$300. In other words, Investor A provided 20%, Investor B provided 50%, and Investor C provided 30% of the total investment. And let's assume the receivership has \$100 to distribute to the investors. Each investor will get a pro rata share of the distribution: Investor A will receive \$20 (20% of the distribution), Investor B will receive \$50 (50% of the distribution) and Investor C will receive \$30 (30% of the distribution).

How We Made Claims Determinations

We have reviewed records from Equiant and Silver Saddle which detail the investor payments recorded by the Defendants. We then calculated each investor's total claim by adding (1) the amount he or she paid toward the purchase of an undivided fractional interest in the Galileo Project; and (2) the amount contributed to the Galileo Capital Investment Fund ("CIF"). And the total claim will be used to determine the investor's pro rata share of any distribution(s) ordered by the Court.

Investors' Reviews of Claims Determinations

Every investor should carefully review the Receiver's claim determination. **If you are an investor and you agree that the claim determination prepared by the Receiver is correct, you do not need to do anything.**

If you think the Receiver's claim determination is wrong, you have until **April 8, 2022** to send the Receiver's office a letter or email challenging the calculations. At that time, you must provide **copies** (please do NOT send original documents) of all the information and documents supporting your challenge, for example bank statements and the front and back of cancelled checks. You can either mail the information to:

Silver Saddle Receiver
c/o Regulatory Resolutions
655 W. Broadway, Suite 900
San Diego, CA 92101

Or send via email to info@regulatoryresolutions.com, with “Silver Saddle” in the subject line of the email.

Receiver’s Review of Challenges and Final Determination

The Receiver will review each challenge and supporting documentation and may need to contact investors directly during this process to ask follow-up questions. Once final determinations are reached, every investor who made a challenge will be notified via mail and/or email and by posting notice on the receivership website of the final outcome.

Receiver’s Notice of Final Claim Determinations and Proposed Distribution

After the Receiver reaches final determinations on all claims, a Notice of Final Determination and Proposed Distribution will be filed with the Court. Notice of this filing will be provided to investors by email and via posting on the receivership website.

Timeline for Court Challenge to Receiver’s Confirmation of Claim Determination

Any investor who challenged the claim determination and disagrees with the Receiver’s final determination may submit an objection to the Court within 14 days of the filing of the Receiver’s Notice of Final Claim Determination and Proposed Distribution. The Receiver will reply to any objections and the Court will rule. After the Court does so, the Receiver will submit a proposed Order to the Court consistent with the ruling.

If no objections are filed with the Court, the Receiver will promptly file a proposed Order approving the Receiver’s claim determinations.

Distribution

If and when the Court enters an Order allowing a distribution to investors, the Receiver will issue investor checks promptly and consistent with the claims determinations. Investors will have 90 days to cash the checks.

* * *

If you believe the email or mail address the Receiver has for you is incorrect, you should immediately provide the correct address(es) to the Receiver by sending an email to: info@regulatoryresolutions.com, with “Silver Saddle” in the subject line of the email.