

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION, :
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 Plaintiff, : 10 Civ. 4868 (RJS)
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 v. :
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 : ECF CASE
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 ADVANCED TECHNOLOGIES GROUP, LTD., :
 ALEXANDER STELMAK, and :
 ABELIS RASKAS, :
 :
 :
 Defendants. :
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[PROPOSED] PLAN OF DISTRIBUTION

A. Summary of Distribution Plan

Plaintiff Securities and Exchange Commission (the "Commission") respectfully submits this proposed Plan for Distribution (the "Plan" or "Distribution Plan") to distribute funds to investors harmed as a result of the violations alleged in the Commission's Complaint. Pursuant to the Final Judgments entered by the Court on January 13, 2011, all funds paid by Defendant Advanced Technologies Group, Ltd. ("ATG"), Defendant Alexander Stelmak ("Stelmak"), and Defendant Abelis Raskas ("Raskas") (collectively, "Defendants") in disgorgement, prejudgment interest, and civil penalty, minus necessary expenses, constitutes a Fair Fund and is to be distributed in accordance with the Fair Funds provision of Section 308(a) of the Sarbanes-Oxley Act of 2002 ("Sarbanes-Oxley Act"). This Proposed Plan sets forth the method and procedures for distributing the Fair Fund.

B. Background

1. Plaintiff filed its Complaint against Defendants ATG, Stelmak and Raskas on June 23, 2010. As described more fully below, all Defendants have consented, without admitting or denying any of the allegations in the Complaint, to entry of Final Judgments against them.

2. As alleged in the Complaint, this action arose out of a series of unregistered offerings of securities of Defendant ATG and ATG's predecessor entities, Oxford Global Network, Ltd. ("Oxford Global"), and Luxury Lounge, Inc. ("Luxury Lounge") (collectively, the "Offerings"). The Offerings, allegedly orchestrated by Stelmak between 1997 and 2006, were conducted in purported reliance on the registration exemptions under Rules 504 or 506 of Regulation D, promulgated under the Securities Act of 1933 ("Securities Act"). The Complaint alleges that the Offerings did not qualify for these exemptions, however, because they were conducted by means of general solicitation – specifically, through nationwide cold-calling campaigns. (Complaint ¶ 1.)

3. Raskas was Chief Executive Officer, Chairman of the Board and controlling shareholder of Luxury Lounge; in the Luxury Lounge offering, conducted in 2000-2001, he signed investor subscriptions agreements as "accepted" on behalf of Luxury Lounge. (Complaint ¶ 1.)

4. The total amount raised from investors in the Offerings was approximately \$14.7 million. (Complaint ¶ 1.)

5. The Complaint alleges that in connection with the Offerings, the Defendants violated Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) & (c)], which prohibit the use of the mails or other interstate means to offer or sell unregistered securities absent an available exemption. (Complaint ¶ 1.)

6. Stelmak formed Oxford Global, a Delaware corporation, in 1997. In January 2001, the company, by then known as FX3000, Inc., participated in a reverse merger with a public Nevada shell corporation and became a reporting company under the Exchange Act. At the same time, the company changed its name to ATG. In October 2001, ATG merged with Luxury Lounge, a company founded and controlled by Raskas and a purported on-line seller of luxury goods. (Complaint ¶ 6.)

7. In July 2009, ATG purchased the rights to a website called Moveldiot.com, which purports to be a relocation-assistance web service. According to ATG's filings with the Commission, the website began its operations in January 2010 and has never generated any revenues. (ATG Form 10-K for the period ended October 31, 2010, filed December 15, 2010.)

8. The Complaint alleges that during the time period between 2009 and May 2010, ATG had limited operations, no revenues other than from investments, and only two employees. (Complaint ¶ 8.)

9. No public offering of Oxford Global, Luxury Lounge or ATG securities has occurred. ATG's common stock was listed on the OTC Bulletin Board in or about 2006 and has since then been trading with minimal volume and at prices that have never reached \$2 per share and, since early 2007, have stayed under \$1 per share. (Complaint ¶ 19.)

10. Plaintiff's action sought to disgorge all funds raised in the allegedly illegal Offerings, plus prejudgment interest thereon, civil penalties from Defendants ATG and Stelmak, and certain injunctive relief against Defendants ATG and Stelmak.

11. On November 16, 2010, ATG and Stelmak consented to a Final Judgment making them jointly and severally liable with each other for disgorgement of ill-gotten gains from the unregistered offerings of securities of ATG and Oxford Global, plus prejudgment interest thereon, and jointly and severally liable with each other and Raskas for disgorgement of proceeds of the unregistered offering of securities of Luxury Lounge, plus prejudgment interest thereon, for a total of \$19,186,536.32. ATG and Stelmak also consented to an order to pay civil penalties of \$65,000 and \$6,500 respectively, imposing certain injunctive relief, and to comply with the obligations imposed upon them by this Plan. (Final Judgment as to Defendants Advanced Technologies Group, Ltd. and Alexander Stelmak entered January 13, 2011 (the "ATG/Stelmak Judgment").)

12. On November 17, 2010, Raskas consented to a Final Judgment making him jointly and severally liable with ATG and Stelmak for disgorgement of the portion of ill-gotten gains related to the unregistered offering of securities of Luxury Lounge, plus prejudgment interest thereon, for a total of \$4,749,948.03. This sum is a portion of the total \$19,186,536.32 in disgorgement and prejudgment interest for which ATG and Stelmak are liable under the ATG/Stelmak Judgment, and is not in addition to that amount. Defendant Raskas also consented to comply with the obligations imposed upon him by this Plan. (Final Judgment as to Abelis Raskas entered January 13, 2011 (the "Raskas Judgment") (the ATG/Stelmak Judgment and the Raskas Judgment are collectively referred to herein as the "Final Judgments").)

13. On January 13, 2011, the Court entered the ATG/Stelmak Judgment, directing ATG and Stelmak to pay \$65,000 and \$6,500, respectively, in civil penalties to the Court Registry Investment System ("CRIS") on or before January 27, 2011 and imposing a payment plan requiring ATG or Stelmak to pay \$19,186,536.32 in disgorgement of proceeds of the Offerings, and prejudgment interest thereon, to the CRIS, as follows:

- (1) \$14,835,000.00 on or before January 27, 2011;
- (2) \$528,371.38 on or before February 15, 2011;
- (3) \$519,315.07 on or before March 15, 2011;
- (4) \$520,350.07 on or before April 15, 2011;
- (5) \$514,916.28 on or before May 15, 2011;
- (6) \$512,328.77 on or before June 15, 2011;
- (7) \$507,153.73 on or before July 15, 2011;
- (8) \$504,307.46 on or before August 15, 2011;
- (9) \$500,296.80 on or before September 15, 2011; and
- (10) \$244,496.76 on or before October 15, 2011.

As Defendant ATG and Defendant Stelmak are jointly and severally liable with Defendant Raskas for the disgorgement and interest connected to the Luxury Lounge offering, the ATG/Stelmak Judgment orders that any individual installment payment amount owed by ATG and Stelmak will be reduced by any amount that Defendant Raskas pays. (ATG/Stelmak Judgment.)

14. On January 13, 2011, the Court entered the Raskas Judgment, imposing a payment plan to the extent that ATG and Stelmak fail to pay the \$4,749,948.03 in disgorgement of proceeds and prejudgment interest from the Luxury Lounge offering, for which all three Defendants are jointly and severally liable. The payment plan under the Raskas Judgment is as follows:

- (1) \$1,836,573.00 on or before January 27, 2011;
- (2) \$323,708.34 on or before February 17, 2011;
- (3) \$323,708.34 on or before March 17, 2011;
- (4) \$323,708.34 on or before April 17, 2011;
- (5) \$323,708.34 on or before May 17, 2011;
- (6) \$323,708.34 on or before June 17, 2011;
- (7) \$323,708.34 on or before July 17, 2011;
- (8) \$323,708.33 on or before August 17, 2011;
- (9) \$323,708.33 on or before September 17, 2011; and
- (10) \$323,708.33 on or before October 17, 2011.

As Defendant Raskas is jointly and severally liable with Defendants ATG and Stelmak for this disgorgement and interest, the Raskas Judgment orders that each individual installment payment amount owed by Raskas will be excused provided that Defendants ATG and Stelmak pay the full amount owed by them in each individual installment payment pursuant to the ATG/Stelmak Judgment. (Raskas Judgment.)

15. Taken together, the Final Judgments order that a total of \$19,258,036.32 be paid to the CRIS no later than October 17, 2011.

16. The Final Judgments further provide that the Commission may by motion propose a plan to distribute the disgorgement, interest and penalties, subject to the Court's approval. (Final Judgments.)

17. On February 7, 2011, this Court entered an Order appointing Damasco & Associates LLP, a certified public accounting firm located in Half Moon Bay, California, as tax administrator to execute all income tax reporting requirements, including the preparation and filing of tax returns, with respect to the funds under the Court's jurisdiction in this case. (Order Appointing Tax Administrator entered February 7, 2011.)

C. Definitions

As used in this Plan, the following definitions shall apply:

1. "Administration Costs" means the costs incurred in planning, administering and conducting the distribution of the Fair Fund, including all taxes, fees owed to the Court and any reasonable fees, costs and expenses incurred by the Fund Administrator, Tax Administrator, or any Escrow Agent appointed pursuant to this Plan.

2. "Administration Costs Account" means the interest-bearing Escrow Account to be established by the Fund Administrator and funded with the Administration Costs Fund.

3. "Administration Costs Fund" means the \$500,000.00 contributed by Defendant ATG toward the payment of Administration Costs, pursuant to the Stipulation and Order entered January 24, 2011.

4. "Approved Claim" means a Tentative Claim that exceeds the De Minimis Amount.

5. "ATG Fair Fund Website" means the external website established by the Fund Administrator to communicate with ATG Investors concerning the Distribution.

6. "ATG Investor" means any current or former holder of ATG Securities who is not an Excluded Party.

7. "ATG Securities" means Series A Preferred, Series B Preferred and Common Shares of Advanced Technologies Group, Ltd. purchased between 1997 and December 31, 2010. It does not include Warrants, Series B Warrants, Loyalty Warrants, or Series B Loyalty Warrants.

8. "Claim Objection" means an objection filed with the Court and served on the Commission prior to the Claim Objection Cutoff by any person wishing to dispute the amount of his, her or its Approved Claim or the lack of an Approved Claim.

9. "Claim Objection Cutoff" means the date 60 days after the Distribution Check mailing date by which any Claim Objection must be filed with the Court and served on the Fund Administrator and the Commission. The Claim Objection cutoff shall be posted on the ATG Fair Fund Website.

10. "Commission" means the United States Securities and Exchange Commission or its Staff.

11. "Court" means the United States District Court for the Southern District of New York.

12. "De Minimis Amount" means \$25. The Fund Administrator shall not distribute funds to any Potentially Eligible Claimant whose Tentative Claim is less than the De Minimis Amount. The De Minimis Amount is established in order to help accomplish the Distribution Plan's goal to allocate the majority of the Fair Fund to investors or transferees of investors who suffered losses arising out of purchases that were made as a result of the Offerings.

13. "Distributable Amount" means the amount determined by the Fund Administrator, as approved by the Court, available to be distributed in the General Distribution.

14. "Distribution" means the disbursement of monies from the Fair Fund to Eligible Claimants pursuant to this Distribution Plan.

15. "Distribution Account" means a non-interest bearing checking account or accounts established by the Fund Administrator to receive the monies from the Fair Fund that are scheduled to be disbursed to Eligible Claimants.

16. "Distribution Check" means the check mailed to an Eligible Claimant in the amount of his, her or its Approved Claim.

17. "Distribution Disclosure" means the form containing certain disclosures to be included with the Distribution Check mailed in the General Distribution to Eligible Claimants, as provided in Section G., below, and to be posted on the ATG Fair Fund Website.

18. "Distribution Plan" means the Distribution Plan as approved by the Court.

19. "Distribution Plan Notice" means the notice to Potentially Eligible Claimants that they may be eligible for a distribution pursuant to this Distribution Plan.

20. "Eligible Claimant" means an ATG Investor who, as determined by the Plan Administrator, is eligible for a distribution from the Fair Fund because the investor: 1) has suffered Recognized Losses that resulted in an Approved Claim; and 2) is not an Excluded Party.

21. "Excluded Party" means any Defendant, associate of any Defendant, or any member of a Defendant's family. The Fund Administrator, in consultation with the Commission, shall determine each Excluded Party; this determination may be appealed through the Claim Objection procedures discussed below. Excluded Parties are not eligible for a distribution from the Fair Fund.

22. "Fair Fund" means the fund established pursuant to Section 308(a) of the Sarbanes-Oxley Act and includes all amounts paid into any court account established in this action, including without limitation the CRIS account, representing the disgorgement, prejudgment interest and civil penalties paid by Defendants ATG, Stelmak and/or Raskas, minus necessary expenses. In the event that Defendants pay the full amount of disgorgement, prejudgment interest and civil penalties imposed by the Final Judgments in accordance with the payment plan established therein, the Fair Fund will contain \$19,258,036.32 on or before October 17, 2011. The Fair Fund does not include the Administration Costs Fund.

23. "Final Determination" means the date by which the Court enters an order containing final adjudication of all Claim Objections submitted. In the event that no Claim Objections are submitted, no Final Determination will be necessary.

24. "Financial Intermediary" means an entity, such as a broker or custodian, through which an ATG Investor owns or owned his, her or its ATG Securities.

25. "Foregone Interest" means the interest applicable to the principal amount invested in ATG Securities by a Potentially Eligible Claimant, as calculated by the Fund Administrator according to the methodology described in Section F., below.

26. "Fund Administrator" means the independent party appointed by the Court to carry out the duties specified in Section K., below, and as further specified in this Plan. The Fund Administrator will report directly to the Court.

27. "General Distribution" means the Distribution of Approved Claim amounts to Eligible Investors.

28. "Investment Amount" means the principal amount invested by a Potentially Eligible Claimant in ATG Securities plus Foregone Interest as calculated by the Fund Administrator according to the methodology set forth in Section F., below.

29. "Plan Date" refers to the date of entry of a Court order approving the Distribution Plan.

30. "Potentially Eligible Claimant" means any ATG Investor who: 1) has invested in ATG Securities, either as a result of the Offerings or in the secondary market; 2) has or asserts possible claims to the Fair Fund under the Distribution Plan; and 3) is not an Excluded Party.

31. "Recognized Losses" shall mean the Investment Amount less any Sales Proceeds, as calculated by the Fund Administrator according to the methodology set forth in Section F., below.

32. "Remaining Distributable Amount" means the amounts remaining in the Fair Fund, after the General Distribution and Final Determination by the Court of Claim Objections, available for a potential Supplemental Distribution, as determined by the Fund Administrator according to Section I., below.

33. "Sales Proceeds" means the sum of the gross dollar amount received by a Potentially Eligible Claimant who sold his, her or its ATG Securities prior to December 31, 2010 and the imputed interest on the gross dollar amount, as calculated by the Fund Administrator according to the methodology set forth in Section F., below.

34. "Stale Date" means the date 90 days after the mailing date of any Distribution Check issued in any Distribution pursuant to this Plan.

35. "Supplemental Distribution" means the potential Distribution to certain Eligible Claimants that may take place if sufficient distributable funds exist after the General Distribution is complete.

36. "Tax Administrator" means Damasco & Associates LLP, a certified public accounting firm located in Half Moon Bay, California, whose appointment was approved by Order of the Court, entered February 7, 2011.

37. "Tentative Claim" means the amount proposed to be distributed to a Potentially Eligible Claimant.

D. Notice to ATG Investors

1. Prior to approval of the Plan, the Commission and/or the Fund Administrator will have:

a. Identified some or all ATG Investors and their mailing addresses through the use of transfer agent records, ATG's existing records and other sources of information reasonably available to the Fund Administrator or the Commission staff; and

b. Pursuant to a scheduling order of the Court, mailed to known ATG Investors a copy of the proposed Plan, together with the information the Commission will have determined is necessary to inform ATG Investors of their potential right to receive funds from the Fair Fund should the Plan be approved.

2. Within 30 days of the Plan Date:

a. The Commission shall post the Distribution Plan Notice on the Commission's website at: <http://www.sec.gov/divisions/enforce/claims.htm> to alert ATG Investors of their potential right to receive funds from the Fair Fund. The Commission's website shall include a link to the Distribution Plan and the ATG Fair Fund Website.

b. The Fund Administrator shall establish:

i. The ATG Fair Fund Website, an external website to be located at www.atgfairfund.com, or a similarly-named URL, to perform as a portal for information concerning this Plan and the Distribution. The website shall be updated with downloadable versions of the Distribution Plan Notice, the Distribution Plan, relevant Plan deadlines, the contact information for the Fund Administrator, and other pertinent information within a reasonable time after such information becomes available. The content of the ATG Fair Fund Website will be approved by the Commission. The Fund Administrator and the Commission shall establish a link to this website from their respective websites.

ii. A toll-free telephone call-in number by which ATG Investors and other persons can obtain information about the Plan and the Distribution.

E. Identification of Potentially Eligible Claimants

1. All ATG Investors identified by the Fund Administrator who are not Excluded Parties will become Potentially Eligible Claimants.

2. In connection with the procedures for Notice to ATG Investors, the Commission and/or the Fund Administrator will have identified certain Potentially Eligible Claimants and their mailing addresses, and will also have identified Excluded Parties.

3. Additional Potentially Eligible Claimants may have invested in ATG Securities through accounts belonging to or serviced by a Financial Intermediary. If records presently available to the Fund Administrator do not contain information sufficient to enable the Fund Administrator to determine the identity, mailing address, eligibility, or losses of ATG Investors who invested through a Financial Intermediary, the Fund Administrator shall attempt to obtain this information from the Financial Intermediary. It shall be the burden of the Financial Intermediary to provide information requested by the Fund Administrator necessary to allow the Fund Administrator to determine identity, mailing address, eligibility, and losses pertaining to such ATG Investors.

4. To the extent that presently available records do not allow the Fund Administrator to determine eligibility or losses of an ATG Investor who holds his, her or its ATG Securities directly, the Fund Administrator, in coordination with the Commission, shall undertake reasonable efforts to supplement the records. Such efforts may include requesting records or affirmations from ATG Investors. It shall be the burden of such ATG Investors to provide documentation requested by the Fund Administrator necessary to allow the Fund Administrator to determine eligibility and losses.

F. Determination of Approved Claims

1. The allocation methodology in this Plan seeks to achieve the prompt, fair, and efficient distribution of the Fair Fund to those victims who suffered a loss, greater than the De Minimis amount of \$25, as a result of their investment with ATG. The Plan aims, within the limits of the amounts available for distribution, to compensate participating investors for the principal amounts they invested in ATG Securities, plus some measure of interest that approximates what they might have been able to earn had the principal been invested in risk-free securities, minus the gross proceeds of any prior sale of the securities and imputed interest on those proceeds.

2. Because it is possible that the amount of the Fair Fund available for distribution will be less than the total Recognized Losses suffered by all Potentially Eligible Claimants, the Plan contemplates that a single General Distribution will allocate most or all of the Distributable Amount to Eligible Claimants on a *pro rata* basis. A Supplemental Distribution, oriented toward satisfying all or part of losses not compensated in the General Distribution, may occur if there are sufficient funds remaining in the Fair Fund after the General Distribution.

3. The Fund Administrator will calculate each Potentially Eligible Claimant's Recognized Losses as follows:

a. To calculate the Foregone Interest, the Fund Administrator shall take the principal amount invested in ATG Securities by the Potentially Eligible Claimant in any calendar year and multiply it by the foregone interest rate beginning December 31 of the year the purchase was made. The foregone interest rate for each year shall be the risk-free rate as established by the IRS underpayment rate minus 3%. Where the IRS underpayment rate changed during the year, the Fund Administrator shall use the average rate over four quarters. The Fund Administrator shall calculate Foregone Interest through December 31, 2010, compounding annually. The sum of Foregone Interest and the principal amount invested is the Investment Amount.

- b. If the Potentially Eligible Claimant sold his, her or its ATG Securities prior to December 31, 2010, the Fund Administrator shall calculate the Sales Proceeds by taking the gross dollar amount received from the sale transaction and adding to it the imputed interest on the gross sale price, calculated pursuant to the methodology for Foregone Interest described above. The Fund Administrator shall then subtract the Sales Proceeds from the Investment Amount to find the Recognized Losses for such Potentially Eligible Claimant.
- c. The following two examples illustrate how Recognized Losses will be calculated.

Example 1: Assume Investor A purchased 2,500 shares on January 5, 2005 and still owned her shares as of the Plan Date. The Fund Administrator shall first calculate Foregone Interest on the 2,500 shares beginning December 31, 2005, using as the interest rate for each year the average IRS underpayment rate over the four quarters of each such year, minus 3%, and compounding annually through December 31, 2010. The Fund Administrator shall next add the Foregone Interest to the principal amount invested to calculate the Investment Amount. In this example, because no shares were sold, Recognized Losses will be equal to the Investment Amount.

Example 2: Assume Investor B purchased 2,500 shares on December 5, 2005, sold 1,000 shares on November 10, 2009 and still owned the remaining shares as of the Plan Date. The Fund Administrator shall: (a) calculate Foregone Interest on the 2,500 shares from December 31, 2005 through December 31, 2010, to generate the Investment Amount, as specified above; then (b) calculate the Sales Proceeds by adding to the gross dollar amount received from the sale of the 1,000 shares the imputed interest on such shares from December 31, 2009 through December 31, 2010 using the average IRS underpayment rate over the four quarters of each such year, minus 3%; then (c) calculate the Recognized Losses by subtracting the Sales Proceeds from the Investment Amount.

4. Within 15 days after the receipt into the CRIS of the final payments pursuant to the Final Judgments, the Fund Administrator shall recommend to the Court the Distributable Amount in the Fair Fund. The Distributable Amount shall be based on the Fair Fund balance available in the CRIS less any amount necessary to be held in reserve to pay Administration Costs, to be determined by the Fund Administrator in consultation with the Tax Administrator and taking into account the interest earned on the Fair Fund and the funds available in the Administration Costs Account.

5. The Fund Administrator shall calculate each Potentially Eligible Claimant's Tentative Claim as follows: If the sum of Recognized Losses for all Potentially Eligible Claimants is greater than the Distributable Amount, first divide the Distributable Amount by the sum of Recognized Losses for all Potentially Eligible Claimants. Multiply this result by the Potentially Eligible Claimant's respective Recognized Losses. Example: Assume Investor A has Recognized Losses of \$50,000.00. If the Distributable Amount is \$18,750,000.00, and the sum of all Recognized Losses is \$20,000,000.00, the Distributable Amount would be 93.75% of the sum of all Recognized Losses. Investor A's Tentative Claim would be 93.75% of \$50,000.00 or \$46,875.00.

6. If the sum of Recognized Losses for all Potentially Eligible Claimants is less than the Distributable Amount, each Potentially Eligible Claimant's Tentative Claim will be equal to his, her or its Recognized Losses, as defined above.

7. A Potentially Eligible Claimant whose Tentative Claim does not meet or exceed the De Minimis Amount will not become an Eligible Claimant and will not receive a Distribution.

8. A Potentially Eligible Claimant whose Tentative Claim meets or exceeds the De Minimis Amount shall become an Eligible Claimant and the Tentative Claim shall become an Approved Claim. In the General Distribution, the Fund Administrator will disburse a Distribution Check to each Eligible Claimant in the amount of the Approved Claim, pursuant to the procedures provided in this Plan.

G. General Distribution

1. Within 90 days of an entry of an order approving the Distributable Amount, the Fund Administrator shall complete its determination of Approved Claims and shall petition the Court for (a) the authority to carry out the General Distribution from the Fair Fund of the Approved Claims to the Eligible Claimants; and (b) an Order directing the Clerk of the Court to issue a check from the CRIS payable to the Fund Administrator in the amount necessary to pay the Approved Claims. The petition shall include a list of all Eligible Claimants, their Approved Claims and the total amount to be disbursed from the Fair Fund in the General Distribution.

2. Upon receipt of the monies from the Clerk, the Fund Administrator shall promptly deposit the funds in a non-interest bearing Distribution Account or in multiple such accounts as may be necessary to ensure that the entire amount deposited is insured by the Federal Deposit Insurance Corporation.

3. Within 15 days following the receipt by the Fund Administrator of the Fair Fund monies from the Clerk, the Fund Administrator shall issue Distribution Checks to each Eligible Claimant in the amount of the Approved Claim. All Distribution Checks shall be mailed with a packet consisting of the following:

- a. Any document or disclosure that may be required by the Tax Administrator concerning the potential tax implications of the Distribution;
- b. A letter, the contents of which shall be approved by the Commission, stating the amount of the principal, Foregone Interest and total Approved Claim; that the payment is a distribution of the Fair Fund established by the Court in this action on motion of the Commission, in accordance with Section 308(a) of the Sarbanes-Oxley Act; that the Distribution Check will be void after 90 days; and the toll-free telephone number to contact with any questions regarding the Distribution; and
- c. A Distribution Disclosure, drafted by the Fund Administrator in consultation with the Commission, which shall also be posted on the ATG Fair Fund Website, and which shall contain the following information:

- i. An ATG Investor who has been determined to be an Eligible Claimant, still holds ATG Securities, and wishes to participate in the Distribution must consent to cancellation of those ATG Securities as a condition of participation in the Distribution.¹
- ii. Negotiating the Distribution Check will be deemed (a) an acknowledgement by such Eligible Claimant of his, her or its understanding that his, her or its ATG Securities will be cancelled as of the date such Distribution Check is negotiated; and (b) consent to such cancellation by such Eligible Claimant.
- iii. An Eligible Claimant who objects to the cancellation of his, her or its currently held ATG shares may not participate in the Distribution, and shall signify his, her or its objection to the cancellation and intention not to participate in the Distribution by declining to cash the Distribution Check and thereafter voiding and/or destroying the Distribution Check.
- iv. An Eligible Claimant who declines to cash a Distribution Check, still holds ATG Securities and opts to continue to hold his, her or its ATG Securities, does so with a high degree of risk, including the risk that the trading price of ATG's common stock could decline, which may lead to losses of all or part of any principal investment in ATG. In making the determination to hold ATG Securities and not to participate in the Distribution, ATG Investors should consider such risks carefully, including a thorough review of all available documents concerning the conduct alleged in this case, any available information regarding ATG's current activities, including, but not limited to, its operation of the Moveldiot.com website, and the allegations in Cruz v. FX DirectDealer, LLC, 11 Civ. 1008 (PAC), filed in the United States District Court for the Southern District of New York.

4. In the event that a Distribution Check was mailed to an Eligible Claimant's last known address and is returned as undeliverable with no forwarding address, the Fund Administrator shall undertake good faith efforts until the Stale Date to locate an updated address for the Eligible Claimant and/or contact the Eligible Claimant to ensure that the intended recipient has a reasonable opportunity to participate in the Distribution.

5. Forty-five (45) days after the Distribution Checks are mailed, the Fund Administrator shall obtain information from the issuing financial institution concerning checks that have not been negotiated but have not been returned as undeliverable or requested to be reissued. The Fund Administrator shall undertake good faith efforts until the Stale Date to contact such Eligible Claimants to ensure that the intended recipients have a reasonable opportunity to participate in the Distribution.

6. Distribution Checks that are undeliverable or are not negotiated by the Stale Date despite the reasonable efforts of the Fund Administrator shall be voided and the issuing financial institution shall be instructed to stop payment on those checks. If an Eligible Claimant's check has not been negotiated as of the Stale Date and has been voided by the Fund Administrator, those funds will be considered abandoned and shall revert to the Fair Fund.

H. Claim Objection Procedure

1. Any ATG Investor who wishes to dispute for any reason the amount of an Approved Claim shall file a Claim Objection with the Court and serve a copy of such objection on the Fund Administrator and the Commission. A Claim Objection shall include the basis for the dispute and must be filed by the Claim Objection Cutoff, which shall be 60 days after the Distribution Check mailing date and which date shall be posted on the ATG Fair Fund Website.

2. Within 30 days after the Claim Objection Cutoff, the Fund Administrator and/or the Commission shall file responses to any Claim Objections filed.

I. Possible Supplemental Distribution

1. Within 30 days following the entry of Orders of the Court issuing a Final Determination of Claim Objections received in conjunction with the General Distribution, or within 60 days after the Stale Date of the last check issued in the General Distribution, whichever is later, the Fund Administrator shall, in consultation with the Commission, take the following steps:

- a. make a determination of the Remaining Distributable Amount, based on the balances, if any, available in the CRIS and the Distribution Account, less any amount, to be determined by the Fund Administrator, necessary to pay Administration Costs.
- b. make a determination as to whether the Remaining Distributable Amount is sufficient to make a Supplemental Distribution.
- c. if the Remaining Distributable Amount is sufficient to make an additional distribution, petition the Court for: an Order authorizing a Supplemental Distribution, including with such petition a list of Eligible Claimants and their Supplemental Claims, calculated as described in subparagraphs i-iii, below; and an Order directing the Clerk of the Court to issue a check from the CRIS payable to the Fund Administrator in any such amount as is available and necessary to pay the Supplemental Claims.
 - i. Only ATG Investors who were Eligible Claimants and who negotiated their Distribution Checks during the General Distribution may be eligible for a Supplemental Distribution.
 - ii. The Fund Administrator will determine each such Eligible Claimant's *pro rata* share of the total amount in Approved Claims actually disbursed during the General Distribution, including through the Claim Objection process. Example: Assume Investor A received and cashed her Distribution Check for \$187,000.00 and the total amount of Distribution Checks cashed in the General Distribution was \$18,700,000.00. Investor A's *pro rata* share of the amount disbursed is .01, or 1%.

¹ On March 11, 2011 the Commission granted the proposed Distribution Plan, if approved, an exemption from the requirements of Exchange Act Sections 13(e) and 14(e) and Rule 13e-4 and Regulation 14E promulgated thereunder, to the extent that the proposed Distribution Plan effects any issuer tender offer, as defined in Rule 13e-4 under the Exchange Act, in connection with the administration of the proposed Distribution Plan.

- iii. The Fund Administrator will then take such Eligible Claimant's *pro rata* share and multiply it by the Remaining Distributable Amount to determine the Supplemental Claim. Example: Assume the Remaining Distributable Amount is \$500,000.00 and Investor A has a *pro rata* share of 1%. Investor A's Supplemental Claim would be \$5,000.00.

2. Within 30 days following the entry of Orders of the Court issuing a Final Determination of Claim Objections received in conjunction with the General Distribution, or within 60 days after the Stale Date of the last check issued in the General Distribution, whichever is later, if the Remaining Distributable Amount is not sufficient to make a Supplemental Distribution, the Commission will move the Court for an Order authorizing the Fund Administrator to remit the Remaining Distributable Amount to the United States Treasury.

3. Within 30 days after entry of a Court Order approving the disbursement of the Supplemental Distribution, the Fund Administrator shall carry out the procedures outlined in Section G., above, to the extent relevant and necessary to effectuate the Supplemental Distribution. Any Distribution Checks mailed in a Supplemental Distribution need not be accompanied by a copy of the Plan or a Distribution Disclosure.

4. Any Eligible Claimant wishing to dispute the amounts awarded or not awarded in the Supplemental Distribution shall file a Claim Objection with the Court and serve a copy of such Claim Objection on the Fund Administrator and the Commission, including in such Objection the basis for the dispute, no later than 60 days after the Order approving the Supplemental Distribution. The Fund Administrator and/or the Commission shall file responses to any Objections filed within 90 days of the Order approving the Supplemental Distribution.

J. Cancellation of Securities

Within 30 days after the entry of an Order issuing Final Determinations on any Claim Objections, or after the latest Stale Date of any Distribution Check if no Claim Objections are filed, the Fund Administrator shall deliver to Defendant ATG a list of all Eligible Claimants who negotiated their Distribution Checks and who, by doing so, consented to the cancellation of their shares, so that ATG may take appropriate steps to cancel such shares.

K. The Fund Administrator

1. Upon entry of the Court's Order approving the appointment of the Fund Administrator, the Fund Administrator shall have the following rights and responsibilities:

- a. The Fund Administrator, in consultation with the Commission staff, shall oversee the administration of the procedures, claims, and distributions as provided in the Distribution Plan.
- b. The Fund Administrator shall file with the Court the Commission's required quarterly Standardized Fund Accounting Report ("SFAR").
- c. Within 90 days after the entry of an Order issuing Final Determinations on any Claim Objections, or after the latest Stale Date of any Distribution Check if no Claim Objections are filed, the Fund Administrator shall file its final report and SFAR.
- d. The Fund Administrator shall provide the Tax Administrator with any information needed relevant to the performance of its responsibilities as Tax Administrator, including the preparation and filing of any necessary tax returns and calculation of the amount of taxes due. The Fund Administrator may pay taxes and the Tax Administrator's fees related to its performance out of the funds discussed in Section L., below, upon the Commission's application to the Court and pursuant to further order of the Court.
- e. The Fund Administrator is entitled to receive compensation at the Fund Administrator's standard hourly rates, up to \$53,000, and other reasonable and documented costs and expenses incurred in performance of its duties under this Plan. The Fund Administrator may pay all such compensation, fees and costs out of the funds discussed in Section L., below, upon application to the Court and pursuant to further order of the Court.
- f. The Fund Administrator is excused from all legal requirements to post a bond or give an undertaking of any type in connection with the Fund Administrator's duties and obligations under the Plan.
- g. The Fund Administrator is entitled to rely on all outstanding rules of law and court orders, and shall not be liable to anyone for good faith compliance with any order, rule, law, judgment, or decree, including the orders of this Court. In no event shall the Fund Administrator or the Commission be liable for information provided or not provided by a transfer agent, Financial Intermediary, Defendants, ATG Investor, or any other individual who asserts a claim. The Court retains exclusive jurisdiction over all claims arising in connection with the Distribution, including, but not limited to, claims against the Fund Administrator asserting liability for violation of any duty imposed under this Distribution Plan.
- h. The Fund Administrator shall provide no tax advice to any Eligible Claimant. Each Eligible Claimant shall be responsible for obtaining his, her or its own tax advice with respect to any Distribution from the Fair Fund.
- i. The Fund Administrator may be removed at any time by the Court, and replaced with a successor. In the event the Fund Administrator decides to resign, the Fund Administrator shall first give written notice to the Commission and the Court of such intention to resign, and the resignation shall not be effective until the Court has appointed a successor. The Fund Administrator shall then follow instructions provided by its successor to the Court.

L. Administration Costs

1. Administration Costs are to be paid from interest income earned on the Fair Fund. Administration Costs in excess of the interest income earned on the Fair Fund will be paid by Defendant ATG, up to a maximum of \$500,000.00 (together with interest and income on such amounts, less any applicable fees thereon) pursuant to the Stipulation and Order entered January 24, 2011. This amount shall constitute the Administration Costs Fund. Administration Costs in excess of the interest income and the Administration Costs Fund are to be paid from the Fair Fund.

2. Defendant ATG will fund the Administration Costs Fund in two deposits: first, on or before the October 15, 2011, ATG will deposit \$251,013.13, into the CRIS; and second, on or before November 15, 2011, it will deposit into the CRIS the balance of \$248,986.87.

3. Within 15 days after the second deposit of the Administration Costs Fund, the Fund Administrator shall apply for an order approving the transfer of the \$500,000.00 to the Administration Costs Account, an interest-bearing Escrow Account with the Fund Administrator as Escrow Agent. The costs of such Escrow Account will be added to the Administration Costs.

4. To the extent that Administration Costs are paid directly by Defendant ATG at the request of the Fund Administrator or the staff of the Commission, those payments shall be credited to Defendant ATG when the Distribution is complete. It shall be the burden of ATG to retain appropriate records substantiating the direct payment of Administration Costs, including invoices, payment records, description of such costs, and the requests and approvals of the Fund Administrator or the staff of the Commission. At the request of the Fund Administrator or the Commission, Defendant ATG shall provide to the Fund Administrator and the Commission its records and accounting of any direct payments.

5. Within 30 days after the Fund Administrator files its final accounting as required above in Section K., the Commission shall apply to the Court to return to ATG the portion of Administration Costs Fund, plus any interest and income thereon, that was not used and is not necessary to pay Administration Costs. Defendants shall file any objections to the Commission's application pursuant to this paragraph within 30 days thereafter.

6. No portion of the Administration Costs Fund shall be returned to ATG prior to the completion of any Distribution under this Plan, including Final Determination of all Objections, the filing by the Fund Administrator of its Final Accounting, and the completion of substantially all of the administrative duties pertaining to the Fair Fund.

M. Adjustments and Amendments

1. To carry out the purposes of the Distribution Plan, the Fund Administrator may make adjustments to the Distribution Plan, consistent with the purposes and intent of the Distribution Plan, as may be agreed upon between the Fund Administrator and the Commission.

2. The Commission reserves the right to propose amendments to the Distribution Plan at the request of the Fund Administrator, or on its own initiative. The Court retains jurisdiction over this matter for the purpose of ruling on any such proposed amendments and for any and all other matters that may arise under or relate to the Distribution Plan.

N. Remittance to Treasury

If for any reason, monies remain in the Distribution Account after six months from the latest Stale Date of any Distribution Check, and after the return to ATG of any excess Administration Costs Deposit as described in Section L., above, the Fund Administrator shall, after consultation with the Commission and without further order of the Court, pay such funds to the Commission for deposit into the United States Treasury. Payments pursuant to this paragraph shall be delivered or mailed to the Securities and Exchange Commission, Office of Financial Management, 100 F Street NE, Mail Stop 6042, Washington, D.C. 20549, and shall be accompanied by a letter identifying the Fund Administrator; setting forth the title and civil action number of this action and the name of this Court; and indicating that payment is made pursuant to this Plan and the Court's Order approving this Plan and that the funds are being paid for deposit by the Comptroller, Securities and Exchange Commission, into the United States Treasury. The Fund Administrator shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. Upon receipt of such funds from the Fund Administrator the Commission's Office of

Financial Management shall promptly remit the funds to the United States Treasury.

Dated: New York, New York
March 15, 2011

Respectfully submitted,
SECURITIES AND EXCHANGE COMMISSION

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