

Information Sheet for Distribution Fund Cases

This information sheet should be used to provide information in Court and Administrative SEC actions where a Receiver, Distribution Agent, Distribution Fund Administrator, Independent Distribution Consultant or similar designated person has been appointed. Before furnishing the information, please take a look at the type of information we have posted on the SEC's Investors Claims Funds page <<http://www.sec.gov/divisions/enforce/claims.htm>>. After you have completed this sheet, please email it to Bob Greene in the Office of Investor Education and Advocacy at greener@sec.gov. If you have any questions, you can contact Bob at (202) 551-6331.

Name of case:

SEC v. Watermark Financial Services Group, Inc., at al., 08 CV 361(S)(WDNY)

Name(s) of trial or other attorney on case with phone extension(s):

David Stoelting
212-336-0174

Brief synopsis of case:

This is an offering fraud and Ponzi scheme case filed in May 2008 against Guy Gane, who orchestrated the scheme, and Lorenzo Altadonna, Deborah Galas and Thomas Brick, the registered representatives who sold the fraudulent notes with Gane. The notes were issued by Watermark Financial Services Group, Inc., Watermark M-One Holdings, Inc., M-One Financial Services, LLC, and/or Watermark Capital Group, LLC ("Watermark Entities"), which were owned and controlled by Gane. These defendants sold approximately \$6 million of the fraudulent, unregistered notes to approximately 95 unsophisticated investors, a number of whom were senior citizens or near retirement age.

On February 14, 2012, Chief Judge Skretny of the US District Court for the Western District of New York granted the SEC's motion for summary judgment against the defendants and relief defendants, and final judgments have been entered against all parties.

On May 1, 2013, Chief Judge Skretny approved a distribution plan.

If are invested in any of the offerings of the Watermark Entities and experienced a financial loss, please complete the Proof of Claim form and send the completed form, along with any documents, to the Distribution Agent.

Litigation release number(s):

20576 (3/15/08)
20583 (5/19/08)

Name of person designated to handle distribution with telephone number and email:

David Stoelting, Senior Trial Counsel, New York Regional Office (212-336-0174;
stoeltingd@sec.gov) , has been appointed by the Court as the Distribution Agent.

Website address (if any) set up for investors participating in the distribution:

n/a