

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
ANDERSON/GREENWOOD DIVISION**

IN RE: RECEIVER FOR) Civil Action No.: 8:12-cv-02078-JMC
RONNIE GENE WILSON AND)
ATLANTIC BULLION & COIN, INC.)
_____)

PLAN FOR CLAIMS ADMINISTRATION AND DISTRIBUTION OF PROCEEDS

The provisions of this Plan shall govern and control the resolution of the Claims of Investors and Creditors of Ronnie Gene Wilson (“Wilson”) and Atlantic Bullion & Coin, Inc. (“AB&C”) and their related entities, as well as distribution of the Receiver Estate. These Claims arise from the operation of a Ponzi scheme orchestrated by Ronnie Gene Wilson who is currently incarcerated. Any and all objections by any person affected herein must be submitted and postmarked by February 12, 2016. A hearing on any timely but unresolved objections is set for March 14, 2016 at 10:00 am. Only unresolved objections properly submitted by February 12, 2016 will be heard at the March 14, 2016 hearing. The Receiver intends to make an initial distribution of **\$7 million** to those Claimants determined to be eligible for an initial distribution. A second distribution, if allowed, will occur in the future. This Plan adopts the Rising Tide theory of distribution which is designed to return more money to Claimants who never received money or other benefits from Wilson and/or AB&C than those that did receive money or benefits.

SECTION 1: DEFINITIONS

Certain terms are defined in the substantive provision of this Plan. The following terms, as used throughout the Plan, are defined as follows:

RECEIVER: Beattie B. Ashmore, Esquire.

RECEIVER TEAM: Beattie B. Ashmore, Esquire and his associated staff including The Tollison Law Firm, P.A.

WILSON: Ronnie Gene Wilson individually and doing business as: Republic Bullion & Coin, Inc; Henry & Crowder Family Ltd. Partnership; Henry & Crowder, LLC; Bailey & Rice Family Ltd. Partnership; Live Oak Farms; Smallwood Family Trust; Professional Planning of Easley, LLC; Wallace Lindsey Howell and all businesses and/or trusts owned or controlled by Howell including, but not limited to, Julie A. Asset Management Trust, the Kingdom Estate Trust, Wallace Lindsey Howell Trust, Bill Porter Construx Home, WMA World Marketing, Upstate OSR, Protective Solutions, and RHYS & Company, LLC; Tracy Neily and all businesses and/or trusts owned or controlled by Neily including, but not limited to, the Atwell Family Trust; Gordon L. Hall and Benton T. Hall (“Halls”), limited solely to the Halls’ financial connection to Howell, Wilson and AB&C and the corresponding criminal convictions, and their subsidiaries, successors and assigns.

AB&C: Atlantic Bullion & Coin, Inc. doing business under its own name and doing business as: Republic Bullion & Coin, Inc.; Henry & Crowder Family Ltd. Partnership; Henry & Crowder, LLC; Bailey & Rice Family Ltd. Partnership; Live Oak Farms; Smallwood Family Trust; Professional Planning of Easley, LLC; Wallace Lindsey Howell and all businesses and/or trusts owned or controlled by Howell including, but not limited to, Julie A. Asset Management Trust, the Kingdom Estate Trust, Wallace Lindsey Howell Trust, Bill Porter Construx Home, WMA World Marketing, Upstate OSR, Protective Solutions, and RHYS & Company, LLC; Tracy Neily and all businesses and/or trusts owned or controlled by Neily including, but not limited to, the Atwell Family Trust; Gordon L. Hall and Benton T. Hall (“Halls”), limited solely to the Halls’ financial connection to Howell, Wilson and AB&C and the corresponding criminal convictions, and their subsidiaries, successors and assigns.

INVESTOR: Any known person or entity that invested money into a Wilson and/or AB&C account for the purported purpose of purchasing silver bullion or similar purpose.

COURT-APPROVED PROOF OF CLAIM FORM (“POC”): The Proof of Claim form approved by the United States District Court on July 15, 2014 used to submit a Claim to the Receiver and received by the Receiver, that indicates an Investor’s intent to claim money from the Receiver Estate.

UNTIMELY POC: A POC postmarked after the Court-imposed October 15, 2014 deadline for submission.

CLAIMANT: Someone who has submitted a POC to the Receiver, whether individually or jointly.

CLAIM: That which is generated from submitting a POC to the Receiver and has an accompanying Claimant number.

COURT: The United States District Court for the District of South Carolina, Anderson/Greenwood Division, the Honorable J. Michelle Childs, presiding.

PLAN: This Plan for Claims Administration and Distribution of Proceeds.

RECEIVER ESTATE: All money and assets that have been or will be seized and/or acquired by the Receiver and are in the custody and control of the Receiver.

RECEIVERSHIP ORDERS: The Orders appointing the Receiver entered on June 13, 2012, July 25, 2012, superseded on October 17, 2012, February 14, 2013, January 13, 2015 and October 29, 2015.

ACTUAL INVESTMENT: The total principal amount of money invested in a Wilson/AB&C account for the purported purpose of purchasing silver bullion or similar purpose that has been **verified** by the Receiver.

ACTUAL RETURN: The amount of money from Wilson, if any, paid to or for the

benefit of a Claimant that has been **verified** by the Receiver. The Actual Return includes any and all payments, including but not limited to, investment account withdrawals, commission fees, gifts, early payouts, or otherwise.

NET LOSS: The calculated difference between the Actual Investment and the Actual Return. **THIS IS NOT THE AMOUNT YOU WILL RECEIVE.** *The amount of distribution for each claim will be less than the Net Loss and under no circumstances will it be possible to recover all losses due to the nature of the case.*

SCHEDULE OF NET LOSS AMOUNTS: Schedule attached to the Plan that lists the Receiver's calculations, determinations and/or recommendations for each Claim. This Schedule will **NOT** list the amount you will receive in the initial distribution. This number will be determined at a later date after the Court decides which POCs and creditor's claims will be allowed.

CREDITORS: All potential creditors of Wilson.

OBJECTION FORM: The form used by a Claimant to submit objections with regard to the Schedule of Net Loss Amounts and the information contained therein.

SECTION 2: CLAIMS ADMINISTRATION

Section 2.1: Notice

Investors

On or about July 15, 2014, the Receiver mailed a Court Approved Proof of Claim form to all known Investors. Additionally, the Plan is on the Receiver's website: www.receiverwilsonabc.com. These notifications, coupled with the various communications provided for in the Plan, are reasonable and sufficient notice to all persons and entities regarding the Receiver's claims administration and funds distribution processes. Any and all written notices or other communications shall be delivered by First Class U.S. Mail to the address of record of all Claimants. Delivery shall be deemed effective three days after the date of mailing. **Claimants are responsible for keeping the Receiver informed as to their current mailing address.**

Creditors

In addition, this Plan will be published to all known Creditors. All Creditors have until February 12, 2016 to submit a claim to the Receiver, along with supporting documentation. There are no known creditors at this time.

Section 2.2: Submission of Claims

The Receiver has concluded the process of reviewing the POCs. The deadline for submission was October 15, 2014 and the Receiver received 534 timely submitted POCs. It was

the Claimants' responsibility to make sure that their POC was properly and timely submitted and that all required documentation was provided. As part of the review process, the Receiver Team sent approximately 100 deficiency letters to Claimants who submitted inaccurate or incomplete POCs. Any Claim that was fraudulent, failed to conform to the requirements set forth in the POC, or failed to cure noted deficiencies will be recommended for disallowance.

Section 2.3: Untimely POCs

The Court set a bar date of October 15, 2014 for submission of a properly executed POC to the Receiver. Despite this clear deadline, the Receiver received approximately 10 Untimely POCs. As stated in the July 15, 2014 letter to investors attached to the POC, for "good cause" shown, the Court may allow POCs submitted after the October 15, 2014 deadline. The Schedule of Net Loss Amounts specifies those POCs that are untimely. Any Claimant whose POC is identified as untimely **MUST** provide "good cause" in writing by February 12, 2016, by submitting an Objection Form as set forth in Section 3 below. Objection Forms purporting to state "good cause" for an Untimely POC submitted to the Receiver will subsequently be filed by the Receiver with the Court. No Untimely POC will be considered by the Receiver unless the Court orders the POC to be allowed for good cause shown. If no objection is filed, the Receiver will recommend disallowance of the POC.

Section 2.4: Claims Analysis

The Receiver and/or members of the Receiver Team have reviewed and analyzed each POC to determine its validity and correctness. The Receiver Team used the information provided by the Claimant and other information available to the Receiver Team, including, but not limited to, bank records and the records of Wilson and AB&C and Professional Planning of Easley, LLC, cancelled checks, and other information gathered during the investigation.

The Schedule of Net Loss Amounts contains the Receiver's recommendations regarding the Name as it will Appear on Check, the Actual Investment, the Actual Return and resulting Net Loss relevant to each Claim. The recommendations entered into the Schedule of Net Loss Amounts are listed alphabetically with the associated Claimant number. These amounts **do not reflect the actual amount a Claimant will receive for each Claim.** They simply reflect the calculation of monies invested less money received, if any.

In addition, there are a number of POCs for which the Receiver is recommending disallowance based on various legal and/or equitable reasons. The Claims for which the Receiver is recommending disallowance and the reason for such recommendations is contained in the Schedule of Net Loss Amounts.

Additionally, POCs that have been identified as untimely can be determined by referencing the Schedule of Net Loss Amounts. See Section 2.3 of this document.

After the time for submitting written objections has passed on February 12, 2016, and a final determination is made by the Court at or after a hearing scheduled for March 14, 2016 with regard to information set forth in the Schedule of Net Loss Amounts, the Receiver will then be

able to calculate the amount of initial distribution for each allowed Claim.

SECTION 3: RESOLUTION OF OBJECTIONS

If the Claimant **AGREES** with the information set forth in the Schedule of Net Loss Amounts, **NO FURTHER ACTION IS REQUIRED BY THE CLAIMANT.**

If a Claimant **DISAGREES** with any of the following:

- (1) the Name as it Appears on Check,
- (2) the Actual Investment,
- (3) the Actual Return, and/or
- (4) the recommendation that a POC be disallowed for any reason,

the remaining provisions of Section 3 shall govern the process for resolution of the dispute.

In addition, all Claimants whose POCs were untimely and would like to have the United States District Court allow their POC to be considered by the Receiver must proceed in accordance with the remaining provisions of Section 3.

Section 3.1: Objection Form

Along with the Plan, each Claimant will receive an “Objection Form” that must be completed by anyone (including those whose POCs have been identified as untimely and those Claimants for whom the Receiver is recommending disallowance) objecting to the information set forth in the Schedule of Net Loss Amounts, including the Name as it Appears on Check, the Actual Investment, and/or the Actual Return as well as the Receiver’s recommendation for disallowance of a POC. A separate Objection Form **must** be submitted for each Claim for which there is an objection.

Additionally, all Claimants whose POCs were untimely **MUST** submit an Objection Form indicating “good cause” (why the late filed claim should be allowed). Failure to submit an Objection Form will result in disallowance of an Untimely POC and waives any further objection to such disallowance.

The Objection Form will also be available on the Receiver’s website, www.receiverwilsonabc.com.

Section 3.2 Submission of Objection Form

The Objection Form, along with all required supporting documentation, shall be mailed to:

Beattie B. Ashmore, Receiver Wilson-AB&C
PO Box 9019
Greenville, SC 29604
Attn: Claim Dispute

Only Objection Forms sent to the above address will be considered. Objection Forms should **not** be filed with the Court, nor sent to The Tollison Law Firm, The Law Office of Beattie B. Ashmore, or the United States Attorney's Office.

The Objection Form **must** be postmarked by February 12, 2016. Failure to timely submit an Objection Form shall terminate any right to object to or otherwise contest the information set forth in the attached Schedule of Net Loss Amounts.

Each Claimant, after proper and timely submission of their Objection Form, is encouraged to call the Receiver's staff at 864-271-8200 to determine if a resolution can be reached. All Objection Forms that are not resolved prior to the hearing will be filed with the Court by the Receiver for consideration and adjudication at or after the hearing scheduled on March 14, 2016.

Section 3.3 Resolution of Objections by the Court

Any Claimant whose Objection Form cannot be resolved by agreement with the Receiver prior to the March 14, 2016 hearing will be heard and the dispute decided by the Court at or immediately following the hearing. Only timely submitted Objection Forms will be considered. As to unresolved Objection Forms, failure to appear at the March 14, 2016 hearing is a waiver of any objections including those to the attached Schedule of Net Loss Amounts.

Additionally, as noted above, any Creditor who fails to submit a claim and attend Court on March 14, 2016 waives any claims to the Receiver Estate.

Section 3.4 Notice Regarding Resolution of Objections Forms and Related Proceedings

Anyone who has submitted an Objection Form shall be entitled to notice only with respect to the adjudication of that particular Objection Form and shall not necessarily be entitled to notice of any other proceedings related to the action.

SECTION 4 – DISTRIBUTION

Section 4.1 Approval of Claims by the Court

Within 20 business days after the final determination by the Court with regard to all unresolved Objection Forms in accordance with Section 3 above, the Receiver shall file with the Court an Amended Schedule of Net Loss Amounts and Initial Distribution Amounts. All allowed Creditor claims will also be included in the Amended Schedule of Net Loss Amounts and Initial Distribution Amounts. This Amended Schedule of Net Loss Amounts and Initial Distribution Amounts will set forth the Court's final determination of Actual Investment, Actual Return and resulting Net Loss as well as a final determination with regard to the allowance or disallowance of POCs for legal and/or equitable reasons and the allowance or disallowance of Untimely POCs. In addition, based upon the method of distribution set forth below, a calculation will be made and an amount will be provided as to the amount of the initial distribution for each

allowed Claim. **THIS WILL BE THE AMOUNT YOU ARE TO RECEIVE IN THE INITIAL DISTRIBUTION.**

Section 4.2 Priority and Payment of Claims and Other Expenses.

Claims will be prioritized and paid as follows:

(a) **Administrative Expenses.** In accordance with the terms of the Receivership Orders, the Receiver has paid and will continue to pay expenses associated with the administration of the Receiver Estate. These expenses include, but are not necessarily limited to, professional fees and expenses, which have been and will continue to be subject to Court approval. The Receiver will establish as a reasonable reserve an amount necessary to pay future professional fees and expenses to be incurred in managing and liquidating assets, bringing and defending lawsuits and appeals, recovery of assets, conducting depositions and other discovery, review and analysis of additional financial documents and records and concluding the activities in this Receivership.

(b) **Tax Liabilities.** To the extent there are any outstanding and published tax liabilities for Wilson or AB&C, the Receiver will reserve enough money from the initial distribution to pay any tax liabilities of Wilson or AB&C.

(c) **Claims of Investors and Unsecured Creditors.** Claims of Investors and unsecured Creditors are general unsecured claims against the Receiver Estate and shall be paid with equal priority. The funds in the Receiver Estate are insufficient to pay these claims in full. A large amount of the money acquired by Wilson and/or AB&C was spent or is unaccounted for despite the Receiver's efforts to locate and recover the same. As such, Claims will be paid based upon the distribution method set forth below.

Section 4.3 Distribution

(a) As soon as reasonably practical after the Court's approval of the Amended Schedule of Net Loss Amounts and Initial Distribution Amounts, the Receiver will make distributions in accordance with this Plan.

(b) The amount to be paid to each Claimant will be calculated using the "Rising Tide" methodology, which is more fully explained below. This method has been approved by the Courts and used effectively in other Federal Receivership cases in the District of South Carolina. In sum, the amounts of distribution shall be determined using the following formula:

(Amount to Distribute) DIVIDED BY (Total Actual Investments made by all allowed Claimants) MULTIPLIED BY (the Actual Investment associated with each Claim) MINUS (Actual Return associated with each Claim).

The Receiver will make the initial distribution and other distribution(s) (with approval to make the supplemental distribution a "final" distribution), as set forth below. For each distribution, the above formula will be applied as many times as needed until all of the "Amount

to Distribute” is utilized. This method of distribution treats all payments defined within the term Actual Return as if they came from the Receiver Estate in a distribution.

Furthermore, if the Actual Return is equal to or greater than the percentage of the Actual Investment being paid under this calculation, the Claimant will receive no payment from the Receiver Estate. In other words, if you have already received through Wilson a payout, or otherwise an amount equal to or greater than the percentage of the Actual Investment being paid to Claimants, you will likely receive no distribution from the Receiver Estate.

By way of example only (the figures below have no bearing on what each claimant may ultimately receive):

EXAMPLE 1:

Assuming hypothetically there is \$40,000 for distribution in the initial distribution and there are two Claimants, Claimant A and Claimant B who each invested \$100,000. In this case, the multiplier would be $\$40,000/\$200,000$ and would equal 20%. As such, 20% of the Actual Investment for each Claimant is \$20,000.

Assume also that Claimant A received an Actual Return of \$20,000 from the Ponzi scheme and Claimant B received no Actual Return. Because Claimant A received an Actual Return of \$20,000, he will get nothing in the initial distribution. Claimant B, because he received no Actual Return, will receive \$20,000.

In a subsequent distribution where there is \$2,000 to distribute, the multiplier would be $\$2,000/\$200,000$ and would equal 1%. In the subsequent distribution, each Claimant would receive \$1,000. In total, Claimant A would receive \$1,000 from the Receiver Estate from the subsequent distribution, which when combined with Claimant A’s Actual Return would equal a combined return of \$21,000. Claimant B would also receive \$21,000. However, Claimant B’s total return would come solely from the Receiver Estate through the initial and subsequent distributions.

While the total amount of distribution *from the Receiver Estate* differed for each Claimant, each Claimant ultimately received the same percentage (21%) of their Actual Investment.

EXAMPLE 2:

Assuming hypothetically there is \$40,000 for distribution in the initial distribution and there are two Claimants. Claimant A invested \$50,000.00 and Claimant B invested \$150,000.00. The multiplier would be $\$40,000/\$200,000$ and would equal 20%. In this case, 20% of the Actual Investment for Claimant A is \$10,000 and for Claimant B is \$30,000.

Assume also that Claimant A received an Actual Return of \$10,000 from the Ponzi scheme and Claimant B received no Actual Return. Because Claimant A received an Actual Return of \$10,000, he will get nothing in the initial distribution. Claimant B, because he received no Actual Return, will receive \$30,000.

In a subsequent distribution where there is \$2,000 to distribute, the multiplier would be $\$2,000/\$200,000$ and would equal 1%. In the subsequent distribution, Claimant A would receive \$500.00 and Claimant B would receive \$1,500.00. In total, Claimant A would receive \$500.00 from the Receiver's Estate in the subsequent distribution, which when combined with Claimant A's Actual Return would equal a combined return of \$10,500.00. Claimant B would receive \$31,500.00. However, Claimant B's total return would come solely from the Receiver Estate through the initial and subsequent distributions.

While the total amount of distribution *from the Receiver Estate* differed for each Claimant, each Claimant ultimately received the same percentage (21%) of their Actual Investment.

(c) The Receiver will make a final distribution in accordance with the terms of this Plan upon discovery and/or liquidation of additional assets and the conclusion of the Receivership. The Receiver is currently pursuing Net Winners and others who benefited financially from Wilson and continues to liquidate assets and search for other assets.

Section 4.4 Method of Payment

Distribution payment for each Claim shall be made from the Receiver Estate in the form of a check made payable to the Claimant(s) as it is listed on the Amended Schedule of Net Loss Amounts and Initial Distribution Amounts approved by the Court.

SECTION 5-OTHER RELATED MATTERS

Section 5.1: Acceptance of Payment Effects Release

Upon acceptance of any Distribution payment from the Receiver, any and all asserted and unasserted claims, demands, rights, and causes of action of any nature that a Claimant may have against the Receiver Estate, the Receiver, and/or any member of the Receiver Team shall be deemed to be discharged, released, extinguished, or satisfied. Notwithstanding the foregoing, nothing in this Plan is intended to nor should be construed to release or limit any claims against or obligations of Wilson and AB&C or any other person or entity other than the Receiver and the members of the Receiver Team.

Section 5.2: Limitation of Receiver's Liability for Payments

Without any limitation to the description of limitation of liability afforded to the Receiver and his team in the Court Orders, neither the Receiver nor any member of the Receiver Team shall have any liability to any person or entity for any action taken in good faith in connection

with or related to the administration of the Receiver Estate, including the implementation of this Plan. In the event that such a claim or cause of action is asserted against the Receiver or any member of the Receiver Team, the Receiver or Receiver Team member shall be entitled to a defense by counsel of his or her choice, payable as any other Administrative Expense herein, even if willful misconduct is alleged.

Section 5.3: Checks Not Cashed

Any check issued to a Claimant that is not cashed within 120 days of the date of the check shall be deemed void, and the Claim pursuant to which the check was issued automatically shall be deemed to have been satisfied. With respect to any such voided check, the intended recipient shall have no right or claim of any kind against the Receiver or the Receiver Estate, including any claim for the amount of the intended distribution or any future distribution. The Receiver will make a reasonable inquiry regarding any uncashed checks.

Section 5.4: Final Report

As soon as reasonably practical after making the final Distribution in accordance with Section 4, above, the Receiver shall file with the Court, a Final Report providing the following information:

- (a) The activities engaged in or to be undertaken in winding-up the Receiver Estate;
- (b) A financial statement for the Receiver Estate indicating the receipt and disbursement of money by the Receiver during the course of the Receivership; and
- (c) The process for storing and eventually destroying the books and records of the Receivership, Wilson and AB&C.

Section 5.5: Receivership Orders Remain in Force and Effect

This Plan in no way should be deemed to modify, amend, or otherwise limit the Receiver's ability and authority provided for in the Receivership Orders, including the continued use and administration of the assets of the Receiver Estate.

Having reviewed and considered the within and foregoing Plan in light of the facts and circumstances related to the subject receivership,

IT IS HEREBY ORDERED that the foregoing Plan for Claims Administration and Distribution of Proceeds is hereby **APPROVED**.

IT IS SO ORDERED this 8th day of January 2016.

A handwritten signature in black ink that reads "J. Michelle Childs". The signature is written in a cursive style with a large, stylized initial "J".

United States District Judge

Columbia, South Carolina