NETeller plans to return players funds by July 13th

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The NETELLER Plc Group (LSE: NLR), the independent global online payments business, today announced that it has agreed to a plan for the distribution of funds to its US customers.

NETELLER is continuing to cooperate with the investigation being conducted by the United States Attorney’s Office for the Southern District of New York (“USAO”), under the advice of its legal advisers and in accordance with court orders in the Isle of Man. The Company is in discussions with the USAO for the purpose of resolving the investigation. The Company has advised the USAO that it will use its best efforts to resolve the investigation no later than 13 July 2007.

On 21 March 2007, the Company announced that it signed agreements with the USAO and Navigant Consulting, Inc. (“Navigant”) with respect to, among other things, developing a plan for the distribution of funds to US customers. Since then, in accordance with the agreements, the Company has worked with the USAO and Navigant to develop the plan. The Distribution Plan is now agreed upon, and the Company anticipates implementing the plan upon the resolution of the investigation.

The agreed Distribution Plan details the process and mechanisms for the return of funds to US customers. US customers will be able to access their NETELLER accounts online for a certain time and make a request for their funds. In accordance with NETELLER’s Terms of Use, no interest on account balances will be paid. NETELLER will not charge fees to customers to process requests for funds. Funds will be distributed either by electronic transfer to the bank account on record with NETELLER or by a cheque to be sent to a mailing address as confirmed by the customer. If a US customer has a bank account already registered with NETELLER, funds transfer will be by electronic transfer subject to confirmation by the customer that the registered bank account remains valid. US customers will receive the entire balance of funds in their account; no requests for partial payments will be processed. US customers cannot use their accounts for any transaction other than to request the funds.

Further information will be communicated to NETELLER’s US customers via email, through our website and through a press release once the date for implementation of the Distribution Plan is finalised.

Ron Martin, Group President and CEO said: “The agreement on the Distribution Plan represents a milestone in our cooperation with the lace US authorities. While we are disappointed not to have been able to return funds to our US customers at this point, we believe that the steps we have made in our discussions are significant and we hope to be able to announce further progress with the USAO by 13 July 2007.”

The Company continues to work with Navigant to produce a report to the USAO on the Company’s current financial condition. On 8 February 2007, the Company informed the market that approximately US$ 55 million had been seized by the USAO or otherwise restricted by third parties. After ongoing consultation with the USAO, the Company currently believes this amount could be up to approximately US$ 60 million.

The Company’s shares continue to be suspended from trading on AIM in view of the continuing uncertainties the Company faces although the Company is making progress towards achieving restoration of trading. The Company is also working towards the finalisation of its audited annual results for the year ended 31 December 2006 and will announce the date on which these will be published to the market in due course. NETELLER customers not resident in the US continue to be minimally affected by the withdrawal from the US market.