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October 18, 2004

Mr. Darrin Ulley
Senior Bankruptcy Analyst
Office of the Superintendent of Bankruptcy
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Subject: Tradex Ltd. (In Liquidation) (“the Debtor Company”)

Dear Mr. Ulley,

I write in reply to your letter received by fax in our office on October 15, 2004.

Mr. Tierney is a creditor in an offshore foreign currency exchange scam which operated from the Caribbean Island of Dominica. Unfortunately, Mr. Tierney has received poor advice/information and has undertaken this letter writing campaign which is full of inaccuracies. These actions appear to be fomented by groups wishing to hinder and delay my investigation and the asset recovery process, in what appears to be a fraud involving in excess of US\$100 million.

Mr. Tierney has a fundamental misunderstanding of the nature of the liquidation process in the Commonwealth of Dominica and how those proceedings have international extensions. Unfortunately he chose not to call me to discuss his concerns before contacting you – relying, I believe on the advice of others who are seeking to hinder and delay this process. Calls to those persons are not replied to and I have been hung up on. Canada is one of several jurisdictions into which this matter reaches and is the first in which I have obtained recognition as foreign representative. He has chosen to defy the Montreal court’s order directing any interested party who wishes to rescind, modify, extend, etc. the Montreal order to do so by notice to the liquidator’s Canadian counsel.

The facts are as follows.

Pursuant to a petition filed by three creditors, on April 7, 2004, Tradex was judged insolvent and I was appointed Official Liquidator of Tradex by an order of the High Court of Justice of the Commonwealth of Dominica (Dominica), pursuant to the Companies Act, No. 21 of 1994. I note that corporate appointments are not available in Dominica, which continues the British tradition of personal appointments. A copy of this Order, is available on the liquidator’s web site, www.pwc.com/brs-tradex, as is the order issued by the Superior Court of Montreal. The law firm of Oglivy, Renault, an experienced insolvency firm, acted for me in this matter in

Montreal and raised no issues with the propriety of the application. It is clear that the Court was satisfied with the propriety of the application as it was granted in full.

Under the Dominican Order, I act as an officer of that court with almost identical fiduciary duties to creditors as a Trustee in Bankruptcy under the BIA. Dominica follows the old British practice that personal insolvencies are dealt with under the Bankruptcy Act. Corporate insolvencies are dealt with under the Companies Act. The Bankruptcy Act is not applicable as Mr. Tierney himself points out, and in fact the Companies Act applies, again as he acknowledges. He goes on, quite accurately, to quote from the Companies Act, and I am fully compliant with all of those sections; so I have no idea what his complaint is. The Registrar referred to in his quotes from the Companies Act of Dominica is of course the Registrar in Dominica, not in the Superior Court in Montreal.

The appointing order requires that I identify and realize on the Company's assets and property wherever situate. Tradex had property in the form of books and records that were being held in Canada by a former consultant to the Company, namely Rita Laframboise and/or her company, LMSI Inc., in Montreal. Laframboise is also party to a pre-liquidation action by the Company to recover some \$115,000 USD which I believe to represent the unearned portion of a retainer paid to Laframboise with Tradex funds.

It is with respect to the above mentioned issues with Rita Laframboise that I have properly availed myself of the sections of the BIA (Sec. 267 and 268) that deal with the recognition of a foreign insolvency proceeding and providing assistance in support of that proceeding.

For Mr. Tierney to claim that "this entire matter has been processed through the Bankruptcy Act of Canada" is simply false. His claim that letters from creditors to the liquidator have been ignored is false. I have recently begun to receive letters from creditors, which are form letters written by those seeking to hinder and delay the process, and sent to a group of investors who were encouraged to send the letters to the Liquidator. Most of these letters are received after the 5 day deadline required in the letter, however, I will reply to these letters nonetheless.

I also note that my application to obtain records in Montreal was supported by the Financial Intelligence Unit of the Dominican police force as they are vital to their investigation. They now have access to these records and we are working closely with them. We are also working with the F.B.I. and are sharing information with them. In summary we are co-operating with those investigative authorities looking into this fraudulent activity which is the opposite to the allegation.

I have no idea what his allegations are with respect to banking and bank accounts. As yet, there are no funds in this estate. Once there are, I will open an account as directed by the Order in my name as Official Liquidator of Tradex ie "Marcus Wide, Official Liquidator of Tradex Limited". There will be no co-mingling funds with my personal account.

In order to make current information available to all investors and creditors of Tradex, the website cited above was created and updates have been posted as necessary. I also included an email address and a direct telephone number as contact points for all creditors. The records recovered by the proceeding in Canada are the only records available, and from them my staff has just completed assembling a rough creditor listing. This will assist me in communication, requesting Proofs of Debt and will enable a meeting of creditors to be called in the country of jurisdiction, Dominica, although I am advised by my local counsel that such a meeting is not mandatory. Due to the current absence of funds this meeting may be postponed until this activity can be paid for.

I stand by my actions in this matter and consider Mr. Tierney's allegations in his letter to your office and to other agencies to be defamatory and will consider legal action against him should he continue his course of action.

The issues raised by Tierney are only subject to your jurisdiction to the extent of the Canadian component. This matter has been sanctioned by the Court in Dominica and the Canadian component by the Superior Court in Montreal, and any allegations of shortcomings should be brought there under that Order. Any thing beyond the jurisdiction of the Canadian court should properly be raised in Dominica. I have provided this fuller explanation of the context of these complaints as a matter of courtesy, and as I am a Trustee in Canada, and subject to Canadian jurisdiction in the wider context.

I trust the foregoing to be satisfactory and would be pleased to discuss this matter further at your convenience.

Yours truly,



Marcus A. Wide,
Official Liquidator of Tradex Limited