

**IN THE HIGH COURT OF JUSTICE  
COMMONWEALTH OF DOMINICA  
Suit No. 498 of 2003**

**IN THE MATTER OF TRADEX LTD.**

**AND**

**IN THE MATTER OF THE INTERNATIONAL BUSINESS COMPANIES (IBC)  
ACT NO. 10 OF 1996 AS AMENDED BY THE INTERNATIONAL BUSINESS  
COMPANIES AMENDMENT ACT NO. 13 OF 2000**

**AND**

**IN THE MATTER OF THE COMPANIES ACT NO. 21 OF 1994**

**AND**

**IN THE MATTER OF A PETITION BY ROBERT LOUIS JUDD, THE STEVEN  
W. SHERMAN REVOCABLE TRUST, and ALEX R. CAMPBELL.**

**FIRST REPORT OF THE LIQUIDATOR**

1. This is my report made pursuant to the Order of this Court dated April 7, 2004

**OVERVIEW**

2. Numerous motions and affidavits have previously been filed with this honourable court setting out the history and background of Tradex Ltd. ("Tradex" or the "Company"). In summary based on my own enquiries and information from investigators both in Dominica and the United States the Company appears to have been a massive fraud which has left principally US and Canadian account holders with total losses that may be in the range of US\$120-150 million.
3. In theory, the Company would aggregate account holders' funds and use the personal relationships of Ms. Susan Lok, the designated trader in the Tradex organisation, and her family's influence with United Overseas Bank in Singapore to open a Foreign Currency Exchange ("Forex") trading account with that bank. As yet, I have not seen any evidence that any account was ever opened in Tradex's name at any bank in Singapore and it appears that account holders' funds were in fact removed from Tradex's control and placed in the hands of the Lok family in the carrying out of whatever Tradex's true purpose was. That purpose is yet to be determined, however, I am working with the Dominican

Financial Intelligence Unit and the US Federal Bureau of Investigation in their investigations of Tradex.

4. Account holders were introduced to Tradex by commissioned salespeople who, as is common in a "pyramid", or "Ponzi" scheme, ultimately benefited from payments styled as bonuses, gifts, and payments of accrued, but likely fictitious, foreign currency Forex trading gains. My enquiries to date suggest that these payments were often not disclosed to the individual investors and were secret in nature [Appendix "A"].
5. Based on my enquiries to date, it appears that salesmen or "introducers" received payments of "gifts" and "bonuses" from Tradex funds based on the introduction of new investors, however, the extent of these gifts and bonuses has yet to be fully determined. In addition to being an introducer, at least one salesperson who also invested, appears to have been involved in the management of the Company. Based on an Order in the U.S. Bankruptcy Court in Florida in the Evergreen matter, I believe it is possible that such "gifts" and "bonuses" may be recoverable.
6. Marketing material distributed by Tradex shows that investors were enticed by claims of annual returns of 28%-41%, consistent "phenomenal" trading success rates in the range 80%-90%, and "nearly six full years without having a losing month" [Appendix "B"]. These claims abruptly ceased in March 2003, when account holders were advised in a Tradex website posting that the Company had collapsed and no longer had sufficient capital to trade [Appendix "C"]. Yet even so, ostensibly, the Singapore account had went from a balance of over \$100 million to zero in less than a month, which event was laid at the door of the Lok family by the "management" of Tradex. Based on information received to date and my own enquiries, I believe that Arthur Allen Ferdig was the Principal behind the Tradex matter, although others may have participated in the scheme and benefited from these operations.

#### PREVIOUS RECOVERY EFFORTS

7. In June 2003, Arther Allen Ferdig engaged on behalf of Tradex Ltd., Ms. Rita Laframboise, of Laframboise Monetary Services International ("LMSI"), of Montreal, Quebec, to assist in a "verification process". Tradex paid a retainer to LMSI, which retainer was not completely drawn down.
8. LMSI's mandate, while somewhat unclear, was essentially to trace and recover lost Tradex funds. John McLaughlin, formerly a consultant, commissioned sales agent, and Tradex account holder, was contracted as a consultant by LMSI. Mr. Craik T. Wells, also an account holder, was also engaged to produce a report on LMSI's findings. The report consisted largely of Wells' opinion but no indication as to the whereabouts of Tradex's funds.
9. Under the Tradex/LMSI consulting agreement, approximately eleven boxes of Tradex records were sent from Dominica to LMSI in Montreal by Arthur Allen

Ferdig. At some point, Tradex's and LMSI's objectives diverged and Tradex sought the return of the records and the unspent retainer. LMSI refused to return the information or the retainer.

10. Shortly following my appointment I retained counsel in Montreal, and with the direction of this honourable Court, instructed my counsel to make an application in the Superior Court of Quebec, District of Montreal for recognition in Canada as "foreign representative" under the Canadian Bankruptcy and Insolvency Act.
11. The Montreal Court issued an Order for same on April 30, 2004, enabling me to recover assets and property of Tradex which had been moved to Canada. I was subsequently successful in recovering the eleven boxes of information.
12. It is clear from examination of the records in the boxes recovered in Canada that these are neither primary books of account, do not reflect the Company's day-to-day financial activities, nor account for the inflows and outflows of funds. Rather than be the records of the business, the bulk of the files are the individual files of investors. In my view, no meaningful forensic examination is possible based on these records.
13. I have further instructed my Montreal counsel to seek the recovery of Tradex funds which are frozen in Montreal, relating to the unearned portion of the LMSI contract. To date, I have not received any accounting of LMSI's fees and disbursements, but these are expected to be in excess of US\$200,000.
14. As the person who carried out an investigation into the affairs of Tradex I believe Ms. Laframboise has information that may be of use in the liquidation. This Court has previously authorised her examination for this reason. While she initially agreed to examination, she failed to appear on the scheduled date and has subsequently filed a variety of motions with respect to the recognition of a foreign representative in Canada. So far she has not had proper legal representation which has hindered both a response to her motion and to bring her before the Court for examination. A review of the motion by counsel suggests that it was ill-prepared and ill-founded in law, and in practice. I am not aware as to why she will not co-operate with this process nor the motives behind her opposition. However, she has acted in a physically threatening manner to my Canadian counsel.

#### ASSET AND PROPERTY RECOVERIES

15. No funds have been yet been recovered and paid into the Tradex estate. I have identified accounts belonging to Tradex, and related companies, at Banc Caribe. These accounts have relatively small balances in relation to the overall receipts from investors.
16. The liquidation of Banc Caribe is being overseen by this honourable Court and has suffered several delays due to the assertion of a priority claim by a US Security and Exchange Commission appointed Receiver of a US fraud (the "SEC Receiver"). An application to this honourable Court approving a possible

settlement is pending and will determine the timing of the partial recovery of Tradex funds lodged with Banc Caribe.

17. As mentioned in paragraph 9 above, I have identified a relatively small sum of Tradex funds relating to the LMSI retainer in Montreal and legal action has been taken to recover these funds, to the benefit of Tradex account holders. The amount sought is approximately US \$115,000.
18. As mentioned in paragraph 11 above, I have recovered eleven boxes of information from LMSI in Montreal, Canada. My staff are currently in the process of compiling the full extent of "real dollar" losses which will assist in the adjudication of Proofs of Debt. I have posted this form to the Liquidator's website and have sent notice to all known account holders advising them of the website and that the Proof of Debt form is available and should be completed and returned to me.
19. It is my intention, subject to the limitations of Dominican law, to share information with the Dominican Financial Intelligence Unit and the US Federal Bureau of Investigation to assist those agencies in their respective investigations. This process has in fact started.

#### ACCOUNT HOLDER CORRESPONDENCE

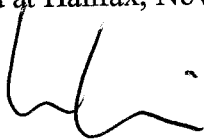
20. I have received several letters which are identical with respect to questions regarding the Tradex liquidation [Appendix "D"]. These letters are being circulated to a sub-set of investors who subscribe to an email list apparently managed by Tradex salespeople. The letters appear to have been an attempt to hinder and delay the liquidation process, circulated by Mr. McLaughlin [Appendix "E"], a former "introducer" and investor who, based on information available to me at this date, received sizeable payments for his "introducing" activities. By a previous Order of this Honourable Court I have the authority to summons Mr. McLaughlin for examination and will do so at the appropriate time.
21. As Tradex is registered as an International Business Company ("IBC") in Dominica, I am precluded from providing the information demanded in the form letters under the IBC Act. I have, nonetheless, replied to all such letters received in my office as a courtesy to investors. [Appendix "F"]
22. Clearly there is much confusion concerning the process of this Liquidation which has perhaps been most forcefully expressed by Mr. William Tierney, an account holder from Massachusetts, USA.
23. Mr. Tierney's letter was directed to the Office of the Superintendent of Bankruptcy in Canada [Appendix "G"] and seven other offices, including three divisions of the Royal Canadian Mounted Police [Appendix "H"]. The allegations made in Mr. Tierney's letter are defamatory and patently false and I have replied to the OSB and to Mr. Tierney directly in order to set the record straight. [Appendices "I" and "J"].

## ONGOING LIQUIDATION PROCESS

24. My immediate concern is to now focus on completing my analysis of the investor files and to determine the total loss to the victims. This information is required for both the administration of the liquidation and the ongoing criminal investigations.
25. There are issues with respect to disclosure of information to investors given the non-disclosure requirements of Section 112 of the I.B.C. Act. I believe that making disclosure to investors is appropriate in the circumstance provided such disclosures do not inhibit the process of asset recovery. While there appears no mandatory requirement for a meeting of creditors, I believe it is appropriate that one be convened once the disclosure issue is resolved and there are funds to support that process.
26. I have already made disclosures of certain information to the F.I.U. and F.B.I. to assist them with their enquiries.
27. I will seek the Court's sanction for making disclosures to investors and investigators.

Respectfully submitted

Dated at Halifax, Nova Scotia, Canada this 27th day of October, 2004



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Marcus A. Wide  
Official Liquidator, Tradex Ltd.

## Appendix “A”

inbox for [redacted]@yahoo.com

Yahoo! - My Yahoo! Options - Sign Out - Help



Mail Addresses Calendar Notepad

lose 10 lbs.

File  
#1167

Reply Reply All Forward inline text

Delete Choose Folder Move

Prev |

Mark as Un

Download  
Printable View - I

Flag This Message

Date: Tue, 11 Jun 2002 17:23:54 -0700 (PDT)

From: "Surname- Ferdig" &lt;[redacted]@yahoo.com&gt; | Block Address | Add to Address Book

Subject: Re: [redacted]

To: "Rachel Ferdig" &lt;[redacted]@yahoo.com&gt;

Hi R,  
I read the [redacted] email and have these comments that  
you can pass along to him:

1. The goodwill bonus program is patterned after a 3-level network marketing concept, but that is where the similarity ends. When we get a referral it is noted in our database and the referral is "hooked" to the referring source to receive an amount equal to 7% of the referral's monthly net. It repeats that function twice more automatically, so that a 5% and a 3% are also rolled up to the original first level source. This is done in the database, but we do not keep track of this function as a downline, and will never print out or reveal the names of investors -- thereby protecting their privacy. The bonus is actually not earned, but is a gift from the Tdx budget.

Therefore we simply leave the math to the database and give the investors anonymity.

2. We do not publish the \$500k and up percentage, as we never offered that level as a category and there are very few investors at that level. However, the percentage is very easy to calculate -- simply divide the monthly earnings by the beginning capital. If you have made withdrawals or capital additions, this will have to be taken into consideration. You may call the office at any time to get the figure our database calculated.

3. Thanks for the info regarding your brother and mother. We will not get involved in any disputes, and will have to honor the signatory power of the party(s) who placed the funds and signed the Capital Management Agreement.

\*\*\*\*\*

Rach, I think the above ought to satisfactorily answer the questions. Tell [redacted] you discussed his email with me.

Thanks and have a good trip.  
AF

--- Rachel Ferdig &lt;[redacted]@yahoo.com&gt; wrote:

[http://us.f134.mail.yahoo.com/ym/ShowLetter?MsgId=5239\\_2709979\\_16250\\_926\\_1522\\_0...](http://us.f134.mail.yahoo.com/ym/ShowLetter?MsgId=5239_2709979_16250_926_1522_0...) 6/12/2002

## Appendix “B”



## OVERVIEW *FROM TRADEX*

End of January 2003

**2003 IS OFF TO A FINE START, DUE IN PART TO THE STRONG upward push of the euro and the Swiss franc.** These two currencies are right now flexing their international buying power muscles, creating some ripples in the marketplace, and turning up the heat on the U.S. dollar. Reasonable marketplace ripples, however, are essential to successful forex trading; for when the market moves and adjusts for value disparities, a trader can make money. This was the case in January. While the dollar was getting beat up a bit, our Trading Administrator executed a total of 141 trades with only 17 losses, which means a winning decision was made 88% of the time!® The profits per trade were modest, but the number of trades added up to an attractive total return. As a result, the new year is off to a solid start.

**NOW...A Review of Administrative Policies:** Recently we had a series of administrative planning sessions to review and upgrade our internal management policies. As a result of these meetings, we have identified and improved several administrative issues, and will soon post our comments on the *TRADEX* website. Also, we are conducting an internal database review to make sure each client's data has been correctly entered. This includes confirmation that the client's referring source is properly identified, good-will bonuses are allocated as originally intended, beneficiary information is current, and our administrative staff is performing its tasks with uniformity and the highest possible standards. With our database evaluations nearly complete, we have identified one or two areas that will require some clarification from certain of our clients. Our questions involve a relatively few accounts, and rather than discuss these issues in this Overview, we will address our concerns to these clients via private communications. If you get a letter or email from our administrative staff in respect to the data we have on file, please respond ASAP with the requested information or your comments. We thank you in advance.

**Improved Customer Services – from Montego Bay:** Last month we gave you an update on the intended transfer of our database operations and certain customer service activities to Montego Bay, Jamaica. This month we can tell you that these services will be provided by a new Jamaican company called Global-Data Financial Systems Ltd. The same key people that have managed the *TRADEX* database so efficiently for the past several years will be instrumental in the management of the new company. This new relationship will provide *TRADEX* with state-of-the-art computerization, encrypted data transmission, multiple firewall security, automatic data and power-supply back-up systems, and greatly enhanced customer communications and services with appropriate privacy. In addition to the powerful data management services provided, we also expect to have a separate customer services department in the same physical location. This department will be responsible for client account management, general accounting and audit services, facilitating money transfers, bank checks, bank wires, and attending to general day-to-day customer needs. We have already begun making some of our monthly financial disbursements through the banking facilities of Global-Data on a trial basis. So far, we are more than happy with the progress of this entire effort, and trust you will soon enjoy the good fruit of these expanded services for yourself.

**Important Reminder about Withdrawals:** We pride ourselves for fast and efficient client services, but we must remind everyone that our client-*TRADEX* Capital Management Agreement requires a 15-day advance notice for withdrawals from client accounts. This is essential because we are no longer accepting new investor funds and keep only a minimal amount of operating capital outside of our trading activity in Singapore. We need this 15-day period of time to bring capital back from Singapore to satisfy withdrawal requests. Please plan your requests for funds accordingly. Thank you for your understanding.

Until next time..... The *TRADEX* Management and Staff

**THE YEAR 2001 HAS COME AND GONE, BUT THE WORLD WILL NEVER BE THE SAME.** Looking back over the months we are reminded of the following headline news stories for 2001:

**AMERICA AT WAR:** At the top of everyone's list, of course, are the unprecedented and murderous September 11 terrorist attacks on the World Trade Center and the Pentagon, which subsequently plunged the United States and a coalition of allies into a worldwide war on terrorism. September 11 is permanently burned into our memory; and the aftermath – inclusive of the U.S.-coalition's military and legislative responses and policies – will directly affect American lives, liberties and thinking for years to come.

**STOCK MARKETS CONTINUE TO FALL:** For the second consecutive year U.S. stock markets registered losses at the final bell. This had not happened in the U.S. since the bear years of 1973-74. There is little doubt that we are in a U.S.-global recession, and where 2002 will take us is yet to be determined.

**FED RATE SLASHED 11 TIMES:** 2001 witnessed a growing slump in U.S. consumer confidence, retail sales and factory production, along with rising unemployment and falling stock markets. This combination of factors motivated Fed Chairman Alan Greenspan to cut the Fed Fund Rate an unprecedented 11 times during the year. From a high of 6.5% on January 1, 2001 the rate fell to 1.75% on December 12. Still the lackluster economy continues to flounder, with no definite end in sight.

**MAKING WAY FOR THE EURO:** In 12 European nations and many affiliated states and territories, 2001 was a year of preparation for introducing the euro as "the currency on the street." 52 billion coins were minted and 14 billion bills printed in a variety of denominations. Many observers expect the 500-euro bill will replace the U.S. \$100 bill as the world's new "bill of choice" for carrying portable wealth. The big changeover from local currencies to euro currency began January 1, 2002. The European goal is to phase out old currencies by March 1. There is a lot of nostalgia, however, attached to old currencies. About 55% of the French, for example, don't want to give up the *franc*, and 67% of the Germans would like to keep the *mark*. Politicians are quick to point out that euro-unity is a major catalyst for political unity, a giant step toward one powerful political voice for Europe. Only Britain, Sweden and Denmark of the remaining European Union nations have opted out of the euro-union at this time. Britain's decision, of course, remains as good news for *TRADEX*, for we actively trade the British pound on a daily basis.

**HOW DID TRADEX FARE IN 2001?** We did very well – and enjoyed another full year without a losing month. Instead of being hurt by world political and economic crises, we remained outside the traditional geo-political investment box and capitalized on market volatility, a key ingredient to our ongoing success. We closed the year with a fine December profit, and the unofficial annual compounded yields for our respective investment categories are as follows:

Accounts Under \$50,000 earned **28.62%**  
Accounts From \$50,000 to \$99,999 earned **32.73%**  
Accounts Over \$100,000 earned **41.34 %**

Simply stated, it was another profitable *TRADEX* year in every respect. Further, we believe the financial markets will continue providing consistent volatility and opportunities for trading well into 2002.

**PLEASE NOTE:** Our Executive Director, Jeff Lockhart, will be taking a six-month leave of absence from our Dominica office and returning with his family to Nassau, Bahamas. The reason? He and his wife, Alisa, are expecting baby #2 in June and prefer to use their very capable lady doctor in Nassau for pre-natal care and delivery. Congratulations to the Lockhart family! Rachel Riotte, who many of you know, and who has very ably filled in for Jeff in the past, will be managing the office in his absence. Jeff, of course, will only be an email or phone call away. Modern communications are wonderful when you need them!  
***Success and good wishes to you all in 2002!***

Until next time..... The *TRADEX* Management and Staff

# OVERVIEW *from TRADEX*

End of October, 2001

**OCTOBER 2001 HAS COME AND GONE. BUT IT WAS A DIFFERENT KIND OF OCTOBER** – one marked by a flurry of international shuttle diplomacy, exploding bombs, anthrax terror, human suffering, military alerts, shaky capital markets, escalating unemployment and fears of a major recession in America. We also witnessed the signing of the largest military aircraft contract in history. Are these unusual times? Yes, without a doubt.

But how, if at all, have these dramatic and frightening world conditions affected *TRADEX*? The answer should come as no surprise, especially if you have been with us for the past several months. Simply stated, *TRADEX* thrives on volatility in the international currency market place. And, although we soundly condemn many of the causes of this current volatility, we will continue to prudently capitalize on the opportunities it provides. So, while the publicly traded equity (stock) markets continue to flounder, our very liquid and conservative forex trading continues to reap profits. In our opinion, we are now living in a time when the wise investor should position himself to take advantage of market volatility rather than relying solely upon long-term equity growth. Our forex spot-trading provides an opportunity for such investment.

**HOW DID WE PERFORM IN OCTOBER?** We traded very cautiously, but still had a positive and very profitable month. **Our Trading Advisor settled 124 trades, with 109 of those trades in the winning column, meaning that a phenomenal 87.9% of our trades made money** and our investors enjoyed another fine month of earnings.

Most of you are now appreciating the convenience of reviewing your monthly statements on the Internet. If you are not yet using this wonderful tool, or are having difficulties accessing the secured site, please e-mail us at [admin@tradex-forex.com](mailto:admin@tradex-forex.com) and our technical support personnel will assist you. **PLEASE NOTE:** *This is the last month we will be mailing or faxing statements unless we receive a personal request from an accountholder to do otherwise. We expect all clients to now review their statements via the Internet. Statements should be posted about 12 days following the end of each month.*

**A REMINDER:** You, as a *TRADEX* client, know that we have chosen to close the door to new investors as of November 20. The reasons were stated in the September OVERVIEW. All existing investors as of that date, however, will continue to have opportunity to add funds to their respective accounts. Also, we have received a great number of new accounts to process, so please be patient. No new accounts will be refused if we have received the request on or before November 20.

**What are our future plans for *TRADEX*?** We intend to continue trading in the forex market for many years to come. And, if current world conditions are any indication of what the next few years may hold, we should have sufficient ongoing market volatility to provide consistent opportunities for profit. There are no guarantees, of course, but we have traded nearly six full years without a losing month. We'll certainly try to keep that record intact.

**Calling at the right time:** We love your phone calls, but please make a note that going off daylight savings time in the U.S. and Canada causes Dominican time to be one hour ahead of N.Y. and four hours ahead of California. This means our office closes at 1:00 PM Pacific Standard Time.

**Once again, we thank you** – our loyal family of clients – for your ongoing support. Your allowing us the opportunity to be good stewards of your capital is what really makes *TRADEX* possible.

Until next time.... The *TRADEX* Management and Staff

**SEPTEMBER WITNESSED A POWERFUL TERRORIST BLOW AGAINST THE UNITED STATES AND THE SOCIAL FABRIC OF THE WESTERN WORLD, PRECIPITATING A STATE OF WAR.** Financial markets staggered, the New York Stock Exchange had its worst week since the 1930's, and the dollar quickly dropped against the euro and other major currencies. *TRADEX* extends its condolences to the families that suffered the loss of loved ones in this tragedy, and shares concern for those who lost businesses and possessions. Thousands of lives were lost, and hundreds of thousands of lives will never be the same, especially if a long and agonizing war is the result.

How did *TRADEX* fare during these weeks of trial? As we have mentioned many times over the past years, the forces that create crises in the world stock or equity markets generally are working in favor of the spot-currency market. We need volatility to create opportunity for profitable trading. And, although we certainly don't wish for a tragedy in order to shake the forex markets, a world-shaking event such as that which struck the United States on September 11 had absolutely no adverse affects on our currency trading capabilities or procedures. We simply positioned our trades to make money when the dollar fell, and to capture the up-side profits when it rebounded a few days later. Naturally, we exercised a great deal of caution, which included selling and taking our profits more frequently than usual, and closing out all positions at the end of every day. Yet, within this cautious framework, our Trading Administrator and staff performed in their usual admirable fashion, executing 140 trades with only 27 losses, meaning that 81% of their trades were profitable. This is a great way to finish the third quarter.

**NOW FOR AN IMPORTANT ANNOUNCEMENT: *TRADEX* management has determined that it will accept no new investors after November 20, 2001.**

There are two main reasons for this decision.

First, we have reached and exceeded our original goals for *TRADEX*. After nearly six full years of trading and experiencing a fine rate of internal and external (new investor) growth, our current internal capital growth rate is sufficient without the need for new investor capital. Stated another way, we now manage over 60 million dollars in the forex market, and internal compounded earnings provide our Trading Administrator sufficient "new capital" to factor into our trading formulas each month. We no longer need new investors to maintain healthy growth.

The second reason pertains directly to new-investor due diligence concerns. In years past, we could accept a new investor and his/her capital without serious concern. Today this is no longer possible. Money laundering laws, know-your-client laws, information-exchange laws, etc., require us to gather and maintain extensive background information on every new client and the source of that client's funds. This task is burdensome now, and thanks to the OECD (a G7 Agency) and the U.S. Treasury, the task will only get more onerous with each passing month or year, especially if the western world is engaged in an anti-terrorist war. If we don't maintain this information, we are contrary to new laws and regulations, and could be unknowingly accepting capital from an undesirable source. If we take no new investors, we reduce our administrative burden and also avoid the possibility of accepting criminal funds that could endanger the viability of *TRADEX* and ruin our ongoing investment opportunity for you, our existing clients. We will not risk the future of *TRADEX*, or your position as a valued client, for the hope of seeking new investors.

Why the November 20th deadline? The end of November marks the end of our sixth full year of trading in the forex market. Therefore the November deadline is appropriate and still allows potential new clients an opportunity to act. If you have been telling others about the benefits of investing with *TRADEX*, do them a favor and let them know that their opportunity to become an investor/client now has a cut-off date. *If you are an existing client, of course, you may continue to add new funds to your account after that date.* This is your privilege. Thank you for being a part of our loyal *TRADEX* family.

Until next time.... The *TRADEX* Management and Staff

## Appendix “C”

of your pain, most all of you have shown us great kindness, understanding, support and encouragement in this very stressful time. We are deeply grateful.

Admittedly, we are pretty emotionally beat up, but our looking back and thinking of how we would do it over won't solve current problems or help anyone. So we are on our feet, dusting ourselves off, determined with Divine help to move ahead, reconstruct the facts and find the truth. Then we will take appropriate actions and also make amends where we can. This we resolve to do.

Thank you for your kindnesses and patience.

Most sincerely,  
The *TRADEX* Management

**Back**

**March 28, 2003**

Dear Investors, Associates and Friends,

Last week we were all shaken by a totally unexpected crisis. Our trader, Susan, reportedly tried to commit suicide by ingesting an excessive dose of pills. We confirmed, via a personal visit to the hospital, that she was in Intensive Care, sedated, but in stable condition and would recover. We thank God that she didn't die. After being discharged from Intensive Care she was transferred to another hospital for a few additional days of recovery and observation, and is now home with her family.

This terrible event has shocked us to the core, and her actions have engendered many questions and grave concerns regarding our collective trading capital. *Tradex* and Susan have had a business relationship for over seven years, and her recent behavior, in our opinion, is totally out of character. Naturally we have sought answers from Susan. Our immediate goal, of course, is to determine the condition of the trading account, and correlate bank records with her trading records. She has shown a desire to be cooperative, but has also indicated that she destroyed many records prior to her suicide attempt and there is insufficient capital left to trade. She has now affirmed that she has an attorney to assist her with these issues.

Naturally we have engaged an attorney and have sought advice from several counselors. Our immediate legal priorities are as follows:

1. Obtaining all bank and trading records from the trading bank in Singapore.
2. Obtaining the personal bank records of Susan.
3. Correlating bank and trading records with Susan's monthly trading reports to ascertain if there are discrepancies.

Requests are in process for the records, and we are hopeful that these will be forthcoming in short order. However, we do not know to what degree the bank(s) will cooperate, or how long this process might take. We may have considerable data to obtain and review before we understand the full picture.

Our legal counsel has advised against speculation of any kind, including reliance upon comments that may have been made by Susan before, during or after her distress. We cannot come to any concrete conclusions until the facts are examined and a full accounting has been made. Therefore, questions that have to do with trading losses, falsification of data, deceit, criminal intent or activity, are all speculative and must be left for the facts to decide.

We have had occasion to personally discuss this crises and our fact-finding efforts with many of you over the past few days, either by telephone or email. You have overwhelmingly expressed your support for us in this difficult time. We deeply thank you for your helpful words of encouragement.

As many of you have suggested, it is our hope that we can find the truth in a non-confrontational way. But we also realize that legal battles may result, wherein international jurisdictional issues, banking and privacy laws and other concerns may need to be addressed. These issues will certainly demand our attention if we find it necessary to file law suits or criminal charges.

We will update this site periodically and discuss these and/or other appropriate issues as we proceed. Your patience is deeply appreciated.

Sincerely,  
The *Tradex* Management

**[Back](#)**

## Appendix “D”



October 10, 2004

Mr. Marcus Wide  
1809 Barrington Street, Suite 600  
Halifax, Nova Scotia  
Canada

PricewaterhouseCoopers  
**RECEIVED**

OCT 14 2004

In re: Tradex Ltd. URGENT

Dear Mr. Wide,

This letter concerns matters related to Tradex Ltd. We investors have been apprised of the fact that you are the trustee in charge of this bankruptcy.

In the context of this bankruptcy I am a creditor having been an investor in Tradex, Ltd. As such I am addressing you at this time in order to obtain the following information:

1. Please send me the required forms with which I can effect a proper claim for my funds.
2. When you questioned Arthur-Allen Ferdig (aka Art Ferdig), did he reveal to you information concerning the locations or disposition of monies which he had obtained from us as investors?
3. When and where has the first meeting of creditors taken place?
4. How many creditors are we to date?
5. Please send me a list of creditors.
6. Where is the administrator of this bankruptcy? I require his name and address.
7. Where and when will the next meeting of creditors take place?

Immediately upon my receiving the above information, I shall take the measures called for in order to follow the process of this bankruptcy, particularly as I intend being present at all creditor meetings.

Please send me the required information at the address below within five days.

Regards,

[Redacted Signature Block]

## Appendix 'E'

**Subject:** Finally something we all can do re: Tradex

Hi folks,

From John. Let's go for it!

Love,

Anila

---

Dear People,

**If anybody wishes to act in one's self interest, the following is of substantial value.**

PriceWaterhouseCoopers tells us that they will take 12 to 24 + months to investigate the Tradex case, and charge us fees for that 'service'.

Why have they tied up the 4.4 million in the Tradex account in Bank Caribe in a civil process of bankruptcy AFTER the criminal investigation and criminal complaints were filed in Dominica? Also, why does PWC still have the 11 boxes of evidence that contain the Tradex client account records tied up in a civil process after the criminal complaints for money laundering were filed by the police in Dominica?

**Simply, The CRIMINAL process takes precedence over the civil process. We now have a criminal prosecutor (see below). If 150+ people rise up and speak in essentially one voice then we may have influence on the prosecutor who works for "us."**

I suspect that many of us as victims of Tradex would prefer to have the FBI do the investigation and recovery and give us back our funds. It costs us nothing. Maybe it is time for us to speak as one voice and let them know this, now. As John, I want to say something very directly...if you are disturbed about the turn of events in regards PWC and their likely substantial billing for services which the FBI is doing quite efficiently and with far fewer jurisdictional problems and at no cost to us, **DO SOMETHING.** No more thinking that somebody else will do it. The somebody elses are quite busy working other aspects of this whole matter so that liability! suits can be brought for our benefit.

**AND HERE'S WHAT TO DO.**

CALL, WRITE, FAX.....

A Federal Prosecutor, Mr. Jason Gonzalez in California, has been assigned to the case. Receptionist - 213-894-2460, fax - [REDACTED] direct - [REDACTED] I suggest everybody call or fax him with these basic points.

When are the FBI and the Prosecutor going to freeze and take back through the criminal process our 4.4 million of Tradex investor funds which is now in the hands of PriceWaterhouse?

When are the FBI and the Prosecutor going to invoke the **criminal** process for getting back the boxes that they can use as evidence in these criminal investigations, boxes that are now in the hands of PWC?

There are almost 200 victim investors who can be reached through this e-mail list. Now that there is a prosecutor assigned to the case maybe the FBI and the Dominican police can freeze the 4.4 million dollars to protect our interests and take the evidence the police themselves need.

Equally involved in all this are the individuals below.

Dominican Financial Intelligence Unit, Patrick George: [REDACTED] and [REDACTED] (Dominica).

F.B.I. liaison Susan Chainer: [REDACTED] (Barbados)

So get on the phone or fax and let the FBI, the Prosecutor, the FIU in Dominica know that we trust that they are capable of handling the case and question whether the role PWC is playing in relation to the whole file is legal and appropriate. That 4.4 million should not be billed against. There has been no need for PWC to be present in this file as their presence is most surely not to the particular financial benefit of the investors. The FBI is doing the work. Period.

**ONLY A STRONG MULTIPLE VOICE IS GOING TO BE HEARD. DO IT. SPEAK UP.**

A little question...had a couple of people just decided at any point to stop bothering with all this, where do you think we'd be? And listen to your inner answer. It's your option to remain on the sidelines or to do something. The something may or may not

have an effect, but it will allow our voices to be heard. After all, the FBI and the Prosecutor work for us, the people. I refrain from mentioning who PWC works for.

John McL.

## Appendix ‘F’

October 22, 2004

Marcus A. Wide, Liquidator  
Tradex Ltd.  
C/O PricewaterhouseCoopers (W.I.)  
Inc.  
1809 Barrington Street, Suite 600  
Halifax, Nova Scotia  
Canada B3J 3K8  
Telephone +1 (902) 491 7400  
Facsimile +1 (902) 422 1166

Dear:

**RE: Tradex Ltd in Liquidation (Tradex)**

I have received your letter which is one of number of identical letters with respect to questions regarding the Tradex liquidation. Clearly there is much confusion concerning the process of this Liquidation which has, perhaps, been most forcefully expressed by Mr. Tierney an account holder from Massachusetts, USA. It might be useful for yourself, and any other investors that you know of, to visit our web site at "[www.pwc.com/brs-tradex](http://www.pwc.com/brs-tradex)" where both the letter from Mr. Tierney expressing his concerns, my response, and an overall discussion on the process of the Liquidation of an International Business Corporation in Dominica are posted. I believe this will clear up much of the misinformation that has been circulating.

In any event, I have an obligation to report to the Court in Dominica, which I expect to have done by October 27<sup>th</sup> 2004. In that reporting I will bring to the attention of the Court the concerns expressed by Mr. Tierney by providing it with a copy of his complaint, and my response. You should also be aware that the application for my appointment was not an arbitrary process. It arose as a result of a petition, on the advice of a specialist international fraud and asset recovery lawyer, to the Court in Dominica, by three substantial account holders who were anxious that every possible avenue for recovery of their investment be pursued.

As Official Liquidator of Tradex Ltd. there are obligations and limitations on my mandate. Firstly, on the advice of legal counsel, I am unable to distribute a full list of creditors, and in fact unable to deliver much information with respect to Tradex. Specifically my legal Counsel has referred me to the provisions of the International Business Companies Act of Dominica (IBC Act) Section 112. I am advised that this provides in sub-section 1(c) that, "*no person who has acquired knowledge in his capacity as or through the office of director, manager, secretary, office agent, or employee of a company incorporated under this act, or as its auditor, or receiver, or official liquidator, shall disclose in any form to any person or government authority whether within or outside Dominica, any information whatsoever in respect of a company incorporated under this Act*". As previously stated Tradex is registered under the IBC Act.

There are two exceptions to this, firstly, disclosure can be made with written authorization of the company. As the company is in liquidation it cannot provide this, and clearly it is not a matter for the Liquidator to provide without the consent of all the account holders who maybe relying on this non-disclosure provision and whose interests may be prejudiced by disclosure. The second exception occurs when disclosure is mandated by a Court of competent jurisdiction in Dominica. The penalty for making improper disclosure is a fine of US\$15,000 for each offence, with the potential of imprisonment for two years.

The Companies Act does not require that a meeting of creditors be called by the Liquidator. However, as noted in my response to Mr. Tierney, I would think it is appropriate that the creditors of Tradex have an opportunity to provide input into the liquidation and express their wishes with respect to the expenditure of the relatively small amounts of money that can be quickly recovered. The essential issue for discussion is, do account holders want a distribution of approximately one or at most two cents on the dollar, and not pursue the funds that have not been accounted for or should part or all of that money be spent in the pursuit of those missing funds. To date the bulk of opinions expressed have been in favour of attempting to recover the unaccounted for funds, and I know that is the desire of the petitioning account holders. However I have to deal with the conundrum of the limitation on disclosure under the IBC Act which is at odds the disclosures that would be part of any meaningful creditors meeting.

It is my view that appropriate disclosures to account holders are useful and that no creditor meeting can be usefully held without a reasonable level of disclosure. At the request of the office of the Attorney General in Dominica, I have already made disclosures to the various police forces investigating the possible criminal aspects of this matter, specifically the Financial Investigation Unit in Dominica and the F.B.I. in the USA. Therefore through my report to the Court I will seek further direction on the disclosure matter, and hopefully I can obtain an Order with respect to making those disclosures that do not interfere with the orderly recovery of assets through the Liquidation process.

With respect to determining claims, my staff has been able to compile a list of account holders from the records recovered in Montreal. I have also posted a "Proof of Debt" form on our website. This form can be downloaded and returned to us. Email filing will not be acceptable as the rules require forms with original signatures be on file with me.

With this background I will deal with the points raised in your form letter under each numbered heading.

1. The forms requested are posted on our website, or can be obtained from our office by writing to the address above or calling +1 (902) 491-7400 and asking for Ms. Chenier.
2. I cannot provide any response to this question in view of the provisions of the IBC Act referred to above.



3. There has been no meeting of creditors.
4. I believe there are approximately 650 account holders.
5. I cannot provide any response to this question in view of the provisions of the IBC Act referred to above.
6. The insolvency/liquidation is administered in Dominica. The Official Receiver in Dominica is the Government Official responsible for oversight of the liquidation provisions of the Companies Act. I do not know who the Official Receiver is.
7. At present the estate is without funds and I do not propose to incur the cost of a creditors meeting until there are funds in the estate and the issue of disclosure is resolved. I anticipate this may be in the range of 90 days from today's date. Any meeting of creditors will be held in the country with jurisdiction over Tradex, that is to say Dominica.

I am happy to cooperate and work with all account holders who have legitimate interest in this proceeding. However, there have been some ill found complaints and questions raised with respect to the conduct of this proceeding. These are not only time consuming but very expensive to deal with and are a burden upon the limited resources in this insolvency which should be put to better use. Therefore, while I'm happy to deal with all legitimate concerns and enquiries, I would once again ask you to review the matters posted on our website with respect to liquidations in Dominica and the matters related thereto, after which, if you still have questions, you may contact me.

Yours truly,

Marcus A. Wide, CA, CIRP  
**Official Liquidator, Tradex Ltd.**

## Appendix "G"



Office of the Superintendent  
of Bankruptcy Canada

An Agency of  
Industry Canada

Bureau du surintendant  
des faillites Canada

Un organisme  
d'Industrie Canada

October 15, 2004

PricewaterhouseCoopers Inc.  
#600, 1809 Barrington Street  
Halifax, N.S., B3J 3K8

Attention: Mr. Marcus A. Wide

Dear Sir:

Re: Tradex Ltd. - Commonwealth of Dominica

Our office was contacted on this date, by the Division office of the Office of the Superintendent of Bankruptcy in Montreal. The reason for the enquiry was related to the above noted company, and more specifically, the application that was made in the Montreal courts under subsection 267 of the BIA.

Please refer to the attached pages, and specifically to the items listed as "Questions regarding Mr. Wide as appointed liquidator in a winding up order". Could you please provide, in writing, answers to these questions, which should clarify your role, and under what authority you are acting.

We thank you for your attention to this matter, and if there are any questions or concerns, please feel free to contact the writer at the number provided below.

Yours truly,

Darrin Ulley

Senior Bankruptcy Analyst

Office of the Superintendent of Bankruptcy

16<sup>th</sup> Floor, 1505 Barrington Street, Halifax, N.S.

Phone: (902) [REDACTED] / Fax: (902) [REDACTED]

e-mail: [REDACTED]@ic.gc.ca

Mail To: Box 940 Station M, Suite 1605, 1505 Barrington St., Halifax, N.S. B3J 2V9

cc: Charles Walker, Division Assistant Superintendent - Halifax  
Mr. Gerry Barberio, c.a. - Official Receiver (by fax only)

Canada



Office of the Superintendent  
of Bankruptcy Canada

An Agency of  
Industry Canada

Bureau du surintendant  
des faillites Canada

Un organisme  
d'Industrie Canada

October 15, 2004

PricewaterhouseCoopers Inc.  
#600, 1809 Barrington Street  
Halifax, N.S., B3J 3K8

Attention: Mr. Marcus A. Wide

Dear Sir:

**Re: Tradex Ltd. - Commonwealth of Dominica**

Our office was contacted on this date, by the Division office of the Office of the Superintendent of Bankruptcy in Montreal. The reason for the enquiry was related to the above noted company, and more specifically, the application that was made in the Montreal courts under subsection 267 of the BIA.

Please refer to the attached pages, and specifically to the items listed as "Questions regarding Mr. Wide as appointed liquidator in a winding up order". Could you please provide, in writing, answers to these questions, which should clarify your role, and under what authority you are acting.

We thank you for your attention to this matter, and if there are any questions or concerns, please feel free to contact the writer at the number provided below.

Yours truly,

Darrin Ulley  
Senior Bankruptcy Analyst  
Office of the Superintendent of Bankruptcy  
16<sup>th</sup> Floor, 1505 Barrington Street, Halifax, N.S.  
Phone: (902) [REDACTED] / Fax: (902) [REDACTED]  
e-mail: [REDACTED]@ic.gc.ca

Mail To: Box 940 Station M, Suite 1605, 1505 Barrington St., Halifax, N.S. B3J 2V9

cc: Charles Walker, Division Assistant Superintendent - Halifax  
Mr. Gerry Barberio, c.a. - Official Receiver (by fax only)

Canada

September 28, 2004.

Attn: Mr. Gerry Barberio, ca  
Official Receiver  
Office of the Superintendent of Bankruptcy Canada,  
5 Place Ville Marie  
Room 800  
Montreal, Québec, Canada  
H3B 2G2

Tel: (514) 283-0545

**URGENT**

Subject: Mr. Marcus Wide BANKRUPTCY TRUSTEE in Tradex

Dear Mr. Barberio,

I am a creditor in this matter.

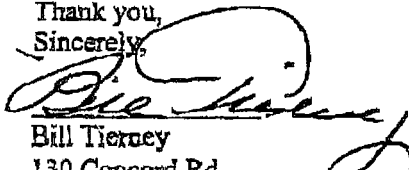
This entire matter has been processed through the Bankruptcy Act of Canada. If you would read carefully report number 1, it is clear that the Commonwealth of Dominica (Dominica) has a Bankruptcy law as well. A copy can be provided to you upon request.

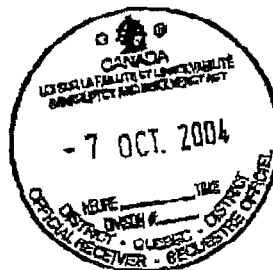
The Commonwealth of Dominica also has a Companies Act, just like Canada. A copy can be provided to you upon request.

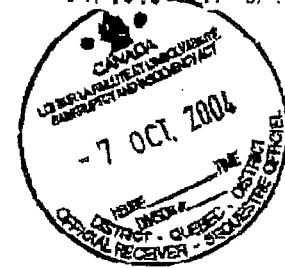
Mr. Wide has obtained appointment under article 267 of the Bankruptcy Act of Canada to be appointed foreign representative, when he was appointed liquidator in Dominica. Ms. Chantal Flamand, registrar in Montreal, Canada, has ORDERED this appointment. Under article 16 of her order we are an interested party and the bankruptcy law does not permit for a Trustee to use an attorney. Therefore we have no reason to send this to an attorney to demand to void. We are bringing this to your attention since you are the Regulator governing such actions. A prompt reply within 5 days would be appreciated.

Letters from Creditors have been sent to Mr. Wide with no response. Bankruptcy and the Trustee are PUBLIC RECORD and nothing has been seen by us or others as Creditors.

Thank you,  
Sincerely,

  
Bill Tierney  
130 Concord Rd  
Weston, Mass. U.S.A. 02493-1340





### MARCUS WIDE AS LIQUIDATOR?

This letter is an introduction to the reports labelled numbers 1, 2 and 3.

To whom it may concern,

This letter is information requested to be addressed upon reception please along with the questions that follow below including reports labelled 1, 2 and 3.

The following information is as follows:

1. Mr. Marcus Wide was appointed as liquidator of Tradex Ltd., in the matter of the Companies Act no 21 of 1994, on April 7, 2004. The REGISTRAR of the High Court of Justice Commonwealth of Dominica for Suit No. 498 of 2003, is unable to be read on the court Document. Tradex Ltd., is a Commonwealth of Dominica company.
2. Article 3 of the order states "The Liquidator shall open and maintain a bank account either in his name as Liquidator.....at the National Bank of Dominica of 64 Hillsborough Street Roseau, Dominica and deposit therein the funds so gathered and realised."
3. The COMPANIES ACT of Dominica states 2 articles that require to be brought to your attention:
  - a. Article 400 (2) "IF A LIQUIDATOR ....REFUSES TO ALLOW ANY INSPECTION PERMITTED THEREBY, HE IS GUILTY OF AN OFFENCE".
  - b. Article 401 (3) "A LIQUIDATOR OF A COMPANY WHICH IS BEING WOUND UP BY THE COURT SHALL NOT PAY ANY SUMS RECEIVED BY HIM AS LIQUIDATOR INTO HIS PRIVATE BANKING ACCOUNT".
  - c. Article 403 (1) "THE REGISTRAR SHALL TAKE COGNIZANCE OF THE CONDUCT OF LIQUIDATORS OF COMPANIES WHICH ARE BEING WOUND UP BY THE COURT...., and,
  - d. Article 403 (2) and 403 (3) "THE REGISTRAR MAY AT ANY TIME REQUIRE ANY LIQUIDATOR OF A COMPANY WHICH IS BEING WOUND UP BY THE COURT TO ANSWER ANY INQUIRY IN RELATION TO ANY WINDING UP IN WHICH HE IS ENGAGED IN....". "THE REGISTRAR MAY ALSO DIRECT AN INVESTIGATION TO BE MADE OF THE BOOKS AND VOUCHERS OF THE LIQUIDATOR."
  - e. The winding up order from Dominica was deposited in the Courts of Montreal, Canada by Mr. Wide to seek a foreign appointment No 500-11-022976-043, April 30, 2004. The Registrar was Chantal Flamand, Tel (514) [REDACTED] ext. 3526, address, 1 Notre-Dame Street suite 5.135, Montreal, Quebec, Canada, H2Y 1B6 and the same was granted as above. Yet Tradex is not under bankruptcy in

Dominica. Tradex is under a winding up order by the court under the Companies Act.

f. Dominica has a Bankruptcy Act. A copy is available upon request. Dominica has a Companies Act. A copy is available upon request. Canada has a Bankruptcy and insolvency Act. Canada has a Business Corporations Act also and under this law article 208 (1) AND (2) states "THIS PART DOES NOT APPLY TO A CORPORATION THAT IS INSOLVENT WITHIN THE MEANING OF THE BANKRUPTCY AND INSOLVENCY ACT OR THAT IS A BANKRUPT WITHIN THE MEANING OF THAT ACT." "ANY PROCEEDINGS TAKEN UNDER THIS PART TO DISSOLVE OR TO LIQUIDATE AND DISSOLVE A CORPORATION IS AT ANY TIME FOUND, IN A PROCEEDING UNDER THE BANKRUPTCY AND INSOLVENCY ACT, TO BE INSOLVENT WITHIN THE MEANING OF THAT ACT."

Questions regarding Mr. Wide as appointed liquidator in a winding up order:

- A. How does Bankruptcy in Canada have anything to do with Mr. Wide?
- B. Mr. Wide has used all articles of the Bankruptcy and insolvency act to obtain Records of Tradex when Tradex is not under Bankruptcy in Dominica, how can Mr. Wide be permitted to do this?
- C. Since Mr. Wide is a licensed Bankruptcy Trusty and accountant in Canada would he have not been required to follow procedures to the appropriate laws?
- D. How could Mr. Wide not depose the companies act in total and the Bankruptcy act of Dominica in the Montreal Courts to properly represent the facts?
- E. Since the Superior courts of Montreal are stating that Tradex is under Bankruptcy how could Mr. Wide then not respond to creditor letters since Bankruptcy in Canada is PUBLIC to all creditors of Tradex Ltd?
- F. MR. Wide addresses his signed letters, on PricewaterhouseCoopers website, TO ALL CREDITORS, why has he not come forward with the required information according to the laws of Canada asked by Creditors?
- G. How can Mr. Wide in Canada be permitted to put funds into his name as liquidator when a liquidator does not exist under bankruptcy laws?
- H. How can Mr. Wide be permitted to do the following under Canadian laws "The Liquidator shall open and maintain a bank account either in his name as Liquidator..." as per the winding up order of Dominica that was accepted in Canada?
- I. How can a licensed accountant like Mr. Wide be permitted to make such representation and allow for these things to occur since he is the one who has applied to the Canadian Courts?
- J. What is really going on here since Reports numbered 1, 2 and 3 herein enclosed outline further matters regarding Marcus Wide in detail?

## Appendix “H”



**Sent:** Wednesday, October 06, 2004 11:37 AM  
**Subject:** Re: Latest Tradex postings failed to reach

**More from Anila**  
Hi folks,

Here are the letters I referred to in the previous email.

Iâ€™ve taken the liberty of printing the first two letters Bill sent, and just giving the addresses of the other folks he sent the same letter to. He didnâ€™t send me the reports he refers to.

Love,

Anila

---

September 28, 2004.

Attn: Mr. Gerry Barberio, ca  
Official Receiver  
Office of the Superintendent of Bankruptcy Canada.,  
5 Place Ville Marie

Room 800  
Montreal, Quebec, Canada  
H3B 2G2

Tel: (514) [REDACTED]

URGENT

Subject: Mr. Marcus Wide BANKRUPTCY TRUSTEE in Tradex

Dear Mr. Barberio,

I am a creditor in this matter.

This entire matter has been processed through the Bankruptcy Act of Canada. If you would read carefully report number 1, it is clear that the Commonwealth of Dominica (Dominica) has a Bankruptcy law as well. A copy can be provided to you upon request.

The Commonwealth of Dominica also has a Companies Act, just like Canada. A copy can be provided to you upon request.

Mr. Wide has obtained appointment under article 267 of the Bankruptcy Act of Canada to be appointed foreign representative, when he was appointed liquidator in Dominica. Ms. Chantal Flamand, registrar in Montreal, Canada, has ORDERED this appointment. Under article 16 of her order we are an interested party and the bankruptcy law does not permit for a Trustee to use an attorney. Therefore we have no reason to send this to an attorney to demand to void. We are bringing this to your attention since you are the Regulator governing such actions. A prompt reply within 5 days would be appreciated.

Letters from Creditors have been sent to Mr. Wide with no response. Bankruptcy and the Trustee are PUBLIC RECORD and nothing has been seen by us or others as Creditors.

Thank you,  
Sincerely,

---

Bill Tierney  
130 Concord Rd  
Weston, Mass. U.S.A. 02293

---

September 28, 2004.

Attn : COMPLAINTS DEPARTMENT

Canadian Association of Insolvency Restructuring Practitioners.  
277 Wellington Street West,  
Toronto, Ontario  
Canada M5V 3H2

Tel: (416) [REDACTED]

Subject: Mr. Marcus Wide. URGENT

To whom it may concern,

Mr. Gerry Barberio, ca, Official Receiver, Office of the  
Superintendent of Bankruptcy Canada., 5 Place Ville Marie, Room  
800, Montreal, Quebec, Canada, H3B 2G2 at Tel: (514) 283-0545,  
stated verbally to some creditors to use his name as reference.

He also stated to mention his name and that you would contact  
him.

He stated verbally that this is not a Bankruptcy. Please refer to  
report number 1 and the rest is self explanatory.

A copy of the Bankruptcy act of the Commonwealth of Dominica  
(Dominica) can be provided upon request. A copy of the Companies  
Act of Dominica can be provided upon request.

We, already victims of one fraud regarding Tradex, are now being  
possibly defrauded by Mr. Marcus Wide who is a resident of  
Halifax and committing possible criminal acts across Canada.

The Registrar, Ms. Chantal Flamand has ordered the foreign  
appointment of Mr. Marcus Wide under article 267 of the  
Bankruptcy act of Canada. To our shock, we hear from Mr. Barberio  
that there is no bankruptcy. We are being defrauded again by Mr.  
Wide as Bankruptcy trustee and as an Accountant? He is required  
to question the party who defrauded us who we are led to believe  
is Bankrupt since Ms. Flamand's ORDER, that is Mr. Ferdig to  
know where our money is and this is of PUBLIC ORDER under the  
Bankruptcy code of Canada.

By using articles 16 through 20 of the Bankruptcy Act of Canada,  
Mr. Wide has also taken evidence away that now hinders  
international criminal investigations with the FBI and with the  
police of Dominica Please read report section 3 of report number  
3.

As a licensed Trustee, Mr. Wide has abused of his license when we  
hear that Mr. Barberio states there is no Bankruptcy and states  
verbally to use his name when contacting you. Now do articles 336  
of the criminal code, 380 and 465 (3) have jurisdiction in this

We would appreciate an answer 5 days upon reception of this letter to the address below:

Regards,

He sent a copy of this letter to

Attn : Marc Michel Rouleau, CA, CFE, CIRP  
Quebec contact forÂ :  
COMPLAINTS DEPARTMENT  
Canadian Association of Insolvency Restructuring Practitioners.

Tel No. (819)

Dear Mr. Marc Michel Rouleau,

September 28, 2004.

Attn : MS. JOANNA L MAUND, FCA  
COMPLAINTS DEPARTMENT  
CANADIAN INSTITUTE OF CHARTERED ACCOUNTANTS Liason for

Director of Standards Enforcements,      The institute of  
Chartered Accountants of Ontario  
Canadian Institute of Chartered Accountants  
277 Wellington Street West  
Toronto ON M5V 3H2 Canada

Tel: 416 [REDACTED]

PREVIOUS LETTER FOLLOWS

September 28, 2004.

Attn : Mr. Mario Bone,  
Commercial Crime Section  
ROYAL CANADIAN MOUNTED POLICE  
1200 Vanier Parkway  
Ottawa, Ontario  
Canada, K1A 0R2

tel: 613-[REDACTED]

Subject: Mr. Marcus Wide.      URGENT

Dear Mr. Bone,

Mr. Gerry Barberio, ca, Official Receiver, Office of the  
Superintendent of Bankruptcy Canada., 5 Place Ville Marie, Room  
800, Montreal, Quebec, Canada, H3B 2G2 at Tel: (514) [REDACTED]  
stated to bring this to your attention immediately and without  
delay.

He also stated to mention his name and that you would contact  
him.

He stated verbally that this is not a Bankruptcy. Please refer to  
report number 1 and the rest is self explanatory.

REST OF PREVIOUS LETTER FOLLOWS

---

Attn : Mr. Morissette,  
Commercial Crime Section  
ROYAL CANADIAN MOUNTED POLICE  
1200 Vanier Parkway  
Ottawa, Ontario  
Canada, K1A 0R2

tel: (613) [REDACTED]

Attn : Mr. Andre Moisan and Mr. Depatie  
RCMP " Royal Canadian Mounted Police  
Investigators,  
Commercial Crime Section,  
4225 Dorchester, Blvd,  
Westmount, QC, Canada, H3Z 1V5

Tel : (514) [REDACTED]

Attn : Mr. Goodyear  
Commercial Crime Section  
ROYAL CANADIAN MOUNTED POLICE  
1200 Vanier Parkway  
Ottawa, Ontario  
Canada, K1A 0R2

tel (613) [REDACTED]

**From:** "anila" <[REDACTED]@earthlink.net>  
**Reply-To:** [REDACTED]@earthlink.net  
**Date:** Mon, 30 Aug 2004 13:18:58 -0700  
**To:** '

**Subject:** Latest Tradex postings failed to reach

Hi folks,

I just was notified that the following addresses failed:

@hotmail.com, @hotmail.com,  
.com

so if any of you know these people, please forward the postings on to them.

Love,

Anila

## Appendix "I"



Marcus A. Wide  
Official Liquidator of Tradex Limited  
c/o PricewaterhouseCoopers Inc.  
1809 Barrington Street, Suite 600  
Halifax, Nova Scotia  
Canada B3J 3K8  
Telephone +1 (902) 491 7400  
Facsimile +1 (902) 422 1166  
Direct Fax +1 (416) 814 3210

October 18, 2004

Mr. Darrin Ulley  
Senior Bankruptcy Analyst  
Office of the Superintendent of Bankruptcy  
Box 940 Station M,  
Suite 1605, 1505 Barrington Street  
Halifax, NS B3J 2V9

**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](http://www.pwc.com/brs-tradex), as is the order issued by the Superior Court of Montreal. The law firm of Ogilvy, 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 i.e. "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**

## Appendix “J”

October 18, 2004

Mr. Bill Tierney  
130 Concord Rd.  
Weston  
Massachusetts  
USA 02493-1340

Marcus A. Wide  
Liquidator of Tradex Limited  
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**Subject: Tradex Ltd. In Liquidation ( Tradex)**

Dear Mr. Tierney,

I write in reply to your various letters filed with Canadian Courts, regulators, professional associations and other parts of PricewaterhouseCoopers which have come to my attention.

It is unfortunate that you chose not to speak or write to me directly with your concerns, as you have a fundamental misunderstanding of the nature of the liquidation process in the Commonwealth of Dominica and how those proceedings may have international implications. Had you done so, I could have responded to your concerns more expeditiously.

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), under 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](http://www.pwc.com/brs-tradex), as is the order issued by the Superior Court of Quebec in Montreal under which I have carried on certain limited activities in Canada. 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 Canadian Bankruptcy and Insolvency Act (BIA). Dominica follows the old British practice that personal insolvencies are dealt with under its Bankruptcy Act. Corporate insolvencies are dealt with under the Companies Act as you have identified. You quote quite accurately, from the Companies Act, but, as I am fully compliant with all of those sections I do not know what your complaint is. The Registrar referred to in the quotes from the Companies Act of Dominica is, of course, the Registrar in Dominica, not in the Superior Court of Quebec in Montreal.

An examination of the BIA in Canada will reveal that a "foreign representative" under Section 267 means "a person, other than the debtor, holding office under the law of a jurisdiction outside Canada, who, irrespective of the person's designation, is assigned....functions....that are similar to those performed by a trustee, liquidator, administrator or receiver appointed by the Court". As a foreign representative falling squarely under that definition, I brought a proceeding solely for the recovery of 11 boxes of records and specific assets in Canada, and will be bringing an application for the examination of a person knowledgeable in the affairs of the debtor (Tradex) as permitted under the Dominican Order. Again these are matters that fall squarely within the jurisdiction of the Court in Canada under section 268 of the BIA. I may make further applications to the Superior Court of Quebec, and Courts in other jurisdictions, to further the objectives of the Orders of the Court in Dominica.

Your assertion that "this entire matter has been processed through the Bankruptcy Act of Canada" is simply incorrect.

Your claim that letters from creditors to the Official Liquidator have been ignored is also incorrect. I have recently begun to receive letters from creditors, which are apparently form letters, sent to a group of investors who were encouraged to send the letters to the Official Liquidator. It appears that the form letters are pre-dated, so that they are being mailed, and therefore received, after the deadline required for response. I am in the process of replying to them nonetheless. All verbal or email enquiries have already been answered.

Contrary to your allegation that I am depriving law enforcement officers of information, I note that my application to obtain records in Montreal was supported by the Financial Intelligence Unit of the Dominican police force, as the records are vital to their investigation. They now have access to these records, and I am working closely with them. I am also working with the F.B.I. and am sharing information with it. In summary, I am fully co-operating with those investigative authorities looking into the affairs of Tradex.

I have no idea what your 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 Ltd". There never has been, nor will there ever be, co-mingling of the estate funds with my personal account.

The records recovered by the proceeding in Canada are the only records currently available other than some records seized by the F.B.I. (The F.B.I. has undertaken to provide me electronic copies of its material). From the records recovered in Canada my staff have just completed assembling a rough creditor listing. This will assist me in communication and in requesting Proofs of Debt which will be sent out in the next week. It 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.

The existence of a claim of Tradex against Banc Caribe was fully understood and confirmed with both the Court in Dominica and the petitioning creditors – prior to my appointment to act in the Tradex matter. Had it not been, I would not have agreed to act.

You should also be aware that I have been a full time insolvency practitioner for 30 years in Canada. I also have approximately 20 appointments of a similar nature to this matter in Dominica, and other formerly British West Indian countries with fundamentally the same laws regarding insolvency.

I encourage you to make personal enquiries, rather than rely on others with a stake in the outcome, with respect to the matters which concern you. If you have continuing concerns, you may speak with me directly.

I will, however, take legal action against you should you persist with your ill founded accusations that are defamatory to my self and my firm.

Yours truly,



**Marcus A. Wide,**  
**Official Liquidator of Tradex Limited**