

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Plaintiffs

- and -

BUCKINGHAM SECURITIES CORPORATION

Defendants

**TENTH REPORT OF
BDO DUNWOODY LIMITED, IN ITS
CAPACITY AS RECEIVER AND MANAGER OF
BUCKINGHAM SECURITIES CORPORATION**

TO THE SUPERIOR COURT OF JUSTICE

A. PURPOSE OF THE REPORT

1. This report of BDO Dunwoody Limited, in its capacity as Court-Appointed Receiver and Manager (the "Receiver") of the estate of Buckingham Securities Corporation ("Buckingham") is filed to advise the Court of a proposed release of third parties leading to the collection of approximately \$286,000 from a specific client of Buckingham, and to seek the Court's approval of such release.

B. HISTORY OF FACTS

2. At the date of receivership, July 26, 2001, the books and records of Buckingham indicated that South Florida Enterprises Corp. ("South Florida"), a company incorporated in the Commonwealth of the Bahamas, was indebted to Buckingham in the amount of CDN\$640,587 and US\$168,199 for a total of approximately CDN\$897,090. The Receiver has sought the collection of this amount from South Florida and has determined that South Florida is managed by Lions Gate Management Ltd. ("Lions Gate") also in the Bahamas, on instructions from the beneficial owner(s) of South Florida. We are advised that Bahamian Law precludes Lions Gate, from revealing to us the name of the beneficial owner(s) of South Florida. However, a representative of Lions Gate, Anthony Dupuch, has cooperated with the Receiver in providing a copy of the general ledger of South Florida and in advising the Receiver that South Florida is in possession of cash balances amounting to CDN\$80,904 and US\$79,627.64. In addition, there is also an advance which had been paid to a credit card company in the amount of approximately US\$20,000 which has been requested to be returned to South Florida. Mr. Dupuch advises us that instructions have been received from the beneficial owner(s) to pay these amounts to the Receiver as well as CDN\$26,140 from a Bahamian company, Nedula Investments Corp. and CDN\$20,223 from another Bahamian corporation View Point Enterprises Ltd.. The latter companies are not directly indebted to Buckingham but, according to Mr. Dupuch, directions have been received from their beneficial owner(s) to pay these amounts to the Receiver of Buckingham.

3. The Receiver has negotiated with Mr. Dupuch and has agreed to accept these amounts on account of the indebtedness of South Florida but not in full settlement

thereof. In exchange for the receipt of these amounts, the Receiver has, subject to the approval of this Honourable Court, agreed to provide a release, attached as Schedule "1" to Platinum Management Ltd. and Vulcan Management Ltd., both directors of South Florida and to Patrick Thompson, Anthony Dupuch and Sonya Galanos all of whom are authorized signatories of South Florida but whom, we are advised, are not beneficial owners of South Florida. The attached release does not discharge South Florida from the remainder of its obligation to the Receiver and the Receiver expressly reserves the right therein to pursue South Florida for the remaining balance owing to Buckingham by South Florida. In the release, the Receiver also reserves the right, should it choose, to seek through the Bahamian Court system, the identification of the beneficial owner(s) of South Florida.

4. The Receiver has made an effort to notify the clients of Buckingham of this motion by posting notice of this motion and a copy of the Receiver's Tenth Report on the website maintained by the Receiver to advise Buckingham's clients of the status of various matters in these receivership proceedings.

The Receiver recommends the approval by the Court of the proposed release as it will enable the estate to recover a significant portion of the indebtedness owing by South Florida Enterprises Corp. to Buckingham, while reserving all rights to pursue collection of the balance of that indebtedness from the South Florida Enterprises Corp. and its beneficial owners, and without releasing any rights against any parties who appear to be liable for the indebtedness of South Florida Enterprises Corp. to Buckingham.

5. The Receiver, therefore, respectfully requests the approval of the Court to execute such release and to accept the funds as defined herein.

ALL OF WHICH is respectfully submitted this day of 2002.

BDO DUNWOODY LIMITED
in its capacity as Receiver and Manager of
the assets, property and undertaking of
Buckingham Securities Corporation

Per: Martin D. Clarkson