

FILED

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

2007 JUN -5 P 3:20

CLERK US DISTRICT COURT
ALEXANDRIA, VIRGINIA

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

**INTERNATIONAL FIDUCIARY CORP., S.A.,
DANIEL ERIC BYER,
MALCOLM CAMERON BOYD STEVENSON,
and PRESTON DAVID PINKETT II
Defendants.**

**CIVIL ACTION
FILE NO.**

**1:06-CV-1354
GBL/TRJ**

**TERRY MARTIN, CD2E, INC., WINCHELL
CORPORATION, M&M TECHNOLOGIES
ROBERT LOWREY, SZE COAST
OPERATING CORP. and**

CD2E, Inc. Response

Relief Defendants.

FIRST AMENDED COMPLAINT

RESPONSE

INTRODUCTION

1. CD2E, Inc. was aware of only the LETTERS OF CREDIT program between August 2004 till March 2006. CD2E, Inc. deposited money into a segregated account in IFC.

2. The "Asset Growth Program, 1st Tier Medium Term Bank Note" programs were discussed in March 2006. CD2E, Inc. was unaware of any discussion prior to that time and believe CD2E, Inc. was depositing into a segregated account in IFC which was dealing with "LETTER OF CREDIT" programs.

"Remain in Full Equity Value or Greater Than Full Equity Value", again was in approximately March 2006, which all statement "Asset Growth Program, 1st Tier Medium Term Bank Notes, and Full Equity Value or Greater than Full Equity Value," was discussed. In the beginning of 2006 letters with this terminology was used.

79

IFC asked all depositors from the "LETTER OF CREDIT" program to sign the March 2006 letter of comfort describing these statements above.

3. Unknown

4. Terry Martin as a person did not receive any funds directly. CD2E Inc. was a depositor with \$200,000.00 and received approximately 4% from the "LETTER OF CREDIT" Program. An additional amount of 2% was funded to CD2E, Inc. for technology review, which CD2E, Inc. was told was 1% from Mac Stevenson and 1% from Preston Pinkett. There was a Consulting Agreement signed by IFC.

In approximately March 2006, after the new program was discussed with an increase in the LETTER OF CREDIT Program, CD2E, Inc. received up to 6% and then an additional 4%, 2% from Mac Stevenson and 2% from Preston Pinkett. This again was from a Consulting Agreement with IFC and CD2E, Inc.

See Winchell Corporation response.

See M&M Technologies, Inc. response.

5. Unknown

6. Unknown

7. Unknown

JURISDICTION AND VENUE

8. Unknown.

9. Unknown

10. Unknown

DEFENDANTS

11. Unknown

12. Unknown

13. Unknown

14. Unknown

15. Unknown

RELIEF DEFENDANT

16. See Terry Martin response.

17. CD2E, Inc. does not hold or control funds that represent fruits of violations. CD2E, Inc. deposited like all other depositors into IFC. CD2E, Inc. received additional funds from IFC outside the deposit for consulting work completed on other technologies. An agreement was signed. IFC through segregated accounts holds all funds including CD2E, Inc. deposits.

18. See Winchell Corp. response.

19. See M&M Technologies, Inc. response.

20. Unknown

21. Unknown

THE NATURE OF FRAUDULENT OFFERING

22. Unknown.

23. No contract/investment made by IFC. A deposit into a segregated account which IFC said was owned by the depositor. The IFC accounts under depositors were used for LETTER OF CREDIT programs from 2004 to early 2006. Unknown what IFC was doing from this time forward. Profits from the LETTER OF CREDIT program ranges – 4%-6% and from March 2006 6%-10%. No guarantee was given, however it appeared each month had a profit.

24. April 2004 to early 2006 (March) IFC told CD2E, Inc. that the program was a LETTER OF CREDIT program. Not till early 2006 did CD2E, Inc. hear or see the terms “Asset or “Growth Program” or “1st Tier Medium Term Bank Notes.”

25. CD2E, Inc. was told through a comfort letter dated February 2005, about the LETTER OF CREDIT program.

CD2E, Inc. does not recall any discussion or writings which include the term “Bond Trader” till early 2006, however do remember “bond under writer.”

26. No agreements.

27. No agreements.

28. Unknown

29. Unknown

30. 2004 to 2006 - LETTER OF CREDIT program

2006 forward – Unknown – believed LETTER OF CREDIT program
“comfort letter”

Yes, all letters prepared by IFC.

- 31. Unknown
- 32. Unknown
- 33. Unknown
- 34. Unknown

MISREPRESENTATIONS AND OMISSIONS MADE TO INVESTORS AND POTENTIAL INVESTORS.

- 35. Unknown
 - a. March 2006 comfort letter
 - b. March 2006 comfort letter
 - c. March 2006 comfort letter
 - d. March 2006 comfort letter
 - e. March 2006 comfort letter
 - f. no quarterlies, however expected
 - g. Unknown
 - h. Unknown
 - i. Unknown
- 36. There is no 34a. through 34e or 34f and 34g
- 37. First sentence – agree
Second sentence to end at paragraph – unknown

IFC DID NOT APPLY THE INVESTOR FUNDS AS PROMISED

- 38. Unknown.
- 39. Unknown
- 40. Unknown
- 41. Unknown
- 42. Unknown
- 43. The SEC is misleading the public and the court by including Terry Martin as receiving any funds directly. The SEC misleads by stating and/or gives the impression that entities that Terry Martin is involved with does not have deposits into the segregated

accounts of IFC. The SEC misleads the public and the court when in fact CD2E, Inc. received payment for work completed through an agreement for technology reviews. The entities deposited and received the same as any other entities, and only received other payments for work completed for technology review. As for \$1.5 million this is misleading due to the fact the SEC included the \$500,000.00 that the SEC states was sent to M&M Technologies, Inc. from IFC which should be from GEM Manufacturing. M&M Technologies, Inc. has no knowledge why GEM Manufacturing would fund through IFC and not GEM Manufacturing. This question needs to be answered by IFC. The SEC is misleading the public and the court again as the SEC has not disclosed the deposits by CD2E, Inc. and Winchell Corp. and as all other depositors received funds from their deposits. The SEC is continuing to damage my name and the entities the SEC has listed. CD2E, Inc. cooperated with the SEC through an 8 page letter, dated March 9, 2007 and now the SEC is completely ignoring the letter the same way the SEC is ignoring the LETTER OF CREDIT program.

FIRST CAUSE OF ACTION

- 44. See responses above paragraphs 1 through 4 and 22 through 43 above.
- 45. Unknown
- 46. Unknown

SECOND CAUSE OF ACTION

- 47. See answer 44
- 48. Unknown
- 49. Unknown

THIRD CAUSE OF ACTION

- 50. See answer 44
- 51. Unknown
- 52. Unknown

FORTH CAUSE OF ACTION

- 53. See answer 44
- 54. Unknown
- 55. Unknown

56. Unknown

PRAYER FOR RELIEF

I. No response

II. The SEC states find the relief defendants are in possession of illegal obtained investor funds or assets purchased with such funds to which relief defendants have legitimate claim.

. The SEC is misleading the public and the court and is continuing to damage Terry Martin, CD2E, Inc. Winchell and M&M Technologies, Inc. due to the fact the SEC has not been forth coming as it relates to the LETTER OF CREDIT program. There are technology reviews between IFC and CD2E, Inc. through an agreement. M&M Technologies has no connection to IFC. This was discussed with the SEC in December 2006. M&M Technologies, Inc had an agreement with a corporation named GEM Manufacturing. How Gem Manufacturing paid M&M Technologies, Inc. should not and cannot be the responsibility of M&M Technologies, Inc.

III. – VI. No response

VII. The SEC states the relief defendants to repatriate any and all funds of IFC transferred to any location outside the United States and disgorge any ill-gotten gains.

. The SEC is misleading the public and the courts giving the impression there are funds outside the United States, which there are not. The SEC continues to request and give the impression of ill-gotten gains of which there is not. The SEC continues to damage all parties including the court.

VIII. The SEC is requesting the court to retain the control and prohibit withdrawal, removal, transfer of funds or other assets from the relief defendants.

The SEC is now bringing the court into an action and causing this action based on misleading information. This action would damage Terry Martin and entities which include a number of families which work for these entities. This is all being caused by the SEC which is misleading the court to put pressure on citizens of the United States who have done nothing but deposit funds into an account and refuse to state what the SEC wants to hear because at that point the citizen would be lying or another way to state it would be to say MISLEADING. As citizens we are waiting for the investigation to reveal the charges and prove why the charges were brought forward and by whom. In the

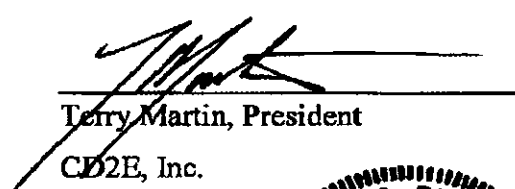
letter dated March 8, 2006 which I, Terry Martin, through CD2E, Inc. wrote the SEC stating the facts as I know them. I also asked 6 questions which I did not receive an answer to, just threatening letters stating I better do something or the SEC would recommend filing against me as a relief defendant. It should be noted this was done after calling other depositors close friends/relatives stating harmful intimidating untruths about me, Terry Martin.

Is not the questions, first to determine if there are violations by the defendants? Once that is determined by the courts, not by the SEC, then is not the question, are the funds held by all depositors fruits of the violation. Furthermore by freezing the accounts requested by the SEC, this would cause harm to numerous families who work for the entities, listed as relief defendants who are depositors into IFC. Since 2004 approximately 1/3 of all deposited profits were paid to the IRS which would then be included as part of the fruits of the violation. The accounts should not be frozen, however if the courts find the defendants are in violation and there are fruits of the violations Terry Martin and all entities will assist the courts in gaining the return of the determined amounts from the defendants who caused the violations.

IX. CD2E, Inc and Winchell Corp received profits from the programs, due to deposits made to IFC. CD2E, Inc received additional fund for an agreement between IFC and CD2E, Inc for technology reviews. M&M Technologies, Inc has no relationship with IFC. No grant or relief

X. Unknown.

Respectfully Submitted,


Terry Martin, President
CD2E, Inc.



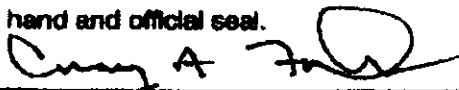
STATE OF WASHINGTON
COUNTY OF Whatcom
On June 4 2009 before me, the undersigned,
a Notary Public in and for said state, personally appeared

Terry Martin

known to me to be the person whose name
subscribed to the within instrument and acknowledged
that he executed the same.

WITNESS my hand and official seal.

Signature


Craig A. Forhan

MAY 18TH / JUNE 8

UNITED STATES DISTRICT COURT

EASTERN

District of

VIRGINIA

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

SUMMONS IN A CIVIL ACTION

V.
INTERNATIONAL FIDUCIARY CORP., S.A., et al.

CASE NUMBER: 1:06-CV-1354 GBL/TRJ

TO: (Name and address of Defendant)

CD2E, INC.
6951 HANNEGAN ROAD, SUITE 14
LYNDEN, WASHINGTON 98264-9058

YOU ARE HEREBY SUMMONED and required to serve on PLAINTIFF'S ATTORNEY (name and address)

CARL A. TIBBETTS, ASSISTANT CHIEF LITIGATION COUNSEL
UNITED STATES SECURITIES & EXCHANGE COMMISSION
100 F STREET, N.E.
WASHINGTON, D.C. 20549-4030

an answer to the complaint which is served on you with this summons, within TWENTY (20) days after service of this summons on you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint. Any answer that you serve on the parties to this action must be filed with the Clerk of this Court within a reasonable period of time after service.

Fernando Galindo, Acting Clerk

CLERK

(By) DEPUTY CLERK

DATE

4/24/07