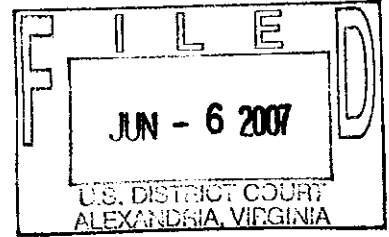


IN THE UNITED STATES DISTRICT COURT FOR THE
 EASTERN DISTRICT OF VIRGINIA
 ALEXANDRIA DIVISION



UNITED STATES SECURITIES AND)
 EXCHANGE COMMISSION,)

Plaintiff)

v.)

CIVIL ACTION NO. 1:06-1354

INTERNATIONAL FIDUCIARY)
 CORP., S.A., DANIEL ERIC)
 BYER, MALCOLM CAMERON BOYD)
 STEVENSON, PRESTON DAVID)
 PINKETT, II, TERRY MARTIN,)
 CD2E, INC., WINCHELL CORP.,)
 M&M TECHNOLOGIES, ROBERT)
 LOWREY, SZE COAST OPERATING)
 CORP.)

Defendants.)

ORDER

THIS MATTER is before the Court on the Receiver's Motion to Show Cause. For the reasons stated from the bench, it is hereby

ORDERED that the Receiver's Motion is GRANTED and Mr. Preston David Pinkett, II is in contempt of Court for failure to comply with the Court's December 12, 2006 Order. The Court orders Mr. Preston David Pinkett, II to produce written answers to the questions posed and the documents¹ which support the

¹ The word "document," as defined by the Preliminary Injunction Order, means

the original and all non-identical copies (whether non-identical because of handwritten notation or otherwise) of all written or graphic matter, however produced, and any other tangible record, electronically stored information, or electronic data compilation capable of reproduction in tangible form,

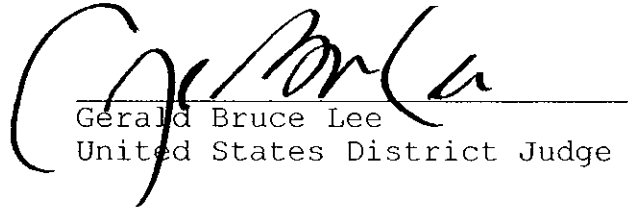
answers concerning deficiencies identified by the Receiver in his May 30, 2007 letter (excluding parts 1a and 1b of that letter); the Receiver's letter is Attachment A to this Order. It is further

ORDERED that the deposition of Mr. Preston David Pinkett will take place from 9:30 AM to 5:30 PM on June 15, 2007 and June 22, 2007 (and such other dates as are necessary) at a place mutually agreeable to the parties. It is further

ORDERED that, pursuant to the agreement of counsel, this case will be heard by a jury and proposed voir dire questions and proposed jury instructions shall be filed with the court on or before July 13, 2007. Counsel must prepare the jury instructions and verdict forms to adhere to the trial letter attached hereto.

The Clerk is directed to forward a copy of this Order to counsel of record.

ENTERED this 6th day of June, 2007.


Gerald Bruce Lee
United States District Judge

Alexandria, Virginia
6/06/07

including, without limitation, correspondence, memoranda, electronic mail, minutes, telephone records, reports, studies, telexes, diaries, calendar entries, contracts, letters of agreement, and including any and all existing drafts of all documents.

Preliminary Injunction Order, *SEC v. IFC*, No. 06-1354 (E.D. Va. Dec. 12, 2006) (No. 14).

DuretteBradshaw^{P.C.}

Attorneys And Counsellors At Law

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May 30, 2007

VIA EMAIL: drkirshbaum@aol.com
Daniel R. Kirshbaum, Esquire
Axelrod, Smith & Kirshbaum, P.C.
5300 Memorial Drive, Suite 700
Houston, TX 77007

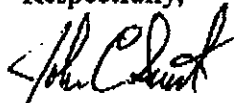
Re: *International Fiduciary Corp., S.A.*

Dear Dan:

As you are aware, on April 25, 2007 the Receiver filed a motion for the court to order Preston David Pinkett, II to show cause why he should not be held in contempt of court for failure to comply with the Preliminary Injunction entered December 12, 2006. We are in receipt of Defendant Preston David Pinkett II's Supplemental Sworn Account, dated May 17, 2007 (the "Accounting").

Please be advised that for reasons more fully described on the attached pages, we believe the Accounting is deficient. Therefore, Roy is prepared to go forward with the continued hearing scheduled for June 4, 2007 at 10:00.

Respectfully,



John C. Smith

PAR\International Fiduciary Corp (IFC)\2007.05.30 Ltr to Daniel Kirshbaum.doc

Deficiencies in the Accounting

1) Preston David Pinkett, II ("Pinkett") controlled International Fiduciary Corp. ("IFC"), yet the Accounting fails to provide any accounting information for IFC other than the cash inflows and outflows to investors. At a minimum, Pinkett should have to account for the following:

- a) periodic balance sheet for IFC at the close of each fiscal year and as of December 2006;
- b) periodic (at the close of each fiscal year) income statements for IFC from July 1, 2003 through December 2006;
- c) disclosure of what happened to \$250,000 sent to Allan Migdall for the hedge fund;
- d) disclosure of what happened to \$250,000 sent to Jenaro Garcia for Advanced Refractory stock;
- e) disclosure of contingent liabilities (e.g., guarantees for rents at Arlington Square apartments);
- f) disclosure of lease obligations; and
- g) disclosure of investments and/or beneficial interests held in affiliates.

2) The Accounting fails to provide any balance sheet and bank account information for IFC's closely-held affiliates (e.g., Ghana Asphalt Company, Ltd.; National Food Processing Company, Inc.; Northeast Bolivian Airways, S.A.; and Trinity Holdings 12th, LLC).

3) The Accounting fails to provide any income statement or transaction history for IFC's closely-held affiliates (e.g., Ghana Asphalt Company, Ltd.; National Food Processing Company, Inc.; Northeast Bolivian Airways, S.A.; and Trinity Holdings 12th, LLC).

4) The Accounting failed to disclose what beneficial interests, direct or indirect, were held by Pinkett between July 1, 2003 and December 2006.

5) The Accounting failed to disclose the bank accounts, other assets and transaction history for such beneficial interests.

6) The Accounting failed to disclose what entities Pinkett controlled between July 1, 2003 and December 2006.

7) The Accounting failed to disclose the bank accounts, other assets and transaction history for such controlled entities, which include, but are not limited to:

- a) Preston Pinkett, II, LLC (controlled by Pinkett)
- b) Orion Energy, Inc. (controlled by Pinkett) (owners include Francine Salters (Pinkett's secretary) and Preston Pinkett III (Pinkett's son))
- c) Polks Commodity Trading, Inc. (controlled by Pinkett)(Pinkett is CEO and signatory at Ecobank)
- d) Ducor Waste Management (controlled by Pinkett)(owners include Polk Commodity Trading, Inc.)
- e) Lighthouse Publishers Incorporated (controlled by Pinkett) (owners include Polk Commodity Trading, Inc.)
- f) Trinity Holdings, LLC (controlled by Pinkett) (owners include Pinkett and Francine Salters (Pinkett's secretary))

8) The Accounting failed to disclose transfers made by Pinkett to his spouse, as a gift or incident to separation or divorce, during the period July 1, 2003 to December 2006.

9) The Accounting failed to disclose the following:

- a) details and contact information for Pinkett's donation to the Mittman Rosenberg's Family Foundation (\$224,490.00 paid in 2005; \$336,735.12 paid in 2006)
- b) details and contact information for \$35,600 charity paid in 2004;
- c) details and contact information for Eleanor Dorothy Anderson School Fund (\$25,400.00 paid in 2006)(possible relation to Floyd Anderson?)

10) The Accounting did not disclose any related party transactions (e.g., leasing residence from related parties, ownership of multiple cars)