

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

**UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,**

Plaintiff,

v.

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

Defendants.

CASE NO. 1:06cv01354-GBL

**Hon. Gerald Bruce Lee
United States District Judge**

**RECEIVER'S SECOND MOTION FOR COURT APPROVAL OF
RECEIVER'S CLAIM DETERMINATIONS**

COMES NOW Roy M. Terry, Jr., duly appointed receiver ("Receiver") for International Fiduciary Corp., S.A. ("IFC"), and files this second motion for Court approval of the Receiver's claim determinations (the "Motion"), and in support thereof states as follows:

1. This Court has jurisdiction over this action pursuant to section 22(a) of the Securities Act [15 U.S.C. § 77v(a)], section 27 of the Securities Exchange Act [15 U.S.C. § 78aa], and 28 U.S.C. § 1331.

2. The Background and Facts of this case are summarized in the *Receiver's First Motion for Court Approval of Receiver's Claim Determination*, filed February 11, 2009 (document # 225), which are incorporated herein by reference.¹

¹ A copy of the *Receiver's First Motion for Court Approval of Receiver's Claim Determination* is available on the Receiver's website at: <http://ifcreceivership.com/graphics/docket225.pdf>.

FACTUAL UPDATES

3. By order entered February 27, 2009, the Court ruled on the *Receiver's First Motion for Court Approval of Receiver's Claim Determinations*.

4. In an effort to return some funds to investors while resolving the claims of remaining investors and continuing efforts to recover assets, on March 16, 2009, the Receiver mailed distribution checks to holders of claims approved by order entered February 27, 2009. The initial distribution totaled 40% of the claim amount approved by order entered February 27, 2009.

5. After the cutoff date for claims covered by the *Receiver's First Motion for Court Approval of Receiver's Claim Determinations*, the Receiver obtained additional information from several Claimants not in the *Receiver's First Motion for Court Approval of Receiver's Claim Determinations*.

6. On July 10, 2009, the Receiver mailed to certain Claimants a *Notice of Receiver's Claim Determination* (the "Notice") with instructions that the Claimant should file the enclosed *Objection to Receiver's Claim Determination* form with the Receiver not later than thirty (30) days after the date of the Notice if they disagreed with the Receiver's claim determination. See Plan of Distribution §§ 3.03 (Claim Determinations Generally), 3.05 (Further Determination with Respect to Claims for Principal), & 3.08 (Objections by Claimants [to Receiver's Claim Determination]). To date, the Receiver has not received any objections to the *Notice of Receiver's Claim Determination* mailed on July 10, 2009.

RELIEF REQUESTED

7. The claims covered by this Motion² have been grouped by the Receiver with similarly situated claims and summarized in Exhibit A – Schedule of Receiver’s Claim Determinations.

8. **TIMELY FILED CLAIMS.** The Receiver’s Claim Determinations on timely filed claims are set forth in Exhibit A (and include Claim ## 3178, 3461, 3542, 3615, 3623, 4059, 4067, 4406, 6398, and 7090).

WHEREFORE, the Receiver requests the Court enter an order that approves the Receiver’s claim determinations for the timely filed claims set forth in Exhibit A, and grants the Receiver such other and further relief as may be just and proper.

9. **LATE CLAIMS:** By Order entered June 13, 2008 (docket no. 175), the Court set September 15, 2008 as the Claims Bar Date.³ The Receiver recommended that Claimants filing a claim after the Claims Bar Date include a written explanation of why their claim was late. The Receiver used these explanations and its knowledge of the facts and circumstances to divided late-filed claims into two groups: (A) those the Receiver believes demonstrate excusable neglect, and (B) those the Receiver believes require a Court determination.

A. EXCUSABLE NEGLIGENCE:

- (i) Claim # 3356 (*Ex.* at Tab 1) – Proof of Claim was filed on November 19, 2008 by Reidar Mogerman⁴ on behalf of Claimant. Attorney Mogerman asserts that Claimant did not file a Proof of Claim “because he was initially unsure as to whether he had suffered losses in the IFC investment (as

² The Receiver anticipates there will be at least one more motion for court approval of the Receiver’s claim determination which will cover Sub-Investors under Knight Capital Corporation.

³ “‘Claims Bar Date’ refers to a date set by an order of the Court by which all Proofs of Claim must be filed with the Receiver. The Claims Bar Date shall serve as the bar date after which any investor, creditor, party in interest or potential Claimant shall be estopped from forever asserting claims against the Receivership Property.” *Summary Proc. for Claims Admin. and Plan of Distribution – Ex. A, Definitions.*

⁴ Reidar Mogerman is plaintiffs’ attorney in *Hall v. McCandless & Welder*, No. S073201 (B.C. S. Ct.), a class action lawsuit in British Columbia against attorneys Henry Alexander “Sandy” McCandless and Douglas Welder for alleged improprieties related to the IFC fraud.

opposed to Amazon)”,⁵ and asks that to the extent that the Receiver has discretion in this matter, that the Receiver accept this Proof of Claim form. Claimant, in addition to being an investor in the IFC program, introduced several people to the IFC program, but admits to only receiving one commission payment on one investment. The Receiver was unable to locate evidence in IFC’s records regarding payment of such commission, but it may have been paid indirectly by Sandy McCandless. The Receiver has calculated the amount of such commission payment and deducted from Claimant’s claim. If the Receiver’s calculations are correct, such commission would result in Claimant having an initial classification as a Substantial Marketer. However, Plan of Distribution § 3.05 states “the Receiver may alter its classification or the reduction percentage applicable for either a Substantial or Insubstantial Marketer who substantially cooperates with the Receiver” Because the Claimant has substantially cooperated with the Receiver,⁶ the Receiver believes the Claimant should be treated as a Non-Marketer.

WHEREFORE, the Receiver believes that the Claimant has demonstrated excusable neglect, asks that the Proof of Claim be treated as a timely filed claim, and that Court approve the Receiver’s claim determination.

- (ii) Claim # 4109.1 (*Ex.* at Tab 2) – Proof of Claim was filed on April 3, 2009. Claimant asserts that he was unaware of the claims Bar Date (*i.e.*, asserts he did not have actual notice, and did not have constructive notice because he does not live in area served by newspapers where the Receiver gave notice by publication).

WHEREFORE, the Receiver believes that Claimant has demonstrated excusable neglect, asks that the Proof of Claim be treated as a timely filed claim, and that Court approve the Receiver’s claim determination.

- (iii) Claim # 7297.1 (*Ex.* at Tab 3) – Proof of Claim was filed on January 28, 2009. Claimant learned after the bar date that funds were invested in IFC. Claimant gave funds to attorney Doug Welder to invest in IFC. Claimant called IFC to check status of investment, and was advised by Preston Pinkett that his funds had not been received. After the SEC filed its complaint, Claimant could not get information from IFC or Douglas Welder on what had happened to his funds. After the Bar Date, the Receiver discovered the funds had been received by IFC in November

⁵ After this Court entered the restraining orders and injunctions, Pinkett and Stevenson allegedly continued to raise money from investors for investment in a new program via Amazon Capital Group Ltd. (the “Amazon Program”). Certain investors in the IFC Program (including Claimant) were told that the funds lost in IFC would be repaid by the Amazon Program. Law enforcement authorities in Canada and the United States are currently investigating the merits of these allegations.

⁶ The Receiver believes that after Claimant accepted the fact that IFC was a fraud, the Claimant took steps to mitigate any damage caused. Indeed, to the extent any amounts are paid on Claims ## 7297.1 and 7305.1, it is due to this Claimant’s efforts after those other claimants had given up hope of any recovery.

2006 but wrongly attributed by Pinkett to another investor. By email dated January 23, 2009, the Receiver urged Claimant to file a Proof of Claim form. On January 28, 2009, the Receiver received a Federal Express package containing Claimant's Proof of Claim form.

WHEREFORE, the Receiver believes that Claimant has demonstrated excusable neglect, asks that the Proof of Claim be treated as a timely filed claim, and that Court approve the Receiver's claim determination.

- (iv) Claim # 7305.1 (*Ex.* at Tab 4) – Proof of Claim was filed on January 28, 2009. Claimant learned after the bar date that funds were invested in IFC. Claimant gave funds to attorney Henry Alexander “Sandy” McCandless to invest in IFC. Claimant called IFC to check status of investment, and was advised by Preston Pinkett that his funds had not been received. After the SEC filed its complaint, Claimant could not get information from IFC or Sandy McCandless on what had happened to his funds. After the Bar Date, the Receiver discovered the funds had been received by IFC in November 2006 but wrongly attributed by Pinkett to another investor. By email dated January 23, 2009, the Receiver urged Claimant to file a Proof of Claim form. On January 28, 2009, the Receiver received a Federal Express package containing Claimant's Proof of Claim form.

WHEREFORE, the Receiver believes that Claimant has demonstrated excusable neglect, asks that the Proof of Claim be treated as a timely filed claim, and that Court approve the Receiver's claim determination.

B. FOR COURT DETERMINATION:

- (i) Claim # 3631 (*Ex.* at Tab 5) – Proof of Claim filed on April 23, 2009. Claimant had actual notice prior to the Bar date as the Receiver mailed a claim packet to the Claimant on July 16, 2008. Claimant admits he received the papers last fall, but asserts the reason he did not timely file a Proof of Claim is that he along with others have been frustrated with the process and did not file suspecting just a bunch of nothing again. (Implicit in Claimant's explanation is that there were so many broken promises by others in connection with the IFC fraud that he did not trust the Receiver.) However, after Claimant's father informed Claimant that the Receiver actually made distributions on approved claims, Claimant decided to file a Proof of Claim.
- (ii) Claim # 4109.2 (*Ex.* at Tab 6) – Proof of Claim filed on June 15, 2009. Claimant had actual notice prior to the Bar date as the Receiver mailed a claim packet to the Claimant on July 16, 2008. Claimant did not explain why claim was late.
- (iii) Claim # 4323 (*Ex.* at Tab 7) – Proof of Claim filed on May 5, 2009. Claimant filed Proof of Claim on behalf of himself, two children, and a

friend. Claimant asserts the reason he did not timely file a Proof of Claim is that he did not know who to trust. Eventually he became so skeptical that he was willing to let it go, but after hearing some depositors had received distribution checks from the Receiver, he contacted the Receiver and decided to file a Proof of Claim.

- (iv) Claim # 6604.1 (*Ex.* at Tab 8) – Proof of Claim filed on January 28, 2009. Claimant filed an explanation asserting lack of actual notice. While the Receiver mailed a Claim Packet to the Investor of Record, because the Receiver was unaware that Claimant was one of five sub-investors under the Investor of Record, the Receiver did not mail a Claim Packet to this specific claimant. Notwithstanding, upon information and belief, Claimant lives at an address that would have received constructive notice via publication of Notice to File Claims.
- (v) Claim # 7223 (*Ex.* at Tab 9) – Proof of Claim filed on January 19, 2009.⁷ Claimant had actual notice prior to the Bar date as the Receiver mailed a claim packet to Claimant on July 16, 2008. Claimant did not explain why the Proof of Claim was filed late other than their belief that IFC, Preston Pinkett and Malcolm Stevenson functioned within the law and would be vindicated, but gave up hope when Preston Pinkett pled guilty. *See* Proof of Claim resp. to questions S & V.
- (vi) Claim # 7710 (*Ex.* at Tab 10) – Proof of Claim filed on January 16, 2009. Claimant asserts claim was mailed prior to bar date using regular Canadian mail. On January 12, 2009, the Claimant, upon learning that other claimants had received determination letters, emailed the Receiver regarding the status of his claim. The Receiver advised that the original Proof of Claim form was not received from investor and advised the Claimant to resubmit with an explanation why it was late.

Because several of the late-filed claims are from foreign citizens and/or from distant locales, the Receiver believes it would be helpful to the Court to summarize arguments for and against Court approval of these claims.

ARGUMENT FOR PAYING: No one has been prejudiced by these late-filed claims. The Receiver has reserved sufficient funds to pay these claims. If approved by the court, paying these late claims would result in an immaterial dilution (approximately 2%) on payouts to other claimants.⁸ On the other hand, denying these claims would result in substantial hardship to the individual claimants. Many of the investors believed everything was fine when they were getting sizable checks every month, but everything stopped when the Court got involved. The Receiver believes that many of the investors were initially in denial.

⁷ Claimant asserts Proof of Claim form filed on January 19, 2009 supplements a copy of the Declaration of Victim Loss that the Receiver received from claimant on January 13, 2009.

⁸ Calculated as Late Claims for Court Determination of \$383,749.59 divided by total expected claims of \$18,775,000.00

Stevenson, Byer, and others, promised the investors they would get their money back if they stayed the course, but told them they were on their own if they filed a Proof of Claim or cooperated with the Receiver or authorities. The victims are good hard-working people of modest means, not sophisticated investors, and this fraud has caused them substantial hardship. Many investors were lied to so often and the process was taking so long that they eventually gave up in frustration and distrusted anyone making any promises in connected with IFC. It was not until the Receiver made the first distribution, that many of these late-filing claimants believed filing a Proof of Claim with the Receiver was not just a pointless exercise. The Receiver also believes there are cultural differences that caused the Canadians to be wary of the United States. This fraud is international in scope, and exercise of judicial discretion by a U.S. Court, rather than rigid enforcement of a technical rule, would help remedy the harm caused by Pinkett (a U.S. citizen) in Canada. That is what good neighbors should do.

ARGUMENT AGAINST PAYING: Investors that filed before the Claims Bar Date do not understand why they had to comply with the law but others do not. Rules are rules, and those that did not file before the Claims Bar Date are time-barred.

WHEREFORE, the Receiver requests that the Court make a determination as to whether the Claimant has demonstrated excusable neglect such that the Proof of Claim be treated as a timely filed claim rather than time barred; and if the claim is treated as a timely filed claim, that Court approve the Receiver's claim determination.

10. TYPICAL INDUSTRIES CORP. Colin D. MacInnes and Henry Alexander ("Sandy") McCandless set up Typical Industries Corporation ("Typical") as a vehicle to pool funds from sub-investors to invest in the IFC Program. IFC paid to McCandless's law firm Typical's fictitious profit distributions of 10% per month, but McCandless's law firm only paid Typical's sub-investors 3% per month. The 7% difference or "skim" (*i.e.*, the difference between the 10% received by McCandless's law firm on behalf of Typical less the 3% paid out to Typical's sub-investors) was kept for the benefit of MacInnes and McCandless and either taken in distributions or reinvested in IFC.⁹ IFC payments to investors (including Typical) stopped

⁹ According to the Receiver's calculations, between the time of MacInnes's initial investment and December 4, 2006 (the date this Court's temporary restraining order and asset freeze was entered), MacInnes withdrew substantially more than the 3% earned by other sub-investors. McCandless on the other hand, reinvested his profits in IFC. McCandless asserts his reinvestment was for the benefit of all sub-investors, but this is doubtful because none of the non-insider sub-investors even knew about the skim.

December 2006 as a result of this Court's asset freeze injunction order, but Typical did not stop making monthly distribution payments to its sub-investors until July 2007.¹⁰ Nevertheless, of the \$86,665.80 paid by IFC to McCandless's law firm on behalf of Typical (per POC000672 & 673), ultimately only \$25,873.77 was distributed to non-insiders (Claim Nos. 4695.4 (\$19,692.77), 4695.5 (\$3,700.00), 4695.6 (\$1,050.00), 4695.7 (\$1,431.00)).

11. MacInnes and McCandless have unclean hands. McCandless had notice of the asset freeze injunction and temporary restraining order entered by this Court on December 4, 2006, and both certainly noticed that payments from IFC ceased immediately after the injunction order was entered. In April or May 2007, MacInnes left Canada to relocate in Honduras. Around that same time, on April 13, 2007, sub-investor J.C. was admitted into Typical (*i.e.*, paid in \$47,700.00 to acquire a membership interest in Typical), and sub-investor D.F. (MacInnes's bookkeeper) was cashed-out (*i.e.*, surrendered her membership interest and received back her entire \$50,000.00 principal investment). Before the transaction, sub-investor D.F. would have had a Net Shortfall of \$37,800.00. By allowing MacInnes's bookkeeper to be cashed-out, MacInnes and McCandless allowed sub-investor D.F. to become a "net winner" (*i.e.*, receive back her entire principal investment of \$50,000.00 and keep \$12,200.00 in fictitious profit distributions) at the expense of sub-investor J.C., who is destitute.¹¹

12. Typical filed one Proof of Claim on behalf of all of its sub-investors. Two sub-investors also filed their own Proofs of Claim (Claim Nos. 4095.5 and 4095.7) rather than rely on Typical's Proof of Claim.¹² As explained in the preceding paragraphs, not all of Typical's sub-

¹⁰ After the Court entered judgments against Preston Pinkett and IFC, Typical stopped making distribution payments.

¹¹ Sub-investor J.C.'s plight was the subject of the emergency order entered by this Court on January 21, 2009 granting the *Receiver's Motion for Court Approval of Emergency Payment to Investor to Prevent Imminent and Irreparable Harm*.

¹² There are seven sub-investors: three sub-investors are related to MacInnes or McCandless, two sub-investors that filed their own Proof of Claim (both have a Net Shortfall in excess of \$46,000.00), and two sub-investors did not file a separate Proof of Claim (both have a Net Shortfall of less than \$7,000.00).

investors are similarly situated. The Receiver's claim determination for each of Typical's sub-investors is as follows:

- A. **INSIDERS** (*Ex.* at Tab 11)¹³ – The Receiver believes these people or entities had actual knowledge of, or should have known about, this Court's Temporary Restraining Order, but continued acts that operated as fraud or deceit upon Typical's sub-investors.
- (i) Claim # 4695.1 This Claim is for MacInnes. For reasons more fully discussed in the preceding paragraphs, the Receiver believes Claimant is a Substantial Marketer and has unclean hands; thus did not issue a Claim Determination Letter.
 - (ii) Claim # 4695.2 This Claim is for a company solely owned by MacInnes. As previously stated, the Receiver believes MacInnes is a Substantial Marketer and has unclean hands; thus did not issue a Claim Determination Letter.
 - (iii) Claim # 4695.3 This Claim is for a company solely owned by McCandless. For reasons more fully discussed in the preceding paragraphs, the Receiver believes McCandless is a Substantial Marketer and has unclean hands. Moreover, in addition to Typical, McCandless was a major conduit for several other IFC investors. To date, McCandless has refused to cooperate by turning over records that would assist in analyzing those claims. The Receiver also claims a right of offset for any and all amounts that McCandless received from IFC, but without McCandless's cooperation has insufficient information and documentation to calculate such amount. Accordingly, the Receiver was unable to calculate the Net Shortfall and did not issue a Claim Determination Letter.

WHEREFORE, the Receiver requests that these claims receive nothing.

B. **SUB-INVESTORS:**

- (i) Claim # 4695.6 (*Ex.* at Tab 12) – This Claim was previously adjudicated by the Court, however, subsequent to that adjudication, Typical discovered that the January 13, 2007 payment to this sub-investor was incorrectly

¹³ Typical's Proof of Claim is approximately 300 pages. The Receiver used the Proof of Claim to prepare the spreadsheet at Tab 11 which summarizes the activity. The Receiver can produce Proof of Claim if it would be helpful for the Court.


listed as \$1,500.00 rather than \$150.00, thereby understating the Net Shortfall.¹⁴

- (ii) Claim ## 4695.4, 4695.5 and 4695.7 These Claims were previously adjudicated by the Court.¹⁵ No further action is needed.

WHEREFORE, the Receiver asks that the Court approve the Receiver's claim determination for Claim # 4695.6, as amended.

WHEREFORE, the Receiver respectfully prays that the Court enter an order substantially in the form attached as Exhibit B, and grant to the Receiver such other and further relief as may be just and proper.

Respectfully submitted this 6th day of October, 2009.



Roy M. Terry, Jr., VSB No. 17764
John C. Smith, VSB No. 44556
Elizabeth L. Gunn, VSB No. 71044
DuretteBradshaw PLC
600 E. Main St., 20th Floor
Richmond, Virginia 23219
phone: 804.775.6900
fax: 804.775.6911
Counsel for Receiver

F:\International Fiduciary Corp (IFC)\Claims Handling\Claim Determination Court Approval\2d Request\2d Motion for approval v1.0.doc

¹⁴ The Investor resides in a very rural area which does not have postal delivery service. Investor is wholly dependent on a Post Office Box in the nearest "village" to receive his mail. Investor did not file an individual Proof of Claim, and did not object to the Receiver's original claim determination. Notwithstanding, the Receiver believes Typical's amended accounting is more accurate and necessitates an amended claim determination.

¹⁵ Subsequent to that adjudication, Typical discovered a \$.63 transposition error in its original accounting for Claim # 4695.4. Amount is immaterial – pass further concern.

EXHIBIT A

S.E.C. v. International Fiduciary Corp.
 No. 1:06cv01354-GBL (E.D. Va.)
 Schedule of Receiver's Claim Determinations
 as of September 21, 2009

<u>Claim #</u>	<u>Determination code</u>	<u>Receiver's Determination</u>	<u>Amount of Allowed Claim (in U.S. dollars)</u>	<u>Class Assigned by Receiver</u>	<u>Date Determination Mailed</u>	<u>Notes</u>	<u>Date Objection Received</u>	<u>Exhibit #</u>
Timely Filed Claims								
3178	1	Allowed	\$ 276,000.00	Non-Marketer	07/10/09			
3461	1	Allowed	358,000.00	Non-Marketer	07/10/09			
3542	1	Allowed	500,000.00	Non-Marketer	07/10/09			
3615	1	Allowed	238,000.00	Non-Marketer	07/10/09			
3623	1	Allowed	39,000.00	Non-Marketer	07/10/09			
4059	1	Allowed	230,000.00	Non-Marketer	07/10/09			
4067	1	Allowed	94,000.00	Non-Marketer	07/10/09			
4406	1	Allowed	109,621.55	Non-Marketer	07/10/09			
6398	1	Allowed	100,000.00	Non-Marketer	07/10/09			
7090	1	Allowed	118,000.00	Non-Marketer	07/10/09			
Late Claims-Excusable Neglect								
3356	1	Allowed	167,062.72	treat as Non-Marketer	07/10/09	c		1
4109.1	1	Allowed	100,000.00	Non-Marketer	07/10/09	c		2
7297.1	1	Allowed	100,000.00	Non-Marketer	07/10/09	c		3
7305.1	1	Allowed	100,000.00	Non-Marketer	07/10/09	c		4
Late Claims-Court to determine whether Excusable Neglect								
3631	1	For the Court	27,849.59	Non-Marketer	07/10/09	d		5
4109.2	1	For the Court	116,000.00	Non-Marketer	07/10/09	d		6
4323	1	For the Court	58,100.00	Non-Marketer	07/10/09	d		7
6604.1	1	For the Court	25,800.00	Non-Marketer	07/10/09	d		8
7223	1	For the Court	100,000.00	Non-Marketer	07/10/09	d		9
7710	1	For the Court	56,000.00	Non-Marketer	07/10/09	d		10
Typical Industries Corp.								
4695.1	2	Disallow entire Claim	undetermined	Substantial Marketer				11
4695.2	2	Disallow entire Claim	undetermined	Substantial Marketer				11
4695.3	2	Disallow entire Claim	undetermined	Substantial Marketer				11
4695.6	1	Allowed-Amended	3,950.00	Non-Marketer	07/10/09	e		12
			383,749.59					
			18773639.48					
			0.020440874					

Determination Codes

- 1 Allowed Claim
- 2 Disallow entire Claim

Notes

- a Allowed Claim represents amount if Settlement and Compromise Agreement is approved.
- b Allowed Claim represents amount if Objection is sustained
- c Late Claim Receiver believes demonstrated excusable neglect
- d Late Claim for Court determination on whether Claimant demonstrated excusable neglect
- e Allowed Claim represents amount if amendment is approved

EXHIBIT B

Receiver is ORDERED to treat the Proof of Claim as a timely filed claim, and the determination set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order is APPROVED.

4. For Claim # 4109.1, the Court FINDS that the Claimant has demonstrated excusable neglect, the Receiver is ORDERED to treat the Proof of Claim as a timely filed claim, and the determination set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order is APPROVED.

5. For Claim # 7297.1, the Court FINDS that the Claimant has demonstrated excusable neglect, the Receiver is ORDERED to treat the Proof of Claim as a timely filed claim, and the determination set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order is APPROVED.

6. For Claim # 7305.1, the Court FINDS that the Claimant has demonstrated excusable neglect, the Receiver is ORDERED to treat the Proof of Claim as a timely filed claim, and the determination set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order is APPROVED.

7. For Claim ## 3631, 4109.2, 4323, 6604.1, 7223, and 7710 which the Receiver requested court determinations of whether there is excusable neglect:

A. For Claim ## _____

the Court FINDS that the Claimant(s) has/have demonstrated excusable neglect, the Receiver is ORDERED to treat the Proof of Claim as timely filed, and the determination(s) set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order is/are APPROVED; and

B. For Claim ## _____
the Court FINDS that the Claimant(s) has/have failed to demonstrate excusable neglect,
and the claim(s) shall be and hereby is/are DISALLOWED in its/their entirety.

8. For Claim # 4695.1 for Colin MacInnes, the claim shall be and hereby is
DISALLOWED in its entirety.

9. For Claim # 4695.2 for Mac Mechanical Inc., the claim shall be and hereby is
DISALLOWED in its entirety.

10. For Claim # 4695.3 for Tri-Ship Constructor Corp., the claim shall be and hereby
is DISALLOWED in its entirety.

11. For Claim # 4695.6, that the Approved Claim shall be and is hereby amended as
set forth in the Schedule of Claim Determinations in Exhibit 1 of this Order.

12. The Receiver is authorized to make distributions of up to 40% of the Approved
Claim amounts as soon as reasonably practicable.

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

DATE:

Gerald Bruce Lee
United States District Judge

I ask for this:



Roy M. Terry, Jr., VSB No. 17764
John C. Smith, VSB No. 44556
Elizabeth L. Gunn, VSB No. 71044
DuretteBradshaw PLC
600 E. Main St., 20th Floor
Richmond, Virginia 23219
phone: 804.775.6900
fax: 804.775.6911
Counsel for Receiver

EXHIBIT 1

S.E.C. v. International Fiduciary Corp.
 No. 1:06cv01354-GBL (E.D. Va.)
 Schedule of Receiver's Claim Determinations
 as of September 21, 2009

<u>Claim #</u>	<u>Determination code</u>	<u>Receiver's Determination</u>	<u>Classification of Approved Claim</u>	<u>Amount of Approved Claim (in U.S. dollars)</u>
Timely Filed Claims				
3178	1	Allowed	Non-Marketer	\$ 276,000.00
3461	1	Allowed	Non-Marketer	358,000.00
3542	1	Allowed	Non-Marketer	500,000.00
3615	1	Allowed	Non-Marketer	238,000.00
3623	1	Allowed	Non-Marketer	39,000.00
4059	1	Allowed	Non-Marketer	230,000.00
4067	1	Allowed	Non-Marketer	94,000.00
4406	1	Allowed	Non-Marketer	109,621.55
6398	1	Allowed	Non-Marketer	100,000.00
7090	1	Allowed	Non-Marketer	118,000.00

Late Claims-Excusable Neglect

3356	1	Allowed	Non-Marketer	167,062.72
4109.1	1	Allowed	Non-Marketer	100,000.00
7297.1	1	Allowed	Non-Marketer	100,000.00
7305.1	1	Allowed	Non-Marketer	100,000.00

Late Claims-Court to determine whether Excusable Neglect

3631	1	For the Court	Non-Marketer	27,849.59
4109.2	1	For the Court	Non-Marketer	116,000.00
4323	1	For the Court	Non-Marketer	58,100.00
6604.1	1	For the Court	Non-Marketer	25,800.00
7223	1	For the Court	Non-Marketer	100,000.00
7710	1	For the Court	Non-Marketer	56,000.00

Typical Industries Corp.

4695.1	2	Disallow entire Claim	Substantial Marketer	0.00
4695.2	2	Disallow entire Claim	Substantial Marketer	0.00
4695.3	2	Disallow entire Claim	Substantial Marketer	0.00
4695.6	1	Allowed-Amended	Non-Marketer	3,950.00

Determination Codes

- 1 Allowed Claim
- 2 Disallow entire Claim