

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

THE HONOURABLE *MR. JUSTICE*) MONDAY, THE 22nd DAY OF
CAMERON) NOVEMBER, 2004

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, C. s.5, As Amended**

BETWEEN:

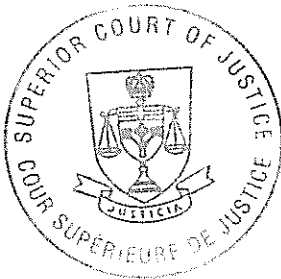
ONTARIO SECURITIES COMMISSION

Applicant

- and -

BUCKINGHAM SECURITIES CORPORATION


Respondent



ORDER

THIS MOTION made by BDO Dunwoody Limited in its capacity as court-appointed Receiver and Manager (the "Receiver") of the assets, property and undertaking of Buckingham Securities Corporation ("Buckingham"), whether held directly or indirectly, as principal or agent, beneficially or otherwise, and all proceeds therefrom (the "Property"), for an Order authorizing an allocation and distribution of the Property in accordance with the pooling and priority provisions set out in Part XII of the *Bankruptcy and Insolvency Act* ("BIA"), establishing a procedure for the identification, quantification, resolution and barring of claims

against Buckingham, and other relief was heard this day at 393 University Avenue, Toronto, Ontario.

UPON READING the Notice of Motion and upon hearing the submissions of counsel for the Receiver and ~~other interested parties,~~ ^{no one else appearing} 

Confirmation of Service

1. **THIS COURT ORDERS** that the time for and necessity of service of the Notice of Motion and the Motion Record herein is hereby abridged, that this Motion is properly returnable before the Court, that all parties entitled to notice of this Motion have been duly served with Notice of this Motion, and that further service thereof is hereby dispensed with.

Claims Bar Process

2. **THIS COURT ORDERS** that the Receiver shall send by ordinary mail to each of Buckingham's known creditors as soon as practicable and no later than seven (7) days after the issuance of this Order, a notice setting out the creditor's name, quantum of the creditor's claim as recognized by the Receiver, and classification of the creditor's Claim, as either a customer, deferred customer, secured, unsecured, contingent, unliquidated or disputed claim (the "Claim Summary"), together with a proof of claim in the form attached as **Schedule "A"** hereto (the "Proof of Claim"), and instruction letter in the form attached as **Schedule "B"**.

3. **THIS COURT ORDERS** that any creditor with a claim of any nature or kind against Buckingham, the Property or the Receiver which is not set out in the Claim Summary shall set out its claim for amounts owing in the Proof of Claim and return the Proof of Claim to the Receiver on or before 5:00 p.m. (Toronto time) on December 17, 2004 (the "Claims Bar Date").

4. **THIS COURT ORDERS** that the Receiver shall, as soon as practicable and in any event no later than seven (7) days after the issuance of this Order, publish a notice in the

Globe & Mail, National Edition, advising Buckingham's creditors of the Claims Bar Date and procedure for filing Proofs of Claim, in the form attached as **Schedule "C"**.

5. **THIS COURT ORDERS** that a creditor is not required to file a Proof of Claim by the Claims Bar Date with respect to the following claims (collectively, the "Excluded Claims"):

- (i) Claims described in the Claim Summary which the creditor does not dispute (except claims described in the Claims Summary as unliquidated, contingent or disputed for which Proofs of Claim must be submitted); and
- (ii) Claims previously allowed by Order of the Court.

6. **THIS COURT ORDERS** that all creditors required to file Proofs of Claim with the Receiver shall do so on or before the Claims Bar Date failing which such creditor shall be forever barred, estopped and enjoined from asserting any claim against Buckingham (or filing a Proof of Claim with respect thereto) and the Receiver, Buckingham and its Property shall be forever discharged from any and all indebtedness or liability with respect to such claim, and such creditor shall not be permitted to participate in any distributions of the Property made by the Receiver.

7. **THIS COURT ORDERS** that, upon receipt of a completed Proof of Claim, the Receiver shall either accept, revise or reject the amount of the claim therein set forth. The Receiver shall, as soon as practicable after receipt of a Proof of Claim, advise each creditor in writing whose claim has been revised or rejected and provide the reasons therefor (the "Disallowance").

8. **THIS COURT ORDERS** that Bill Woloshyn is hereby appointed to act as Claims Officer (the "Claims Officer"), and the Receiver is authorized to enter into such agreements with the Claims Officer for fixing the reasonable remuneration of the Claims Officer as the Receiver deems reasonable and appropriate.

9. **THIS COURT ORDERS** that a creditor who intends to dispute a Disallowance shall, within seven (7) business days of being advised of such Disallowance, notify both the Claims Officer and the Receiver in writing (the "Dispute Notice") that it does not accept the Receiver's determination of its Claim. Any creditor who does not so notify the Claims Officer or the Receiver within such seven (7) business day period shall, unless otherwise agreed by the Receiver and subject to further order of this Court, be deemed to have accepted, as final and binding, the Receiver's determination of its Claim for all purposes including any distribution of the Property. Any notification to the Claims Officer and the Receiver pursuant to this paragraph may be effected by facsimile transmission.

10. **THIS COURT ORDERS** that upon receipt of a Dispute Notice, the Claims Officer shall attempt to resolve the dispute between the Receiver and such creditor, and the Claims Officer shall, as expeditiously as possible, notify the Receiver and such creditor of the amount of the creditor's Claim as determined by the Claims Officer (the "Claims Officer's Determination").

11. **THIS COURT ORDERS** that, subject to the direction of this Court, the Claims Officer shall determine the manner, if any, in which evidence may be brought before him by the parties as well as any other procedural matters which may arise in respect of the determination of a creditor's Claim.

12. **THIS COURT ORDERS** that either a creditor or the Receiver may, within seven (7) business days of notification of the Claims Officer's Determination of such creditor's Claim, appeal such determination to this Court, in default of which such determination shall, subject to further order of this Court, be final and binding on the creditor and the Receiver for all purposes, including, without limitation, any distributions of the Property by the Receiver.

13. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to allocate and distribute the Property and its proceeds in accordance with the provisions of Part XII of the BIA provided that the "net equity" of each customer shall be calculated as at July 6, 2001.

14. **THIS COURT ORDERS** that following the Claims Bar Date, the Receiver is hereby authorized and directed to proceed with an interim distribution in the total amount of \$2.5 million to Buckingham's customers from the funds available in the customer pool fund.

15. **THIS COURT ORDERS** that the Receiver is hereby authorized to retain the balance of the funds in the customer pool fund as a reserve to fund continuing costs of the receivership, including the costs of proceeding with the litigation by the Receiver against Miller Bernstein LLP, pending further Order of this court.

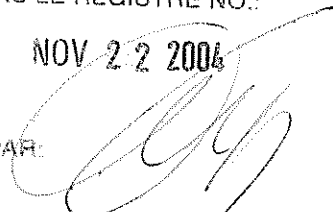


Donald A. Stewart

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

NOV 22 2006

PER/PAR:



SCHEDULE "A"

Proof of Claim

Court File No. 01-CL-4192

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

B E T W E E N:

ONTARIO SECURITIES COMMISSION

Plaintiff

- and -

BUCKINGHAM SECURITIES CORPORATION

Defendant

PROOF OF CLAIM

Please read carefully the enclosed Instruction Sheet for completing this Proof of Claim. Please print legibly.

Please indicate if this Proof of Claim is an (please check one):

Original Proof of Claim; or

Amended Proof of Claim

A. PARTICULARS OF CLAIMANT

1. Full legal name of Creditor: _____ (the "Creditor").

(The full legal or corporate name inserted above should be the party who is a Creditor of Buckingham Securities Corporation ("Buckingham"))

2. **Full mailing address of the Creditor:** _____

3. **Telephone Number of Creditor:** _____

4. **Fax Number of Creditor:** _____

5. **Attention (Contact Person):** _____

B. PROOF OF CLAIM

I, _____, (Name of Creditor or Representative of the Creditor)
certify:

(a) that I am a Creditor of/hold the position of _____ of the Creditor and have knowledge of all the circumstances connected with the Claim described herein. If the Claim is in a foreign currency, please convert the Claim to Canadian dollars at the exchange rate applicable at the date the Claim arose.

(b) that my Claim is in respect of the following (please check and complete appropriate category):

(i) The Creditor makes the following Claim against Buckingham, the Property, or the Receiver:

CLAIM
Secured Unsecured

C. PARTICULARS OF CLAIM

(If inadequate space is provided below, please append a Schedule clearly marked as corresponding with the particulars set out in the relevant section below)

(i) Description of the basis for the Claim (including the nature of the Claim and the facts and dealings giving rise to the Claim):

(attach the documents related to the Claim)

(ii) If the Claim is contingent, or unliquidated, state the basis upon which the Claim has been valued:

(iii) Names of any guarantors which have guaranteed the Claim:

(iv) Description of security, if any, granted to the Creditor in respect of the Claim:

(attach documentation evidencing secured Claim)

(v) Estimated value of security outlined above as of the date of the Claim:

The fully completed Proof of Claim together with supporting documentation must be returned and received by the Receiver, **no later than 5:00 EST on December 17, 2004**, at the following addresses or fax numbers:

BDO Dunwoody Limited
Royal Bank Plaza
P.O. Box 32
Toronto, ON M5J 2J8
Attention: Gary Cerrato
Telephone (416) 865-0210
Fax (416) 865-0887

DATED at _____ this _____ day of _____, 2004.

(Signature of Witness)

(Signature of individual completing this form)

(please print name)

(please print name)

SCHEDULE "B"

**BUCKINGHAM SECURITIES CORPORATION ("Buckingham")
INSTRUCTION LETTER**

RE: CERTAIN CLAIMS AGAINST BUCKINGHAM, and BDO DUNWOODY LIMITED, IN ITS CAPACITY AS RECEIVER AND MANAGER OF BUCKINGHAM (The "Receiver")

This instruction sheet is provided to assist you in preparing your Proof of Claim form.

Completion of First Proof of Claim

In order for the Proof of Claim (a copy of which is enclosed) to be eligible for allowance, it must be completed on the enclosed form in all respects, including:

1. name, address, telephone number and facsimile number (if available) of the claimant;
2. description of the claim with copies of supporting documents, statements, invoices, vouchers, etc. attached. It is understood that supporting documentation could be significant in volume. Copies of the most relevant documents should be attached to the claim but the failure to attach all relevant documents will not prevent you from relying upon such other documents in any future proceedings; and
3. signing of the Proof of Claim by a representative of the Creditor.

Deadline

Please note that the deadline for receipt of Proofs of Claim by the Receiver at the addresses set out below is 5:00 p.m. EST on December 17, 2004, failing which your claim will be forever extinguished and barred. If you have any questions, please call the Receiver as indicated below.

BDO Dunwoody Limited
Royal Bank Plaza
P.O. Box 32
Toronto, ON M5J 2J8
Attention: Gary Cerrato
Telephone: (416) 865-0210
Fax: (416) 865-0887

Please note it is only necessary to file a Proof of Claim if you did not receive a claim summary from the Receiver, or dispute your claim as set out in the Proof of Claim form sent to you by the Receiver or if your claim is described by the Receiver as a contingent or unliquidated claim.

Gary Cerrato

SCHEDULE "C"

**BUCKINGHAM SECURITIES CORPORATION
Notice To Creditors
Notice Of Claims Bar Date In Receivership Proceedings**

Please take notice that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice made on November 22, 2004 (the "Claims Bar Order").

Notice is hereby given that BDO Dunwoody Limited, in its capacity as Receiver and Manager (the "Receiver") of the assets, property and undertaking of Buckingham Securities Corporation ("Buckingham"), whether held directly or indirectly, as principal or agent, beneficially or otherwise (the "Property") intends to make distributions of Buckingham's Property and the proceeds thereof.

Pursuant to the Claims Bar Order, the Receiver has prepared a claims summary (the "Claims Summary") listing all known customers and creditors of Buckingham based upon Buckingham's books and records and mailed the same to each of Buckingham's known creditors and customers. Pursuant to the Claims Bar Order, anyone wishing to assert any claim of any nature or kind against Buckingham, the Property, or the Receiver, other than as set out in the Claims Summary prepared by the Receiver, must deliver a Proof of Claim in writing to the Receiver at the address set out below by 5:00 p.m., Toronto time, on December 17, 2004 (the "Claims Bar Date"), failing which all such claims will be forever extinguished and barred.

This request for Proof of Claims does not apply to claims described in the Claims Summary which are not disputed (except claims described in the Claims Summary as unliquidated, contingent or disputed, for which Proofs of Claim must be submitted), and claims previously allowed by order of the Court.

Creditors who have not received a Claim Summary or a Proof of Claim form or who have any further inquiries or requests for documentation, including a copy of the Claims Bar Order, should contact the Receiver as indicated below.

Dated at Toronto this ____ day of _____, 2004.

BDO Dunwoody Limited
in its capacity as Court-Appointed
Receiver and Manager of the Assets, Property
and Undertaking of
Buckingham Securities Corporation
Royal Bank Plaza, P.O. Box 32
Toronto, Ontario M5J 2J8
Attention: Gary Cerrato
Telephone: (416) 865-0210
Fax: (416) 865-0887

Court File No.: 01-CL-4192

ONTARIO SECURITIES COMMISSION

- and -

BUCKINGHAM SECURITIES CORPORATION

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

Proceeding Commenced at Toronto

ORDER

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Lisa S. Corne
LSUC #27974M
Tel: (416) 863-3896
Fax: (416) 863-2653

Solicitors for BDO Dunwoody Limited