

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

No. 08 Civ. 10922 (DAB)

J. EZRA MERKIN AND BDO SEIDMAN
SECURITIES LITIGATION

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DECLARATION OF ANDREW BICKERTON

BRITISH VIRGIN ISLANDS: ss.:

ANDREW BICKERTON declares:

1. I am a chartered certified accountant and the managing director of the accounting firm of BDO Limited (formerly BDO Binder) ("Binder"), a defendant. I make this declaration in support of its motion to dismiss this action.

2. Binder is organized under the laws of, and does business only in, the British Virgin Islands, a British Overseas Territory. Its only office is in the British Virgin Islands. All of its partners and employees are resident in the British Virgin Islands. All of its property of any kind are in the British Virgin Islands. The vast bulk of its revenues are earned in the British Virgin Islands.

3. Binder has no presence in the United States. It has no employees, offices, property, or bank accounts in the United States. It is not registered to do business in the United States. It does not engage in any systematic course of business in the United States.

4. To the extent relevant to this case, Binder's only client was Ariel Fund Limited. It is a Cayman Islands corporation that, to the best of my knowledge, has



its only place of business in the Cayman Islands. All of the auditing services that Binder performed for Ariel Fund were performed in the British Virgin Islands. Those services were performed pursuant to engagement letters that we executed in and delivered from the British Virgin Islands.

5. Binder had no contact in the United States with anyone purporting to represent Ariel Fund. It has had only a limited number of faxed communications with anyone in the United States affiliated in any way with Ariel Fund, and those faxed communications originated from the British Virgin Islands. No one from Binder came to the United States in connection with the audits of Ariel Fund.

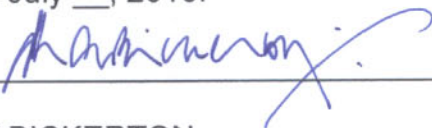
6. Binder last issued an audit opinion on the Ariel Fund financial statements on 27th May 2002, with respect to the 2001 year-end audited financial statements. Since then, Binder has performed no services for Ariel Fund.

7. To the best of my knowledge Binder's only transmissions of the audited financial statements, other than to BDO USA, LLP (formerly known as BDO Seidman, LLP), were to Michael Autera, at that time the Financial Controller of Gabriel Capital Corporation.

8. Binder never sent or caused to be sent the audited financial statements for Ariel Fund to any of its shareholders (other than those who were associated with Gabriel Capital Corporation, the fund's manager). Indeed, based on my inquiries of relevant personnel, Binder never had any communication with any of the shareholders.



I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct. Executed on July ³⁰ __, 2010.



A handwritten signature in blue ink, appearing to read "Andrew Bickerton", is written over a horizontal line.

ANDREW BICKERTON