

EXHIBIT 43

From: PORRAS, Belkys
Sent: Thursday, June 30, 2005 11:51 AM
To: 'Lorraine'
Cc: YANNUZZI, Miguel M.
Subject: Fairfield Prospectus

Attachments: Fairfield Sentry Prospectus.pdf



Fairfield Sentry
Prospectus.pd..

Hola Lorraine,

Aqui te estoy enviando el Prospectus para tu informacion del fondo invertido. El documento tiene 48 paginas!

Saludos,

bel

EXHIBIT 44

Eastern Caribbean High Court of Justice, British Virgin Islands (the "BVI Court"), for their complaint against Defendants, allege the following based on personal knowledge or information derived from the Funds' books and records or from other sources, including, *inter alia*, court filings and statements of governmental agencies and other parties.

PRELIMINARY STATEMENT

1. This action and similar actions are brought by the Plaintiffs, with the approval of the BVI Court, to recover payments made to shareholders for the redemption of shares in the Funds prior to December 2008.

2. The Funds were created as a means for private investment in managed accounts with Bernard L. Madoff Investment Securities LLC ("BLMIS"), the brokerage business that Bernard L. Madoff used to perpetrate his massive Ponzi scheme. Sentry was the largest of all so-called "feeder funds" to maintain accounts with BLMIS. Sigma and Lambda were indirect BLMIS feeder funds established for foreign currency investments (respectively, Euro and Swiss Franc investments) through purchase of shares of Sentry. Sentry's account statements with BLMIS as of the end of October 2008 showed in excess of \$6 billion of assets supposedly held by BLMIS for Sentry. As stated in their offering materials, the Funds' investment objective was to achieve capital appreciation of assets through investments in BLMIS (directly, in the case of Sentry; and indirectly, through Sentry, in the cases of Sigma and Lambda).

3. It is now known that these types of feeder funds were essential to the perpetration of Madoff's Ponzi scheme. In order for the Ponzi scheme to operate, Madoff required a continuous flow of new investors and investments to be able to satisfy redemption requests from early investors. Feeder funds, such as Sentry, brought new investors into this scheme, allowing

Madoff to make payments to early investors and thereby creating and perpetuating the illusion that BLMIS was engaged in a successful investment strategy and actively trading securities.

4. From the Funds' inception until the disclosure of Madoff's fraud in December 2008, substantially all cash, net of fees and expenses, raised by the Funds through the sale of their shares were transferred (either directly in the case of Sentry or indirectly through Sentry in the cases of Sigma and Lambda) to BLMIS for investment in accounts managed by Madoff. Prior to December 2008, the voting, participating shares of Sentry (\$.01 par value per share), Sigma (€0.01 par value per share), and Lambda (CHF.01 par value per share) (the "Shares"), were redeemable for a price equal to the applicable Fund's "Net Asset Value." Net Asset Value was to be determined, in accordance with applicable accounting standards, as the value of the respective assets of Sentry, Sigma, and Lambda divided by the number of shares outstanding in each fund, net of certain expenses ("Net Asset Value").

5. From time to time, in order to make payments to investors for redemption of Shares ("Redemption Payments"), Sentry made withdrawals from its BLMIS accounts. At all relevant times, the Funds believed payments that Sentry received from BLMIS represented the proceeds of sales of securities and/or investments held by BLMIS for Sentry. The amount, per share, paid by the Funds to shareholders for each Share redeemed was to be equal to the per share Net Asset Value, which was calculated based on the assets that the Funds believed were being held, and investments that were being made, by BLMIS for Sentry's account.

6. As the world now knows, Madoff was operating a massive Ponzi scheme through BLMIS. Thus, at all relevant times, the money that Sentry transferred to BLMIS was not invested, but, rather, was used by Madoff to pay other BLMIS investors or was otherwise misappropriated by Madoff for unauthorized uses. Further, none of the securities shown on

statements provided to Sentry by BLMIS were in fact purchased for Sentry. Additionally, none of the amounts withdrawn by Sentry from its accounts with BLMIS were proceeds of sales of securities or other investments. Instead, such amounts represented the monies of more recent investors into the Madoff scheme.

7. In light of the fraudulent nature of BLMIS and its operation as a massive Ponzi scheme, at all relevant times the assets purportedly held at BLMIS for Sentry were non-existent, and the Funds were insolvent or rendered insolvent at the time Redemption Payments were made or they were rendered insolvent by those payments. As a result, at all relevant times, the Net Asset Value of the Shares redeemed was miscalculated, and Redemption Payments were mistakenly made for amounts far in excess of the actual Net Asset Value of Shares redeemed.

8. At all relevant times, all payments made from BLMIS to Sentry and other feeder funds and investors were made by Madoff to perpetuate his Ponzi scheme and avoid detection of his fraud. Similarly, the Redemption Payments that the Funds made to redeeming shareholders were not made in the ordinary course of any business or for any legitimate purposes. Those Redemption Payments did not conform to or follow the terms of the Funds' Subscription Agreements, Articles of Association and/or other offering documents, as the source of these payments was not the sales of securities, or return of investments, as contemplated by those documents. Rather, the payments were derived from uninvested monies of other BLMIS investors or other uninvested deposits made by Sentry in BLMIS, but in either event, they represented the fraudulent and ill-gotten gains of Madoff's Ponzi scheme, distributed by BLMIS to Sentry. These payments and other payments made to BLMIS investors were crucial in perpetuating the Ponzi scheme and maintaining the illusion that Madoff was making actual investments and employing a successful investment strategy.

9. During the period from and after April 21, 2004, through November 25, 2008, following the receipt by the Funds of notices of redemption, the Funds made Redemption Payments to Defendant EFG Bank a/k/a EFG Bank AG and/or EFG Bank SA ("EFG Bank") aggregating USD \$160,303,122.70. At the time such payments were made, the Funds mistakenly believed that such payments were in the amount of the Net Asset Value of the Shares tendered at the time of redemption. In fact, however, as stated, the Redemption Payments made to EFG Bank far exceeded the actual Net Asset Value of the Shares redeemed. Moreover, the source of these Redemption Payments was not, as the Funds believed them to be, proceeds of the liquidation of securities or investments held for their accounts. Instead, any amounts obtained directly or indirectly by the Funds from BLMIS to make Redemption Payments to EFG Bank were proceeds of Madoff's Ponzi scheme, obtained from other BLMIS investors or other Sentry investors invested in BLMIS.

10. Upon information and belief, EFG Bank has either retained the Redemption Payments made to it by the Funds for its own account and benefit or, alternatively, paid all or some portion of such payments to or for the account of persons or entities for whom EFG Bank may have subscribed for shares of the Funds in the capacity of trustee, agent, representative, nominee or custodian (the "Beneficial Shareholders," together with EFG Bank, the "Defendants").

11. Following the revelation of Madoff's fraud in December 2008, the Funds' boards of directors suspended any further redemptions of the Funds' shares and the calculation of each of the Funds' Net Asset Value. As of December 2008 and presently, Sentry, Sigma, and Lambda have, respectively, approximately 4.7 million, 3.9 million, and 0.2 million shares outstanding.

12. The Funds' actual assets are far less than the amount needed to satisfy their liabilities and the claims that have been or may be asserted against each of them. In particular, claims have been asserted against the Funds in actions commenced by Irving H. Picard, the Trustee appointed by the United States District Court for the Southern District of New York for the liquidation of BLMIS (the "BLMIS Trustee"), in an adversary proceeding pending before the United States Bankruptcy Court of the Southern District of New York, Picard v. Fairfield Sentry Limited, et al., No. 08-01789 (BRL) (the "BLMIS Adversary Proceeding").

13. As set forth in the complaint filed in the BLMIS Adversary Proceedings, the BLMIS Trustee seeks to recover from the Funds, on preference and fraudulent transfer grounds, approximately \$3.2 billion. This amount is alleged to have been transferred to the Funds from BLMIS, directly (in the case of Sentry), or indirectly (in the cases of Sigma and Lambda), during the six years preceding the December 2008 disclosure of the Madoff fraud. The BLMIS Trustee alleges that the monies transferred from BLMIS to the Funds were the misappropriated assets of other BLMIS investors. At all relevant times, monies that the Funds received from BLMIS, net of fees and expenses, were transferred to shareholders as Redemption Payments. Monies received from BLMIS to fund Redemption Payments thereby gave rise to alleged liabilities and subjected the Funds to claims that the Funds were and are unable to pay or that caused the Funds to become insolvent and/or deepened their existing insolvency.

14. Unless Redemption Payments paid to shareholders are recovered for the Funds' estates, the Funds will be unable to satisfy their liabilities and claims that have been made or may be made against them. Moreover, to the extent such liabilities and claims must be satisfied solely from the Funds' current assets, Defendants will have been unjustly enriched as they will

not bear their proportionate share of such liabilities and claims, but rather will retain a windfall at the expense of other shareholders and creditors of the Funds.

JURISDICTION AND VENUE

15. Jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 157(b) and 1334(b), as this adversary proceeding and the claims asserted by the Foreign Representatives herein arise under, arise in and/or relate to the Chapter 15 proceedings of the above-captioned Debtors, In re Fairfield Sentry Limited, et al., No. 10-13164 (BRL), pending in this Court. Additionally, pursuant to section 78eee(b)(2)(A)(iii) of the Securities Investor Protection Act (“SIPA”), which incorporates 28 U.S.C. § 1334(b) and applicable provisions of Title 11 of the United States Code, jurisdiction is also proper in this Court because this action also relates to the consolidated liquidation proceedings of BLMIS and Bernard L. Madoff, pending in this Court under the caption Securities Investor Protection Corp. v. Bernard L. Madoff Investment Securities LLC, SIPA Liquidation No. 08-1789 (BRL). Pursuant to the standing order of reference of the United States District Court for the Southern District of New York, dated July 10, 1984, all proceedings arising in, arising under and/or related to cases under Title 11 of the United States Code (as amended, the “Bankruptcy Code”) are referred to this Court for adjudication.

16. This is a core proceeding under 28 U.S.C. §§ 157(b)(2). Should the Court determine this to be a non-core proceeding, Plaintiffs consent to entry of final judgment and order by this Court.

17. This Court has jurisdiction over EFG Bank and any Beneficial Shareholders pursuant to Rules 7004(d) and (f) of the Federal Rules of Bankruptcy Procedure because EFG Bank and the Beneficial Shareholders, on information and belief, conducted investment transactions from within or directed to the United States.

18. Moreover, this Court has jurisdiction over EFG Bank and any Beneficial Shareholders by virtue of the legally binding and valid agreements and representations set forth in one or more Subscription Agreements EFG Bank entered into with the Funds (collectively, the "Subscription Agreement").

19. The Subscription Agreements provide for, *inter alia*, the irrevocable submission by EFG Bank to the jurisdiction of the New York courts with respect to any proceeding with respect to said agreement and the Funds and EFG Bank's consent to service of process by the mailing of such process, as provided therein. In particular, the Subscription Agreements provide as follows:

New York Courts. Subscriber agrees that any suit, action or proceeding ("Proceeding") with respect to this Agreement and the Fund may be brought in New York. Subscriber irrevocably submits to the jurisdiction of the New York courts with respect to any Proceeding and consents that service of process as provided by New York law may be made upon Subscriber in such Proceeding, and may not claim that a Proceeding has been brought in an inconvenient forum. Subscriber consents to the service of process out of any New York court in any such Proceeding by the mailing of copies thereof, by certified or registered mail, return receipt requested, addressed to Subscriber at the address of Subscriber then appearing on the Fund's records. Nothing herein shall affect the Fund's right to commence any Proceeding or otherwise to proceed against Subscriber in any other jurisdiction or to serve process upon Subscriber in any manner permitted by any applicable law in any relevant jurisdiction.

20. Furthermore, by executing the Subscription Agreements, EFG Bank agreed to all terms and conditions contained therein, including the express provision that any agreement made by EFG Bank in the Subscription Agreement would also apply to any other person for whom EFG Bank was subscribing as trustee, agent, representative, or nominee – i.e., all Beneficial Shareholders. Moreover, by executing the Subscription Agreements, EFG Bank represented that it had all requisite authority from Beneficial Shareholders to execute and perform any and all obligations on their behalf, and also agreed to indemnify the Funds for any damages resulting from an assertion by a Beneficial Shareholder that EFG Bank lacked proper authorization to

enter into the Subscription Agreement or perform the obligations thereof. Specifically, the Subscription Agreements provide as follows:

If Subscriber is acting as a Representatives. If Subscriber is subscribing as trustee, agent, representatives, or nominee for another person (the "Beneficial Shareholder"), Subscriber agrees that the representations and agreements herein are made by Subscriber with respect to itself and the Beneficial Shareholder. Subscriber has all requisite authority from the Beneficial Shareholder to execute and perform the obligations hereunder. Subscriber also agrees to indemnify the Fund . . . for any and all costs, fees and expenses (including legal fees and disbursements, fines and amounts paid in settlement) in connection with any damages resulting from Subscriber's misrepresentation or misstatement contained here, or the assertion of Subscriber's lack of proper authorization from the Beneficial Shareholder to enter into this Agreement or perform the obligations hereof.

21. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

PARTIES

Plaintiffs

22. Sentry, a British Virgin Islands company, was organized in 1990 under the International Business Company Act of the British Virgin Islands and was subsequently re-registered as a business company under the BVI Business Companies Act 2004. Sentry's registered agent is Codan Trust Company (B.V.I.) located at Romasco Place, Wickhams Cay 1, Road Town, Tortola, BVI. Sentry is currently in liquidation in proceedings commenced on April 21, 2009 in the BVI Court.

23. Sigma, a British Virgin Islands company, was organized in 1990 under the International Business Company Act of the British Virgin Islands and was subsequently re-registered as a business company under the BVI Business Companies Act 2004. Sigma's registered agent is Codan Trust Company (B.V.I.) located at Romasco Place, Wickhams Cay 1, Road Town, Tortola, BVI. Sigma is currently in liquidation in proceedings commenced on April 23, 2009, in the BVI Court.

24. Lambda, a British Virgin Islands company then known as Fairfield Henry Limited, was organized in 1990 under the International Business Company Act of the British Virgin Islands and was subsequently re-registered as a business company under the BVI Business Companies Act 2004. Lambda's registered agent is Codan Trust Company (B.V.I.) located at Romasco Place, Wickhams Cay 1, Road Town, Tortola, BVI. Lambda is currently in liquidation in proceedings commenced on February 27, 2009, in the BVI Court.

25. The Foreign Representatives were appointed by the BVI Court as Liquidators of the Funds to supervise the liquidation of the Funds' estates and, where necessary, commence proceedings in the name of and behalf of the Funds or in their own official names. On April 23, 2009, the BVI Court issued an order appointing Christopher Stride (Ms. Lau's predecessor) as liquidator of Lambda (the "Lambda Appointment Order"). On July 21, 2009, the BVI Court issued an order appointing Mr. Krys and Mr. Stride as joint liquidators of Sentry and Sigma (the "Sentry & Sigma Appointment Order"). On September 6, 2010, the BVI Court issued notices acknowledging Mr. Stride's resignation and Ms. Lau's appointment as joint liquidator with Mr. Krys of all three Funds (the "Supplemental Appointment Order" and, together with the Lambda Appointment Order and the Sentry & Sigma Appointment Order, the "BVI Appointment Orders"). The Foreign Representatives have been authorized by the BVI Court to bring, in their capacities as Foreign Representatives and liquidators of the Funds, this action and the claims herein, including the avoidance claims herein under the BVI Insolvency Act of 2003 (the "BVI Insolvency Act").

26. Pursuant to the BVI Appointment Orders, the Foreign Representatives are responsible for all aspects of the Funds' businesses, including, among other things, custody and control of the Funds' assets, the power to do all acts and execute, in the name and on behalf of

the Funds, any deeds, receipts or other documents, and the power to compromise claims, commence litigation and to dispose of property. After obtaining BVI Court approval, the Foreign Representatives filed petitions in this Court in June of 2010, under Chapter 15 of Title 11 of the United States Code, seeking recognition of the BVI Liquidation Proceedings as “foreign main proceedings” under Chapter 15. On July 22, 2010, this Court issued an order (the “Recognition Order”) granting that recognition.

27. Pursuant to the Recognition Order, the Foreign Representatives were automatically afforded relief available under 11 U.S.C. § 1520, including application of the Bankruptcy Code’s automatic stay to the Funds and their property located in the United States, as well as the ability to operate the Funds’ business and exercise the rights and powers of a trustee under Sections 363 and 552 of the Bankruptcy Code. Moreover, the Bankruptcy Court specifically granted additional relief in the Recognition Order to the Foreign Representatives pursuant to 11 U.S.C. § 1521(a). Such relief includes, but is not limited to: (i) staying any actions, proceedings or execution against the Funds’ assets to the extent not stayed under Section 1520; (ii) authorizing the Foreign Representatives to seek leave to conduct discovery concerning the Funds’ assets, affairs, rights, obligations or liabilities; (iii) entrusting the Foreign Representatives with the administration and realization of the Funds assets that are located within the United States, including all claims and causes of action belonging to the Funds; and (iv) otherwise giving full force and effect to the BVI Proceedings.

Defendants

28. EFG Bank was, at all relevant times, a member of the Funds and a registered holder of Shares. Upon information and belief, EFG Bank is a corporate entity organized under the laws of Switzerland and having its registered address at 24 Quai du Seujet, CP 2391 1211,

Geneva 2, Switzerland. EFG Bank subscribed for the purchase of Shares by entering into one or more Subscription Agreements with the Funds (collectively, the "Subscription Agreement"). All purchases of Shares by EFG Bank were subject to the terms of the Subscription Agreement.

29. Defendants "Beneficial Owners of the Accounts Held in the Name of EFG Bank" - i.e., the Beneficial Shareholders - are, as noted, any persons or entities having a beneficial ownership or interests in Shares of the Funds issued to EFG Bank and on whose behalf EFG Bank was acting as trustee, agent, representative, or nominee (individually, a "Beneficial Shareholder" and collectively, "Beneficial Shareholders").

NOTICE PURSUANT TO FED. R. CIV. P. 44.1

30. Certain or all of the issues to be resolved in this case will be governed by the laws of the British Virgin Islands. Plaintiffs intend to rely upon the applicable laws of that territory.

FACTUAL ALLEGATIONS

Role of Feeder Funds In Madoff Fraud

31. Sentry was the largest of all so-called "feeder funds" to maintain accounts with BLMIS. Sigma and Lambda were indirect BLMIS feeder funds established for foreign currency (respectively, Euro and Swiss franc) investment through purchase of shares of Sentry. Sentry's account statements with BLMIS as of the end of October 2008 showed in excess of \$6 billion of invested assets supposedly held by BLMIS. As stated in its offering materials, Sentry's investment objective was to achieve capital appreciation through investments in BLMIS.

32. As discussed above, Sentry, Sigma and Lambda were established for the purpose of making investments in BLMIS. It is now known that these types of feeder funds were a crucial part of Madoff's Ponzi scheme. The feeder funds brought new investors and new investments into the scheme, allowing Madoff to make payments to early investors who sought

to liquidate their investments, and in this way, the feeder funds were used by Madoff to continue and perpetuate his fraud by maintaining the illusion that BLMIS was making active investments and engaging in a successful investment strategy.

Calculation of Net Asset Value and Shareholder Redemption Payments

33. Substantially all of the money (some 95%) raised by the Funds from the sale of their Shares, net of fees and expenses, was turned over to and invested in BLMIS (by and/or through Sentry), and supposedly credited to accounts held in the name of Sentry with BLMIS, purportedly for use in the now infamous “split-strike conversion” investment strategy. In accordance with the Funds’ Subscription Agreements, Articles of Association, offering materials and/or other relevant documents, from time to time, the Funds paid to shareholders, for each Share tendered for redemption, an amount that was based on each of the respective Funds’ purported Net Asset Value, as it was then calculated.

34. In calculating each of the Funds’ Net Asset Value, the Funds used and relied on account statements provided by BLMIS purportedly showing securities and investments, or interests or rights in securities and investments, held by BLMIS for the account of Sentry. Generally, all securities identified on BLMIS account statements were traded on public exchanges and had readily ascertainable market values, and those market values (in addition to purported cash on hand that was identified in the Sentry account statement for the relevant time period) were used in accordance with the Funds’ Subscription Agreements, Articles of Association, offering materials and other documents to calculate the Net Asset Value of the Shares.

35. In fact, at all relevant times, no securities were ever purchased or sold by BLMIS for Sentry and any stated cash on hand in the accounts was based on misinformation and

fictitious account statements. None of the transactions shown on the account statements provided by BLMIS to Sentry ever occurred. Indeed, no investments of any kind were ever made by BLMIS for Sentry. At all relevant times, all of the account statements that BLMIS provided to Sentry were entirely and utterly fictitious. Further, all amounts deposited by Sentry (or by Sigma and Lambda through Sentry) with BLMIS for investment and the purchase of securities to be held by BLMIS for the account of Sentry were used by Madoff to pay other BLMIS investors or were misappropriated by Madoff for other unauthorized uses.

36. From time to time, to make Redemption Payments, Sentry (and Sigma and Lambda through Sentry) made withdrawals from Sentry's BLMIS accounts. The Funds believed that the amounts provided in connection with such withdrawals represented proceeds from the sale or liquidation of securities or investment positions held by BLMIS for the account of Sentry. In fact, however, payments made by BLMIS to Sentry purportedly representing the proceeds of sales of securities or other investment positions were nothing other than the deposits of other BLMIS investors or previous deposits made by Sentry, never invested but rather misused and misappropriated as part of Madoff's fraud. At all relevant times, payments made from BLMIS to Sentry were made by Madoff to continue and perpetuate his Ponzi scheme and avoid detection of his fraud. The payments from BLMIS to Sentry were not payments made in the ordinary course of or as part of any business, nor did they have a legitimate business purpose. Similarly, the Redemption Payments were not made for any legitimate purposes or in the ordinary course of any business.

37. Given the fraudulent nature of BLMIS and its operation as a massive Ponzi scheme, the money paid by the Funds (directly in the case of Sentry and indirectly in the cases of Sigma and Lambda) to BLMIS on account of Sentry was, at all relevant times and unknown to

the Funds, misused and misappropriated by Madoff as part of his Ponzi scheme. At all relevant times, the Funds were insolvent when the Redemption Payments were made or were rendered insolvent, and/or their insolvency was deepened, as a result of the Redemption Payments.

Redemption Payments Made or Transferred to Defendants

38. During the six-year period prior to the commencement of this action, EFG Bank received Redemption Payments totaling USD \$160,303,122.70 from the Funds in respect of Shares tendered for redemption.

39. The dates and amounts of each Redemption Payment received by EFG Bank from Sentry are set forth on Exhibit A. The dates and amounts of each Redemption Payment received by EFG Bank from Sigma are set forth on Exhibit B. The dates and amounts of each Redemption Payment received by EFG Bank from Lambda in this period are set forth on Exhibit C.

40. In exchange for each Redemption Payment, each of which constitutes a transaction between EFG Bank and the relevant Fund, the relevant Fund received no consideration or consideration of a value that, in money or money's worth, was significantly less than the value, in money or money's worth, of the consideration provided by the relevant Fund.

41. Upon information and belief, EFG Bank and/or the Beneficial Shareholders received Redemption Payments in excess of amounts paid by such person(s) for purchase of their Shares.

Exposure of Madoff's Fraud

42. On December 11, 2008, federal agents arrested Madoff for violation of federal securities laws. On that same day, the United States Attorney brought criminal charges against Madoff, alleging that Madoff ran a multi-billion dollar Ponzi scheme. See United States v.

Madoff, No. 08-mj-2735 (S.D.N.Y., filed Dec. 11, 2008). Upon arrest, Madoff was reported to have told the agents that “there is no innocent explanation” for the fraudulent scheme he had orchestrated and confessed that he “paid investors with money that wasn’t there.”

43. On December 11, 2008, the United States Securities and Exchange Commission (“SEC”) filed an emergency action in the Southern District of New York to halt ongoing fraudulent offerings of securities and investment advisory fraud by Madoff and BLMIS. See SEC v. Madoff, No. 08-cv-10791 (S.D.N.Y. filed Dec. 11, 2008). On February 9, 2009, the SEC submitted to the Court a proposed partial judgment, to which Madoff consented, imposing a permanent injunction and continuing relief against him, including a permanent freezing of his assets.

44. In March 2009, Madoff pleaded guilty to the criminal charges brought against him. In his plea allocution, Madoff confessed: “for many years up until my arrest on December 11, 2008, I operated a Ponzi scheme through the investment advisory side of my business, Bernard L. Madoff Securities LLC.” As Madoff himself described how the scheme worked:

The essence of my scheme was that I represented to clients and prospective clients who wished to open investment advisory and individual trading accounts with me that I would invest their money in shares of common stock, options and other securities of large well-known corporations, and upon request, would return to them their profits and principal. Those representations were false because for many years up and until I was arrested on December 11, 2008, I never invested those funds in the securities, as I had promised. Instead, those funds were deposited in a bank account at Chase Manhattan Bank. When clients wished to receive the profits they believed they had earned with me or to redeem their principal, I used the money in the Chase Manhattan bank account that belonged to them or other clients to pay the requested funds.

45. Madoff further confessed to covering up his fraud by fabricating false trade confirmation and account statements:

To further cover-up the fact that I had not executed trades on behalf of my investment advisory clients, I knowingly caused false trading confirmations and client account statements that reflected the bogus transactions and positions to be

created and sent to clients purportedly involved in the split strike conversion strategy, as well as other individual clients I defrauded who believed they had invested in securities through me. The clients receiving trade confirmations and account statements had no way of knowing by reviewing these documents that I had never engaged in the transactions represented on the statements and confirmations.

46. Madoff is now serving a 150-year sentence in federal prison.

The Funds' Estates in Liquidation

47. Following the revelation of Madoff's fraud, the Funds' boards of directors suspended any further redemptions of Shares and the calculation of the Funds' Net Asset Values. As of December 2008 and presently, Sentry, Sigma, and Lambda had, respectively, approximately 4.7 million, 3.9 million, and 0.2 million shares outstanding.

48. In 2009, the Funds were put into liquidation proceedings in the BVI.

49. On February 27, 2009, a secured creditor of Lambda commenced proceedings in the BVI Court pursuant to the BVI Insolvency Act seeking the appointment of a liquidator over Lambda (the "Lambda Proceeding"). The Lambda Proceeding is pending in the BVI Court as claim number BVIHC(COM)2009/74.

50. On April 21, 2009, ten shareholders applied to the BVI Court for the appointment of a liquidator over Sentry (the "Sentry Proceeding"). The Sentry Proceeding is pending in the BVI Court under claim number BVIHC(COM)2009/136.

51. On April 23, 2009, a shareholder applied to the BVI Court for the appointment of a liquidator over Sigma (the "Sigma Proceeding" and collectively with the Lambda Proceeding and the Sentry Proceeding, the "BVI Liquidation Proceedings"). The Sigma Proceeding is pending in the BVI Court under claim number BVIHC(COM)2009/139.

52. As alleged above, the BVI Court issued orders – the BVI Appointment Orders – appointed the Foreign Representatives as liquidators of the Funds. Pursuant to the BVI

Appointment Orders, the Foreign Representatives are responsible for all aspects of the Funds' business, including protecting, realizing, and distributing assets for the Funds' estates.

53. The BVI Appointment Orders grant the Liquidators all powers set forth in Section 186, Schedule 2 of the BVI Insolvency Act, including, but not limited to, the following:

- a. to pay any class of creditors in full;
- b. to make a compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging that they have any claim against the Funds, whether present or future, certain or contingent, ascertained or not;
- c. to compromise any claims, debts or liabilities capable of resulting in claims or debts whether present or future, certain or contingent, ascertained or not, between the Funds and any person or entity, and to compromise questions in any way relating to or affecting the assets or the liquidations of the Funds;
- d. to commence, continue, discontinue, or defend any action or other legal proceeding in the name and on behalf of the Funds in the BVI or elsewhere;
- e. to carry on the Funds' business so far as may be necessary for its beneficial liquidation;
- f. to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the Funds or for which the Funds may be rendered liable;
- g. to compromise on such terms as may be agreed all debts and liabilities capable of resulting in debts, and all claims (present or future, certain or contingent, ascertained or sounding only in damages) subsisting, or supposed to subsist between the Funds and a contributory or alleged contributory or other Funds or person apprehending liability to the Company;
- h. to deal with all questions in any way relating to or affecting the assets or the winding up of the Funds to take any security for the discharge of any such call, debt, liability or claim and to give a complete discharge in respect of it;
- i. to sell or otherwise dispose of property of the Funds;

- j. to do all acts and execute, in the name and on behalf of the Funds, any deeds, receipts or other documents;
- k. to use the Funds' seal;
- l. to draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Funds;
- m. to borrow money, whether on the security of assets of the Funds or otherwise;
- n. to take out in an official capacity letters of administration for any deceased member or past member or debtor, or to do any other act necessary for obtaining payment of any money due from a member or past member or debtor;
- o. to call meetings of the creditors or members for (i) the purpose of informing the creditors or members concerning the progress of or other matters arising in the liquidation; (ii) the purpose of ascertaining the views of creditors or members on any matter arising in the liquidation; or (iii) such other purposes connected with the liquidation as the liquidators considers fit;
- p. to appoint a solicitor, accountant or other professionally qualified person to assist in the performance of the liquidators' duties;
- q. to appoint an agent to do any business that the liquidators are unable to do themselves, or which can be more conveniently done by an agent;
- r. to apply to the BVI Court for directions concerning any matter arising out of the exercise of any of the liquidators' powers; and
- s. to do all things incidental to any of the liquidators' powers.

54. The Foreign Representatives must seek BVI Court approval before they can exercise any of the first five powers enumerated in the BVI Appointment Orders. *See* BVI Act § 186(3) ("The Court may provide that certain powers may only be exercised with the sanction of the Court."). The Foreign Representatives may exercise all of the other powers enumerated in the BVI Appointment Orders without prior BVI Court approval.

55. With the express authorization of the BVI Court, the Foreign Representatives filed petitions in this Court on June 14, 2010 seeking recognition of the BVI Liquidation

Proceedings as “foreign main proceedings” under Chapter 15 of the Bankruptcy Code. On July 22, 2010, the Bankruptcy Court issued the Recognition Order, which, among other things, specifically entrusted the Foreign Representatives with the administration and realization of the Funds’ assets located in the United States, including any and all claims and causes of action belonging to the Funds.

56. Acting in accordance with authority afforded to them by the Recognition Order and with the duties and powers afforded to them as liquidators under the BVI Insolvency Act, and with the approval of the BVI Court, the Foreign Representatives have brought this and similar actions on behalf of the Funds, and/or in their capacities as liquidators of the Funds, to recover Redemption Payments made to the Funds’ investors in the years prior to the exposure of the Madoff fraud.

57. On December 9, 2010, the BVI Court issued an order authorizing the Foreign Representatives to assert claims seeking: (i) a declaration that the Redemption Payments were unfair preferences under Section 245 of the BVI Insolvency Act and were undervalue transactions under Section 246 of the BVI Insolvency Act, and (ii) an order setting aside the Redemption Payments, restoring the Funds to the position that they would have been had the Redemption Payments not been paid and such further and other relief as the Foreign Representatives deem necessary.

Claims Against the Funds in the BLMIS Liquidation

58. On December 15, 2008, a trustee was appointed for the liquidation of the BLMIS estate. Proceedings for such liquidation are pending in the Bankruptcy Court for the Southern District of New York under the caption Securities Investor Protection Corp. v. Bernard L. Madoff Investment Securities LLC, SIPA Liquidation No. 08-1789 (BRL).

59. On May 18, 2009, the BLMIS Trustee commenced the BLMIS Adversary Proceeding against Sentry and other defendants. In the BLMIS Adversary Proceeding, the BLMIS Trustee seeks to recover approximately \$3.2 billion from the Funds and others on account of transfers that BLMIS allegedly made to Sentry and, through Sentry, to Sigma, Lambda and other persons during the six year period preceding the filing of the BLMIS liquidation proceedings. These transfers are alleged by the BLMIS Trustee to have been preferential transfers under Section 547 of the Bankruptcy Code and/or fraudulent transfers under Sections 544 and 548 of the Bankruptcy Code and applicable state law. The BLMIS Adversary Proceeding is currently pending and the claims asserted therein are unresolved.

60. At present, without recovery of Redemption Payments made to shareholders, the Funds' assets are not sufficient to satisfy contingent and non-contingent liabilities of the Funds' estates, including payments that could be due and owing to the BLMIS Trustee for distribution to Madoff victims in the BLMIS liquidation proceedings. The Redemption Payments that were made to Defendants were mistaken payments and avoidable transactions, and generally represent assets of the Funds' estates that Defendants are not entitled to keep.

FIRST CLAIM
(Unjust Enrichment- Against EFG Bank)

61. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 60 above as if set forth herein.

62. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to EFG Bank, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's

fraud. The source of these Redemption Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

63. EFG Bank did not provide valuable consideration to the Funds in exchange for each of the Redemption Payments received by it.

64. Upon information and belief, EFG Bank received and retained Redemption Payments in excess of amounts paid by it for the purchase of Shares of and in the Funds.

65. By reason of its receipt of monies deposited by other BLMIS investors or previous deposits made by Sentry with BLMIS, EFG Bank has been unjustly enriched to the detriment of the Funds and other shareholders and creditors of the Funds.

66. It would offend principles of equity and good conscience to permit EFG Bank to retain the Redemption Payments it received from the Funds.

67. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, are entitled to recover from EFG Bank an amount equal to the Redemption Payments received by it from the Funds.

SECOND CLAIM

(Unjust Enrichment- Against Beneficial Shareholders)

68. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 67 above as if set forth herein.

69. Upon information and belief, EFG Bank may have subscribed to all or some portion of the Shares issued to it under the Subscription Agreements in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

70. Upon information and belief, EFG Bank may have paid to or credited some or all of the Redemption Payments received by it from the Funds to accounts of Beneficial Shareholders. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to EFG Bank, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

71. The Beneficial Shareholders did not provide valuable consideration to the Funds in exchange for any portion of any of the Redemption Payments received by them.

72. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

73. To the extent that a Beneficial Shareholder received any portion of the Redemption Payments paid to EFG Bank in its capacity as trustee, agent, representative, or nominee for a Beneficial Shareholder, such Beneficial Shareholder has been unjustly enriched to the detriment of the Funds and other shareholders and creditors of the Funds.

74. It would offend principles of equity and good conscience to permit any Beneficial Shareholders to retain the Redemption Payments made by the Funds.

75. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, are entitled to recover from any Beneficial Shareholders an amount equal to any portion of any Redemption Payments received by them.

THIRD CLAIM
(Money Had and Received-Against EFG Bank)

76. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 75 above as if set forth herein.

77. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to EFG Bank, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

78. EFG Bank did not provide valuable consideration to the Funds in exchange for each of the Redemption Payments received by it.

79. Upon information and belief, EFG Bank received and retained Redemption Payments in excess of amounts paid by it for the purchase of Shares.

80. By reason of its receipt of monies representing the deposits of other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud, EFG Bank has been unjustly enriched to the detriment of the Funds and other shareholders and creditors of the Funds.

81. Furthermore, EFG Bank was not entitled to receive the Redemption Payments because the amounts of each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by EFG Bank for its redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

82. To the extent that Redemption Payments are not recovered by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, the

loss will be disproportionately and unjustly borne by the Funds and other shareholders and creditors of the Funds.

83. It would offend principles of equity and good conscience to permit EFG Bank to retain the Redemption Payments it received from the Funds.

84. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, are entitled to recover from EFG Bank an amount equal to the Redemption Payments received by it from the Funds.

FOURTH CLAIM
(Money Had and Received-Against Beneficial Shareholders)

85. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 84 above as if set forth herein.

86. Upon information and belief, EFG Bank may have subscribed to all or some portion of the Shares issued to it under the Subscription Agreements in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

87. Upon information and belief, EFG Bank may have paid to or credited some or all of the Redemptions Payments received by it to accounts of Beneficial Shareholders. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to EFG Bank, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

88. The Beneficial Shareholders did not provide valuable consideration to the Funds in exchange for any portion of any of the Redemption Payments received by them.

89. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

90. To the extent that a Beneficial Shareholder received any portion of the Redemption Payments paid to EFG Bank in its capacity as trustee, agent, representative, or nominee for Beneficial Shareholders, such Beneficial Shareholders have been unjustly enriched to the detriment of the Funds and other shareholders and creditors of the Funds.

91. Furthermore, Beneficial Shareholders were not entitled to receive any portion of the Redemption Payments paid to EFG Bank upon the redemption of Shares issued to it in its capacity as trustee, agent, representative, or nominee for Beneficial Shareholders because the amounts transferred by Sentry with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received for redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

92. To the extent the Redemption Payments are not recovered by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, the loss will be disproportionately and unjustly borne by the Funds and other shareholders and creditors of the Funds.

93. It would offend principles of equity and good conscience to permit Beneficial Shareholders to retain the Redemption Payments made by the Funds.

94. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, are entitled to recover from Beneficial Shareholders an amount equal to any portion of any Redemption Payments received by them.

FIFTH CLAIM
(Mistaken Payment-Against EFG Bank)

95. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 94 above as if set forth herein.

96. As described above, the Funds made each of the Redemption Payments to EFG Bank under the mistaken belief that the amounts paid to EFG Bank represented the proceeds of the sale of securities and investments held for Sentry in accounts established with BLMIS.

97. Upon information and belief, however, BLMIS did not hold any securities or interests of securities on account for Sentry and the payments made by BLMIS to Sentry to fund Redemption Payments to EFG Bank represented, in fact, money deposited with BLMIS by other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud.

98. The Redemption Payments, while benefiting EFG Bank, were made to the detriment of the Funds and other shareholders and creditors of the Funds.

99. Additionally, EFG Bank was not entitled to receive the Redemption Payments because, as was unknown to the Funds, the amounts transferred with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by EFG Bank for its redemption of Shares to be in excess of the actual Net Asset Value of such Shares. In these circumstances, the Redemption Payments should be returned for the benefit of the Funds, their creditors and the current holders of Shares in the Funds.

100. EFG Bank did not provide valuable consideration to the Funds in exchange for each of the Redemption Payments received by it.

101. Upon information and belief, EFG Bank received and retained Redemption Payments in excess of amounts paid by it for the purchase of Shares.

102. To the extent the Redemption Payments are not recovered by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, the loss will be disproportionately and unjustly borne by the Funds and other shareholders and creditors of the Funds.

103. It would thus offend principles of equity and good conscience to permit EFG Bank to retain the Redemption Payments.

104. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, are entitled to recover from EFG Bank a sum in an amount equal to the Redemption Payments received by it from the Funds.

SIXTH CLAIM

(Mistaken Payment-Against Beneficial Shareholders)

105. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 104 above as if set forth herein.

106. As described above, the Funds made each of the Redemption Payments to EFG Bank under the mistaken belief that the amounts paid to EFG Bank represented the proceeds of the sale of securities and investments held for Sentry in accounts established with BLMIS.

107. However, upon information and belief, BLMIS did not hold any securities or interests of securities on account for Sentry and the payments made by BLMIS to Sentry to fund Redemption Payments to EFG Bank represented, in fact, money deposited with BLMIS by other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud.

108. Upon information and belief, EFG Bank may have paid to or credited some or all of the Redemption Payments received by it to accounts of Beneficial Shareholders. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to EFG Bank, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

109. Additionally, Beneficial Shareholders were not entitled to receive any portion of the Redemption Payments received by EFG Bank upon the redemption of Shares issued to it in its capacity as trustee, agent, representative, or nominee for Beneficial Shareholders because, as was unknown to the Funds, the amounts transferred with respect to these Redemption Payments were based on a miscalculated and inflated Net Asset Value, which caused the Redemption Payments received by EFG Bank for its redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

110. The Beneficial Shareholders did not provide valuable consideration to the Funds in exchange for any portion of any of the Redemption Payments received by them.

111. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

112. The Redemption Payments, while benefiting any Beneficial Shareholder receiving any portion thereof, were made to the detriment of the Funds and other shareholders and creditors of the Funds.

113. It would thus offend principles of equity and good conscience to permit any Beneficial Shareholder to retain the Redemption Payments.

114. The Foreign Representatives in their capacities as liquidators of the Funds and on behalf of the Funds are entitled to recover from any Beneficial Shareholders an amount equal to any portion of any Redemption Payments received by them.

SEVENTH CLAIM
(Constructive Trust-Against all Defendants)

115. The Funds (acting by the Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds) repeat and allege again the allegations contained in paragraphs 1 through 114 above as if set forth herein.

116. As described above, upon receipt of a redemption request, the Funds made each of the Redemption Payments to EFG Bank based on a miscalculated and inflated Net Asset Value, which caused those Redemption Payments to be in excess of the actual Net Asset Value of redeemed Shares.

117. As alleged above, the Redemption Payments represented money deposited with BLMIS by other BLMIS investors or previous deposits of Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud. The source of these Redemptions Payments was not, as the Funds mistakenly believed, proceeds from the sale of securities and investments held by BLMIS for the account of Sentry.

118. Upon information and belief, EFG Bank may have paid some or all of the Redemptions Payments it received to Beneficial Shareholders.

119. By reason of their receipt of some or all of the Redemption Payments, Defendants have been unjustly enriched to the detriment of the Funds and other shareholders and creditors of the Funds.

120. Furthermore, Defendants were not entitled to receive the Redemption Payments because the amounts transferred with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by EFG Bank for its redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

121. It would offend principles of equity and good conscience to permit Defendants to retain the Redemption Payments.

122. By reason of the foregoing, a constructive trust should be imposed on the Redemption Payments that were received by Defendants from the Funds for the benefit of the Foreign Representatives and the Funds and other shareholders and creditors of the Funds.

EIGHTH CLAIM
*(Unfair Preference Pursuant to Section 245 of the BVI
Insolvency Act - Against EFG Bank)*

123. The Foreign Representatives, in their capacities as Foreign Representatives and liquidators of the Funds, repeat and allege again the allegations contained in paragraphs 1 through 122 above as if set forth herein.

124. Section 245 of the BVI Insolvency Act provides:

(1) Subject to subsection (2), a transaction entered into by a company is an unfair preference given by the company to a creditor if the transaction (a) is an insolvency transaction; (b) is entered into within the vulnerability period; and (c) has the effect of putting the creditor into a position which, in the event of the company going into insolvent liquidation, will be better than the position he would have been in if the transaction had not been entered into.

(2) A transaction is not an unfair preference if the transaction took place in the ordinary course of business;

(3) A transaction may be an unfair preference notwithstanding that it is entered into pursuant to the order of a court or tribunal in or outside the Virgin Islands.

(4) Where a transaction entered into the by the company within the vulnerability period has the effect specific in subsection 1(c) in respect of a creditor who is a connected person, unless the contrary is proved, it is presumed that the transaction

was an insolvency transaction and that it did not take place in the ordinary course of business.

125. A creditor is defined in Section 9 of the BVI Insolvency Act as follows:

(1) A person is a creditor of another person (the debtor) if he has a claim against the debtor, whether by assignment or otherwise, that is, or would be, an admissible claim in (a) the liquidation of the debtor, in the case of a debtor that is a company or a foreign company; or (b) the bankruptcy of the debtor, in the case of a debtor who is an individual.

126. The BVI Insolvency Act further defines an “insolvency transaction” as a transaction that: “(a) is entered into at a time when the company is insolvent; or (b) ...causes the company to become insolvent.” BVI Insolvency Act, § 244.

127. A company is “insolvent” under the BVI Insolvency Act if: “(c) either (i) the value of the company’s liabilities exceeds its assets, or (ii) the company is unable to pay its debts as they fall due.” BVI Insolvency Act, § 8.

128. For purposes of Section 245 of the BVI Insolvency Act, “vulnerability period” means “in the case of a transaction entered into with, or a preference given to, a connected person, the period commencing two years prior to the onset of insolvency and ending on the appointment of the administrator or, if the company is in liquidation, the liquidator”

129. The “onset of insolvency” is defined as: “the date on which the application for the appointment of the liquidator was filed.” BVI Insolvency Act, § 244(1). Thus, the vulnerability period, for each of the Funds, commences the two-year period prior to the application for the appointment of Liquidators for each Fund and ends on the date of the appointment of the liquidators of each Fund.

130. A “connected person” is:

(1) ...one or more of the following

(a) a promoter of the company;

- (b) a director or *member of the company* or of a related company;
- (c) a beneficiary under a trust of which the company is or has been a trustee;
- (d) a related company;
- (e) another company one of whose directors is also a director of the company;
- (f) a nominee, relative, spouse or relative of a spouse of a person referred to in paragraphs (a) to (c);
- (g) a person in partnership with a person referred to in paragraphs (a) to (c); and
- (h) a trustee of a trust having as a beneficiary a person who is, apart from this paragraph, a connected person.

BVI Insolvency Act, § 5 (emphasis added).

131. Redemption Payments aggregating \$67,533,719.45 were made by Sentry to EFG Bank during the two-year period prior to the application for appointment of the Liquidators of Sentry in the BVI Liquidation Proceedings (the “Sentry Vulnerability Period”).

132. Redemption Payments aggregating \$2,218,705.70 were made by Sigma to EFG Bank during the two-year period prior to the application for appointment of the Liquidators of Sigma in the BVI Liquidation Proceedings (the “Sigma Vulnerability Period”).

133. Redemption Payments aggregating \$369,229.19 were made by Lambda to EFG Bank during the two-year period prior to the application for appointment of the Liquidators of Lambda in the BVI Liquidation Proceedings (the “Lambda Vulnerability Period”).

134. During the Sentry Vulnerability Period, the Sigma Vulnerability Period and the Lambda Vulnerability Period (the “Funds’ Vulnerability Periods”) the Funds were insolvent or were rendered insolvent by the making of Redemption Payments.

135. Each of the Redemption Payments made during the Funds’ Vulnerability Periods (“Vulnerability Period Payments”) was an “insolvency transaction” within the meaning of Section 245 of the BVI Insolvency Act.

136. EFG Bank was a shareholder (i.e., a member) of the Funds during the Funds' Vulnerability Periods and was, accordingly, a "connected person" as defined in the BVI Insolvency Act.

137. Each of the Vulnerability Period Payments put EFG Bank in a better position than it would have been in had such Payment not been made.

138. Because EFG Bank was a "connected person" as defined in the BVI Insolvency Act, there is a statutory presumption that the Vulnerability Period Payments were "insolvency transactions" and, "did not take place in the ordinary course of business." Further, even were this not presumed, the Vulnerability Period Payments were not made in the ordinary course of any business of the Funds, nor were they made for any legitimate business purpose, in that, among other things, each Vulnerability Period Payment was determined and paid based on a fictitious Net Asset Value and was made incidental to and as a necessary part of Madoff's Ponzi scheme.

139. Each of the Vulnerability Period Payments was made following receipt by the Funds of a notice of redemption in respect of Shares. Following the receipt by the Funds of a notice of redemption by EFG Bank and until such time as EFG Bank received the Vulnerability Period Payment that became due and payable by reason of EFG Bank's redemption of Shares, EFG Bank was a "creditor" of the Funds as defined in the BVI Insolvency Act, as EFG Bank would have had an admissible claim against the Funds in the BVI Liquidation Proceeding had the Vulnerability Period Payment not been made.

140. Further, upon information and belief, EFG Bank may assert claims against the Funds in this action or elsewhere which, if proven, allowed and/or admitted, would make it a "creditor" of the Funds as defined by the BVI Insolvency Act.

141. By reason of the foregoing, the Foreign Representatives, in their capacities as Foreign Representatives and Liquidators of the Funds, are entitled to an order avoiding and setting aside the Vulnerability Period Payments and entitling the Foreign Representatives to recover from EFG Bank an amount equal to the Vulnerability Period Payments received by EFG Bank from the Funds.

NINTH CLAIM

***(Unfair Preference Pursuant to Section 245 of the BVI
Insolvency Act - Against Beneficial Shareholders)***

142. The Foreign Representatives, in their capacities as Foreign Liquidators of the Funds, repeat and allege again the allegations contained in paragraphs 1 through 141 above as if set forth herein.

143. Upon information and belief, EFG Bank may have subscribed to all or some portion of the Shares issued to it under the Subscription Agreement in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

144. Upon information and belief, EFG Bank may have paid to or credited some or all of the Redemptions Payments received by it to accounts of Beneficial Shareholders.

145. To the extent that any money that EFG Bank received in connection with the Vulnerability Period Payments was transferred to Beneficial Shareholders, the Foreign Representatives, in their capacities as Foreign Representatives and Liquidators of the Funds, are entitled to avoid and set aside such further transfer by EFG Bank to the Beneficial Shareholders and to recover from the Beneficial Shareholders an amount equal to any portion of any Vulnerability Period Payments received by them.

TENTH CLAIM
***(Undervalue Transaction Pursuant to Section 246 of the
BVI Insolvency Act - Against EFG Bank)***

146. The Foreign Representatives, in their capacities as Foreign Representatives and liquidators of the Funds, repeat and allege again the allegations contained in paragraphs 1 through 145 above as if set forth herein.

147. Section 246 of the BVI Insolvency Act provides that;

(1) Subject to subsection (2), a company enters into an undervalue transaction with a person if (a) the company makes a gift to that person or otherwise enters into a transaction with that person on terms that provide for the company to receive no consideration; or (b) the company enters into a transaction with that person for a consideration the value of which, in money or money's worth, is significantly less than the value, in money or money's worth, of the consideration provided by the company; and (c) in either case, the transaction concerned (i) is an insolvency transaction; and (ii) is entered into within the vulnerability period.

(2) A company does not enter into an undervalue transaction with a person if (a) the company enters into the transaction in good faith and for the purposes of its business; and (b) at the time when it enters into the transaction, there were reasonable grounds for believing that the transaction would benefit the company.

(3) A transaction may be an undervalue transaction notwithstanding that it is entered into pursuant to the order of a court or tribunal in or outside the Virgin Islands.

(4) Where a company enters into a transaction with a connected person within the vulnerability period and the transaction falls within subsection (1)(a) or subsection (1)(b), unless the contrary is proved, it is presumed that (a) the transaction was an insolvency transaction; and (b) subsection (2) did not apply to the transaction.

148. During the Funds' Vulnerability Periods, all assets purportedly held by BLMIS for Sentry and other investors were non-existent, and the Funds were insolvent or rendered insolvent by the Vulnerability Period Payments. Thus, each of the Vulnerability Period Payments qualifies as an "insolvency transaction" within the meaning of Section 244 of the BVI Insolvency Act and for purposes of Section 246 of the BVI Insolvency Act.

149. The Funds received no consideration for any of the Vulnerability Period Payments, or in the alternative, the Funds received, for each Vulnerability Period Payment, consideration, the value of which, in money or money's worth, was significantly less than the value, in money or money's worth, of the consideration provided by the Funds to EFG Bank for each of the Vulnerability Period Payments.

150. EFG Bank was a shareholder (i.e., a member) of the Funds during the Vulnerability Period and was, accordingly, a "connected person" as defined in the BVI Insolvency Act.

151. Because EFG Bank was a "connected person" as defined in the BVI Insolvency Act, there is a statutory presumption that the Vulnerability Period Payments were "insolvency transactions" and, "did not take place in the ordinary course of business." Further, even were this not presumed, the Vulnerability Period Payments were not made in the ordinary course of any business of the Funds, nor were they made for any legitimate business purpose, in that, among other things, each Vulnerability Period Payment was determined and paid based on a fictitious Net Asset Value and was made incidental to and as a necessary part of Madoff's Ponzi scheme.

152. By reason of the foregoing, the Foreign Representatives, in their capacities as Foreign Representatives and liquidators of the Funds, are entitled to an order avoiding and setting aside the Vulnerability Period Payments and to recover from EFG Bank an amount equal to the Vulnerability Period Payments received by EFG Bank from the Funds.

ELEVENTH CLAIM
*(Undervalue Transaction Pursuant to Section 246 of the
BVI Insolvency Act - Against Beneficial Shareholders)*

153. The Foreign Representatives, in their capacities as liquidators of the Funds and on behalf of the Funds, repeat and allege again the allegations contained in paragraphs 1 through 152 above as if set forth herein.

154. Upon information and belief, EFG Bank may have subscribed to all or some portion of the Shares issued to it under the Subscription Agreement in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

155. Upon information and belief, EFG Bank may have paid to or credited some or all of the Redemptions Payments received by it to accounts of Beneficial Shareholders.

156. To the extent that any money that EFG Bank received in connection with the Vulnerability Period Payments was transferred to Beneficial Shareholders, the Foreign Representatives, in their capacities as Foreign Representatives and liquidators of the Funds, are entitled to avoid and set aside such further transfer by EFG Bank to the Beneficial Shareholders and to recover from the Beneficial Shareholders an amount equal to any portion of any Vulnerability Period Payments received by them.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiffs respectfully request the following relief:

A. On the First, Third and Fifth, judgment in favor of Plaintiffs and against EFG Bank allowing the Plaintiffs to recover an amount equal to the Redemption Payments received by EFG Bank, plus interest;

B. On the Second, Fourth and Sixth Claims, judgment in favor of Plaintiffs and against Beneficial Shareholders allowing the Plaintiffs to recover an amount equal to any portion of any Redemption Payments received by Beneficial Shareholders, plus interest;

C. On the Seventh Claim, imposition of a constructive trust on Redemption Payments; and

D. On the Eighth and Ninth Claims:

- a. a declaratory judgment in favor of the Foreign Representatives and against EFG Bank and the Beneficial Holders that the Vulnerability Period Payments constitute Unfair Preferences under Section 245 of the BVI Insolvency Act;
- b. judgment pursuant to Section 249 of the BVI Insolvency Act, setting aside and avoiding the Vulnerability Period Payments; and
- c. judgment pursuant to Section 249 of the BVI Insolvency Act against EFG Bank and the Beneficial Holders in the amount of the avoided Vulnerability Period Payments received by them or for their benefit, plus interest.

E. On the Tenth and Eleventh Claims:

- a. a declaratory judgment in favor of the Foreign Representatives and against EFG Bank and the Beneficial Holders that the Redemptions Payments made during the vulnerability period constitute Undervalue Transactions under Section 246 of the BVI Insolvency Act;
- b. judgment pursuant to Section 249 of the BVI Insolvency Act, setting aside and avoiding the Redemption Payments made during the vulnerability period; and
- c. judgment pursuant to Section 249 of the BVI Insolvency Act against EFG Bank and the Beneficial Holders in the amount of the avoided Redemption Payments received by them or for their benefit, plus interest.

F. Awarding Plaintiffs the costs and disbursements of the action, including reasonable attorneys' fees and accountants' and experts' fees, costs and expenses;

G. Granting Plaintiffs such other and further relief as the Court deems just and proper.

Dated: New York, New York
January 9, 2011

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Attorneys for the Foreign Representatives

EXHIBIT A

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

<u>Payment Date</u>	<u>Redemption Payment</u>	<u>No. of Shares</u>
April 21, 2004	\$32,969.31	33.9100
June 17, 2004	\$1,210,013.94	1,231.0500
July 16, 2004	\$376,456.54	378.1600
December 13, 2004	\$216,913.61	212.0000
February 16, 2005	\$304,630.53	295.5100
April 14, 2005	\$87,576.38	83.9300
April 14, 2005	\$95,287.44	91.3200
April 14, 2005	\$500,000.00	479.1800
April 14, 2005	\$1,105,405.29	1,059.3800
May 13, 2005	\$44,836.99	42.9100
May 13, 2005	\$48,347.87	46.2700
June 15, 2005	\$21,944.26	20.8700
June 15, 2005	\$26,928.25	25.6100
June 15, 2005	\$152,463.72	145.0000
June 15, 2005	\$1,071,125.95	1,018.6900
June 23, 2005	\$381,853.26	363.1600
July 15, 2005	\$26,842.12	25.4100
July 15, 2005	\$31,690.81	30.0000
July 15, 2005	\$60,286.48	57.0700
July 15, 2005	\$111,129.10	105.2000
July 15, 2005	\$120,636.35	114.2000
July 15, 2005	\$227,951.99	215.7900
July 15, 2005	\$255,734.27	242.0900
July 15, 2005	\$403,656.40	382.1200
July 15, 2005	\$472,161.36	446.9700
July 15, 2005	\$714,638.31	676.5100
July 15, 2005	\$950,724.27	900.0000

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

August 15, 2005	\$22,000.00	20.8000
August 15, 2005	\$26,507.02	25.0600
August 15, 2005	\$64,998.27	61.4500
August 15, 2005	\$100,000.00	94.5400
August 15, 2005	\$102,812.56	97.2000
August 15, 2005	\$201,000.00	190.0300
August 15, 2005	\$232,957.19	220.2400
August 15, 2005	\$401,942.11	380.0000
August 15, 2005	\$2,163,337.07	2,045.2400
September 15, 2005	\$12,000.00	11.3300
September 15, 2005	\$20,000.00	18.8800
September 15, 2005	\$58,057.56	54.8000
September 15, 2005	\$60,420.12	57.0300
September 15, 2005	\$105,944.45	100.0000
September 15, 2005	\$110,881.46	104.6600
September 15, 2005	\$172,477.56	162.8000
September 15, 2005	\$300,000.00	283.1700
September 15, 2005	\$339,710.88	320.6500
September 15, 2005	\$343,418.93	324.1500
September 15, 2005	\$426,638.30	402.7000
September 15, 2005	\$700,133.90	660.8500
September 15, 2005	\$736,133.82	694.8300
October 14, 2005	\$60,925.05	57.0000
October 14, 2005	\$125,922.47	117.8100
October 14, 2005	\$150,000.00	140.3400
October 14, 2005	\$170,889.43	159.8800
October 14, 2005	\$179,173.10	167.6300
October 14, 2005	\$202,730.79	189.6700
October 14, 2005	\$350,000.00	327.4500

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

October 14, 2005	\$376,730.61	352.4600
October 14, 2005	\$400,000.00	374.2300
October 14, 2005	\$2,137,721.20	2,000.0000
October 28, 2005	\$90,949.35	85.0900
October 28, 2005	\$122,405.92	114.5200
November 17, 2005	\$20,000.00	18.4200
November 17, 2005	\$25,000.00	23.0200
November 17, 2005	\$39,173.19	36.0700
November 17, 2005	\$61,382.56	56.5200
November 17, 2005	\$66,345.73	61.0900
November 17, 2005	\$80,366.41	74.0000
November 17, 2005	\$100,000.00	92.0800
November 17, 2005	\$103,933.31	95.7000
November 17, 2005	\$112,708.45	103.7800
November 17, 2005	\$154,933.40	142.6600
November 17, 2005	\$170,496.24	156.9900
November 17, 2005	\$173,678.32	159.9200
November 17, 2005	\$186,026.51	171.2900
November 17, 2005	\$199,026.32	183.2600
November 17, 2005	\$199,145.78	183.3700
November 17, 2005	\$201,567.63	185.6000
November 17, 2005	\$200,000.00	184.1600
November 17, 2005	\$640,000.00	589.3000
November 17, 2005	\$717,248.44	660.4300
November 17, 2005	\$1,400,000.00	1,289.1000
November 17, 2005	\$6,628,849.15	6103.7300
December 19, 2005	\$25,166.27	23.0000
December 19, 2005	\$32,825.57	30.0000
December 19, 2005	\$32,825.57	30.0000

*Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008*

December 19, 2005	\$56,842.94	51.9500
December 19, 2005	\$56,919.53	52.0200
December 19, 2005	\$62,478.00	57.1000
December 19, 2005	\$67,139.23	61.3600
December 19, 2005	\$104,866.75	95.8400
December 19, 2005	\$127,472.62	116.5000
December 19, 2005	\$142,156.59	129.9200
December 19, 2005	\$142,156.59	129.9200
December 19, 2005	\$179,446.44	164.0000
December 19, 2005	\$250,623.21	229.0500
December 19, 2005	\$273,546.40	250.0000
December 19, 2005	\$279,881.73	255.7900
December 19, 2005	\$465,105.47	425.0700
December 19, 2005	\$823,943.64	753.0200
December 19, 2005	\$1,203,604.16	1,100.0000
December 20, 2005	\$2,522,097.81	2,305.0000
December 20, 2005	\$725,477.88	663.0300
January 19, 2006	\$15,000.00	13.6400
January 19, 2006	\$57,423.96	52.2000
January 19, 2006	\$67,577.66	61.4300
January 19, 2006	\$143,746.92	130.6700
January 19, 2006	\$168,432.62	153.1100
January 19, 2006	\$250,000.00	227.2600
January 19, 2006	\$974,150.21	885.5300
January 19, 2006	\$1,350,112.15	1,227.2900
February 15, 2006	\$125,177.22	113.0000
February 15, 2006	\$194,190.85	175.3000
February 15, 2006	\$682,935.89	616.5000
February 15, 2006	\$726,393.43	655.7300

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

February 15, 2006	\$130,000.00	117.3500
February 15, 2006	\$305,343.79	275.6400
March 17, 2006	\$26,083.53	23.5000
March 17, 2006	\$67,806.09	61.0900
March 17, 2006	\$88,795.01	80.0000
March 17, 2006	\$105,555.07	95.1000
March 17, 2006	\$211,221.13	190.3000
March 17, 2006	\$263,898.76	237.7600
March 17, 2006	\$1,190,000.00	1,072.1300
March 17, 2006	\$1,344,622.81	1,211.4400
March 17, 2006	\$100,000.00	90.1000
March 17, 2006	\$268,216.42	241.6500
March 17, 2006	\$487,806.48	439.4900
April 20, 2006	\$10,000.00	8.8900
April 20, 2006	\$31,000.00	27.5700
April 20, 2006	\$50,959.90	45.3200
April 20, 2006	\$100,000.00	88.9300
April 20, 2006	\$108,677.73	96.6500
April 20, 2006	\$108,677.73	96.6500
April 20, 2006	\$116,998.63	104.0500
April 20, 2006	\$150,181.03	133.5600
April 20, 2006	\$220,000.00	195.6500
April 20, 2006	\$233,390.05	207.5600
April 20, 2006	\$292,569.66	260.1900
April 20, 2006	\$600,000.00	533.6000
April 20, 2006	\$1,326,441.72	1,179.6400
April 20, 2006	\$28,000.00	24.9000
May 2, 2006	\$111,376.40	99.0500
May 15, 2006	\$50,123.99	44.1600

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

May 15, 2006	\$75,000.00	66.0800
May 15, 2006	\$77,842.01	68.5800
May 15, 2006	\$259,235.01	228.3900
May 15, 2006	\$500,000.00	440.5100
June 15, 2006	\$45,721.06	40.0000
June 16, 2006	\$65,000.00	56.8700
June 16, 2006	\$129,504.91	113.3000
June 16, 2006	\$163,452.80	143.0000
June 16, 2006	\$260,724.37	228.1000
June 16, 2006	\$300,000.00	262.4600
June 16, 2006	\$2,590,715.51	2,266.5400
June 16, 2006	\$5,530,545.63	4,838.5100
July 20, 2006	\$11,488.43	10.0000
July 20, 2006	\$45,953.71	40.0000
July 20, 2006	\$62,462.58	54.3700
July 20, 2006	\$65,047.47	56.6200
July 20, 2006	\$80,418.99	70.0000
July 20, 2006	\$86,691.67	75.4600
July 20, 2006	\$97,651.63	85.0000
July 20, 2006	\$344,652.81	300.0000
July 20, 2006	\$370,478.79	322.4800
August 14, 2006	\$13,000.00	11.2000
August 14, 2006	\$18,220.00	15.6900
August 14, 2006	\$31,348.88	27.0000
August 14, 2006	\$96,705.50	83.2900
August 14, 2006	\$97,576.30	84.0400
August 14, 2006	\$200,000.00	172.2500
August 14, 2006	\$225,000.00	193.7900
August 14, 2006	\$124,234.46	107.0000

*Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008*

August 21, 2006	\$2,432,824.17	2,095.3300
August 29, 2006	\$150,486.24	129.6100
September 14, 2006	\$585.00	0.5000
September 14, 2006	\$1,170.00	1.0000
September 14, 2006	\$10,000.00	8.5500
September 14, 2006	\$65,601.93	56.0700
September 14, 2006	\$96,267.65	82.2800
September 14, 2006	\$200,969.00	171.7700
September 14, 2006	\$335,918.87	287.1100
October 12, 2006	\$5,000.00	4.2400
October 12, 2006	\$9,423.56	8.0000
October 12, 2006	\$12,604.01	10.7000
October 12, 2006	\$91,000.00	77.2500
October 12, 2006	\$212,666.12	180.5400
October 12, 2006	\$298,891.66	253.7400
October 12, 2006	\$319,010.96	270.8200
October 12, 2006	\$406,355.55	344.9700
October 16, 2006	\$15,890.47	13.4900
November 14, 2006	\$10,000.00	8.4500
November 14, 2006	\$39,095.51	33.0500
November 14, 2006	\$100,000.00	84.5400
November 14, 2006	\$112,507.53	95.1100
November 14, 2006	\$113,205.45	95.7000
November 14, 2006	\$2,500,000.00	2,113.4100
November 14, 2006	\$170,044.76	143.7500
December 15, 2006	\$20,000.00	16.7600
December 15, 2006	\$57,648.09	48.3200
December 15, 2006	\$70,000.00	58.6700
December 15, 2006	\$192,319.37	161.2000

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

December 15, 2006	\$272,277.46	228.2200
January 16, 2007	\$7,219.54	6.0000
January 16, 2007	\$13,584.77	11.2900
January 16, 2007	\$50,000.00	41.5500
January 16, 2007	\$91,189.00	75.7900
January 15, 2007	\$114,838.82	95.4400
January 16, 2007	\$115,320.12	95.8400
January 16, 2007	\$261,985.08	217.7300
January 16, 2007	\$277,892.13	230.9500
January 16, 2007	\$304,423.95	253.0000
January 16, 2007	\$533,656.38	443.5100
February 15, 2007	\$8,567.65	7.1000
February 15, 2007	\$248,220.62	205.7000
February 15, 2007	\$319,778.63	265.0000
February 15, 2007	\$666,104.91	552.0000
March 16, 2007	\$20,000.00	16.5927
March 16, 2007	\$39,848.94	33.0600
March 16, 2007	\$40,000.00	33.1853
March 16, 2007	\$93,535.33	77.6000
March 16, 2007	\$100,000.00	82.9633
March 16, 2007	\$200,000.00	165.9266
March 16, 2007	\$1,500,000.00	1,244.4495
March 16, 2007	\$2,026,000.00	1,680.8365
March 16, 2007	\$3,000,000.00	2,488.8991
March 16, 2007	\$73,526.48	61.0000
April 17, 2007	\$20,864.39	17.0300
April 17, 2007	\$36,558.63	29.8400
April 17, 2007	\$50,941.94	41.5800
April 17, 2007	\$114,625.50	93.5600

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

April 17, 2007	\$178,277.20	145.5140
April 17, 2007	\$275,659.88	225.0000
April 17, 2007	\$300,000.00	244.8670
April 17, 2007	\$2,500,000.00	2,040.5581
April 17, 2007	\$69,356.02	56.6100
May 16, 2007	\$50,000.00*	40.4169
May 16, 2007	\$50,000.00*	40.4169
May 16, 2007	\$50,000.00*	40.4169
May 16, 2007	\$117,648.70*	95.1000
May 16, 2007	\$169,767.95*	137.2300
May 16, 2007	\$247,421.04*	200.0000
June 15, 2007	\$10,000.00*	8.0185
June 15, 2007	\$12,000.00*	9.6222
June 15, 2007	\$12,471.20*	10.0000
June 15, 2007	\$33,672.25*	27.0000
June 15, 2007	\$124,712.04*	100.0000
June 15, 2007	\$303,050.26*	243.0000
June 15, 2007	\$345,621.96*	277.1360
July 19, 2007	\$51,570.73*	41.2100
July 19, 2007	\$93,855.98*	75.0000
July 19, 2007	\$100,000.00*	79.9097
July 19, 2007	\$169,641.55*	135.5600
July 19, 2007	\$602,897.25*	481.7732
July 30, 2007	\$31,285.33*	25.0000
August 17, 2007	\$20,000.00*	15.9553
August 17, 2007	\$50,000.00*	39.8882
August 17, 2007	\$85,000.00*	67.8100
August 17, 2007	\$87,745.20*	70.0000
August 17, 2007	\$119,082.77*	95.0000

*Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008*

August 17, 2007	\$122,751.77*	97.9270
August 17, 2007	\$181,955.96*	145.1580
August 17, 2007	\$231,697.46*	184.8400
August 17, 2007	\$299,076.99*	238.5930
August 17, 2007	\$315,155.67*	251.4200
August 17, 2007	\$841,175.59*	671.0600
August 17, 2007	\$2,423,071.05*	1,933.0400
September 19, 2007	\$30,000.00*	23.8588
September 19, 2007	\$73,933.03*	58.7985
September 19, 2007	\$105,394.98*	83.8200
September 19, 2007	\$122,596.17*	97.5000
September 19, 2007	\$142,887.53*	113.6376
September 19, 2007	\$276,000.00*	219.5012
September 19, 2007	\$314,349.15*	250.0000
September 19, 2007	\$318,360.25*	253.1900
September 19, 2007	\$375,031.11*	298.2600
September 19, 2007	\$930,000.00*	739.6234
October 16, 2007	\$15,000.00*	11.8153
October 16, 2007	\$25,390.72*	20.0000
October 16, 2007	\$38,086.08*	30.0000
October 16, 2007	\$212,951.95*	167.7400
October 16, 2007	\$8,304,978.35*	6,541.7436
October 17, 2007	\$111,059.00*	87.4800
November 19, 2007	\$140,794.94*	110.3937
November 19, 2007	\$625,838.63*	490.7040
December 19, 2007	\$95,475.79*	74.0900
December 19, 2007	\$224,791.43*	174.4400
December 19, 2007	\$251,413.18*	195.0987
December 19, 2007	\$390,846.36*	303.3000

*Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008*

December 19, 2007	\$1,477,000.00*	1,146.1642
January 17, 2008	\$140,000.00*	108.3916
January 17, 2008	\$317,594.65*	245.8900
January 17, 2008	\$579,379.74*	448.5708
January 17, 2008	\$1,087,204.14*	841.7416
February 15, 2008	\$24,099.66*	18.5419
February 15, 2008	\$90,989.65*	70.0060
February 15, 2008	\$103,979.26*	80.0000
February 15, 2008	\$111,088.85*	85.4700
February 15, 2008	\$129,974.08*	100.0000
February 15, 2008	\$511,267.34*	393.3610
February 15, 2008	\$596,778.33*	459.1518
February 15, 2008	\$3,622,663.55*	2,787.2200
March 18, 2008	\$20,000.00*	15.3777
March 18, 2008	\$108,670.05*	83.5550
March 18, 2008	\$617,234.85*	474.5839
April 14, 2008	\$235,600.00*	180.8165
April 14, 2008	\$598,523.08*	459.3500
April 14, 2008	\$1,953,675.50*	1499.3922
April 14, 2008	\$2,508,233.23*	1,925.0000
May 15, 2008	\$62,925.11*	47.8500
May 15, 2008	\$131,504.93*	100.0000
May 15, 2008	\$373,658.11*	284.1400
May 15, 2008	\$1,100,000.00*	836.4705
May 15, 2008	\$1,446,371.57*	1,099.8611
May 15, 2008	\$1,635,201.34*	1,243.4525
May 15, 2008	\$2,523,579.61*	1,919.0000
June 17, 2008	\$5,000.00*	3.7715
June 17, 2008	\$104,241.58*	78.6300

**Redemption Payments Received by Defendants from Sentry
From April 21, 2004, Through November 19, 2008**

June 17, 2008	\$265,144.54*	200.0000
July 15, 2008	\$20,000.00*	15.0951
July 15, 2008	\$168,000.00*	126.7992
July 15, 2008	\$350,178.95*	264.3000
July 15, 2008	\$433,000.00*	326.8098
July 15, 2008	\$632,124.01*	477.1000
July 15, 2008	\$4,847,653.15*	3,658.8000
August 18, 2008	\$40,000.00*	29.9759
August 18, 2008	\$253,091.03*	189.6661
August 18, 2008	\$390,873.36*	292.9200
August 18, 2008	\$864,511.73*	647.864
September 16, 2008	\$18,814.83*	14.0000
September 16, 2008	\$30,000.00*	22.3228
September 16, 2008	\$329,017.08*	244.8196
October 15, 2008	\$24,310.87*	18.0000
October 15, 2008	\$443,182.87*	328.1368
October 15, 2008	\$670,000.00*	496.0743
November 19, 2008	\$50,000.00*	37.0431
November 19, 2008	\$130,000.00*	96.3121
November 19, 2008	\$272,482.02*	201.8717
November 19, 2008	\$281,887.68*	208.8400
November 19, 2008	\$1,352,653.77*	1,002.1304
November 19, 2008	\$1,655,541.84*	1,226.5288
November 19, 2008	\$3,966,858.83*	2,938.8968
November 19, 2008	\$7,350,447.33*	5,445.6705

* Denotes Redemptions in the Sentry Vulnerability Period.

EXHIBIT B

*Redemption Payments Received by Defendants from Sigma
From June 15, 2004 Through August 15, 2008*

<u>Payment Date</u>	<u>Redemption Payment</u>	<u>No. of Shares</u>
June 15, 2004	\$126,043.62	983.7700
June 23, 2004	\$212,817.81	1,177.4400
September 15, 2005	\$1,426,840.90	7,272.9700
October 25, 2005	\$152,326.58	79.0000
November 23, 2005	\$150,359.34	779.9200
November 23, 2005	\$237,405.13	1,231.4300
December 21, 2005	\$37,098.03	188.0000
January 27, 2006	\$145,448.00	720.7300
March 23, 2006	\$415,134.70	2,074.2900
March 23, 2006	\$79,064.70	395.0600
April 21, 2006	\$37,175.73	180.0000
April 21, 2006	\$161,677.27	782.8200
June 20, 2006	\$220,568.29	1,035.0100
July 24, 2006	\$38,372.16	178.0700
September 18, 2006	\$40,319.47	185.0600
January 19, 2007	\$142,299.31	626.2500
April 17, 2007	\$50,364.38	208.9400
April 17, 2007	\$73,179.49	303.5900
April 17, 2007	\$149,381.71	619.7200
July 19, 2007	\$82,349.98*	330.0000
September 20, 2007	\$43,402.19*	171.3550
September 20, 2007	\$45,304.89*	178.8670
September 20, 2007	\$48,119.68*	189.9800
September 20, 2007	\$55,272.54*	218.2200
September 20, 2007	\$198,061.20*	781.9600
October 19, 2007	\$32,733.95*	125.6900
November 20, 2007	\$24,449.49*	90.9290

***Redemption Payments Received by Defendants from Sigma
From June 15, 2004 Through August 15, 2008***

November 20, 2007	\$639,692.14*	2,379.0500
December 18, 2007	\$79,572.92*	298.4700
February 15, 2008	\$721,673.58*	2,653.2102
April 18, 2008	\$20,215.90*	67.8510
May 20, 2008	\$170,578.33*	580.0000
August 15, 2008	\$57,278.92*	200.0000

* Denotes Redemptions in the Sigma Vulnerability Period. All \$USD amounts are based on the exchange rate as of the date of the Redemption Payment. However, upon application of a different exchange rate, as may be required by applicable law, the amount of damages may be different.

EXHIBIT C

*Redemption Payments Received by Defendants from Lambda
From May 21, 2004, Through November 25, 2008*

<u>Payment Date</u>	<u>Redemption Payment</u>	<u>No. of Shares</u>
May 21, 2004	\$186,783.08	1,376.3100
March 14, 2005	\$14,593.19	92.1300
September 14, 2005	\$83,435.10	572.1600
November 22, 2007	\$272,109.12*	1,482.0300
November 25, 2008	\$97,120.07*	558.9500

* Denotes Redemptions in the Lambda Vulnerability Period. All \$USD amounts are based on the exchange rate as of the date of the Redemption Payment. However, upon application of a different exchange rate, as may be required by applicable law, the amount of damages may be different.

EXHIBIT 45

IN THE UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF FLORIDA

CASE NO. LO-20206-CIV-MARTINEZ/BROWN

LORRENE DA SILVA FERREIRA and

ARLETE DA SILVA FERREIRA,

individually and on behalf of all others

similarly situated,

Plaintiffs,

v

EFG CAPITAL INTERNATIONAL CORP.

and EFG BANK f/k/a EFG PRIVATE BANK

SA,

Defendants.

DECLARATION OF MARIO EDUARDO CASTRO SAMMARTINO REGARDING RELEVANT
PRINCIPLES OF ARGENTINE LAW

I. MARIO EDUARDO CASTRO SAMMARTINO, declare as follows:

1. I am over the age of majority and make this declaration on the basis of my personal and professional knowledge.
2. I am a 1987 graduate of the University of Buenos Aires law school.
3. I am a 1997 graduate of the Argentine Catholic University law school where I got my postgraduate specialization in corporate counseling. At the same law school, I have also attended my doctorate studies but have not submitted thesis yet.

4 I have been a member of the Argentine bar since 1987 and have founded my own firm in 2003 (Castro Sammartino & Pierini. Attorneys & Counselors at Law).

5 During my professional career, I have published several law books and articles in law magazines. Some of the published works are the following: Law books: Seguros. Leyes 17418 de Seguro y 22400 de productores de seguro. Comentariò y Jurisprudencia. Lexis Nexis, Buenos Aires, 2007, 511 páginas. Coautor Dr. Carlos A. Schiavo. Ley de Seguros. Abeledo - Perrot, Buenos Aires, 1998, 301 páginas. Coautor Dr. José Alberto Garrone. Ley de Sociedades Comerciales. Abeledo - Perrot, Buenos Aires, 1997, 366 páginas. Coautor Dr. José Alberto Garrone. Manual de Derecho Comercial. Abeledo - Perrot, Buenos Aires 1996, 1163 páginas. Coautor Dr. José Alberto Garrone. Law articles: Nuevamente sobre las facultades de los productores de seguro en la relación jurídica asegurativa. La Ley. Doctrina Judicial. Año 24, Nº 24. Buenos Aires, 11 de junio de 2008, p. 387. Coautor: Carlos A. Schiavo. El plenario "Obarrio" y la llamada función social del seguro como instituto adecuado a la idea solidarista. Lexis Nexis. Jurisprudencia Argentina, 2007-I, Fascículo 7, p. 47. Coautor: Carlos A. Schiavo. Nuevamente sobre la oponibilidad de la franquicia. La doctrina de la Corte y el Plenario "Obarrio". Revista La Ley, 7 de septiembre de 2006, p. 4. Coautor: Carlos A. Schiavo. El seguro de título. Lexis Nexis. Jurisprudencia Argentina. 2006-IV, p. 44. Número especial: Seguros. En ocasión del XII Congreso Mundial de Derecho de Seguros. Ciudad de Buenos Aires. Octubre de 2006. La franquicia en el seguro de responsabilidad civil del transporte público de pasajeros. Revista La Ley, 7 de septiembre de 2006, p. 4. Coautor: Carlos A. Schiavo. El juez competente mediando citación en garantía del asegurador. La Ley. Doctrina Judicial. Año XXII, Nº 35. Buenos Aires, 30 de agosto de 2006, p. 1237. Coautor: Carlos A. Schiavo. El seguro de caución como especie de los contratos aleatorios. Normas aplicables. Lexis Nexis. Jurisprudencia Argentina. 2006-I, Fascículo 9, p. 50. Coautor: Carlos A. Schiavo. Lexis Nexis, p. 50. El seguro colectivo de vida. La oponibilidad a los asegurados de las modificaciones convenidas por el tomador. Responsabilidad del tomador. Lexis Nexis. Jurisprudencia Argentina. 2005-IV, Fascículo 2. Coautor: Carlos A. Schiavo. Lexis Nexis, p. 31. La llamada renovación automática de las pólizas. Lexis Nexis. Jurisprudencia Argentina. 2005-II, Fascículo 11, p. 38. Coautor: Carlos A. Schiavo. Los productores de seguros. Revista jurídica argentina del seguro, la empresa y la responsabilidad. Año 1994. Ed. Mundo del Seguro S.A., página 111, 30 páginas. Los

convenios de sindicación de acciones en las sociedades anónimas modernas. Revista Impuestos, LVI-A. Las facultades del fiduciario y la protección de los derechos del fiduciante. Ponencia en el VII Congreso Argentino de Derecho Societario y III Congreso Iberoamericano de Derecho Societario y de la Empresa, Buenos Aires 17 al 19 de septiembre de 1998. T III, página 449. Coautor Fernando Miguel Durao. Securitization in Argentina. Trust as a legal vehicle. Transnational Publisher, Inc. Ardsley, New York. 2000, International Asset Securitization and Other financing tools, página 65, 10 páginas. Compensation for dismissal under Argentine Law. Transnational Publisher, Inc. Ardsley, New York. 1999, International Business Law Practice Series, International Employment Law, página 229, 6 páginas. Legal Structures for business in Argentina. Comparative Law Yearbook of International Business. Kluwer Law International, The Hague, The Netherlands, 2001. Página 385, 10 páginas. Chapter on Argentine Labor Law. International Employment Law. Matthew Bender & Company. New York Release 4, 7/2000. 32 páginas.

6. Since 1998, my firm has been a member of International Law firms; a global network of lawyers with independent offices in major cities and some of our clients are international corporations operating and investing in Argentina, all of which keep me in touch with foreign legal matters, issues and counsel.

7. In my legal practice, I am responsible for rendering general business advice for Argentinean and international business clients.

8. I have reviewed the class action complaint filed against EFG Capital International Corp ("EFG Capital") under this caption (hereinafter "the Complaint"). I understand from the Complaint that the Plaintiffs are seeking relief from EFG Capital based on losses they and other proposed class members might have incurred in connection with the Fairfield Sentry Limited hedge fund, and have asserted claims against EFG Capital for breach of fiduciary duty, gross negligence, unjust enrichment and violation of Florida's Deceptive and Unfair Trade Practices Act (the "Lawsuit")

9. I have been asked to give my professional opinion on the following hypothetical: assuming a class was certified in the lawsuit and a judgment was later rendered in the class action procedure: would an Argentinean court enforce a US class action judgment?

My conclusion is that more likely than not under Argentine Law, if an international treaty for the enforcement of foreign judgments exists between a foreign country and Argentina, the rules of such treaty will prevail. In the absence of such a treaty, the National Code of Civil and Commercial Procedure will be applicable if the defendant is domiciled in the Autonomous City of Buenos Aires or if the matter at issue will be debated before a federal court. Provincial procedure rules will be applicable where the matter at issue is to be debated before a provincial court and in general their provisions are in line with those of the federal regulations. This analysis of the recognition of foreign judgments covers federal procedure rules.

Subject to certain requirements, which are set out in Section 517 of the National Civil and Commercial Procedural Code, Argentine courts will enforce foreign judgments resolving disputes and determining the rights and obligations of the parties to an agreement. The requirements which a foreign judgment must meet in order to be recognized in Argentina are as follows:

I. The judgment must have been issued by a court considered competent by the Argentine conflict of laws principles regarding jurisdiction, have been final in the jurisdiction where it was rendered and resulted from a personal action or an *in rem* action concerning movable assets; if the judgment resulted from an *in rem* action, personal property in dispute must have been transferred to Argentina during or after the prosecution of the foreign action;

II. The defendant against whom enforcement of the judgment is sought must have been duly served with a summons and, in accordance with due process of law, given an opportunity to defend itself against the foreign action. As to this latter condition, for example, both Montevideo's International Treaties of 1889 and 1940 deal with the subject setting forth that the requirement has been complied with if the defendant duly served has appeared before the Court either personally or through an attorney or has been declared in contempt of the Court. Procedural rules on summons, deadlines, contempt, etc. are ruled by the foreign applicable law and cannot be revised by the Argentinean Court;

III. The judgment must have been valid in the jurisdiction where it was rendered and its authenticity established in accordance with the requirements of Argentine law;

IV. The judgment must not violate any principles of public order or policy of Argentine law;

V. The judgment must not be in conflict with a prior or simultaneous judgment of an Argentine court; and

VI. Reciprocity is not required for an Argentine court to recognize a foreign judgment (save for a few provincial jurisdictions).

Focusing on the above stated requisites, it is my professional understanding that more likely than not a class action judgment would be admitted before our courts. In my opinion, there is no distinction in the National Civil and Commercial Procedural Code nor any specific requirement is set out as to the type the foreign procedure must have or comply with. To sum up, the National Civil and Commercial Procedural Code does not exclude a class action as a valid procedure nor does it prevent the ruling rendered in this type of procedure from being recognized and enforced in Argentina. Either an individual action or a class action are eligible and qualify for Argentine Courts to be acknowledged and enforced.

Moreover, in 1994, the Federal Constitution was amended to recognize the protection of collective rights, but no comprehensive legislation was enacted yet to implement class action as a way of taking the constitutional mandate to practice. A 2008 amendment to the Consumer Defense Act N° 24,240 introduced some provisions governing class-action like procedures, but failed to establish a complete and clear regulation. In February 2009, the Argentine Supreme Court issued a ruling in *Halabi vs. Federal Executive Branch*, holding that, in the absence of specific legislation governing class actions, courts may admit class actions in certain circumstances. As a consequence of the above explained situation, the legal community is increasingly calling for the enactment of a complete and thorough legal regime governing class action procedures.

Therefore, class action procedures are locally known and not in contradiction with any current legal provision or public policy in force in Argentina, including those federal ones governing the enforcement of foreign judgments in our country.

I have been furnished with Mr. Beccar Varela's declaration and based upon the previous reasoning and conclusions do not agree with some of his opinions. In his

view, it is nearly certain that the Argentinean courts would not enforce a judgment rendered by a United States court in the Lawsuit in EFG Capital's favor because it deprives the defendant of the opportunity to exercise its defense in court - as foreseen in Section 18 of the Argentinean National Constitution - because the U.S. class action procedure does not allow the defendant to advance particular defenses against each one individual plaintiff.

As a foreign legal expert not admitted to practice law in the US, I cannot review or issue a legal opinion on US law and thus it is far beyond the scope of my declaration to evaluate whether the assertions made about US law are correct. However, the hypothesis imagined by my colleague appears to me as absolutely contradictory: if EFG won the class action lawsuit in the US, it evidently would have had all the opportunities to defend itself because precisely emerged victorious from the procedure. How would a local judge reject the recognition of a favorable ruling in favor of the defendant arguing that the defendant himself did not have the opportunity to exercise its defense?

Mr. Beccar Varela also refers that Section 54, second paragraph of Argentine Consumer Defense Act N° 24,240 states that a ruling related to class actions should be considered final (*res judicata*) if such ruling was in favor of the plaintiff. He continues saying that Section 54, second paragraph, of Act N° 24,240 states that the ruling in favor of the plaintiff shall be considered final to all consumers or users under the same conditions, except for those who had expressed their will against the consumer association representation before the ruling has been issued. He ends pondering that although not stated clearly and no definitive position under Argentinean case law has been adopted, it appears likely that, *contrario sensu*, if the ruling is against the plaintiffs claim, it should not be considered as final.

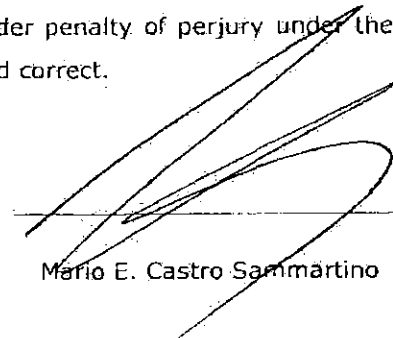
I cannot concur with the preceding opinion. First of all, it is my professional understanding that provided that the exigencies of Section 517 of the National Code of Civil and Commercial Procedure are met, the effects of the foreign judgment should be considered governed by the US law and not by the Argentinean regulations. Further and as Mr. Beccar Varela fairly admits, referred Section 54 of the Consumer Protection Act N° 24,240 has stirred disputes among legal scholars about its constitutional standing and the possible violation of the federal constitutional guarantees of the *res*

iudicata, due process, *non bis in idem*, equal treatment before law and property. Therefore, said provision could be judicially challenged for potential inconsistency with the Federal Constitution.

As a final thought on the matter, I would say that under international law the corner stone of all legal procedures is to evaluate and choose which is the territorial jurisdiction and the governing law applicable to a dispute under the judgment of the courts where the assets to be foreclosed on are located. Further, if the Defendants have no assets in Argentina, the ultimate evaluation would be which conditions have to be met for a judgment to be acknowledged and enforced before the country where the potential assets for recovery were located.

Pursuant to 28 U.S.C, 1746 (1), I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Executed on January 6th, 2011

A handwritten signature in black ink, consisting of several overlapping loops and strokes, positioned above a horizontal line.

Mario E. Castro Sammartino

EXHIBIT 46



Rubio Villegas & Asociados
abogados

Juan Manuel Camarena Egido
Directo: +52 (55) 52420711
juan.camarena@rva.com.mx

Mexico City, January 17, 2011.

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
CASE NO. 10-20206-CIV-MARTINEZ/BROWN

LORRENE DA SILVA FERREIRA and
ARLETE DA SILVA FERREIRA, individually
and on behalf of all others similarly situated,

Plaintiffs,

vs.

EFG CAPITAL INTERNATIONAL CORP.
And EFG BANK f/k/a EFG PRIVATE BANK, S.A.

Defendants.

DECLARATION OF JUAN MANUEL CAMARENA EGIDO
REGARDING RELEVANT PRINCIPLES OF MEXICAN LAW

JUAN MANUEL CAMARENA EGIDO, declare as follows:

- a. I am over the age of majority and make this declaration on the basis of my personal and professional knowledge, and on the following documentation: (1) Declaration of Mr. Najera Gonzalez, dated November 10, 2010; (2) Copy of the Agreement signed between EFG Capital International and Lorrene Da Silva Ferreira and/or Arlete Da Silva Ferreira; (3) EFG Capital International Corp.'s response in opposition to plaintiffs' motion for class certification; and (4) Class Action Complaint regarding the complaint presented by Lorrene Da Silva Ferreira and Arlete Da Silva Ferreira (Plaintiffs) V. EFG Capital International Corp. and AFG Bank f/k/a EFG Private Bank SA (Defendants).
- b. I am a 1986 graduate of "Universidad Panamericana", law school.



Jason Kellog
January 17, 2011.
Pag. 2

- c. I have been a member of the Mexican Bar Association since 1998 and have been partner of the law firm "Rubio Villegas y Asociados, S.C." since 1995.
- d. In my legal practice, I am responsible for handling civil and commercial litigation cases that are brought and resolved under the Mexican laws and regulations. My practice also embraces commercial transactions, bankruptcy, domestic and international arbitration, mediation and alternative dispute resolution.

In the previous context hereby I declare that, I have reviewed the declaration of Mr. Nagera Gonzalez and it is a fact that he overlooks that if a class member file a legal suit before the Mexican Courts it is more than likely that the correspondent judge shall recognize the arbitration provision stipulated in the Agreement signed between EFG Capital International and the Client. This would be mandatory for the parties as they agreed as follow:

"15. This account is subject to arbitration rules of the New York Stock Exchange, Inc., or National Association of Securities Dealers, Inc. I am aware of the following:

- *Arbitration is final and binding on the parties.*
- *The parties are waving their right to seek remedies in court, including the right to jury trial.*
- *Pre-arbitration discovery is generally more limited than and different from court proceedings.*
- *The arbitrators' award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.*
- *The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.*

The undersigned agrees, and by carrying an account for the undersigned you agree, all controversies that may arise between us concerning any order or transaction, or the construction, performance or breach of this or any other agreement between us, whether entered into before, on or after the date this account is opened and whether to be executed within or outside of the United States, shall be settled by arbitration before a panel of independent arbitrators set up by either the New York Stock Exchange, Inc., or National Association of Securities Dealers, Inc., as I may elect and under the then existing arbitration procedures of the forum I have elected. If I do not notify you in writing of my designation within five (5) days after I receive from you a written demand for arbitration, then I authorize you to



Jason Kellog
January 17, 2011.
Pag. 3

make such designation on my behalf. Notice preliminary to, in conjunction with, or incident to such arbitration proceeding may be sent to me by mail and personal service is hereby waived. Judgment upon any arbitration award may be entered in any court of competent jurisdiction, without notice to me.

16. This agreement and its enforcement shall be governed by the laws of the State of Florida."

From the aforementioned clauses we can conclude in the best of our knowledge that the agreement and any dispute or controversy arose by any order, transaction, performance or breach of this or any other agreement between the signatory parties, shall be settled by arbitration before a panel of independent arbitrators set up by either the New York Stock Exchange, Inc., or National Association of Securities Dealers, Inc., and under the laws of the State of Florida.

Therefore, and in the event that EFG capital prevails in the procedure at the UNITED STATES DISTRICT COURT, and the Mexican investors prosecute to file a different action in Mexico, the Mexican court more than likely will consider the ruled issued at the UNITED STATES DISTRICT COURT and declare himself incompetent to resolve the dispute, claiming that the correct proceeding was arbitration, according with the will of the parties stated on the agreement.

Pursuant to 28 U.S.C. § 1746(1), I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

JUAN MANUEL CAMARENA EGIDO

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and loops around the line.

EXHIBIT 47

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
CASE NO. 10-2006-CIV-MARTINEZBROWN

LORRENE DA SILVA FERREIRA and
ARLETE DA SILVA FERREIRA,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

EPG CAPITAL INTERNATIONAL CORP.
And EPG BANK ~~via~~ EPG PRIVATE BANK SA.

Defendants.

DECLARATION OF CARLOS GERALDO EGYDIO RAMEH

STATE OF SAO PAULO)

)

FEDERATIVE REPUBLIC OF BRAZIL)

)

I, CARLOS GERALDO EGYDIO RAMEH, DECLARE AND STATE as follows:

A. PROFESSIONAL BACKGROUND

I am a lawyer qualified under Brazilian law, and admitted to practice law before the courts of the Federative Republic of Brazil since 1987. I am the recipient of a Bachelor of Laws degree from Pontificia Universidade Catolica of São Paulo and a

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Masters in Common Law Studies Degree from Georgetown University Law Center. I am a member of the Brazilian and New York Bar associations, and admitted to practice before the Southern and Eastern District Courts of New York. I practiced before the Courts of the Southern District for a number of years while with a law firm of Messrs. Hill Rivkins & Hayden. Through my practice and education, I am fully familiar with Brazilian law and legal procedures, as well as comparative law between the common and civil law systems.

2. In addition, I am the senior partner in the law firm of C. Ramelli e Advogados Associados in São Paulo.

B. PURPOSE OF THIS DECLARATION

3. The purpose of this Declaration is to provide advice in relation to the validity of an arbitration clause under Brazilian Law.

4. Firstly, however, and in order to put my comments in relation to those matters into their full and proper context, I set out:

- 4.1 At Section (C) below, a brief overview of the nature, application and validity of arbitration rules in Brazil.

5. Finally, and before turning to each of those matters, I note that the facts set out in this Declaration are true insofar as they are within my own knowledge. Insofar as they are not within my own knowledge, they are true to the best of my knowledge and belief.

C. THE ARBITRATION RULES IN BRAZIL

1. The Brazilian Arbitration Law – Law nr. 9.307, ns of September 23, 1996.

6. Brazilian Law nr. 9.307, dated September 23, 1996, introduced to the Brazilian system of laws the possibility of solving disputes by arbitration (hereinafter referred as to the "Arbitration Law").
7. The Arbitration Law establishes that the arbitration may be agreed by any capable natural persons or legal entities in relation to rights and obligations involving in essence commercial matters or rights and obligations not considered "personal rights" (e.g. matters involving certain family law, inheritance, as well as others).
8. The main requisite for the validity of arbitration under Brazilian law is to have an arbitration clause by which parties expressly agree to waive their right to seek remedies in court and to be bound by the decision rendered in the arbitration proceedings.
9. I have been supplied with a copy of the declaration issued by Mr. Eduardo Damião Gonçalves. Considering the existence of a written contract with an arbitration clause, I believe the issue of *res judicata* or international *lis pendens* is not decisive for consideration of the issue at bar.
10. In the event the Brazilian plaintiffs would file a court case against EFG Capital International Corp. in Brazil, I am of the opinion that is more likely than not that Brazilian Courts would recognize the existence of an arbitration clause and dismiss or stay such claim filed in Brazil pending resolution of the case by arbitration.
11. There may be arguments by such Brazilian individuals that the Brazilian Courts should hear the matter in spite of the arbitration clause, however in my opinion is more likely than not that the Brazilian Courts would not agree with such plea.
12. Finally, and for sake of completeness, I can confirm that the above statements not only represent my personal interpretation of the case, but also the information I and my colleagues at C. Rameh & Advogados Associados get from studying Brazilian Law, doctrine and jurisprudence related to the case.

13. I further confirm that the Arbitration Law, the Brazilian Consumer Code, the Brazilian Code of Civil Procedure and the Instruction nr. 109 from the Brazilian Securities Commission are currently in force.

14. Pursuant to 28 U.S.C. §1746(l), I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on January 31, 2011.

By:



Carlos Geraldo Egydio Rameh