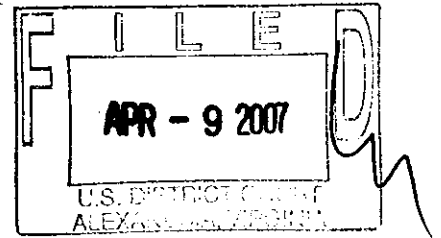


**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
Alexandria Division**



UNITED STATES SECURITIES AND)
EXCHANGE COMMISSION,)

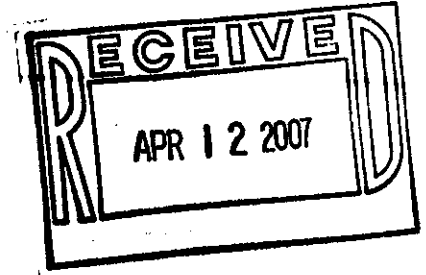
Plaintiff,)

v.)

CASE NO. 1:06cv01354-GBL

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

Defendants,)

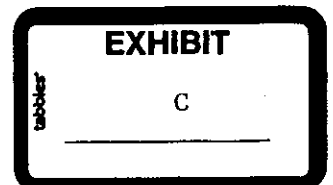


**SECOND AMENDED ORDER ESTABLISHING ADMINISTRATIVE PROCEDURES
AND APPROVING ENGAGEMENT OF ACCOUNTANTS**

Before the Court is the *Receiver's Amended Motion for the Court to Establish Administrative Procedures and Engagement of Accountants* (the "Amended Motion"), filed by Roy M. Terry, Jr. and DuretteBradshaw PLC (collectively "Receiver"). The Amended Motion seeks to have the Court approve a comprehensive administrative order, which includes clarification of standards for: (i) appointment of professionals, (ii) compensation and disbursement procedures for professionals, (iii) notice procedures, (iv) settlement and compromise, and (v) format of reports. The Court, having reviewed the Amended Motion and other papers on file in this action and having heard arguments and testimony of counsel, finds that:

1. Notice of the Amended Motion, having been served on counsel for the Securities and Exchange Commission ("SEC") and all Defendants appearing of record herein, is sufficient for the purposes of the Amended Motion; and

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2. Good and sufficient cause exists for the relief requested in the Amended Motion and that the Amended Motion will assist in the efficient and effective administration of this case.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:

Appointment of Professionals

- A. Court approval is required for the employment and compensation of professionals retained by the Receiver that will be handling the assets of the estate (the "Professionals").
- B. Any accountant or business consultant appointed by the Court shall be permitted to serve without bond.
- C. The Court approves the Receiver's engagement and employment of Keiter, Stephens, Hurst, Gary & Shreaves, P.C. (the "Accountant").
- D. No Court action is required for the employment and compensation of professionals or other third-party vendors in the ordinary course retained by the Receiver that will not be handling substantial assets of the estate other than specific assets for limited periods (the "Ordinary Course Professionals"), but the Receiver shall have the discretion to seek prior approval of such compensation from the Court.
- E. Professionals and Ordinary Course Professionals shall be, for all purposes, entitled to rely upon the provisions of the Appointment Order giving them limited liability for carrying out their duties in good faith.

Compensation and Disbursement Procedures for Professionals

- F. On or before the last day of the month following the month for which compensation is sought, each Professional will submit a monthly statement (the "Monthly Statement") to the SEC and to any other party specified by an Order of the Court (collectively, the "Notice Parties"). Each recipient shall have ten (10) days after the submission of the Monthly Statement to review it.

(i) If no recipient of the Monthly Statement objects as provided in subparagraph (b) below, the Professional shall be authorized to receive from the receivership estate eighty percent (80%) of the amount of the compensation requested on the Monthly Statement, with a twenty percent (20%) holdback (the "Holdback") and one hundred percent (100%) of the expenses requested in that particular Monthly Statement.

(ii) In the event any of the Notice Parties objects to a particular Monthly Statement on or before the tenth (10th) day after the submission of the Monthly Statement, such party shall serve the affected Professional and the other Notice Parties with a "Notice of Objection to the Monthly Statement" setting forth the precise nature of the objection and the amount at issue. Thereafter, the objecting party and the Professional whose Monthly Statement is challenged shall meet and/or confer in an attempt to reach an agreement regarding the payment to be made. If an agreement is not achieved, or if no meeting or conference takes place, the Professional whose Monthly Statement is objected to shall have the option of (a) filing the Monthly Statement, the Notice of Objection to the Monthly Statement and a request for payment with the Court, or (b) foregoing payment of the disputed amount until the next interim fee application hearing, at which time the Court will consider and resolve the objection. The affected Professional shall be entitled to receive eighty percent (80%) of any portion of the compensation and one hundred percent (100%) of the expenses requested that are not the subject of a Notice of Objection to the Monthly Statement. In addition, if an agreement is reached regarding an Objection to a Monthly Statement, the parties to the Objection shall submit an explanation of the resolution to the Notice Parties. Following receipt of the explanation, the Professional shall be authorized to receive eighty percent (80%) of the undisputed compensation and one hundred percent (100%) of the undisputed expenses.

- G. The first Monthly Statement shall be submitted by Professionals on or before February 28, 2007, and shall cover the period from the date of the entry of the Order appointing the Receiver through February 28, 2007.
- H. Approximately every three (3) months, Professionals shall file an Application for interim approval and allowance of compensation, including the Holdback, and reimbursement of expenses requested for the preceding three (3) months with the Court. A Notice of the Application shall be served on the Limited Service List. The Application for interim approval and allowance of compensation shall be filed under seal, along with an accompanying Motion and Memorandum of Points and Authorities in Support of the filing of the application, also to be filed under seal.
- I. The pendency of a request for payment of a Monthly Statement to which an objection has been made, or an order of the Court that payment of compensation or reimbursement of expenses was improper as to a particular statement, shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above.
- J. Neither the payment of, nor the failure to pay, in whole or in part, monthly interim compensation and reimbursement of expenses as provided herein shall bind any party in interest or the Court with respect to the reasonableness of the compensation to be received by a Professional pursuant to an interim or final allowance of compensation and reimbursement of expenses.
- K. The hourly rates of compensation proposed for the Receiver in Exhibit A and the Accountants in Exhibit B at VI-I attached to the Amended Motion are reasonable, and Professionals are authorized to seek future approval of the Court to increase such rates consistent with the Professionals' usual and customary charges.

- L. Notice of a hearing to consider interim compensation applications shall be limited to (i) the Limited Service List parties (defined below), and (ii) Professionals who have been retained by orders of the Court in this case.
- M. Professionals shall report their time in one-tenth (1/10) of an hour increments, shall code each time entry according to a standardized billing code, and shall list each activity separately.

Notice Procedures

- N. Any party filing a motion or other request for relief shall also file a proposed Order granting the relief sought.
- O. The Receiver shall maintain two full service lists:
- (i) the Limited Service List, containing the name and mailing address of each defendant, or their counsel of record in this case, if any; to such other counsel as has appeared in the case and has requested to be included on that list, or has been placed there by Order of the Court, and has not withdrawn, been dismissed, or terminated; the SEC, to the attention of A. David Williams, Esquire; and the Receiver's Accountant; and
 - (ii) the Investor Service List, containing the name and mailing address of each person, or their legal counsel, who the Receiver believes participated or invested in the IFC scheme. The Limited Service List and the Investor Service List shall be amended from time to time as deemed necessary to properly notice all parties in this matter.
- P. The Limited Service List may be employed by the Receiver to provide notice regarding motions of an administrative nature.
- Q. Service of all papers shall be governed by the Federal Rules of Civil Procedure. The person filing a paper shall serve on all persons on the applicable service list a copy of the paper and the proposed order. The person filing a paper shall file a Certificate of Service within five (5) days after service of any paper.

R. In carrying out the Receiver's investigatory function to locate and collect the property of the receivership, the Receiver shall not be required to give notice of any deposition or subpoena to any person other than: (1) the person to be deposed, or to receive the subpoena, and their counsel, if any; (2) the defendants or their counsel, if any; and (3) the SEC, to the attention of A. David Williams, Esquire.

S. Notice of any motion filed in this case by the Receiver shall be served on those persons on the appropriate Service List. If no objection is filed within ten (10) days of the service of the motion, the Court shall enter the proposed Order or, on its own motion, set the matter for hearing. If a timely objection is filed and served, then the Receiver shall obtain a hearing date from the Court and shall issue and shall serve a notice of hearing at least seven (7) days prior to the scheduled hearing.

Settlement and Compromise

T. Any settlement or compromise by the Receiver that requires the Receiver to forego possession of any receivership property shall be brought before the Court on ten (10) days notice to those persons listed on the Limited Service List. If no timely objection is filed and served, the Court shall approve the proposed settlement or, on its own motion, set the matter for hearing. If a timely objection is filed and served, then the Receiver shall obtain a hearing date from the Court and shall issue and shall serve a notice of hearing at least seven (7) days prior to the scheduled hearing.

Format of Reports

U. Professionals shall report their activities in two separate reports:

(i) periodic time and activity report to the Court by Legal Professionals for the purpose of approval of compensation under the following activity categories:

- | | |
|-----------|------------------------|
| 12295.001 | Expenses |
| 12295.002 | Administration of Case |

12295.003 Investor victims
12295.004 Corporation Issues
12295.005 Business Operations
12295.006 Claims Administration/Asset Distribution
12295.007 Fee Applications
12295.008 Asset Investigation and Recovery
12295.009 Litigation – General
12295.010 Review and reconstruct records
12295.011 Defendant Issues
12295.012 and forward: reserved for individual litigation matters, as required

or,

(ii) periodic time and activity report to the Court by Accounting Professionals for the purpose of approval of compensation under the following activity categories:

XX1 Project Management
XX2 Fee Applications
XX3 Accounting and Financial Reporting
XX4 Tax Reporting
XX5 Fund Management
XX6 Information Technology Support
XX7 Forensic Accounting
XX8 Valuation
XX9 Litigation Consulting / Expert Witness
X10 Asset Recovery / Liquidation
X11 Attestation
X12 Claims Administration

and,

(iii) a narrative report for each period in which Professional performed work for the estate, highlighting the important accomplishments of the period.

IT IS FURTHER ORDERED that the Clerk of the Court is hereby directed to send a copy of this Amended Order to all counsel of record, and the Receiver.

DATE ENTERED:

April 9, 2007


Gerald Bruce Lee
UNITED STATES DISTRICT JUDGE

) FOR THIS I ASK:


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John C. Smith, VSB No. 44556

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Receiver for the Court

SEEN AND NO OBJECTION:


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Carl A. Tibbetts (Bar # 22783)

Assistant Chief Litigation Counsel

U.S. Securities and Exchange Commission

Division of Enforcement

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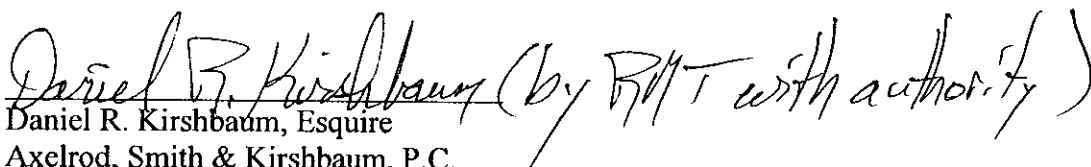
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