

13 August 2001

Dear Sir/Madam:

**Re: *Buckingham Securities Corporation ("BSC"), in Receivership***

As you are aware, On July 26, 2001 BDO Dunwoody Limited was appointed by the Ontario Superior Court as Receiver and Manager of BSC following an application brought by the Ontario Securities Commission ("OSC"). The appointment Order of the Receiver extends previous halt trading orders initiated by the OSC on July 6, 2001. All trading and related activities have been frozen since that earlier date.

We currently are sending out a mailing of your BSC account statement as at the date of receivership. We would appreciate direct confirmation as to its accuracy and completeness. Any differences or possible errors should be noted and reported directly to Receiver in writing. Similarly, if the indicated amounts and balances are correct, we would still appreciate your direct written confirmation of the same.

To date, a very large volume of telephone calls and messages has been received from concerned BSC clients. Due to the extent of this volume, return calls to all clients by the Receiver and/or the remaining BSC skeleton staff have been rendered impossible. At this point, however, the Receiver is unable to provide any clear indication as to the timing or extent of any recovery for BSC's clients and other creditors since several key unresolved issues require our prior attention. As more exact information becomes available you will be notified.

For those clients with securities that are clearly registered in their own name as customer-owned securities, the court freeze does not apply. Ordinarily such securities pertain to Retirement Savings Plans. In this event, and only in this event, you can proceed to arrange to have your securities transferred.

Unfortunately, the resolution of matters such as this is usually prolonged. On the other hand, clients and other creditors of BSC can take some comfort in the control provided by the court process and the Receiver's ongoing administration. Thank you for your understanding and patience.

Yours very truly,

*BDO Dunwoody Limited*

Encl.