

**The Eastern Caribbean Supreme Court
In the High Court of Justice
The Virgin Islands**

Claim No BVIHCV 2003/0063



Between:

THE FINANCIAL SERVICES COMMISSION

Applicant

AND

MARTY STEINBERG

**(As Receiver of Lancer Offshore Inc. and The Omni Fund Limited appointed by the
United States District Court for the Southern District of Florida and by the United States
Bankruptcy Court for the District of Connecticut, Bridgeport Division)**



Respondent

ORDER

Before the Honourable Justice Hugh Rawlins (In Chambers)

Dated: The 8th day of September, 2003

Entered: The 12th day of September, 2003

UPON READING the Amended Application of the Financial Services Commission filed on the 13th day of June, 2003;

AND UPON READING the First Affidavit of Ruth Chadwick, sworn on the 1st May, 2003, the Second Affidavit of Ruth Chadwick, sworn on the 26th May, 2003, the third affidavit of Ruth Chadwick sworn on the 14th July, 2003, the First Affidavits of Michael Lauer and Richard Geist, sworn on the 19th May, 2003, the Second Affidavits of Michael

Lauer and Richard Geist sworn on the 26th day of June, 2003, and the Affidavit of Marty Steinberg, Receiver, sworn on the 28th July, 2003;

AND UPON HEARING, William Blair Q.C., Ms. Jacqueline Wilson with him, Counsel for the Applicant Financial Services Commission, Susan V. Demers, with her Margaret Price Findlay Counsel for the Respondents and Counsel for the Intervening Investors as follows:

Gerard Farara Q.C., for the Fondation Lucie et Andre Chagnon, Paul Webster Q.C., Vanessa King with him for Kuwait and the Middle East Financial Investment Company, Michael Fay for the Common Fund Global Hedged Partners LLC, John Carrington for the Walsingham Fund Ltd. and the Canada Life Assurance Co., Rachel Laquis and Elena Araujo for the Bombardier Trust, Francis Belle for the Pension Committee of the University of Montreal Pension Fund, AXA Alternative Advisers Inc., and Morgan Stanley Investments LP and Tana'ania Small Davis for Nemrod Management Limited and others;

AND THE COURT being satisfied that the order set out herein is necessary to protect or preserve the business or property of Lancer Offshore Inc. and The Omni Fund Limited, being regulated persons, or the interests of their investors;

IT IS HEREBY ORDERED under section 39(2) of the Financial Services Commission Act, 2001 that:

1. The heading of these proceedings shall be amended to state the parties as follows:

THE FINANCIAL SERVICES COMMISSION

Applicant

AND

LANCER OFFSHORE INC. (In Receivership)**AND****THE OMNIFUND LIMITED (In Receivership)**

(Both by Marty Steinberg, as the Receiver appointed by the United States District Court for the Southern District of Florida and by the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division)

Respondents

2. That part of the order of the Court dated the 30th day of May 2003, stating that all material filed in these proceedings shall be sealed from inspection on the Court file and kept sealed, is hereby discharged.
3. The Receiver, having become the representative for the administration and management of, and having assumed control over, all of the assets of Lancer Offshore Inc. and The Omnitfund Limited (the "Funds") in accordance with the Order Appointing him Receiver entered by the United States District Court for the Southern District of Florida on 10 July 2003 upon the application of the United States Securities and Exchange Commission, shall continue with his duties in compliance with the Order Appointing him Receiver and such other orders as may be entered by the United States District Court for the Southern District of Florida in connection with the Funds.
4. The Receiver shall provide the Financial Services Commission, this Court and the intervening investors with any and all reports made to the United States District Court for the Southern District of Florida and to the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division, in the proceedings now pending or as consolidated hereafter.
5. The Receiver shall consult with the Financial Services Commission from time to time as necessary to ensure that the interests of the investors in the Funds are protected.

6. Upon the determination or the substantial determination of the proceedings referred to in paragraph 3 above, or at any other time with the leave of this Court, the Financial Services Commission shall be at liberty to file a petition for the Funds to be wound up by the Court.
7. Subject as above, the amended application for the winding up of the Funds by this Court shall be stayed until further order of this Court, while the Receiver continues his efforts in respect of the Funds.
8. Costs hereby reserved pending application and further consideration at a later stage in these proceedings.
9. All parties and the intervening investors do have leave to seek further directions from the Court.

BY THE COURT

Pauline
Dy. Registrar


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To:	Jeffrey Bast	From:	Susan V. Demers
Co:	Hunton & Williams	Our Ref:	
Fax No:	1-305-810-2460	Your ref:	
Pages:	5	Date:	October 10, 2003
Re:	Order in FSC case		

Comments:-

Please see attached.

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