

Trade and Commerce Bank (“TCB”)

Velox Capital Markets (“VCM”)

Velox International Investments (“VII”)

Velox Real Estate (“VRE”)

Velox Venture Capital (“VVC”)

Peabody Limited (“Peabody”)

Terrace Corporation (“Terrace”)

(All in Official Liquidation)

(Collectively referred to as “the Group Companies”)

**Notes of the Creditors’ Meetings of the Group Companies
Montevideo, Uruguay and Buenos Aires, Argentina
September 1st and 2nd, 2004**

- 1) Creditors were given a copy of the report of the Joint Official Liquidators dated August 21, 2004 (“the Report”) prior to the start of the meetings. Both meetings started at approximately 10:30 am. Creditors were given the opportunity to direct questions to the Liquidator in attendance (Richard E. L. Fogerty) and the Liquidators’ advisors. The Liquidators’ advisors in attendance at the creditors’ meetings were Alistair Walters of Campbells (the Liquidators’ Cayman Islands Attorney), Mr. Bernardo Porras of Hughes & Hughes (the Liquidators’ Uruguay Attorney who attended the creditors’ meeting in Montevideo) and Mr. Jorge Ortiz of Ortiz and Asociados (the Liquidators’ Argentine Attorney who attended the creditors’ meeting in Buenos Aires). The Liquidator in attendance and his advisors are referred to as the Liquidators throughout these notes.
- 2) In summary the following matters were discussed at the meetings:
 - a) The position of Banco Montevideo investors The Liquidators advised that Banco Montevideo had submitted a claim in the liquidation of TCB and this claim should include monies that were originally deposited in Banco Montevideo and subsequently transferred to TCB.
 - b) Custody account assets The Liquidators advised that some of the assets in custody were pledged as security for borrowings by the Peirano family and that other custody account assets have been attached to by creditors of TCB. Where custody account assets have been attached the Liquidators will either try and negotiate their release or advise the custody account holder who the attaching creditor is so that they can deal direct with the attaching creditor.
 - c) Creditor attachments to assets of the Group Companies Various attorneys acting for creditors advised that they had searched for assets connected to the Group Companies and the Peiranos on behalf of the creditors they represent and that they had made attachments to some of these assets. One attorney said that they were justified in **attaching** to these assets because the Liquidators had taken no action to recover them. The Liquidators advised that they would be happy to receive any information with regards to the assets of the Group Companies and that it was very costly for the

Liquidators to have to try and have attachments removed so that the assets could be realised for the benefit of the TCB liquidation estate.

- d) Legal actions commenced by the Liquidators against the Peiranos. These are outlined by the Liquidators in the Report which has also been posted to the liquidation website (www.tcbliquidation.ky). In summary, asset freezing or “Mareva Injunctions” have been obtained by the Liquidators from the Grand Court of the Cayman Islands. The Mareva Injunctions were granted by the Court against Juan Peirano and his wife Leitzia Vejo Mailhos, claiming repayment of approximately US\$14 million, and Jorge Peirano Facio for US\$48 million. Judgment was subsequently obtained against Jorge Peirano Facio for US\$48million although none of his assets have been identified against which it can be enforced.
- e) The Liquidators agreed to provide a breakdown of the creditors between individuals, companies and banks. This will be posted to the Liquidation website shortly.
- f) Actions to be taken by the Liquidators in respect of Disco/Ahold. The Liquidators advised that they are considering taking some action in respect of the Disco shares. The Liquidators discussed issues which would need to be considered. The Liquidators indicated that they would contact the attorneys for Ahold and negotiate directly in the first instance.
- g) The Liquidators meeting with Juan Peirano in New York on April 8, 2003. The Liquidators advised that prior to the meeting taking place, Mr Peirano’s Cayman Islands attorneys had insisted that the time and location of the meeting should be kept confidential until after it had taken place. Prior to the meeting, the Liquidators ensured that such a meeting would not violate any laws of the Cayman Islands or the United States. The FBI were not interested in the fact that a meeting was to take place. Whilst the Liquidators were reluctant to agree to the confidentiality requirement of the meeting they felt that it was more valuable to meet with Juan Peirano than not to meet him. If the Liquidators could have arranged for any further action to be taken against Juan Peirano, they would have done so.
- h) The Liquidators agreed to post Cayman Islands court documents relating to the liquidations of the Group Companies to the liquidation website (www.tcbliquidation.ky). These documents will be posted to the website shortly.
- i) Duties of the creditors committee. The Liquidators explained that the creditors’ committee would act as representatives of the entire body of creditors at regular meetings with the Liquidators and would be consulted by the Liquidators in relation to ongoing matters relating to the liquidation.
- j) Payments made by the Liquidators to Peirano’s attorneys. The Liquidators had started proceedings in the Cayman Island to place Peabody and Terrace into liquidation. Peirano’s lawyers claimed that TCB owed money to Peabody and Terrace and was not in a position to apply to the court to have them placed in liquidation. As a result they took steps to try and prevent the liquidation of those companies. In order to avoid large legal bills and to ensure that the Liquidators gained control of Peabody and Terrace and the assets that they held, the Liquidators reached an agreement with Peirano’s lawyers that they would pay them 15% of any realisations from Peabody and Terrace towards the legal costs incurred by the Peirano family. The Liquidators felt that this agreement was in the best interests of the creditors of the Group Companies and was consistent with the terms of the asset freezing order which allowed Peirano to pay his reasonable legal expenses from his restrained assets.
- k) Assets that the Liquidators have identified. The Liquidators advised that they had identified a number of assets of the Group Companies but were unwilling to publicly provide any further details regarding these assets in order to avoid further creditor attachments.

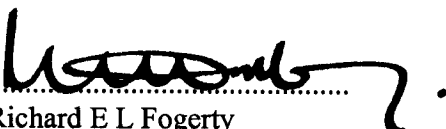
- l) The sale of VVC's and VCM's interests in the Pegasus GP1 Limited and Pegasus Venture Capital Partners I L.P. ("Pegasus") for US\$173,000. The Liquidators explained that the investments of Pegasus consisted of investments in new technology types of companies and that the asset values of these companies had fallen substantially since the initial investments were made. The assets sold were as follows:
- i) 100% limited partnership interest in Pegasus Venture Capital Partners I L.P.
 - ii) 100 ordinary shares US\$1.00 each in the capital of Pegasus GP I Ltd., a Cayman Islands company.
 - iii) 100 Ordinary shares of US\$1.00 each and 3,815 redeemable preference shares of US\$1.00 each in the capital of Merlin Capital Management Ltd., a Cayman Islands company.
 - iv) All the claims the companies already had or may have in the future against Pegasus GP I LTD and/or Pegasus Venture Capital Partners I L.P.

The terms of the sale were agreed in advance by the Cayman Islands court.

- m) Investigation of TCB accounts transferred to New York and Switzerland. The Liquidators confirmed that these assets are being investigated.
 - n) The records held by the Criminal Court of Uruguay. The Liquidators advised that they are continuing their attempts to negotiate the release of these records.
 - o) Adjudication of creditor claims. The Liquidators are commencing work in relation to the adjudication of creditor claims. The Liquidators advised that this would be a lengthy and expensive exercise given that they have received in excess of 1000 claims from creditors.
- 3) Creditors were then invited to put forward nominations for the creditors' committee and vote for those nominated.
- 4) The votes received for the creditors' committee members have since been counted. The five creditors with the highest number of votes from both meetings who will be represented on the creditors' committee are as follows:
- Fondos Mutuos Banaleman;
 - Carlos Folle Martinez;
 - Antonio Luquin;
 - Mariano Alarcon; and
 - Victor Testoni.

The Liquidators will be in contact with the creditors' committee members shortly.

Creditors will be kept informed of important developments in the liquidations of the Group Companies via notices placed on the liquidation website.


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Richard E L Fogerty
Joint Official Liquidator
Chairman of the Meetings