

FIAT: Let the within document be
filed. Rule 30a Dated at
Calgary, Alberta, this 4 day
of August, ~~2005~~

Action No. 0401-19905
Deponent: Tad Sudol
Sworn: August 3, 2005


M.J. C.Q.B.A.

**IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

IN THE MATTER OF:

**TITAN INVESTMENTS LIMITED PARTNERSHIP,
TITAN GENSPAR INC.,
AND EVOLUTION CAPITAL MANAGEMENT LTD.,
AND THE ESTATE OF DAVID COMTE, DECEASED,
AND THE COMTE FAMILY TRUST
AND PREDATOR HOLDINGS LTD.**

**IN THE MATTER OF THE JUDICATURE ACT, R.S.A.
2000, c. J-2 AND RULES 467 AND 468 OF THE ALBERTA
RULES OF COURT**

AFFIDAVIT

I, TAD SUDOL, of the City of Edmonton, in the Province of Alberta, Businessman,
MAKE OATH AND SAY THAT:

1. I am the 100% shareholder and a director of Technology & Research Inc. ("T & R"), an investor in the Titan Partnership. I am a 20% shareholder in Technology & Research Co. Inc. ("T & R Co."), an investor in the Titan Partnership. My son, Philip Sudol, holds the remaining 80% of the shares in T & R Co., and is a director of that entity. My wife, Maja Sudol, is the 100% shareholder and a director in MS Computing Ltd. ("MS"). MS is an investor in the Titan Partnership. I was closely and personally involved in the investments in the Titan Partnership by T & R, T & R Co. and MS and, as such, have personal knowledge of the personal knowledge of the matters and facts hereinafter deposed to, save and except where stated to be based upon information and belief, in which case I believe the same to be true.
2. In July 2002, T & R invested in Comte Global Partners, which later changed its name to Titan Investments Limited Partnership. At the time of that initial investment, David Comte explained to me that Alberta Securities Commission regulations limited the number of investors in Comte Global Partners to 50 investors. He told me that T & R was the last investor allowed in.
3. In April 2003, Mr. Comte announced that he would be opening two additional funds named Tyche Investments LP and Prometheus Investments LP, which would be operational from May 1, 2003. Mr. Comte explained that these additional investment funds were created to increase the number of investors by 100, in accordance with Alberta Securities Commission requirements.

- 2 -

4. On June 1, 2003, Mr. Comte caused all three funds to be renamed Titan Investments Limited Partnership.

5. T & R's investments in Titan Investments Limited Partnership were made as follows:

<u>Date</u>	<u>Amount (USD)</u>
July 25, 2002	\$ 45,000.00
July 26, 2002	25,000.00
September 20, 2002	20,000.00
January 28, 2003	50,000.00
December 17, 2003	<u>10,000.00</u>
TOTAL NET INVESTMENT	\$150,000.00

6. When the new funds being operated by Mr. Comte became available, MS invested \$5,000.00 U.S. That \$5,000.00 U.S. was my personal money, provided to MS for the purpose of investing in Titan Investments. Similarly, T & R Co. invested \$5,000.00 U.S. on April 23, 2003 and \$5,000.00 U.S. on April 24, 2003. Again, these were my personal funds invested through T & R Co.

7. On June 13, 2003, T & R Co. invested a further \$5,000.00 U.S., and a further \$170,000.00 U.S. Again, these were my personal funds invested through T & R Co.

8. The total investment by T & R Co., to June 13, 2003, was as follows:

<u>Date</u>	<u>Amount (USD)</u>
April 23, 2003	\$ 5,000.00
April 24, 2003	5,000.00
June 13, 2003	5,000.00
June 13, 2003	170,000.00
TOTAL NET INVESTMENT	\$185,000.00

9. By June 13, 2003, \$330,000.00 U.S. of my money was invested in Titan Investments Limited Partnership through MS, T & R, and T & R Co. I started to feel uneasy about the investment in Titan Investments Limited Partnership at around that time, and began considering whether I should withdraw some funds in order to test the system and determine whether Mr. Comte intended to repay investments. In July of 2003 I spoke with my friends, Vladimir Reitman and Wlodzimierz Rydz about my intention to test the system. Both Mr. Reitman and Mr. Rydz were investors in Titan Investments, and both of them live in Edmonton. They both indicated that they were very interested in this exercise given that, if Titan Investments failed to pay, this would affect their investments as well. I told them that I had resolved to make a withdrawal in order to test the system and determine whether Titan Investments would pay back money invested. I told both Mr. Reitman and Mr. Rydz that I would advise them of the outcome of this exercise.

10. At the time that I resolved that I would withdraw some funds, in order to determine whether Titan Investments Limited Partnership would repay investors, I had decided that

I would reinvest the funds so withdrawn, and more money, in Titan Investments Limited Partnership if I was satisfied that Titan Investments would repay investors.

- 11. In August 2003, I spoke with my son, Philip Sudol, and asked him to request a withdrawal of \$100,000.00 US from the account of T & R Co. held by Titan Investments Limited Partnership. I told him that I wanted to test the liquidity of Titan Investments Limited Partnership, the system, and Mr. Comte's intention to repay investors. My son made that request on behalf of T & R Co. in August 2003. On September 3, 2003, T & R Co. received a certified cheque in the amount of \$100,000.00 U.S. dated August 31, 2003. In the result, the total net investment in Titan Investments by T & R Co. then stood at \$85,000.00 U.S.
- 12. Upon receiving the \$100,000.00 U.S. cheque from Titan Investments to T & R Co., I was reassured that the system being used by Mr. Comte through Titan Investments Limited Partnership worked, that it was liquid, and that it would pay investors. Thereafter, I told Mr. Reitman and Mr. Rydz of the results of this test of the system. I also discussed the results of this test of the system with my son, Philip Sudol, and my wife, Maja Sudol.
- 13. As noted above, at the time that I caused T & R Co. to request the return of \$100,000.00 U.S., I had already resolved that the money would be reinvested if it was received. When T & R Co. received the \$100,000.00 U.S. return of its funds, it provided those funds to me, as those were my personal funds.
- 14. The \$100,000.00 U.S. received from T & R Co. was then reinvested in Titan Investments Limited Partnership through MS, by payments made September 29, 2003 in the amount of \$50,000.00 U.S., and October 30, 2003 in the amount of \$50,000.00 U.S. As well, MS invested \$5,000.00 U.S. on October 27, 2003. In the result, the total net investment of MS, was as follows:

<u>Date</u>	<u>Amount (USD)</u>
April 23, 2003	\$ 5,000.00
September 29, 2003	50,000.00
October 27, 2003	5,000.00
October 30, 2003	50,000.00
TOTAL NET INVESTMENT	\$110,000.00

- 15. The \$100,000.00 U.S. invested in Titan Investments Limited Partnership through MS consisted of funds belonging to me personally.
- 16. With my renewed confidence in Titan Investments Limited Partnership, and consistent with the intention that I had in July of 2003, T & R made a further investment of \$10,000.00 U.S. in Titan Investments on December 17, 2003. In the result, the total investments of T & R were as follows:

- 4 -

<u>Date</u>	<u>Amount (USD)</u>
July 25, 2002	\$ 45,000.00
July 26, 2002	25,000.00
September 20, 2002	20,000.00
January 28, 2003	50,000.00
December 17, 2003	<u>10,000.00</u>
TOTAL NET INVESTMENT	\$150,000.00

17. All of the funds invested in Titan Investments through T & R were my personal funds.
18. In total, MS, T & R Co. and T & R invested \$345,000.00 U.S. in Titan Investments Limited Partnership up to December 17, 2003. With the exception of \$5,000.00 U.S. invested by MS on October 27, 2003, all of the funds so invested were my personal funds.
19. On February 10, 2005, I spoke with Michael Costello, a representative of Alger & Associates Inc. At that time I attempted to describe the transfer of money from one account to the other to him, and I explained to him that the principal reason for making such a transfer was to test the Titan Investments Limited Partnership. Mr. Costello asked me to wait until there was a decision on the redistribution. On March 21, 2005 I found a "redistribution list" on the internet on the Alger & Associates website. At that time, for the first time, I learned that T & R Co. would not receive its proportionate share of funds recovered on its \$85,000.00 net investment, but would receive a lesser amount.
20. On March 22, 2005 I spoke with Mr. Costello and asked him why the total investment made by T & R, T & R Co. and MS, in the amount of \$345,000.00 U.S. would not receive its proportionate share of any funds recovered. At that time, Mr. Costello explained to me that the redistribution formula was prepared and approved by the "investors committee". I have since come to understand that the "investors committee" is a group of investors in the Titan Investments Limited Partnership, who obviously have their own interests in recovering money for themselves. At that time, and since, I have been concerned that the "investors committee" might seek to recover funds at my expense. In my March 22, 2005 telephone conversation with Mr. Costello, he told me that "testing Titan Limited Partnership" is not a good enough reason to justify treating the \$100,000.00 U.S. withdrawn from T & R Co.'s account, and re-deposited into MS's account, as a transfer from one account to the other. Mr. Costello asked me to write him a letter explaining the investment of MS, T & R Co. and T & R, and the reasons behind the transfer of money from T & R Co. to MS.
21. Now shown to me as **Exhibit "A"** to my Affidavit is a true copy of an email dated March 22, 2005 which I sent to Mr. Costello, further to his request of that date. Below the email is the letter that was sent with my email to Mr. Costello. The principal reason for a withdrawal and a re-deposit of \$100,000.00 U.S. was to test Titan Investments, as noted above. In my letter to Mr. Costello I also indicated that this was done for tax purposes, although I can think of no tax advantage that any of the companies would ultimately obtain as a result of this transfer of the investment.

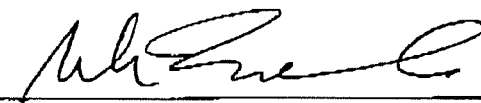
- 5 -

22. On March 24, 2005, Mr. Costello responded to my email. Now shown to me as **Exhibit "B"** to my Affidavit is a true copy of Mr. Costello's response. I do not believe Mr. Costello's email, and in particular I do not believe that:
- (a) Making a distinction between a cash transfer and a non-cash transfer is fair or reasonable;
 - (b) I am among many parties who would suffer a similar shortfall - rather, I believe that I am in a unique position among the investors;
 - (c) A net investment formula would be any more or less arbitrary than treating cash and non-cash transfers differently;
 - (d) The formula adopted by the investors committee has resulted in a quicker conclusion in this matter or lower costs;
 - (e) My circumstances, if recognized appropriately, would result in a lower recovery for me.
23. Through the course of my communications with Mr. Costello, I concluded that he had simply become the mouthpiece for the investors committee, that he would defer to them, and defend them. This, too, left me uneasy, as I have come to appreciate that the investors committee consists of people who have their own personal interests to deal with as a result of the failure of Titan Investments Limited Partnership.
24. As a result of my dissatisfaction with my dealings with Mr. Costello, on May 11, 2005, I provided a summary of my investments to Bruce Alger of Alger & Associates. Now shown to me as **Exhibit "C"** to my Affidavit is the document that I provided to Mr. Alger. On May 11, 2005 I received an email from Mr. Costello, a copy of which is attached as **Exhibit "D"** to my Affidavit.
25. Now shown to me as **Exhibit "E"** to my Affidavit is my calculation of the extent to which T & R Co. is affected by the proposed redistribution, depending upon the total amount available for distribution.
26. I have reviewed the Affidavit of Croft Axsen dated March 18, 2005. In that Affidavit, he suggests that the cost of readjusting the formula adopted by the investors committee would exceed \$600,000.00. He suggested that this number would triple if litigation became necessary. I do not know the basis for this assertion, and do not accept it as correct. In fact, I understand that the Court has now directed that anyone who wishes to be treated differently has the responsibility to bring forward those claims. I anticipate that there will not be 128 claims, as suggested by Mr. Axsen, and in fact that there will be very few claims brought forward other than mine. I have also reviewed Mr. Axsen's Affidavit sworn May 6, 2005. I note that, in that Affidavit, the receiver did revise the payment schedule in order to treat "non-cash transfers" as having never happened. I assume that, if this was done at a cost of \$600,000.00 in accordance with Mr. Axsen's speculation, that this fact would have been brought to the attention of all investors. I

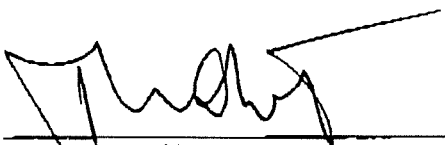
assume that the cost of revising the repayment schedule in order to treat my single cash transfer in the same way as the non-cash transfers will be fairly insignificant.

- 27. I have also reviewed the Affidavit of Croft Axsen sworn January 17, 2005. In particular, I have reviewed the Partnership Agreement found at Exhibit "A" to that Affidavit. I believe that that is the form of Partnership Agreement that applied to the investments of T & R, T & R Co. and MS. I believe that the formula adopted by the investors committee is inconsistent with paragraph 13.4 of that Partnership Agreement, and therefore inconsistent with the expectation that I, and presumably all other investors, had when they made their investment in Titan Investments Limited Partnership.

SWORN BEFORE ME at the City of Edmonton, in the Province of Alberta, this 3 day of August, 2005.

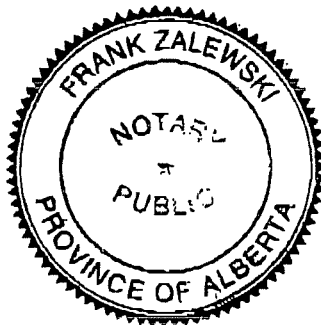


 A Commissioner for Oaths in and for the Province of Alberta



 TAD SUDOL

my APPOINTMENT EXPIRES 31 DEC 2007



-----Original Message-----

From: Tad Sudol [mailto:tsudol@shaw.ca]
Sent: March 22, 2005 8:02 PM
To: Michael Costello
Subject: Emailing: Alger-MCostello March-05.doc

Michael,
further to our conversation this afternoon please find attached letter you requested.
I hope the letter explains the situation clearly. Should you have any questions or require letters from my wife Maja or son Philip confirming the statements in the letter please let me know.
Regards,
Tad Sudol
tel: 780-432-9580

The message is ready to be sent with the following file or link attachments:
Alger-MCostello March-05.doc

Tad Sudol
11724 University Avenue
Edmonton, Alberta, T6G 1Z5
tel: 780-432-9560

March 22, 2005

Mr. Michael Costello
ALGER & Associates Inc.
#400, 602 -- 11 Ave.
Calgary, Alberta, T2R 1J8

This is Exhibit "A" referred to in the Affidavit of
Tad Sudol.
Sworn to before me this 3 day
of AUGUST A.D. 2005
Mr. Sudol
A Commissioner for Oaths in and for
the Province of Alberta



MY APPOINTMENT EXPIRES 31 DEC 2007

RE: Titan Receivership – Technology & Research Inc., Technology & Research CO. Inc, and MS Computing Ltd.

Dear Mr. Costello,

Further to our conversation this afternoon, and the previous conversation with you on February 10/05 after I mailed the summary of investments for the above 3 companies, am writing to you to explain again the investment situation of the above three companies in Titan Investments Limited Partnership.

I have invested in Titan through the above mentioned companies to the total of US\$ 345,000.00 and the split is as follows:

- a) Technology & Research Inc. (T&R) – 150,000 - No withdrawals
- b) Technology & Research CO. Inc. (T&RCO) – 185,000 – 100,000 withdrawn Aug 31/03 and transferred right away to MS Computing in September/03 (US\$50,000) and October/03 (US\$50,000)

03/03/05 WED 22:11 FAX 760 4585745 009

c) MS Computing Ltd. (MS) – 110,000.00 – No withdrawals, but transfer of US\$ 100,000 was made from T&RCO

Note: 1) MS is owned by my wife, Maja Sudol, 2) T&RCO is owned 80% by my son Philip Sudol and 20% by me, Tad Sudol, and 3) T&R is own 100% by Tad Sudol. These are family businesses and money invested in these companies came from my personal account.

The money transfer of US\$ 100,000 from Technology & Research CO. Inc (T&RCO) to MS Computing Ltd. (MS) occurred for 2 reasons: 1) to verify if Titan (Comte) will pay money back, and 2) for tax purposes, to redistribute the investments more or less evenly between the companies. At that time MS had an investment of US\$5,000 vs. T&RCO investment of US\$185,000. In short the TOTAL amount that was withdrawn from T&RCO was transferred to MS and therefore, the TOTAL investment (as mentioned above) did not change. It was and it is US\$ 345,000 as stated before in the second paragraph above.

Therefore, to treat this money transfer as a withdrawal will artificially increase my investment in Titan, and result in higher losses to me than otherwise they should be. As a result, according to the Alger payment schedule of March 18/05, T&RCO is not to receive any payment during the current distribution of money. What really bothers me is that on the top of being taken advantage of by ponzi scheme of Titan/Comte, I am being taken advantage of by other investors as my money is being redistributed unfairly to others.

I would appreciate you revising your position and amending the current payment schedule according with the information I have provided to you, which I believe is a fair and equitable way to deal with my case. I will contact you on Thursday (March 24/05) to learn about your position. Should anybody else be involved with the decision making process please let me know as I plan to pursue it to the successful conclusion.

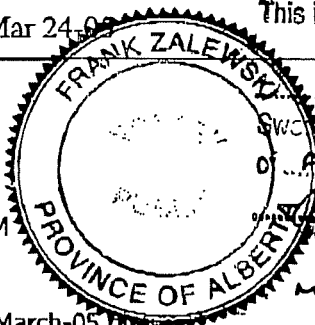
Sincerely,
Tad Sudol

Key Drozdowski - Sudhol e-mail response - Mar 24-05

From: "Michael Costello" <mcostello@alger.ca>
To: <DROZDOWSKIK@bennettjones.ca>
Date: 16/06/2005 4:40 PM
Subject: Sudhol e-mail response - Mar 24-05

-----Original Message-----

From: Michael Costello
Sent: Thursday, March 24, 2005 2:54 PM
To: 'Tad Sudol'
Cc: 'Croft Axsen'
Subject: RE: Emailing: Alger-MCostello March-05.doc



This is Exhibit "B" referred to in the Affidavit of

Tad Sudol
Sworn before me this 03 day of August A.D. 2005

My Appointment Expires 31 Dec 07

Taj,

In response to your e-mail below and related attachment, we cannot honour your request.

The only situations whereby we have allowed such a "transfer" to be affected on our Redistribution Schedule is for partners who have conducted such a transfer on a non-cash basis and/or where such transfers are officially documented as such within Titan's Notice of Amendments filed with the corporate registry and as such where Titan's book-keeping has in effect been inaccurate as a result by recording a cash investment and a cash redemption in equivalent amounts. Your \$100,000 fits neither of these two categories.

However, we note your objection to this Re-Distribution formula, which has been raised with the Investor's Committee who proposed the Re-Distribution formula, a formula which we view as being the fairest and most cost-effective to do so in the circumstances, and would like to point out that you are amongst many parties who otherwise "suffer" a shortfall as result of this formula relative to the numerous other formulae that have been considered. In particular, Croft Axsen, who swore the affidavit in support of the Application on behalf of the Investor's Committee, represents the largest investor in Titan in gross investment terms, notwithstanding the fact that his net investment is approximately 1/2 of what his gross investment amount is, as he too "tested" the system and withdrew amounts over time, only later to re-invest them back in Titan either directly or via his wife's partnership account. As a result of this proportionate gross investment formula, relative to say a potential proportionate net investment formula, which unfortunately would involve an arbitrary determination of the point at which an investor's net investment position is determined, he too suffers a reduced distribution as a result and in fact the most significant reduction of all the partners. In the interests of reaching a timely conclusion to this matter and minimizing costs however, he, along with the remainder of the Investor's Committee, have selected a defensible formula that best achieves this objective, notwithstanding the personal losses that some of them will suffer as a result.

As it turns out, to the extent that others could successfully argue likewise, the net effect to you of allowing these potential deemed transfers could well result in a lesser recovery by you as your redemptions as a % of investments represent just over 20% of your collective gross investments (i.e. 100,000/445,000) as opposed to the 28% for the partnership overall after deducting the \$3.9M of clearly preferential fourth quarter 2004 redemptions (i.e. [\$7.4M-3.9M]=\$3.5M)/\$12.3M).

We hope this provides you with sufficient information to satisfy your concerns, but please feel free to contact myself or Croft Axsen, who is copied on this e-mail for this purpose.

Regards,

Michael P. Costello, CA-CBV
Alger & Associates Inc.
#400, 602 11th Avenue SW

Message

Page 2 of 2

C. y, Alberta T2R-1J8
Web site: www.alger.ca
P. 403.296.3087
F. 403.296.2988
C. 403.519.0753
E. mcostello@alger.ca

-----Original Message-----

From: Tad Sudol [mailto:tsudol@shaw.ca]
Sent: March 22, 2005 8:02 PM
To: Michael Costello
Subject: Emailing: Alger-MCostello March-05.doc

Michael,
further to our conversation this afternoon please find attached letter you requested.
I hope the letter explains the situation clearly. Should you have any questions or require letters from my wife Maja or son Philip confirming the statements in the letter please let me know.
Regards,
Tad Sudol
tel: 780-432-9560

The message is ready to be sent with the following file or link attachments:
Alger-MCostello March-05.doc

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

HAND DELIVERED
BY TAD SUDOL TO
BRUCE ALGER DN

Tad, Maja and Philip Sudol Investments in Titan Investments Limited Partnership

MAY 11/05
AFTER COURT
APPLICATION / MC

I, Tad Sudol, have invested through my company Technology and Research Incorporated. My wife, Maja Sudol, has invested through her company MS Computing Ltd., as well my son Philip Sudol invested through his company Technology & Research CO. Inc.

Summary of Our Investments:

	<u>Investment</u>
Computing Ltd. (MS)	5,000 April 23, 2003
	50,000 Sept.29, 2003
	5,000 Oct.27, 2003
	<u>50,000 Oct.30, 2003</u>
	Total Net Investment 110,000.00

Technology&Research CO.Inc. (T&RCO)	5,000 April 23, 2003
	5,000 April 24, 2003
	5,000 June 13, 2003
	<u>170,000 June 13,2003</u>
	185,000
<u>(100,000) Aug.31, 2003</u>	
Total Net Investment 85,000.00	

Technology&Research Inc. (T&R)	45,000 July 25, 2002	This is Exhibit "C" referred to in the Affidavit of Tad Sudol. Sworn before me this <u>03</u> day of <u>August</u> A.D. 20 <u>05</u>
	25,000 July 26, 2002	
	20,000 Sept.20, 2002	
	50,000 Jan. 28, 2003	
	<u>10,000 Dec.17, 2003</u>	
Total Net Investment 150,000.00		

Mike Zaleski
A Commissioner for Oaths in and for
the Province of Alberta

My appointment expires
31 Dec 2007

Total Net Investment:
(MS) 110,000 + (T&RCO) 85,000 + (T&R)150,000 = 345,000



Date	T&RCO	MS Computing
investments as of Aug 31, 2004	185,000	5,000
investments as of September 1/04	<u>-100,000</u> 85,000	5,000 +50,000 bank draft
investments as of October 30/04	85,000	+50,000 bank draft <u>+5,000</u> 110,000

The amount of US\$100,000 withdrawn from Technology & Research CO. Inc. (T&RCO) was reinvested in MS Computing Ltd. (2 separate Bank Drafts of 50,000 = US\$100,000, please see attached documentation).

This transfer of our family money from Technology & Research CO. Inc. account to MS Computing Ltd. account was done to spread the investment more evenly between the accounts. This transfer was performed on the advice of our accountant.

This was just a transfer of money from one account to another family account, and should be treated as such. This was NOT withdrawal of money !!

ATTACHED:

- b) copy of the Money Draft for US\$ 50,000.00; dated September 29, 2003
- b) copy of the Money Draft for US\$ 50,000.00; dated October 30, 2003

CIBC

650 BIL-07/07

to MS Ch...

EDMONTON ALTA

DATE

PAY TO THE ORDER OF / PAYEZ A L'ORDRE DE

TRANSIT NO. / N° D'IDENTIFICATION

BRANCH / CENTRE BANCAIRE

USD

Empty box for amount in figures

THE SUM OF / LA SOMME DE

AMOUNT IN WORDS / MONTANT EN LETTRES

UNITED STATES DOLLARS / DOLLARS DES ETATS-UNIS

TO TIRE

THE BANK OF NEW YORK
48 WALL STREET
NEW YORK, N.Y.
USA 10286

CHARGE TO CUSTOMER - A IMPUTER AU CLIENT	
RATE - COURS	
EQUIV. CAD. / CONTRE-VALEUR EN CAD.	
HANDLING CHARGES / COMMISSION DE MANIPULATION	
TOTAL COST / COUT TOTAL	

CUSTOMER'S COPY
RETAIN THIS COPY FOR YOUR RECORD
SEE "NOTICE TO PURCHASER" ON REVERSE

COPIE DU CLIENT
CONSERVER CETTE COPIE POUR VOS DOSSIERS
VOIR "AVIS A L'ACHETEUR" AU VERSO

NOT NEGOTIABLE / NON NEGOCIABLE

CIBC

650 BIL-99/03

EDMONTON ALTA

DATE

PAY TO THE ORDER OF / PAYEZ A L'ORDRE DE

NAME OF REMITTER / DONNEUR D'ORDRE

TRANSIT NO. / N° D'IDENTIFICATION

BRANCH / CENTRE BANCAIRE

USD

Empty box for amount in figures

THE SUM OF / LA SOMME DE

AMOUNT IN WORDS / MONTANT EN LETTRES

UNITED STATES DOLLARS / DOLLARS DES ETATS-UNIS

TO TIRE

THE BANK OF NEW YORK
48 WALL STREET
NEW YORK, N.Y.
USA 10286

CHARGE TO CUSTOMER - A IMPUTER AU CLIENT	
RATE - COURS	
EQUIV. CAD. / CONTRE-VALEUR EN CAD.	
HANDLING CHARGES / COMMISSION DE MANIPULATION	
TOTAL COST / COUT TOTAL	

CUSTOMER'S COPY
RETAIN THIS COPY FOR YOUR RECORD
SEE "NOTICE TO PURCHASER" ON REVERSE

COPIE DU CLIENT
CONSERVER CETTE COPIE POUR VOS DOSSIERS
VOIR "AVIS A L'ACHETEUR" AU VERSO

NOT NEGOTIABLE / NON NEGOCIABLE

Message

Key Drozdowski - FW: Sudhol e-mail response May 11-05

From: "Michael Costello" <mcostello@alger.ca>
To: <DROZDOWSKIK@bennettjones.ca>
Date: 16/06/2005 4:40 PM
Subject: FW: Sudhol e-mail response May 11-05

-----Original Message-----

From: Michael Costello
Sent: Wednesday, May 11, 2005 12:58 PM
To: 'Tad Sudol (T_and_R@shaw.ca)'
Cc: Bruce E. Alger; 'Clive Llewellyn (cllewellyn@flemingllp.com)'
Subject: RE: Emailing: Alger-MCostello March-05.doc

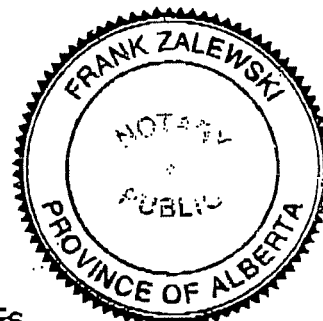
Tad,

Further to our earlier e-mail below and your letter delivered to Bruce Alger in Court today re-addressing this matter, our position has not changed as elaborated upon within our Second Report to the Court dated April 14, 2005, a copy of which is available on our web-site www.alger.ca. Should you so wish, you can make a Court Application objecting to the present treatment by the Receiver thereby putting all affected parties on notice.

Regards,

Michael P. Costello, CA-CBV
Alger & Associates Inc.
#400, 602 11th Avenue SW
Calgary, Alberta T2R-1J8
Web-site: www.alger.ca
P. 403.296.3087
F. 403.296.2988
C. 403.519.0753
E. mcostello@alger.ca

This is Exhibit "D" referred to in the
Affidavit of
Tad Sudol
Sworn before me this 03 day
of AUGUST A.D. 2005
[Signature]
A Commissioner for Oaths in and for
the Province of Alberta



my appointment expires
31 Dec. 2007

-----Original Message-----

From: Michael Costello
Sent: March 24, 2005 2:54 PM
To: 'Tad Sudol'
Cc: 'Croft Axsen'
Subject: RE: Emailing: Alger-MCostello March-05.doc

Taj,

In response to your e-mail below and related attachment, we cannot honour your request.

The only situations whereby we have allowed such a "transfer" to be affected on our Redistribution Schedule is for partners who have conducted such a transfer on a non-cash basis and/or where such transfers are officially documented as such within Titan's Notice of Amendments filed with the corporate registry and as such where Titan's book-keeping has in effect been inaccurate as a result by recording a cash investment and a cash redemption in equivalent amounts. Your \$100,000 fits neither of these two categories.

However, we note your objection to this Re-Distribution formula, which has been raised with the Investor's Committee who proposed the Re-Distribution formula, a formula which we view as being the fairest and most cost-effective to do so in the circumstances, and would like to point out that you are amongst many parties who otherwise "suffer" a shortfall as result of this formula relative to the numerous other formulae

that have been considered. In particular, Croft Axsen, who swore the affidavit in support of the Application on behalf of the Investor's Committee, represents the largest investor in Titan in gross investment terms, notwithstanding the fact that his net investment is approximately 1/2 of what his gross investment amount is, as he too "tested" the system and withdrew amounts over time, only later to re-invest them back in Titan either directly or via his wife's partnership account. As a result of this proportionate gross investment formula, relative to say a potential proportionate net investment formula, which unfortunately would involve an arbitrary determination of the point at which an investor's net investment position is determined, he too suffers a reduced distribution as a result and in fact the most significant reduction of all the partners. In the interests of reaching a timely conclusion to this matter and minimizing costs however, he, along with the remainder of the Investor's Committee, have selected a defensible formula that best achieves this objective, notwithstanding the personal losses that some of them will suffer as a result.

As it turns out, to the extent that others could successfully argue likewise, the net effect to you of allowing these potential deemed transfers could well result in a lesser recovery by you as your redemptions as a % of investments represent just over 20% of your collective gross investments (i.e. 100,000/445,000) as opposed to the 28% for the partnership overall after deducting the \$3.9M of clearly preferential fourth quarter 2004 redemptions (i.e. [$\$7.4M - 3.9M = \$3.5M$]/ $\$12.3M$).

We hope this provides you with sufficient information to satisfy your concerns, but please feel free to contact myself or Croft Axsen, who is copied on this e-mail for this purpose.

Regards,

Michael P. Costello, CA-CBV

Alger & Associates Inc.

#400, 602 11th Avenue SW

Calgary, Alberta T2R-1J8

Web-site: www.alger.ca

P. 403.296.3087

F. 403.296.2988

C. 403.519.0753

E. mcostello@alger.ca

-----Original Message-----

From: Tad Sudol [mailto:tsudol@shaw.ca]

Sent: March 22, 2005 8:02 PM

To: Michael Costello

Subject: Emailing: Alger-MCostello March-05.doc

Michael,

further to our conversation this afternoon please find attached letter you requested.

I hope the letter explains the situation clearly. Should you have any questions or require letters from my wife Maja or son Philip confirming the statements in the letter please let me know.

Regards,

Tad Sudol

tel: 780-432-9560

The message is ready to be sent with the following file or link attachments:

Alger-MCostello March-05.doc

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Attachment 1

Calculation of US\$ Recovery when Reinvestment in MS is Acknowledged

RECOVERY of US\$	@50%	@60%	@70%	@80%
T&R				
T&RCO				
<u>MS Computing</u>				
Total US\$ 345,000	172,500	207,000	241,700	276,000

Calculation of US\$ Recovery when Reinvestment in MS is NOT Acknowledged

RECOVERY of US\$	@50%	@60%	@70%	@80%
T&R (150,000)	75,000	90,000	105,000	120,000
T&RCO (85,000)	0.0	11,000	29,500	48,000
MS Computing	55,000	66,000	77,000	88,000
TOTAL RECOVERY	130,000	167,000	211,500	256,000

OUR Additional Losses Due the Receiver NOT Acknowledging the Transfer between the Accounts

@ 50% US\$ Recovery = 172,500 – 130,000 = US\$ 42,500 Loss

@ 60% US\$ Recovery = 207,000 – 167,000 = US\$ 40,000 Loss

@ 70% US\$ Recovery = 241,700 – 211,500 = US\$ 30,200 Loss

@ 80% US\$ Recovery = 276,000 – 256,000 = US\$ 20,000 Loss

This is Exhibit "E" referred to in the

Affidavit of

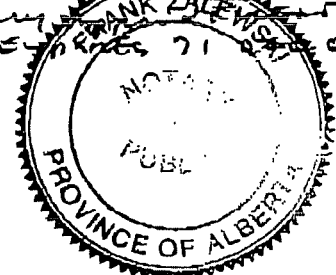
Tad Sudol

Sworn before me this 03 day

August A.D. 2005

[Signature]
A Commissioner for Oaths in and for the Province of Alberta

FRANK ZALEVANSKY
August 31 2005



Action No. 0401-19905
Deponent: Tad Sudol
Sworn: August 03, 2005

2005

**IN THE COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

IN THE MATTER OF:

**TITAN INVESTMENTS LIMITED
PARTNERSHIP,
TITAN GENSPAR INC.,
AND EVOLUTION CAPITAL
MANAGEMENT LTD.,
AND THE ESTATE OF DAVID COMTE,
DECEASED,
AND THE COMTE FAMILY TRUST
AND PREDATOR HOLDINGS LTD.**

**IN THE MATTER OF THE JUDICATURE
ACT, R.S.A. 2000, c. J-2 AND RULES 467
AND 468 OF THE ALBERTA RULES OF
COURT**

AFFIDAVIT

MAY JENSEN SHAWA SOLOMON LLP
Barristers
#800 The Lancaster Building
304 - 8th Avenue S.W.
Calgary, Alberta T2P 1C2

Glenn Solomon
Phone: (403) 571-1507
Fax: (403) 571-1528
File: 10398 001

CLERK OF THE COURT
AUG - 4 2005
CALGARY, ALBERTA