



# Strata-Trade Corporation

An Investment with a Better Strategy



June 22, 2010

Dear Bondholders,

We would like to take this time to give you a brief update on what is happening with Strata-Trade and any and all funds you have invested with us. As you are aware, Strata-Trade Corporation is a Lender to TransCap Corporation, therefore the ultimate responsibility rests with TransCap.

However, TransCap is in the process of winding down its operation and has recently assigned all of its interest and obligations as evidenced by the attached documentation to a newly formed entity committed to representing the best interest of all of the note holders of TransCap and the bondholders of Strata-Trade. You will notice the letter(s) from the law firm verifying this fact along with a copy of the Deed of Assignment with a copy of your bond(s) attached thereby acknowledging the indebtedness to you.

In the Strata-Trade Offering Memorandum it states the Eye-Logic, the major share-holder of Strata-Trade has a minimum two (2) year contract, date March 26<sup>th</sup> 2008, with Strata-Trade thereby qualifying the investment as RRSP eligible.

On June 18<sup>th</sup> 2010, Eye-Logic has chosen to gift back their shares to Strata-Trade by returning its shares and collapsing each individual RRSP account valuing those shares at a zero balance. You will be receiving a letter from Olympia Trust in this regard shortly. And although there may be some tax consequences, we are currently working with a tax specialist to help mitigate any tax implications that may arise from this matter.

Please take some time and review all the enclosed documents, and if you have any questions or concerns, please don't hesitate to contact your agent directly, or alternatively Sheri at the office.

Yours truly,

Dale E. St. Jean  
StrataTrade Corporation

Our Ref:  
Your Ref:

17<sup>th</sup> June 2010

To:

Transcap lenders/investors

Transcap agents

Dale St Jean

**SIMMONS  
&  
McCARTNEY**

**LAWYERS  
and  
ATTORNEYS**

P.O. BOX 1494  
DARLINGHURST NSW 1300  
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Principal admitted in Queensland,  
New South Wales and New  
Zealand

Dear All

I can now confirm that the process of the assignment of the promissory notes to the new corporate entity has been completed as of yesterday. A copy of the deed of assignment is attached for your records. I act for the assignee company, International Resolution Company Limited (hereinafter "IRC"), which shall act as trustee for all promissory note holders.

Please accept this letter as notice of that assignment.

The objective of the assignment was to allow the orderly closure of Transcap while at the same time maintaining the validity of any of the issued promissory notes whereby all of the obligations attaching to those notes remain intact.

The next step concurrently underway is to contract the services of Dale St Jean on an exclusive basis to ensure that Mr. St. Jean employs every means possible to remedy the situation for all the note holders. Mr. St. Jean is not a principal, shareholder, or director of IRC.

Rather IRC shall act as the watchdog to control, monitor and ensure all actions by Mr. St. Jean shall be in keeping with the objectives of IRC, which is to make obligations good to each of the note holders under the current notes issued to them by TransCap Corporation. Please be advised that Mr. St. Jean has given us every accommodation and has to date given us his complete support with respects to our efforts.

Meanwhile, I hope to finalise this contract in a form acceptable to IRC within the next 7 days. I will update you as soon as this has been implemented.

Yours faithfully

Grant McCartney



**DEED OF ASSIGNMENT OF PROMISSORY NOTES**

DEED dated 16<sup>th</sup> June 2010

**PARTIES:**

**TRANSCAP CORPORATION, a duly incorporated company having its registered office in Calgary, Alberta, Canada (“Assignor”).**

And

**INTERNATIONAL RESOLUTION COMPANY LTD, a duly incorporated legal entity (“Assignee”).**

**RECITALS:**

- A. The Assignor has been in the business of trading in various financial markets and investing in various financial products and other Promissory Notes;
- B. The Assignor has from time to time borrowed funds from lenders to assist in its trading activities;
- C. The Assignor has issued these lenders with Promissory Notes, those Promissory Notes specifying the particular terms of each loan that has been made to the Assignor;
- D. The Assignor is now of the view that the requirements of the lenders will be better served by entering into this agreement and transferring its interests in the Promissory Notes to the Assignee and now wishes to assign its right, title and interest in the Promissory Notes to the Assignee and the parties accept such assignment on the terms and conditions set out in this Deed.

**THIS DEED WITNESSES:**

**1. INTERPRETATION**

In this Deed, unless contrary to or inconsistent with the context:

1.1 words importing:

- (i) the singular include the plural and vice versa; and
- (ii) any gender include all genders;

- 1.2 a reference to a party is a reference to a party to this Deed and includes its successors, permitted substitutes (including but not limited to, any party or person taking by novation), executors, administrators and permitted assigns;
- 1.3 the word "person" includes a corporation and vice versa;
- 1.4 a reference to any thing or any matter (including, but not limited to, any amount) is a reference to the whole and any part of it;
- 1.5 a reference to a group of persons or parties is a reference to any two or more of them jointly and to each of them individually;
- 1.6 a covenant, representation or warranty on the part of two or more persons is for the benefit of them jointly and severally;
- 1.7 a reference to this Deed or other document includes any variation, novation or replacement of or supplement to any of them from time to time;
- 1.8 a reference (whether specific or general) to a statute or to any other legislation includes codes, ordinance or other law, and any regulation, rule or by-law or other instrument made under it, and all official directives (if any) and all amendments, consolidations, re-enactments or substitutions, of any of them from time to time;
- 1.9 headings are inserted for guidance only and do not affect the interpretation of this Deed;
- 1.10 a reference to a business day means a day on which banks are open for business in New York USA but excludes a public holiday and weekends; and
- 1.11 a reference to dollars or \$ means US dollars unless otherwise indicated.

## 2. DEFINITIONS

For the purposes of this Deed:

**"Consideration"** means the amount of \$1.00 which the parties acknowledge has been received by the Assignor.

**"Contract"** means this Deed and vice versa;

**"Due Diligence date"** means 11 June 2010;

**"Effective Date"** means 14 June 2010.

**“Promissory Notes”** means the Promissory Notes specified in the Schedule.

### **3. ASSIGNMENT OF PROMISSORY NOTES**

3.1 For the Consideration, the Assignor as legal and beneficial owner assigns and transfers to the Assignee as from the Effective Date all its right, title and interest in and pertaining to the Promissory Notes.

3.2 From the Effective Date, the Assignee is entitled to all of the rights and remedies conferred on the Assignor pursuant to the provisions of the Promissory Notes.

### **4. ASSIGNOR’S COVENANTS**

The Assignor covenants and warrants

4.1 On the Effective Date or as soon thereafter as reasonably practical the Assignor will provide to the Assignee all documentation relating to the Promissory Notes.

4.2 The Promissory Notes to the best of the Assignor’s knowledge

- (a) are not outside the ordinary and proper course of conduct of the Assignor’s business or otherwise unusual;
- (b) do not contravene any law;
- (c) have not been terminated or the Assignor is not in breach of any terms or conditions;
- (d) are not with an associated entity of the Assignor; and
- (e) do not prohibit, limit or confine the Assignor from assigning the said documents.

4.3 That the Assignor has the absolute authority power and capacity to assign the Promissory Notes free from all encumbrances and prior equities of any nature whatsoever and that the execution of this Deed by the Assignor does not constitute a breach of the Assignor’s obligations to any of the parties to the Promissory Notes.

4.4 That no set-off or counter-claim exists or has been threatened against the Assignor by any of the parties to the Promissory Notes.

4.5 Save what is set out in this Deed or in the Promissory Notes, neither the Assignor nor any of its servants or agents have made any representations or given any undertakings which might require the Assignee to honour or which could in any way prejudice or detrimentally affect the position of the Assignee.

**5. DUE DILIGENCE**

- 5.1 This Contract is subject to the Assignee conducting a legal due diligence satisfactory to the Assignee by 5 pm on the Due Diligence Date.
- 5.2 The Assignee is obliged to use all reasonable endeavours to complete its due diligence by the Due Diligence Date.
- 5.3 The Assignee may waive the benefit of this clause 5 at any time up until the Due Diligence Date by giving written notice to the Assignor.
- 5.4 If the Assignee:
- i. is not satisfied with the results of its legal due diligence (acting reasonably); and
  - ii. has complied with its obligations under clause 5.2;
- the Assignee may terminate this Contract by giving written notice to the Assignor prior to 12 midday on the day after the Due Diligence Date at which time the Assignee will become entitled any deposit paid under this agreement.
- 5.5 If the Assignee does not give the notice referred to in clause 5.4 before 12 midday on the day after the Due Diligence Date, the condition contained in this clause 5 will be deemed to be satisfied.
- 5.6 For the avoidance of doubt, the Assignee has no right to terminate this Deed pursuant to this clause 5 after 12 midday on the day after the Due Diligence Date.

**6. EFFECT OF ASSIGNMENT**

As and from payment of the Effective Date:

- 6.1 the Assignor shall by virtue of this Deed be deemed to have assigned absolutely and beneficially to the Assignee all the estate and interest of the Assignor in the Promissory Notes, the money secured by or payable under the promissory and the benefit of all the Assignor's rights, powers and entitlements under the promissory or otherwise implied by law; and
- 6.2 the Assignee assumes the obligations and liabilities of the Assignor under the Promissory Notes and undertakes to discharge those obligations and liabilities as and when required in accordance with their terms.

**7. ASSIGNEE'S COVENANTS**

- 7.1 The Assignee must pay to the Assignor the Consideration by way of a bank cheque or cash, Assignor acknowledges receipt of that payment.
- 7.2 The Assignee warrants to the Assignor that it has undertaken its own due diligence with respect to the Promissory Notes.
- 7.3 The Assignee acknowledges to the Assignor that, in entering into this document, the Assignee does not rely upon any statements made by the Assignor (other than statements made in this document).
- 7.4 The Assignee may, without the Assignor's consent or approval, assign, sell or novate any or all of its rights, title and/or interest in the Promissory Notes to any person or entity, after the Effective Date.

**8. INDEMNITY**

The Assignee indemnifies and shall keep indemnified the Assignor against all actions, claims, demands, notices, losses, costs and expenses incurred or suffered by the Assignor in respect of the Promissory Notes after the Effective Date.

**9. RELEASE OF THE ASSIGNOR**

As from the Effective Date the Assignee releases the Assignor in as far as it may from and against all claims whatsoever.

**10. COSTS AND EXPENSES**

Each party will pay their own costs in relation to this matter or any thing contemplated or incidental to the subject matter of this Deed.

**11. MISCELLANEOUS PROVISIONS**

- 11.1 This Deed shall be governed by and construed in accordance with the laws of Belize and the parties agree to submit to the jurisdiction of the Courts and Tribunals of that country.
- 11.2 No forbearance, delay or indulgence by a party enforcing the provisions of this Deed shall prejudice or restrict the rights of that party nor shall any waiver of those rights operate as a waiver of any subsequent breach. Any waiver under this Deed shall not be effective unless communicated in writing by one party to the other.

- 11.3 Should any part, clause, sub-clause or schedule of this Deed be or become invalid, that part, clause, sub-clause or schedule shall be severed from this Deed. Such invalidity shall not affect the remaining provisions of the Deed.
- 11.4 Each party to this Deed warrants to the other party that they are duly authorised to sign this Deed on behalf of that party and will bind that party to the terms and conditions of this Deed.
- 11.5 This Deed may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

**Executed as a deed.**

EXECUTED on behalf of **TRANSCAP CORPORATION**

by its duly authorised officer:



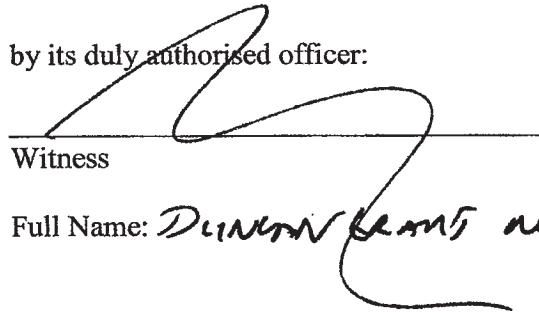
\_\_\_\_\_  
Witness

Full Name: Dale E. St. Jean

EXECUTED on behalf of **INTERNATIONAL**

**RESOLUTION COMPANY LTD**

by its duly authorised officer:



\_\_\_\_\_  
Witness

Full Name: *Doriane Levesque*

**SCHEDULE 1**  
**PROMISSORY NOTES**  
**(attached)**