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UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF
WASHINGTON AT SEATTLE

IN RE:)
IAN THOW)
Debtors,)

CASE NO. 05-21675
DECLARATION OF IAN THOW
IN OPPOSITION OF MOTION
TO DISMISS PROCEEDINGS

IAN THOW duly sworn upon oath under penalties of perjury declares and states as follows:

I am the debtor in these proceedings and make this declaration as such.

Before I respond to anything, I want to first state from the start of this Declaration that I am extremely offended by the unfounded, inflammatory, and untrue allegations and statements made by the Canadian Trustee and his attorneys in their motion to dismiss my bankruptcy petition. There is so little that is true in their allegations that just responding and "finger pointing" to their contentions would distract from my legal arguments, presented by my attorney in a concurrently filed Memorandum why their motion should be denied.

I am a United States citizen and I was born and raised in California. I also lived in Nevada, and in both Vancouver and Victoria, British Columbia. During my professional life, I had an opportunity to move to Victoria, British Columbia, and worked as an

1 investment counselor. During that period of time, I held positions with Canada's largest
2 mutual fund company (Investors Group); my positions included Investment advisor,
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4 Divisional manager, and Regional manager. I also worked for Berkshire Investment
5 Group in the capacity of financial advisor and Senior Vice President. I owned and ran
6 several British Columbia incorporated companies. My companies chartered aircraft to
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8 both individuals and corporations

9 Pursuant to an investigation commenced by the British Columbia Securities
10 Commission and several actions against me (not "dozens" as asserted by the Wolridge
11 Mayhan, Ltd, the court appointed Interim Receiver in my involuntary bankruptcy case
12 pending in Canada), a move was made to freeze all of my assets in Canada. I made an
13 offer to the creditors under those proceedings to pay my creditors back and during the
14 negotiations with the Interim Receiver and my creditors, I was informed that the proposal
15 was not going to be accepted, and that the creditors would seek to petition the court for an
16 involuntary bankruptcy. One particular suit was filed by my partner Donald James who
17 was my 50% partner in this Limited Liability Company.
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21 There were three other suits filed; they were filed by Gary Satorio, The Goodwin
22 family, and Derek Stimson. These suits were related to the sale of blocked time on my
23 aircraft and have nothing to do with an securities sales. In fact, the Interim Receiver's
24 allegations that I owe in excess of \$42,000,000 is inflammatory and misleading. Claims
25 against me personally are less than 10% of that total, and the majority of the debt is fully
26 secured debt of the various companies that I have an interest, secured on airplanes/jets,
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1 helicopters, vehicles and the like owned by those various companies. The various
2 companies and the major assets of those companies are itemized on my Schedule B.
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4 During these negotiations, I was informed by the attorney for my Canadian trustee
5 in a letter dated September of this year that I could indeed keep certain assets, consisting
6 of my household goods, clothing, personal possessions, etc. I was specifically instructed
7 by the Interim Receiver to remove all of my personal property, household goods, clothing
8 and other items out of my home in Victoria, British Columbia, by mid-September, 2005,
9 since the house was my major asset and it has significant equity that could be used to pay
10 potential creditors back. [I feel that my home in British Columbia is worth approximately
11 \$6,000,000 and I owed approximately \$3,000,000, therefore there is several million
12 dollars of equity in the home that could be available for potential creditor claims.]
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15 Based on the specific instructions from the Interim Receiver, I removed a small
16 amount of clothing, personal effects, and my bed from the home and relocated back in the
17 United States to Seattle, WA. I have immediate family that resides in Seattle, WA, and I
18 openly indicated that I was moving back to the United States taking a very small amount
19 of personal possessions. Those have been itemized and provided to the Trustee.
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22 Based on the request by the Interim Receiver that I remove personal possessions
23 out of the home so that the home could be marketed and sold, I arranged to have my
24 personal possessions removed from my home; but after I started removing personal
25 possessions and having them loaded in the truck, I was then informed that said personal
26 possessions should not be removed until they were inventoried, categorized, and valued. I
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1 am assuming that most of my household items are still in the home. I met with the Interim
2 Receiver, or his appointee, on two different occasions to inventory the assets in my home
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4 [Similar to the United States, there are exemptions in the bankruptcy proceedings in
5 Canada allowing for household goods, clothing, and personal possessions.] Therefore
6 rather than moving those items which were removed back, I had those items in storage so
7
8 that the Interim Receiver could complete the inventory evaluation that was requested.

9 Those items were not “secreted” from the court or the Interim Receiver, they
10 remain in Canada.

11 I made no “midnight runs” to cross the border into the United States. The Wolridge
12 Mayhan motion and Declarations are highly inflammatory and do not represent the actual
13 circumstances, other than trying to prejudice this court into believing there is some type
14 of nefarious scheme on my part to hide myself and my assets from administration but in
15 bankruptcy. In fact, I filed a voluntary petition for bankruptcy here in the United States so
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17 that all of the creditors could have an orderly administration of those assets under a
18 liquidating proceeding for the purpose and benefit of paying my creditors back.
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21 The court should also remember that the Interim Receiver appointed in the
22 Canadian proceedings was done prior to any bankruptcy proceedings brought against me
23 and, in fact, the Canadian bankruptcy was commenced after I had filed bankruptcy here in
24 the United States. [The Wolridge Mayhan motion continues to infer that I filed on July
25 28, 2005 in British Columbia, but that is misleading in that what I filed was a proposal to
26 my creditors on how I intended to reorganize my affairs and pay creditors back on their
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1 alleged claims. Until that proposal was rejected and the creditors filed an actual
2 involuntary bankruptcy proceeding against me under the Canadian bankruptcy laws [an
3 order was not entered until September 12, 2005], I had already filed a petition for relief in
4 these proceedings.
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6 However, during the course of my offer, in approximately July, 2005, I met with
7 Wolridge Mayhan Ltd. (and Michael Cheevers, the receiver designated in said firm) and
8 we did an informal inventory of my home and assets in British Columbia. The current
9 contention that I was “in hiding” is completely ludicrous. I did not “flee” to the United
10 States in the middle of September as alleged, and in fact, I had already been living in the
11 United States. I was actively looking for employment because my businesses were under
12 media scrutiny and my income plummeted. I interviewed for jobs in New York, North
13 Carolina, and in Washington. Because I have family living in Seattle, I ultimately settled
14 in Seattle. As pointed out above, the involuntary bankruptcy was then commenced
15 against me on September 12, 2005, at a time I was already in bankruptcy here in the
16 United States.
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21 I have reviewed the options under the Canadian Bankruptcy law and have been
22 informed I would probably not be entitled to a Canadian discharge because I filed
23 bankruptcy in Canada about 20 years ago, and Canadian law generally allows for only one
24 discharge *per lifetime!* Therefore, I did not file a voluntary bankruptcy in Canada since I
25 would not be able to obtain a fresh start. Being a United States citizen, I am entitled to
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1 the benefits provided under United States law and the Bankruptcy Code where I now
2 reside.

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4 My filing of a bankruptcy in the United States has nothing to do with the
5 administration of my assets or the payment of my creditors in Canada, and I have been
6 informed that the stay afforded under the Bankruptcy Code in the United States does not
7 stay the proceedings in Canada for the purposes of liquidating Canadian assets and
8 payment of Canadian claims. The Trustee in Canada is not being impaired or stayed in his
9 activities in collecting, liquidating, and then disbursing my assets to the Canadian
10 creditors. I am not intending to impair or hinder that proceeding.

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13 However, it is ironic that the Wolridge Mayhan motion requests that this court
14 defer to the Canadian proceeding, and then in the same sentence, Wolridge Mayhan states
15 that the Canadian Trustee intends to file a notice of opposition to a discharge in Canada.
16 Accordingly, the Trustee is seeking to have my bankruptcy here in the United States
17 dismissed, pleading with the court that there is a process already under way in Canada for
18 the collection and liquidation of my assets, the payment of my creditors claims, and
19 obtaining a discharge, but the Trustee then blatantly points out that they will oppose my
20 getting or receiving a discharge in Canada and therefore “creditors are at liberty to pursue
21 the debtor as if the bankruptcy had not occurred.”

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24 Its ironic, therefore, that the Canadian Trustee is asking this court to suspend my
25 bankruptcy proceedings in the United States, deny me the right to file a petition for relief
26 and obtain a discharge in the United States, and then specifically state they will seek to
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1 deny any discharge in Canada, to allow creditors to continue to pursue me “as if
2 bankruptcy had not occurred”.

3
4 I had just been recently remarried in May, 2005, and will continue to
5 support my four children from my previous marriage. I am not seeking to stay or hinder
6 the Canadian process of liquidating Canadian assets for the payment of Canadian claims.
7
8 However, the Canadian Trustee has already pointed out that they will pursue denial of a
9 general discharge in Canada which would allow Canadian creditors to continue to pursue
10 me here in the United States forever-and-a-day. The Trustee continues to argue in their
11 motion that they have spent hundreds of hours administering my assets for the benefit of
12 creditors but don’t point out to this court that there is nothing that prohibits them from
13 continuing that process and continued the liquidation.
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15 I adamantly dispute all of the negative implications and statements filed against me
16 that I defrauded any creditors, or the creditors made investments with my intent to
17 defraud these creditors.
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19 All of my airplanes and helicopters have been seized in these proceedings, but that
20 business was actually a business enterprises that generated the cash that created the assets
21 that I have in my estate.] I am requesting the court deny the Trustee’s Motion to Dismiss
22 my bankruptcy proceedings.
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24 DATED this 19th day of October, 2005.

25 /s/ Ian Thow

26 _____
27 Ian Thow, Debtor
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