

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:09-CV-0298-N
	§	
STANFORD INTERNATIONAL BANK, LTD., <i>et</i>	§	
<i>al.</i> ,	§	
	§	
Defendants.	§	
<hr/>		
	§	
RALPH S. JANVEY, <i>et al.</i> ,	§	
	§	
Plaintiffs,	§	Civil Action No. 3:13-cv-00477
	§	
v.	§	
	§	
PROSKAUER ROSE, LLP, <i>et al.</i> ,	§	
	§	
Defendants.	§	

**APPENDIX TO EXPEDITED REQUEST FOR ENTRY OF SCHEDULING ORDER
AND MOTION TO APPROVE PROPOSED SETTLEMENT WITH
CHADBOURNE & PARKE LLP, TO ENTER THE BAR ORDER, TO ENTER
THE FINAL JUDGMENT AND BAR ORDER, AND FOR PLAINTIFFS’
ATTORNEYS’ FEES AND EXPENSES**

Ralph S. Janvey (the “Receiver”) and the Official Stanford Investors Committee (the “OSIC”), file this appendix (the “Appendix”) in support of the *Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Park LLP, to Enter the Bar Order, to Enter the Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees and Expenses* (the “Motion”).

Exhibit	Description
APPENDIX MATERIALS	
1.	Settlement Agreement
2.	Declaration of Edward C. Snyder
3.	Declaration of Edward F. Valdespino
4.	Declaration of Doug J. Buncher
5.	Declaration of Scott Powers
6.	Declaration of John J. Little

Date: April 20, 2016.

Respectfully submitted,

CASTILLO SNYDER, P.C.

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COUNSEL FOR THE PLAINTIFFS

CERTIFICATE OF SERVICE

On April 20, 2016, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Northern District of Texas, using the electronic case filing system of the Court. All parties who have appeared in this proceeding will be served via ECF. Investors and other interested parties will be served and given notice of the hearing on this Motion as approved by the Court.

/s/ Edward C. Snyder
Edward C. Snyder

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EXHIBIT “1”

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”) is made and entered into by and between, on the one hand, (i) Ralph S. Janvey, solely in his capacity as the court-appointed receiver for the Stanford Receivership Estate (the “Receiver”); (ii) the Official Stanford Investors Committee (the “Committee”), and (iii) Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, (iv) Chadbourne & Parke LLP (“Chadbourne”) (Plaintiffs, on the one hand, and Chadbourne, on the other hand, are referred to in this Agreement individually as a “Party” and together as the “Parties”);

WHEREAS, on February 16, 2009, the U.S. Securities and Exchange Commission (the “SEC”) filed *SEC v. Stanford International Bank, Ltd.*, Civil Action No. 3:09-cv-00298-N (N.D. Tex.) (the “SEC Action”), alleging that Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Stanford International Bank, Ltd. (“SIB”), Stanford Group Company, Stanford Capital Management, LLC, and Stanford Financial Group (the “Defendants”) had engaged in a fraudulent scheme affecting tens of thousands of customers from over one hundred countries;

WHEREAS, in an order dated February 16, 2009, in the SEC Action (ECF No. 10), the United States District Court for the Northern District of Texas (the “Court”) assumed exclusive jurisdiction and took possession of the assets, and other tangible and intangible monies and property, as further set forth in that order, of the Defendants and all entities they own or control” (the “Receivership Assets”), and the books and records, client lists, account statements, financial and accounting documents, computers, computer hard drives, computer disks, internet exchange

servers, telephones, personal digital devices and other informational resources of or in possession of the Defendants, or issued by Defendants and in possession of any agent or employee of the Defendants (the “Receivership Records”);

WHEREAS, in that same order (ECF No. 10), Ralph S. Janvey was appointed Receiver for the Receivership Assets and the Receivership Records (collectively, the “Receivership Estate”) with the full power of an equity receiver under common law as well as such powers as are enumerated in that order, as amended by an order in that same matter, dated March 12, 2009 (ECF No. 157), and as further amended by an order entered in that same matter, dated July 19, 2010 (ECF No. 1130);

WHEREAS, Ralph Janvey has served as Receiver continuously since his appointment and continues to so serve;

WHEREAS, John J. Little was appointed to serve as examiner (the “Examiner”) by an order entered in the SEC Action, dated April 20, 2009 (ECF No. 322), to assist the Court in considering the interests of the worldwide investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any defendants in the SEC Action;

WHEREAS, John Little has served as Examiner continuously since his appointment and continues to so serve;

WHEREAS, the Committee was created pursuant to an order entered in the SEC Action, dated August 10, 2010 (ECF No. 1149) (the “Committee Order”), to represent the customers of SIB, who, as of February 16, 2009, had funds on deposit at SIB, and/or were holding certificates of deposit (“CDs”) issued by SIB (the “Stanford Investors”);

WHEREAS, by the Committee Order, the Examiner was named as the initial Chairperson of the Committee;

WHEREAS, the Examiner has served as Chairperson of the Committee continuously since his appointment and continues to so serve;

WHEREAS, on August 27, 2009, Samuel Troice, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd. filed Plaintiffs' Original Class Action Complaint in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the "Investor Litigation") naming only Proskauer Rose LLP ("Proskauer") and Thomas V. Sjoblom ("Sjoblom") as defendants, and then, on August 28, 2009, filed Plaintiffs' First Amended Class Action Complaint, naming these same defendants;

WHEREAS, on October 9, 2009, Samuel Troice, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd. filed Plaintiffs' Second Amended Class Action Complaint in the Investor Litigation, naming Chadbourne and P. Mauricio Alvarado as additional defendants and alleging claims against Chadbourne, and other defendants in the Investor Litigation, for aiding and abetting violations of the Texas Securities Act; aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent supervision;

WHEREAS, on January 31, 2013, the Receiver and the Committee filed *Janvey v. Proskauer, Rose LLP*, Civil Action No. 3:13-cv-00477-N (N.D. Tex.) (the "Receiver Litigation"), alleging claims against Chadbourne, and other defendants in the Receiver Litigation, for professional negligence; aiding, abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver's negligence claim;

WHEREAS, by Order dated March 4, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss Plaintiffs' Second Amended Class Action Complaint in the

Investor Litigation, dismissing with prejudice the claim against Chadbourne for negligent retention/negligent supervision, dismissing with prejudice the claims against Chadbourne for aiding and abetting Texas Securities Act violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006, and declining to dismiss the other claims against Chadbourne;

WHEREAS, by Order dated March 24, 2015, the Court permitted the addition of Pam Reed as a named plaintiff and putative class representative in the Investor Litigation;

WHEREAS, on March 26, 2015, Chadbourne filed a Notice of Appeal from the Court's Order entered on March 4, 2015, and from its further Order entered on May 15, 2015, denying Chadbourne's motion to alter or amend that ruling under Federal Rule of Civil Procedure 59(e);

WHEREAS, by Order dated June 23, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss the Original Complaint in the Receiver Litigation, dismissing the claim for aiding and abetting fraudulent transfers but declining to dismiss the other claims against Chadbourne;

WHEREAS, Chadbourne expressly denies any and all allegations of wrongdoing, fault, liability, or damages whatsoever and is entering into this Agreement solely to avoid the burden, very substantial expense, and risks of litigation;

WHEREAS, Plaintiffs have conducted an investigation into the facts and the law relating to the Investor Litigation and the Receiver Litigation and after considering the results of that investigation and the benefits of this Settlement, as well as the burden, expense, and risks of litigation, have concluded that a settlement with Chadbourne under the terms set forth below is fair, reasonable, adequate, and in the best interests of the Plaintiffs, the Interested Parties, and all

Persons affected by the Stanford Entities, and have agreed to enter into the Settlement and this Agreement, and to use their best efforts to effectuate the Settlement and this Agreement;

WHEREAS, the Parties desire to fully, finally, and forever compromise and effect a global settlement and discharge of all claims, disputes, and issues between them;

WHEREAS, the Parties have engaged in extensive, good-faith, arm's-length negotiations, including participation in mediation by representatives of the Parties in 2014, before the retired Honorable Harlan Martin, and then in December 2015, before the retired Honorable Layn R. Phillips, and Gregory Lindstrom, Esq., (with the retired Honorable Layn R. Phillips, the "Mediators"), leading to further negotiations and then to this Agreement;

WHEREAS, absent this Settlement, the Receiver Litigation and the Investor Litigation could have taken years and cost the Parties millions of dollars to litigate to a final judgment, appeals would likely have resulted, and the outcome would have been uncertain;

WHEREAS, the Examiner, both in his capacity as Chairperson of the Committee and in his capacity as the Court-appointed Examiner, participated in the negotiation of the Settlement;

WHEREAS, the Committee has approved this Agreement and the terms of the Settlement, as evidenced by the signature hereon of the Examiner in his capacity as Chairperson of the Committee;

WHEREAS, the Examiner, in his capacity as Examiner, has reviewed this Agreement and the terms of the Settlement and, as evidenced by his signature hereon, has approved this Agreement and the terms of the Settlement and will recommend that this Agreement, and the terms of the Settlement be approved by the Court and implemented;¹ and

¹ The Examiner has also executed this Agreement to confirm his obligation to post Notice on his website, as required herein, but is not otherwise individually a party to the Settlement, the Receiver Litigation or the Investor Litigation.

WHEREAS, the Receiver has reviewed and approved this Agreement and the terms of the Settlement, as evidenced by his signature hereon;

NOW, THEREFORE, in consideration of the agreements, covenants, and releases set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

I. Agreement Date

1. This Agreement shall take effect once all Parties have signed the Agreement, and as of the date of execution by the last Party to sign the Agreement (the "Agreement Date").

II. Terms Used in this Agreement

The following terms, as used in this Agreement, the Bar Order (defined in Paragraph 20), and the Judgment and Bar Order (defined in Paragraph 20), have the following meanings:

2. "Attorneys' Fees" means those fees awarded by the Court to Plaintiffs' counsel from the Settlement Amount pursuant to the terms of the applicable engagement agreements.

3. "Chadbourne Released Parties" means Chadbourne, and all of its predecessor firms and, of each of the foregoing, all of their respective past and present subsidiaries, parents, predecessors, affiliates, related entities and divisions, and all of their respective past, present, and future successors, and all of their respective current and former partners, members, counsel, principals, participating principals, associates, managing or other agents, management personnel, officers, directors, shareholders, administrators, servants, employees, staff, consultants, advisors, attorneys, accountants, lenders, insurers and reinsurers, representatives, successors and assigns, known or unknown, in their representative capacity or individual capacity. Notwithstanding the foregoing, "Chadbourne Released Parties" shall not include any Person, other than Chadbourne, against whom, as of the Agreement Date, any of the Plaintiffs is asserting a claim or cause of action in any judicial proceeding, and also shall not include any Person who becomes employed

by, related to, or affiliated with Chadbourne after the Agreement Date and whose liability, if any, arises solely out of or derives solely from their actions or omissions before becoming employed by, related to, or affiliated with Chadbourne.

4. “Claim” means a Person’s potential or asserted right to receive funds from the Receivership Estate.

5. “Claimant” means any Person who has submitted a Claim to the Receiver or to the Joint Liquidators. Where a Claim has been transferred to a third party and such transfer has been acknowledged by the Receiver, the transferee is a Claimant, and the transferor is not a Claimant unless the transferor has retained a Claim that has not been transferred. Where the Receiver has disallowed a Claim and the disallowance has become Final, then the submission of the disallowed Claim does not make the Person who submitted it a Claimant.

6. “Confidential Information” means the communications and discussions in connection with the negotiations and mediations that led to the Settlement and this Agreement. Confidential Information also includes the existence and terms of the Settlement and this Agreement, but only until the filing of this Agreement and related documents with the Court.

7. “Distribution Plan” means the plan hereafter approved by the Court for the distribution of the Settlement Amount (net of any attorneys’ fees or costs that are awarded by the Court) to Stanford Investors who have had their Claims allowed by the Receiver (“Allowed Claims”).

8. “Final” means unmodified after the conclusion of, or expiration of any right of any Person to pursue, any and all possible forms and levels of appeal, reconsideration, or review, judicial or otherwise, including by a court or Forum of last resort, wherever located, whether automatic or discretionary, whether by appeal or otherwise. The Bar Order and Judgment and

Bar Order shall include findings under Federal Rule of Civil Procedure 54(b) and will become Final as set forth in this paragraph as though such orders were entered as judgments at the end of a case, and the continuing pendency of the SEC Action, the Investor Litigation, and the Receiver Litigation shall not be construed as preventing such Bar Order and Judgment and Bar Order from becoming Final.

9. “Forum” means any court, adjudicative body, tribunal, or jurisdiction, whether its nature is federal, foreign, state, administrative, regulatory, arbitral, local, or otherwise.

10. “Hearing” means a formal proceeding in open court before the United States District Judge having jurisdiction over the Investor Litigation and the Receiver Litigation.

11. “Interested Parties” means the Receiver; the Receivership Estate; the Committee; the members of the Committee; the Plaintiffs; the Stanford Investors; the Claimants; the Examiner; or any Person or Persons alleged by the Receiver, the Committee, or other Person or entity on behalf of the Receivership Estate to be liable to the Receivership Estate, whether or not a formal proceeding has been initiated.

12. “Joint Liquidators” means Marcus A. Wide and Hugh Dickson, in their capacities as the joint liquidators appointed by the Eastern Caribbean Supreme Court in Antigua and Barbuda to take control of and manage the affairs and assets of SIB or any of their successors.

13. “Notice” means a communication, in substantially the form attached hereto as Exhibit A, describing (a) the material terms of the Settlement; (b) the material terms of this Agreement; (c) the rights and obligations of the Interested Parties with regard to the Settlement and this Agreement; (d) the deadline for the filing of objections to the Settlement, the Agreement, the Bar Order, and the Judgment and Bar Order; and (e) the date, time, and location

of the Hearing to consider final approval of the Settlement, this Agreement, the Bar Order, and the Judgment and Bar Order.

14. “Person” means any individual, entity, governmental authority, agency or quasi-governmental person or entity, worldwide, of any type, including, without limitation, any individual, partnership, corporation, limited liability company, estate, trust, committee, fiduciary, association, proprietorship, organization, or business, regardless of location, residence, or nationality.

15. “Plaintiffs Released Parties” means the Investor Plaintiffs, the Receiver, the Examiner, the Committee, and each of their counsel. Plaintiffs Released Parties also includes each of the foregoing persons’ respective past, present, and future directors, officers, legal and equitable owners, shareholders, members, managers, principals, employees, associates, representatives, distributees, agents, attorneys, trustees, general and limited partners, lenders, insurers and reinsurers, direct and indirect parents, subsidiaries, affiliates, related entities, divisions, partnerships, corporations, executors, administrators, heirs, beneficiaries, assigns, predecessors, predecessors in interest, successors, and successors in interest.

16. “Releasor” means any Person granting a release of any Settled Claim.

17. “Settled Claim” means any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that a Releasor ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner

connected with (i) the Stanford Entities; (ii) any CD, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. "Settled Claims" specifically includes, without limitation, all claims each Releasor does not know or suspect to exist in his, her, or its favor at the time of release, which, if known by that Person, might have affected their decisions with respect to this Agreement and the Settlement ("Unknown Claims"). Each Releasor expressly waives, releases, and relinquishes any and all provisions, rights, and benefits conferred by any law or principle, in the United States or elsewhere, which governs or limits the release of unknown or unsuspected claims, including, without limitation, California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Each Releasor acknowledges that he, she, or it may hereafter discover facts different from, or in addition to, those which such Releasor now knows or believes to be true with respect to the Settled Claims, but nonetheless agrees that this Agreement, including the releases granted herein, will remain binding and effective in all respects notwithstanding such discovery. Unknown Claims include contingent and non-contingent claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of different or additional facts. These provisions concerning unknown and unsuspected claims and the inclusion of Unknown Claims in

the definition of Settled Claims were separately bargained for and are an essential element of this Agreement and the Settlement.

18. “Settlement” means the agreed resolution of the Settled Claims in the manner set forth in this Agreement.

19. “Settlement Amount” means Thirty-Five Million Dollars (\$35,000,000.00) in United States currency.

20. “Settlement Effective Date” means the date on which the last of all of the following have occurred:

a. entry in the SEC Action of a bar order including findings under Federal Rule of Civil Procedure 54(b) and in substantially the form attached hereto as Exhibit B (the “Bar Order”);

b. entry in the Receiver Litigation of a judgment and bar order in substantially the form attached hereto as Exhibit C (the “Judgment and Bar Order”); and

c. the Bar Order and the Judgment and Bar Order have both become Final.

21. “Stanford Entities” means Robert Allen Stanford; James M. Davis; Laura Pendergest-Holt; Gilbert Lopez; Mark Kuhrt; SIB; Stanford Group Company; Stanford Capital Management, LLC; Stanford Financial Group; the Stanford Financial Bldg Inc.; the entities listed in Exhibit D to this Agreement; any entity of any type that was, owned, controlled by, or affiliated with Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, SIB, Stanford Group Company, Stanford Capital Management, LLC, Stanford Financial Group, or the Stanford Financial Bldg Inc., on or before February 16, 2009.

22. “Taxes” means any and all taxes, whether federal, state, local, or other taxes related to the Settlement or the Settlement Amount, and costs incurred in connection with such taxation including, without limitation, the fees and expenses of tax attorneys and accountants.

III. Delivery and Management of Settlement Amount

23. Dismissal of Receiver Litigation: The Receiver Litigation shall be dismissed with prejudice as to Chadbourne by the Judgment and Bar Order being entered in the Receiver Litigation and becoming Final.

24. Dismissal of Investor Litigation: Within five (5) business days of the Settlement Effective Date, the Investor Plaintiffs shall file a motion to dismiss with prejudice the Investor Litigation as to Chadbourne.

25. Dismissal of Other Actions: Within five (5) business days of the Settlement Effective Date, the Plaintiffs shall file a motion to dismiss with prejudice or cause to be dismissed with prejudice as to Chadbourne each of the actions listed in Exhibit E that are represented in that exhibit as pending.

26. Delivery of Settlement Amount: On the later of (a) thirty (30) days after the Settlement Effective Date or (b) thirty (30) days after the dismissals with prejudice as to Chadbourne of the Receiver Litigation, the Investor Litigation, and the actions listed in Exhibit E that are represented in that exhibit as pending, Chadbourne shall deliver or cause to be delivered the Settlement Amount to the Receiver by wire transfer in accordance with wire transfer instructions provided by the Receiver for purposes of receiving the payment.

IV. Use of Settlement Amount

27. Management and Distribution of Settlement Amount: If and when the Settlement Amount is delivered to the Receiver pursuant to the terms of this Agreement, the Receiver shall receive and take custody of the Settlement Amount and shall maintain, manage, and distribute

the Settlement Amount in accordance with the Distribution Plan and under the supervision and direction and with the approval of the Court. The Receiver shall be responsible for all Taxes, fees, and expenses that may be due with respect to the Settlement Amount or the management, use, administration, or distribution of the Settlement Amount.

28. No Liability: Chadbourne and the Chadbourne Released Parties shall have no liability, obligation, or responsibility whatsoever with respect to the investment, management, use, administration, or distribution of the Settlement Amount or any portion thereof, including, but not limited to, the costs and expenses of such investment, management, use, administration, or distribution of the Settlement Amount, and any Taxes arising therefrom or relating thereto.

V. **Motion for Scheduling Order, Bar Order, and Judgment and Bar Order and Form and Procedure for Notice**

29. Motion: On a date mutually acceptable to the Parties that is not more than ninety (90) days, and not less than sixty (60) days, from the Agreement Date, unless otherwise agreed by the Parties in writing, via e-mail or otherwise, Plaintiffs shall submit to the Court a motion requesting entry of an order substantially in the form attached hereto as Exhibit F (the "Scheduling Order") (a) preliminarily approving the Settlement; (b) approving the content and plan for publication and dissemination of Notice; (c) setting the date by which any objection to the Settlement or this Agreement must be filed; and (d) scheduling a Hearing to consider final approval of the Settlement and entry of the orders required by Paragraph 20 of this Agreement. With respect to the content and plan for publication and dissemination of Notice, Plaintiffs will propose that Notice in substantially the form attached hereto as Exhibit A, be sent via electronic mail, first-class mail or international delivery service to all Interested Parties; sent via electronic service to all counsel of record for any Person who has been or is, at the time of Notice, a party in any case included in *In re Stanford Entities Securities Litigation*, MDL No. 2099 (N.D. Tex.)

(the “MDL”), the SEC Action, the Investor Litigation, or the Receiver Litigation who are deemed to have consented to electronic service through the Court’s CM/ECF System under Local Rule CV-5.1(d); sent via facsimile transmission and/or first class mail to any other counsel of record for any other Person who is, at the time of service, a party in any case included in the MDL, the SEC Action, the Investor Litigation, or the Receiver Litigation; and posted on the websites of the Receiver and the Examiner along with complete copies of this Agreement and all filings with the Court relating to the Settlement, this Agreement, and approval of the Settlement. Plaintiffs will further propose that Notice in substantially the form attached hereto as Exhibit G be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*. In advance of filing the motion papers to accomplish the foregoing, Plaintiffs shall provide Chadbourne with a reasonable opportunity to review and comment on such motion papers.

30. Notice Preparation and Dissemination: The Receiver shall be responsible for the preparation and dissemination of the Notice pursuant to this Agreement and as directed by the Court. In the absence of intentional refusal by the Receiver to prepare and disseminate Notice pursuant to this Agreement or a court order, no Interested Party or any other Person shall have any recourse against the Receiver with respect to any claims that may arise from or relate to the Notice process. In the case of intentional refusal by the Receiver to prepare and disseminate Notice pursuant to this Agreement or a court order, Chadbourne shall not have any claim against the Receiver other than the ability to seek specific performance. The Parties do not intend to give any other Person any right or recourse against the Receiver in connection with the Notice process.

31. No Recourse Against Chadbourne: No Interested Party or any other Person shall have any recourse against Chadbourne or the Chadbourne Released Parties with respect to any claims that may arise from or relate to the Notice process.

32. Motion Contents: In the motion papers referenced in Paragraph 29 above, Plaintiffs shall request that the Court, *inter alia*:

- a. approve the Settlement and its terms as set out in this Agreement;
- b. enter an order finding that this Agreement and the releases set forth herein are final and binding on the Parties;
- c. enter in the SEC Action a Bar Order in the form attached hereto as Exhibit B; and
- d. enter in the Receiver Litigation a Judgment and Bar Order in the form attached hereto as Exhibit C.

33. Parties to Advocate: The Parties shall take all reasonable steps to advocate for and encourage the Court to approve the terms of this Agreement.

34. No Challenge: No Party shall challenge the approval of the Settlement, and no Party will encourage or assist any Interested Party in challenging the Settlement.

VI. Rescission if the Settlement is Not Finally Approved or the Bar Order and Judgment and Bar Order are Not Entered

35. Right to Withdraw: The Parties represent and acknowledge that the following were necessary to the Parties' agreement to this Settlement, are each an essential term of the Settlement and this Agreement, and that the Settlement would not have been reached in the absence of these terms: (a) Court approval of the Settlement and the terms of this Agreement without amendment or revision; (b) entry by the Court of the Bar Order in the SEC Action in substantially the form attached hereto as Exhibit B; (c) entry by the Court of the Judgment and

Bar Order in the Receiver Litigation in substantially the form attached hereto as Exhibit C; and (d) all such approvals and orders becoming Final, pursuant to Paragraphs 8 and 20 of this Agreement. If the Court refuses to provide the approvals described in (a); if the Court refuses to enter the bar orders described in (b) or (c); or if the final result of any appeal from the approvals and orders described in (a), (b), or (c) is that any of the approvals or orders are not affirmed, in their entirety and without material modification or limitation, then any Party has the right to withdraw its agreement to the Settlement and to this Agreement by providing written notice of such withdrawal to all other Parties to this Agreement. In the event that any Party withdraws its agreement to the Settlement or this Agreement as allowed in this paragraph, this Agreement will be null and void and of no further effect whatsoever (except for the provisions identified in Paragraph 36, which shall survive), shall not be admissible in any ongoing or future proceedings for any purpose whatsoever, and shall not be the subject or basis for any claims by any Party against any other Party. If any Party withdraws from this Agreement pursuant to the terms of this paragraph, then each Party shall be returned to such Party's respective position immediately prior to such Party's execution of the Agreement.

36. The Parties do not have the right to withdraw from, or otherwise terminate, the Agreement for any reason other than the reasons identified in Paragraph 35. The following paragraphs of this Agreement shall survive termination of the Agreement: 51 and 52.

VII. Distribution Plan

37. Duties: The Receiver, with the approval and guidance of the Court, shall be solely responsible for preparing, filing a motion seeking approval of, and implementing the Distribution Plan including, without limitation, receiving, managing and disbursing the Settlement Amount. The Receiver owes no duties to Chadbourne or the Chadbourne Released Parties in connection with the distribution of the Settlement Amount or the Distribution Plan, and if the Receiver

complies with all orders issued by the Court relating to the Distribution Plan neither Chadbourne nor the Chadbourne Released Parties may assert any claim or cause of action against the Receiver in connection with the distribution of the Settlement Amount or the Distribution Plan. In no event will the Receiver or the Receivership Estate be liable for damages or the payment or re-payment of funds of any kind as a result of any deficiency associated with the distribution of the Settlement Amount or the Distribution Plan.

38. Distribution by Check: The Receiver must include the following statement, without alteration (except that additional releasees may be included if the Receiver includes in the distribution check funds from settlements with such other releasees), on the reverse of all checks sent to Claimants pursuant to the Distribution Plan, above where the endorser will sign:

BY ENDORSING THIS CHECK, I RELEASE ALL CLAIMS, KNOWN OR NOT, AGAINST CHADBOURNE & PARKE LLP, ITS PARTNERS, AND EMPLOYEES (WHETHER CURRENT OR PAST, EXCLUDING FORMER PARTNER THOMAS V. SJOBLUM) ARISING FROM OR RELATING TO STANFORD INTERNATIONAL BANK, LTD. AND ACCEPT THIS PAYMENT IN FULL SATISFACTION THEREOF.

39. No Responsibility: Chadbourne and the Chadbourne Released Parties shall have no responsibility, obligation, or liability whatsoever with respect to the terms, interpretation, or implementation of the Distribution Plan; the administration of the Settlement; the management, investment, or distribution of the Settlement Amount or any other funds paid or received in connection with the Settlement; the payment or withholding of Taxes that may be due or owing by the Receiver or any recipient of funds from the Settlement Payment; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or this Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. As of the Settlement

Effective Date, the Plaintiffs, the Plaintiffs Released Parties, the Interested Parties, and all other individuals, persons or entities Plaintiffs represent or on whose behalf Plaintiffs have been empowered to act by any court fully, finally, and forever release, relinquish, and discharge Chadbourne and the Chadbourne Released Parties from any and all such responsibility, obligation, and liability.

VIII. Releases, Covenant Not to Sue, and Permanent Injunction

40. Release of Chadbourne Released Parties: As of the Settlement Effective Date, each of the Plaintiffs, including, without limitation, the Receiver on behalf of the Receivership Estate (including the Stanford Entities but not including the natural persons listed in Paragraph 21 of this Agreement), fully, finally, and forever release, relinquish, and discharge, with prejudice, all Settled Claims against Chadbourne and the Chadbourne Released Parties, except that the release does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer.

41. Release of Plaintiffs Released Parties: As of the Settlement Effective Date, Chadbourne fully, finally, and forever releases, relinquishes, and discharges, with prejudice, all Settled Claims against Plaintiffs Released Parties.

42. No Release of Obligations Under Agreement: Notwithstanding anything to the contrary in this Agreement, the releases and covenants contained in this Agreement do not release the Parties' rights and obligations under this Agreement or the Settlement nor bar the Parties from enforcing or effectuating this Agreement or the Settlement.

43. Covenant Not to Sue: Effective as of the Agreement Date, Plaintiffs and their respective counsel covenant not to, directly or indirectly, or through a third party, institute, reinstitute, initiate, commence, maintain, continue, file, encourage, solicit, support, participate in, collaborate in, or otherwise prosecute against any of the Chadbourne Released Parties any action,

lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, concerning or relating to the Settled Claims, whether in a court or any other Forum; provided, however, that this covenant not to sue does not apply to any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Effective as of the Agreement Date, Chadbourne and its respective counsel covenant not to, directly or indirectly, or through a third party, institute, reinstitute, initiate, commence, maintain, continue, file, encourage, solicit, support, participate in, collaborate in, or otherwise prosecute against any of the Plaintiffs Released Parties any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, concerning or relating to the Settled Claims, whether in a court or any other Forum. Notwithstanding the foregoing, however, the Parties retain the right to sue for alleged breaches of this Agreement.

44. Limitation on Sjoblom Carveouts: The releases and the covenants not to sue set forth in this Agreement do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuit against Sjoblom and Proskauer related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of any knowledge Mr. Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

IX. Limitation on Recovery of Judgment from Sjoblom

45. In the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of the SEC Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

X. Dismissals

46. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that the Receiver Litigation be dismissed with prejudice as against Chadbourne by the Judgment and Bar Order being entered in the Receiver Litigation and becoming Final.

47. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that the Investor Litigation be dismissed with prejudice as against Chadbourne, with the Parties paying their own fees and costs.

48. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that each of the actions listed in Exhibit E that are represented in that exhibit as pending be dismissed with prejudice as against Chadbourne, with the parties paying their own fees and costs.

XI. Representations and Warranties

49. No Assignment, Encumbrance, or Transfer: The Plaintiffs, other than the Receiver, represent and warrant that they are the owners of the Settled Claims and that they have not, in whole or in part, assigned, encumbered, sold, pledged as security, or in any manner transferred or compromised any of the Settled Claims against Chadbourne and the Chadbourne Released Parties. The Receiver represents and warrants that, other than assigning those Settled Claims against Chadbourne that the Receiver transferred to the Committee, he has not, in whole or in part, assigned, encumbered, sold, pledged as security, or in any manner transferred or compromised any of the Settled Claims against Chadbourne and the Chadbourne Released Parties.

50. Authority: Each person executing this Agreement or any related documents represents and warrants that he or she has the full authority to execute the documents on behalf of the entity each represents and that each has the authority to take appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms. The Committee represents and warrants that the Committee has approved this Agreement in accordance with the by-laws of the Committee.

XII. No Admission of Fault or Wrongdoing

51. The Settlement, this Agreement, and the negotiation and mediation thereof shall in no way constitute, be construed as, or be evidence of an admission or concession of any violation of any statute or law; of any fault, liability, or wrongdoing; or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims, allegations, or defenses asserted or that could have been asserted in the Investor Litigation, the Receiver Litigation, any proceeding relating to any Settled Claim, or any other proceeding in any Forum. The Settlement and this Agreement are a resolution of disputed claims in order to avoid the risk and very substantial expense of protracted litigation. The Settlement, this Agreement, and evidence thereof shall not be used, directly or indirectly, in any way, in the Investor Litigation, the Receiver Litigation, the SEC Action, or in any other proceeding, other than to enforce the terms of the Settlement and this Agreement.

XIII. Confidentiality

52. Confidentiality: Except as necessary to obtain Court approval of this Agreement, to provide the Notices as required by this Agreement, or to enforce the terms of the Settlement and this Agreement, the Parties will keep confidential and shall not publish, communicate, or otherwise disclose, directly or indirectly, in any manner whatsoever, Confidential Information to any Person except that (i) the Parties may disclose Confidential Information to the Mediators,

subject to the previously agreed confidentiality agreement entered into between and among the Mediators, (ii) as to the United States Court of Appeals for the Fifth Circuit, the Parties may disclose the fact that the Parties have agreed to resolve the Investor Litigation as to Chadbourne but that the Settlement Agreement will be subject to a number of contingencies until it is Final, and, if such disclosure is made, the Parties may disclose to the United States District Court for the Northern District of Texas that the Parties have agreed to resolve the Investor Litigation as to Chadbourne but that the Settlement Agreement will be subject to a number of contingencies until it is Final, (iii) a Party may disclose Confidential Information to a person or entity to whom disclosure is required pursuant to law or regulation, but only after providing prompt notice to the other Parties so that, to the extent practicable, each Party has the time and opportunity, before disclosure of any Confidential Information, to seek and obtain a protective order preventing or limiting such disclosure, and (iv) a Party may disclose Confidential Information to a person or entity as to whom each of the other Parties have given specific written consent. Notwithstanding anything else in this Agreement or otherwise, such consent may be transmitted by e-mail.

XIV. Miscellaneous

53. Final and Complete Resolution: The Parties intend this Agreement and the Settlement to be and constitute a final, complete, and worldwide resolution of all matters and disputes between (1) the Plaintiffs Released Parties, and the Interested Parties, on the one hand, and (2) the Chadbourne Released Parties (other than Sjoblom related to his work while affiliated with Proskauer), on the other hand, and this Agreement, including its exhibits, shall be interpreted to effectuate this purpose. The Parties agree not to assert in any Forum that any other Party violated Rule 11 of the Federal Rules of Civil Procedure, or litigated, negotiated, or otherwise engaged in conduct in bad faith or without a reasonable basis in connection with the Investor Litigation, the Receiver Litigation, the Settlement or this Agreement.

54. Binding Agreement: As of the Agreement Date, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns. No Party may assign any of its rights or obligations under this Agreement without the express written consent of the other Parties.

55. Incorporation of Recitals: The Recitals contained in this Agreement are essential terms of this Agreement and are incorporated herein for all purposes.

56. Disclaimer of Reliance: The Parties represent and acknowledge that in negotiating and entering into the Settlement and this Agreement they have not relied on, and have not been induced by, any representation, warranty, statement, estimate, communication, or information, of any nature whatsoever, whether written or oral, by, on behalf of, or concerning any Party, any agent of any Party, or otherwise, except as expressly set forth in this Agreement. To the contrary, each of the Parties affirmatively represents and acknowledges that the Party is relying solely on the express terms contained within this Agreement. The Parties have each consulted with legal counsel and advisors, have considered the advantages and disadvantages of entering into the Settlement and this Agreement, and have relied solely on their own judgment and advice of their respective legal counsel in negotiating and entering into the Settlement and this Agreement.

57. Third-Party Beneficiaries: This Agreement is not intended to and does not create rights enforceable by any Person other than the Parties (or their respective heirs, executors, administrators, successors, and assigns, as provided in Paragraph 54 of this Agreement), except that if this Agreement provides that a Person is released or should not be sued as a consequence of a covenant not to sue, then such Person may enforce the release or covenant not to sue as it relates to said Person.

58. Negotiation, Drafting, and Construction: The Parties agree and acknowledge that they each have reviewed and cooperated in the preparation of this Agreement, that no Party should or shall be deemed the drafter of this Agreement or any provision hereof, and that any rule, presumption, or burden of proof that would construe this Agreement, any ambiguity, or any other matter, against the drafter shall not apply and is waived. The Parties are entering into this Agreement freely, after good-faith, arm's-length negotiation, with the advice of counsel, and in the absence of coercion, duress, and undue influence. The titles and headings in this Agreement are for convenience only, are not part of this Agreement, and shall not bear on the meaning of this Agreement. The words "include," "includes," or "including" shall be deemed to be followed by the words "without limitation." The words "and" and "or" shall be interpreted broadly to have the most inclusive meaning, regardless of any conjunctive or disjunctive tense. Words in the masculine, feminine, or neuter gender shall include any gender. The singular shall include the plural and vice versa. "Any" shall be understood to include and encompass "all," and "all" shall be understood to include and encompass "any."

59. Cooperation: The Parties agree to execute any additional documents reasonably necessary to finalize and carry out the terms of this Agreement. In the event a third party or any Person other than a Party at any time challenges any term of this Agreement or the Settlement, including the Bar Order and the Judgment and Bar Order, the Parties agree to cooperate with each other, including using reasonable efforts to make documents or personnel available as needed to defend any such challenge. Further, the Parties shall reasonably cooperate to defend and enforce each of the orders required under Paragraph 20 of this Agreement.

60. Notice: Any notices, documents, or correspondence of any nature required to be sent pursuant to this Agreement shall be transmitted by both e-mail and overnight delivery to the

following recipients, and will be deemed transmitted upon receipt by the overnight delivery service.

If to Chadbourne:

Chadbourne & Parke LLP
Attn: General Counsel
1301 Avenue of the Americas
New York, New York 10019-6022
Telephone: (212) 408-5100
Fax: (212) 541-5369
E-mail: rschwinger@chadbourne.com

and

Harry M. Reasoner
Vinson & Elkins LLP
1001 Fannin Street, Suite 2500
Houston, Texas 77002-6760
Telephone: (713) 758-2222
Facsimile: (713) 615-5173
E-mail: hreasoner@velaw.com

and

William D. Sims, Jr
Vinson & Elkins LLP
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975
Telephone: (214) 220-7700
Facsimile: (214) 220-7716
E-mail: bsims@velaw.com

and

Daniel J. Beller
Daniel J. Leffell
William B. Michael
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019-6064
Telephone: (212) 373-3000
Facsimile: (212) 757-3990
E-mail: dbeller@paulweiss.com
E-mail: dleffell@paulweiss.com
E-mail: wmichael@paulweiss.com

If to Plaintiffs:

Edward C. Snyder
Castillo Snyder, PC
One Riverwalk Place
700 N. St. Mary's, Suite 405
San Antonio, Texas 78205
Telephone: 210-630-4200
Fax: 210-630-4210
E-mail: esnyder@casnlaw.com

and

Judith R. Blakeway
Strasburger & Price, LLP
2301 Broadway
San Antonio, Texas 78215
Telephone: (210) 250-6000
Facsimile: (210) 250-6100
E-mail: judith.blakeway@strasburger.com

and

Douglas J. Buncher
Neligan Foley LLP
325 N. St. Paul, Suite 3600
Dallas, Texas 75201
Telephone: 214-840-5320
Fax: 214-840-5301
E-mail: dbuncher@neliganlaw.com

and

John J. Little
Little Pedersen Fankhauser LLP
901 Main Street, Suite 4110
Dallas, Texas 75202
Telephone: 214.573.2307
Fax: 214.573.2323
E-mail: jlittle@lpf-law.com

and

Ralph Janvey
2100 Ross Ave
Suite 2600
Dallas, TX 75201
E-mail: rjanvey@kjllp.com

and

Kevin Sadler
Baker Botts
1001 Page Mill Road
Building One, Suite 200
Palo Alto, California 94304-1007
E-mail: kevin.sadler@bakerbotts.com

Each Party shall provide notice of any change to the service information set forth above to all other Parties by the means set forth in this paragraph.

61. Choice of Law: This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas, without regard to the choice-of-law principles of Texas or any other jurisdiction.

62. Mandatory, Exclusive Forum Selection Clause: Any dispute, controversy, or claim arising out of or related to the Settlement or this Agreement, including breach, interpretation, effect, or validity of this Agreement, whether arising in contract, tort, or otherwise, shall be brought exclusively in the United States District Court for the Northern District of Texas. With respect to any such action, the Parties irrevocably stipulate and consent to personal and subject matter jurisdiction and venue in such court, and waive any argument that such court is inconvenient, improper, or otherwise an inappropriate forum.

63. United States Currency: All dollar amounts in this Agreement are expressed in United States dollars.

64. Timing: If any deadline imposed by this Agreement falls on a non-business day, then the deadline is extended until the next business day.

65. Waiver: The waiver by a Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

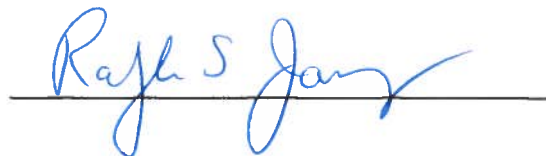
66. Exhibits: The exhibits annexed to this Agreement are incorporated by reference as though fully set forth in this Agreement.

67. Integration and Modification: This Agreement sets forth the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations, and communications, whether oral or written, with respect to such subject matter. Neither this Agreement, nor any provision or term of this Agreement, may be amended, modified, revoked, supplemented, waived, or otherwise changed except by a writing signed by all of the Parties.

68. Counterparts and Signatures: This Agreement may be executed in one or more counterparts, each of which for all purposes shall be deemed an original but all of which taken together shall constitute one and the same instrument. A signature delivered by fax or other electronic means shall be deemed to be, and shall have the same binding effect as, a handwritten, original signature.

IN WITNESS HEREOF, the Parties have executed this Agreement signifying their agreement to the foregoing terms.

Ralph Janvey, in his capacity as the Receiver for the Stanford Receivership Estate



Date: 02~~2~~5-16

John J. Little, in his capacity as Examiner



Date: 02-25-16

Official Stanford Investors Committee



By: John J. Little, Chairperson

Date: 02-25-16

Samuel Troice
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

Pam Reed
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

Horacio Mendez

Date: 02-__-16

Annalisa Mendez

Date: 02-__-16

Punga Punga Financial, Ltd.

Isaac Green
Title:
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

John J. Little, in his capacity as Examiner

Date: 02-__-16

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-__-16

Samuel Troice
by ~~Edward C. Snyder, attorney-in-fact~~



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Annalisa Mendez

Date: 02-__-16

Punga Punga Financial, Ltd.

Isaac Green
Title:
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

John J. Little, in his capacity as Examiner

Date: 02-__-16

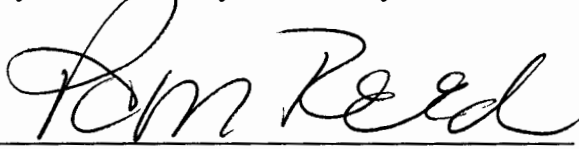
Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-__-16

Samuel Troice
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16



Pam Reed
~~by Edward C. Snyder, attorney-in-fact~~

Date: 02-25-16

Horacio Mendez

Date: 02-__-16

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Date: 02-__-16

Punga Punga Financial, Ltd.

Isaac Green
Title:
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

John J. Little, in his capacity as Examiner

Date: 02-__-16

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-__-16

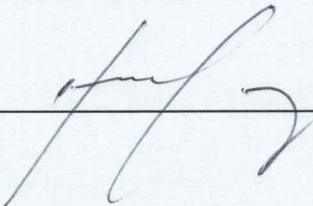
Samuel Troice
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Date: 02-__-16

Pam Reed
by Edward C. Snyder, attorney-in-fact

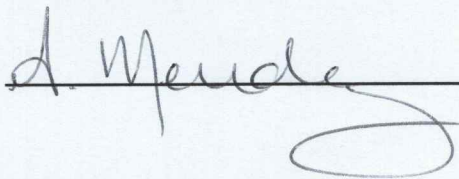
Date: 02-__-16

Horacio Mendez



Date: 02-25-16

Annalisa Mendez



Date: 02-25-16

Punga Punga Financial, Ltd.

Isaac Green
Title:
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

John J. Little, in his capacity as Examiner

Date: 02-__-16

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-__-16

Samuel Troice
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

Pam Reed
by Edward C. Snyder, attorney-in-fact

Date: 02-__-16

Horacio Mendez

Date: 02-__-16

Annalisa Mendez

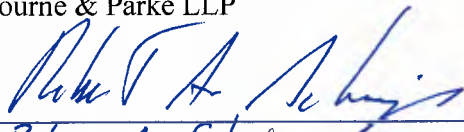
Date: 02-__-16

Punga Punga Financial, Ltd.

Isaac Green
Title:
~~by Edward C. Snyder, attorney-in-fact~~

Date: 02-25-16

Chadbourne & Parke LLP



By: *Robert A. Schwinger*
Title: *Partner & General Counsel*

Date: 02-2516

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

- against -

STANFORD INTERNATIONAL BANK, LTD,
et al.,

Defendants.

Civil Action No. 3:09-cv-00298-N
Judge David C. Godbey

RALPH S. JANVEY, IN HIS CAPACITY AS
COURT-APPOINTED RECEIVER FOR THE
STANFORD RECEIVERSHIP ESTATE, AND
THE OFFICIAL STANFORD INVESTORS
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE, LLP, *et al.*,

Defendants.

Civil Action No. 3:13-cv-00477-N
Judge David C. Godbey

NOTICE OF SETTLEMENT AND BAR ORDER PROCEEDINGS

PLEASE TAKE NOTICE that Ralph S. Janvey, in his capacity as the Court-appointed Receiver for the Stanford Receivership Estate (the “Receiver”), the Official Stanford Investors Committee (the “Committee”), and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs,” and with the Receiver and the Committee, the

EXHIBIT A

“Plaintiffs”), have reached an agreement (the “Settlement Agreement”) to settle all claims asserted or that could have been asserted against Chadbourne & Parke LLP (“Chadbourne”) by the Receiver and the Committee in *Janvey v. Proskauer Rose, LLP*, No. 3:13-cv-0447-N (N.D. Tex.) (the “Receiver Litigation”), and by the Investor Plaintiffs in *Troice v. Proskauer Rose, LLP*, Case No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”).

PLEASE TAKE FURTHER NOTICE that the Plaintiffs have filed an Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees (the “Motion”), filed in *SEC v. Stanford Int’l Bank, Ltd.*, No. 3:09-cv-0298-N (N.D. Tex.) (the “SEC Action”). Copies of the Settlement Agreement, the Motion, and other supporting papers may be obtained from the Court’s docket in the SEC Action [ECF No. ____], and are also available on the websites of the Receiver (<http://www.stanfordfinancialreceivership.com>) and the Examiner (www.lpf-law.com/examiner-stanford-financial-group/). Copies of these documents may also be requested by email, by sending the request to srivas@casnlaw.com; or by telephone, by calling Sandra Rivas at 210-630-4200. All capitalized terms not defined in this Notice of Settlement and Bar Order Proceedings are defined in the Settlement Agreement, attached as Exhibit 1 of the Appendix to the Motion.

PLEASE TAKE FURTHER NOTICE that the Motion requests that the Court approve the Settlement and enter a bar order permanently enjoining, among others, Interested Parties,¹

¹ “Interested Parties” means the Receiver; the Receivership Estate, the Committee, the members of the Committee; the Plaintiffs; the Stanford Investors; the Claimants; the Examiner; or any Person or Persons alleged by the Receiver, the Committee, or other Person or entity on behalf of the Receivership Estate to be liable to the Receivership Estate, whether or not a formal proceeding has been initiated.

including Stanford Investors,² and Claimants,³ from pursuing Settled Claims,⁴ including claims you may possess, against Chadbourne.

PLEASE TAKE FURTHER NOTICE that the settlement amount is thirty-five million U.S. dollars (\$35,000,000.00) (the “Settlement Amount”). The Settlement Amount, less any fees and costs awarded by the Court to the attorneys for Plaintiffs (the “Net Settlement Amount”), will be deposited with and distributed by the Receiver pursuant to a Distribution Plan hereafter to be approved by the Court in *SEC v. Stanford Int’l Bank, Ltd.*, No. 3:09-cv-0298-N (N.D. Tex.) (the “SEC Action”) (see subparagraph e below).

This matter may affect your rights and you may wish to consult an attorney.

The material terms of the Settlement Agreement are as follows:

- a) Chadbourne will pay \$35 million, which will be deposited with the Receiver as required pursuant to the Settlement Agreement;
- b) Plaintiffs will fully release the Chadbourne Released Parties⁵ from Settled Claims, *e.g.*, claims arising from or relating to Robert Allen Stanford, the

² “Stanford Investors” means customers of Stanford International Bank, Ltd., who, as of February 16, 2009, had funds on deposit at Stanford International Bank, Ltd., and/or were holding certificates of deposit issued by Stanford International Bank, Ltd.

³ “Claimants” means any Persons who have submitted a Claim to the Receiver or to the Joint Liquidators.

⁴ “Settled Claims” generally means any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that a Releasor ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities; (ii) any CD, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne’s relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne’s provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. “Settled Claims” specifically includes, without limitation, all claims each Releasor does not know or suspect to exist in his, her, or its favor at the time of release, which, if known by that Person, might have affected their decisions with respect to the Settlement Agreement and the Settlement. *See* Paragraph 17 of the Settlement Agreement for a complete definition of Settled Claim. [ECF No. .]

Stanford Entities,⁶ or any conduct by the Chadbourne Released Parties relating to Robert Allen Stanford or the Stanford Entities, with prejudice, except that the release will not extend to claims against former Chadbourne partner Thomas V. Sjoblom arising out of any work performed by Mr. Sjoblom during the time of his affiliation with Proskauer Rose LLP;

- c) The Settlement Agreement requires entry of a Rule 54(b) Final Judgment and Bar Order in the Receiver Litigation, and entry of a Final Bar Order in the SEC Action, each of which permanently enjoins, among others, Interested Parties, including all Stanford Investors and Claimants from bringing, encouraging, assisting, continuing, or prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the

⁵ “Chadbourne Released Parties” means Chadbourne, and all of its predecessor firms and, of each of the foregoing, all of their respective past and present subsidiaries, parents, successors and predecessors, affiliates, related entities and divisions, and all of their respective current and former partners, members, counsel, principals, participating principals, associates, managing or other agents, management personnel, officers, directors, shareholders, administrators, servants, employees, staff, consultants, advisors, attorneys, accountants, lenders, insurers and reinsurers, representatives, successors and assigns, known or unknown, in their representative capacity or individual capacity. Notwithstanding the foregoing, “Chadbourne Released Parties” shall not include any Person, other than Chadbourne, against whom, as of the Agreement Date, any of the Plaintiffs is asserting a claim or cause of action in any judicial proceeding, and also shall not include any Person who becomes employed by, related to, or affiliated with Chadbourne after the Agreement Date and whose liability, if any, arises solely out of or derives solely from their actions or omissions before becoming employed by, related to, or affiliated with Chadbourne.

⁶ “Stanford Entities” means Robert Allen Stanford; James M. Davis; Laura Pendergest-Holt; Gilbert Lopez; Mark Kuhrt; SIB; Stanford Group Company; Stanford Capital Management, LLC; Stanford Financial Group; the Stanford Financial Bldg Inc.; the entities listed in Exhibit D to the Settlement Agreement [ECF No.]; any entity of any type that was owned, controlled by, or affiliated with Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, SIB, Stanford Group Company, Stanford Capital Management, LLC, Stanford Financial Group, or the Stanford Financial Bldg Inc., on or before February 16, 2009.

U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including, without limitation, contribution or indemnity claims or the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.), arising from or relating to a Settled Claim ;

- d) The Receiver will disseminate notice of the Settlement Agreement (i.e. this Notice) to Interested Parties, through one or more of the following: mail, email, international delivery, CM/ECF notification, facsimile transmission, and/or publication on the Examiner (www.lpf-law.com/examiner-stanford-financial-group/) and Receiver (<http://www.stanfordfinancialreceivership.com>) websites;
- e) The Receiver will develop and submit to the Court for approval a plan for disseminating the Settlement Amount (the "Distribution Plan");
- f) Under the Distribution Plan, once approved, the Net Settlement Amount will be distributed by the Receiver, under the supervision of the Court, to Stanford Investors who have submitted Claims that have been allowed by the Receiver;
- g) Persons who accept funds from the Settlement Amount will, upon accepting the funds, fully release the Chadbourne Released Parties from any and all Settled Claims;
- h) The Investor Litigation will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees;
- i) The Receiver Litigation will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees; and

- j) Each of the actions listed in Exhibit E to the Settlement Agreement [ECF No.], if not previously dismissed, will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees.

Attorneys for the Committee and the Investor Plaintiffs seek a fee award based upon 25% of the Settlement Amount, pursuant to 25% contingency fee agreements with the Committee and the Investor Plaintiffs. Twenty-five percent of the net recovery from the Settlement is to be calculated but shall not exceed \$8,750,000.00.

The final hearing on the Motion is set for [_____], 2016 (the "Final Approval Hearing"). Any objection to the Settlement Agreement or its terms, the Motion, the Rule 54(b) Final Judgment and Bar Order, the Final Bar Order, or the request for approval of the Committee's and Investor Plaintiffs' attorneys' fees must be filed, in writing, with the Court in the SEC Action no later than [insert date of 21st day before Final Approval Hearing]. Any objections not filed by this date will be deemed waived and will not be considered by the Court. Those wishing to appear and to orally present their written objections at the Final Approval Hearing must include a request to so appear within their written objections.

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK,
LTD., *et al.*,

Defendants.

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Civil Action No. 3:09-CV-0298-N

FINAL BAR ORDER

Before the Court is the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees (the “Motion”) of Ralph S. Janvey, in his capacity as the Court-appointed Receiver for the Stanford Receivership Estate (the “Receiver”) and the Court-appointed Official Stanford Investors Committee (the “Committee”), as parties to this action and as the plaintiffs in *Janvey v. Proskauer Rose, LLP*, Civil Action No. 3:13-cv-00477-N (N.D. Tex.) (the “Receiver Litigation”); and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”), the plaintiffs in *Troice v. Proskauer Rose, LLP*, Civil Action No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (collectively, the Receiver, the Committee and the Investor Plaintiffs are referred to as the “Plaintiffs”). [ECF No. ____.] The Motion concerns a proposed settlement (the “Settlement”) among and between the Plaintiffs and Chadbourne & Parke LLP (“Chadbourne”) as one of the

defendants in the Receiver Litigation and the Investor Litigation. Plaintiffs and Chadbourne are referred to together as the “Parties.” John J. Little, the Court-appointed Examiner (the “Examiner”) signed the Settlement Agreement¹ as chair of the Committee, and as Examiner solely to evidence his support and approval of the Settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the Settlement, the Receiver Litigation, or the Investor Litigation.

Following notice and a hearing, and having considered the filings and heard the arguments of counsel, the Court hereby GRANTS the Motion.

I. INTRODUCTION

The Investor Litigation, the Receiver Litigation, and this case all arise from a series of events leading to the collapse of Stanford International Bank, Ltd. (“SIBL”). On February 16, 2009, this Court appointed Ralph S. Janvey to be the Receiver for SIBL and related parties (the “Stanford Entities”). [ECF No. 10]. After years of diligent investigation, the Plaintiffs believe that they have identified claims against a number of third parties, including Chadbourne, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Investor Litigation, the Investor Plaintiffs assert claims against Chadbourne, and other defendants in that action, for aiding and abetting violations of the Texas Securities Act (the “TSA”); aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent supervision of former Chadbourne partner Thomas V. Sjoblom (“Sjoblom”).² In the Receiver Litigation, the Receiver

¹ The “Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion [ECF No. ___].

² By Order dated March 4, 2015, the Court dismissed with prejudice the claims against Chadbourne for negligent retention/negligent supervision and for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006.

and Committee assert claims against Chadbourne, and the other defendants in that action, for professional negligence; aiding, abetting, or participation in breaches of fiduciary duties; aiding abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver's negligence claim.³

Multiparty negotiations occurred in 2014 and again in late 2015. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs, the Committee—which the Court appointed to “represent[] in this case and related matters” the “customers of SIBL who, as of February 16, 2009, had funds on deposit at SIBL and/or were holding certificates of deposit issued by SIBL (the ‘Stanford Investors’)” [ECF No. 1149]—the Receiver, and the Examiner—who the Court appointed to advocate on behalf of “investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any Defendant in this action” [ECF No. 322]—all participated in the extensive, arm's-length negotiations in 2014, before the retired Honorable Harlan Martin, and then, in December 2015, before the retired Honorable Layn R. Phillips and Gregory Lindstrom, Esq. Negotiations continued and, in February 2016, the Parties reached agreement resulting in the Settlement. For several weeks thereafter, the parties continued efforts to negotiate and document the terms of the Settlement Agreement. The parties executed the Settlement Agreement on _____, 2016.

Under the terms of the Settlement, Chadbourne will pay \$35 million (the “Settlement Amount”) to the Receivership Estate, which (less attorneys' fees and expenses) will be

³ By Order dated June 23, 2015, the Court dismissed with prejudice the claim against Chadbourne for aiding and abetting fraudulent transfers.

distributed to Stanford Investors. In return, Chadbourne seeks total peace with respect to all claims that have been, or could have been, asserted against Chadbourne, arising out of the events leading to these proceedings. Accordingly, the Settlement is conditioned on the Court's approval and entry of this Final Bar Order enjoining Interested Parties from asserting or prosecuting claims against the Chadbourne Released Parties.

On ____ __, 2016, the Receiver and the Committee filed the Motion. [ECF No. ____]. The Court thereafter entered a Scheduling Order on ____ __, 2016 [ECF No. ____], which, *inter alia*, authorized the Receiver to provide notice of the Settlement, established a briefing schedule on the Motion, and set the date for a hearing. On _____, 2016, the Court held the scheduled hearing. For the reasons set forth herein, the Court finds that the terms of the Settlement Agreement are adequate, fair, reasonable, and equitable, and that the Settlement should be and is hereby **APPROVED**. The Court further finds that entry of this Final Bar Order is appropriate.

II. ORDER

It is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. Terms used in this Final Bar Order that are defined in the Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the Settlement Agreement (which is deemed incorporated herein by reference).

2. The Court has "broad powers and wide discretion to determine the appropriate relief in [this] equity receivership," including the authority to enter the Final Bar Order. *SEC v. Kaleta*, 530 F. App'x 360, 362 (5th Cir. 2013) (internal quotations omitted). Moreover, the Court has jurisdiction over the subject matter of this action, and the Receiver and the Committee are proper parties to seek entry of this Final Bar Order.

3. The Court finds that the methodology, form, content, and dissemination of the Notice: (i) were implemented in accordance with the requirements of the Scheduling Order; (ii) constituted the best practicable notice; (iii) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in this Final Bar Order and in the Rule 54(b) Final Judgment and Bar Order to be entered in the Receiver Litigation; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, this Final Bar Order, and the Rule 54(b) Final Judgment and Bar Order to be entered in the Receiver Litigation, and to appear at the Final Approval Hearing; (v) were reasonable and constituted due, adequate, and sufficient notice; (vi) met all applicable requirements of law, including, without limitation, the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vii) provided to all Persons a full and fair opportunity to be heard on these matters.

4. The Court finds that the Settlement, including, without limitation, the Settlement Amount, was reached following an extensive investigation of the facts and resulted from vigorous, good faith, arm's-length, mediated negotiations involving experienced and competent counsel. The Court further finds that (i) significant issues exist as to the merits and value of the claims asserted against Chadbourne by Plaintiffs and by others whose potential claims are foreclosed by this Final Bar Order; (ii) such claims contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with uncertainty regarding whether such claims would be successful; (iii) a significant risk exists that future litigation costs would dissipate receivership assets and that Plaintiffs and other persons who have submitted claims to the Receiver ("Claimants") may not ultimately prevail on their claims;

(iv) Plaintiffs and Claimants who have filed Claims with the Receiver will receive partial satisfaction of their claims from the Settlement Amount being paid pursuant to the Settlement; and (v) Chadbourne would not have agreed to the terms of the Settlement in the absence of this Final Bar Order and assurance of “total peace” with respect to all claims that have been, or could be, asserted arising from their relationship with the Stanford Entities. *See SEC v. Kaleta*, No. 4:09-3674, 2012 WL 401069, at *4 (S.D. Tex. Feb. 7, 2012), *aff’d*, 530 F. App’x 360 (5th Cir. 2013) (approving these factors for consideration in evaluating whether a settlement and bar order are sufficient, fair, and necessary). The injunction against such claims as set forth herein is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the Settlement. *See Kaleta*, 530 F. App’x at 362 (affirming a bar order and injunction against investor claims as “ancillary relief” to a settlement in an SEC receivership proceeding). After careful consideration of the record and applicable law, the Court concludes that the Settlement is the best option for maximizing the net amount recoverable from Chadbourne for the Receivership Estate, Plaintiffs, and the Claimants.

5. Pursuant to the Settlement Agreement and upon motion by the Receiver, this Court will approve a Distribution Plan that will fairly and reasonably distribute the net proceeds of the Settlement to Stanford Investors who have Claims approved by the Receiver. The Court finds that the Receiver’s claims process and the Distribution Plan contemplated in the Settlement Agreement have been designed to ensure that all Stanford Investors have received an opportunity to pursue their Claims through the Receiver’s claims process previously approved by the Court [ECF No. 1584].

6. The Court further finds that the Parties and their counsel have at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

7. Accordingly, the Court finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of all Persons claiming an interest in, having authority over, or asserting a claim against Chadbourne, the Stanford Entities, or the Receivership Estate, including but not limited to the Plaintiffs, the Interested Parties, the Receiver, and the Committee. The Settlement, the terms of which are set forth in the Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement and this Final Bar Order.

8. Pursuant to the provisions of Paragraph 40 of the Settlement Agreement, as of the Settlement Effective Date, the Chadbourne Released Parties shall be completely released, acquitted, and forever discharged from any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that the Investor Plaintiffs; the Receiver; the Receivership Estate; the Committee; the Claimants; and the Persons, entities and interests represented by those Parties ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities; (ii) any certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have

been asserted in, or relates to the subject matter of this action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. The foregoing release, however, does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer Rose LLP (“Proskauer”). Pursuant to the provisions of Paragraph 45 of the Settlement Agreement, in the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of this Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

9. Pursuant to the provisions of Paragraph 41 of the Settlement Agreement, as of the Settlement Effective Date, the Plaintiffs Released Parties shall be completely released, acquitted, and forever discharged from all Settled Claims by Chadbourne.

10. Notwithstanding anything to the contrary in this Final Bar Order, the foregoing releases do not release the Parties’ rights and obligations under the Settlement or the Settlement Agreement or bar the Parties from enforcing or effectuating the terms of the Settlement or the Settlement Agreement. Further, the foregoing releases do not bar or release any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees, and agents.

11. The Court hereby permanently bars, restrains, and enjoins the Receiver, the Plaintiffs, the Claimants, the Interested Parties, and all other Persons or entities anywhere in the world, whether acting in concert with the foregoing or claiming by, through, or under the foregoing, or otherwise, all and individually, from directly, indirectly, or through a third party,

instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including but not limited to litigation, arbitration, or other proceeding, in any Forum, including, without limitation, any court of first instance or any appellate court (other than in an appeal from this Final Bar Order), whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way relates to, is based upon, arises from, or is connected with the Stanford Entities; this case; the Investor Litigation; the Receiver Litigation; the subject matter of this case, of the Investor Litigation, or of the Receiver Litigation; or any Settled Claim. The foregoing specifically includes, without limitation, the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.) (the "*ARCA Investments* Litigation"). The foregoing also specifically includes any claim, however denominated, seeking contribution, indemnity, damages, or other remedy where the alleged injury to such Person, entity, or Interested Party, or the claim asserted by such Person, entity, or Interested Party, is based upon such Person's, entity's, or Interested Party's liability to any Plaintiff, Claimant, or Interested Party arising out of, relating to, or based in whole or in part upon money owed, demanded, requested, offered, paid, agreed to be paid, or required to be paid to any Plaintiff, Claimant, Interested Party, or other Person or entity, whether pursuant to a demand, judgment, claim, agreement, settlement or otherwise. The foregoing bar, restraint, and

injunction does not apply to, and shall not prevent, the institution or continuation of any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Further, notwithstanding the foregoing, there shall be no bar of any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees and agents. Further, the Parties retain the right to sue for alleged breaches of the Settlement Agreement.

12. The releases and the covenants not to sue set forth in the Settlement Agreement, and the releases, bars, injunctions, and restraints set forth in this Final Bar Order, do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuits against Sjoblom, Proskauer, and P. Mauricio Alvarado related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of knowledge Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

13. Nothing in this Final Bar Order shall impair or affect or be construed to impair or affect in any way whatsoever, any right of any Person, entity, or Interested Party to: (a) claim a credit or offset, however determined or quantified, if and to the extent provided by any applicable statute, code, or rule of law, against any judgment amount, based upon the Settlement or payment of the Settlement Amount; (b) designate a "responsible third party" or "settling person" under Chapter 33 of the Texas Civil Practice and Remedies Code; or (c) take discovery under applicable rules in litigation; provided for the avoidance of doubt that nothing in this paragraph shall be interpreted to permit or authorize (x) any action or claim seeking to recover any monetary or other relief from Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct.

1058 (Feb. 26, 2014), or (y) the commencement, assertion, or continuation of any action or claim against Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including any action or claim seeking to impose any liability of any kind (including but not limited to liability for contribution, indemnification or otherwise) upon Chadbourne or any Chadbourne Released Party, including, but not limited to, the *ARCA Investments* Litigation as to Chadbourne.

14. Chadbourne and the Chadbourne Released Parties have no responsibility, obligation, or liability whatsoever with respect to the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the Settlement; the management, investment, distribution, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the Settlement, or any portion thereof; the payment or withholding of Taxes; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or the Settlement Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. No appeal, challenge, decision, or other matter concerning any subject set forth in this paragraph shall operate to terminate or cancel the Settlement, the Settlement Agreement, or this Final Bar Order.

15. Nothing in this Final Bar Order or the Settlement Agreement and no aspect of the Settlement or negotiation or mediation thereof is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability, or wrongdoing, or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims,

allegations, or defenses in the Investor Litigation, the Receiver Litigation, or any other proceeding.

16. Chadbourne is hereby ordered to deliver or cause to be delivered the Settlement Amount (\$35 million) as described in Paragraph 26 of the Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions the Settlement Agreement.

17. Without in any way affecting the finality of this Final Bar Order, the Court retains continuing and exclusive jurisdiction over the Parties for purposes of, among other things, the administration, interpretation, consummation, and enforcement of the Settlement, the Settlement Agreement, the Scheduling Order, and this Final Bar Order, including, without limitation, the injunctions, bar orders, and releases herein, and to enter orders concerning implementation of the Settlement, the Settlement Agreement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel.

18. The Court expressly finds and determines, pursuant to Federal Rule of Civil Procedure 54(b), that there is no just reason for any delay in the entry of this Final Bar Order, which is both final and appealable, and immediate entry by the Clerk of the Court is expressly directed.

19. This Final Bar Order shall be served by counsel for the Plaintiffs, via email, first class mail or international delivery service, on any person or entity that filed an objection to approval of the Settlement, the Settlement Agreement, or this Final Bar Order.

Signed on _____, 2016

DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

RALPH S. JANVEY, IN HIS CAPACITY AS
COURT-APPOINTED RECEIVER FOR THE
STANFORD RECEIVERSHIP ESTATE, AND
THE OFFICIAL STANFORD INVESTORS
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE LLP,
CHADBOURNE & PARKE LLP,
AND THOMAS V. SJOBLUM,

Defendants.

Civil Action No. 3:13-cv-00477-N

RULE 54(b) FINAL JUDGMENT AND BAR ORDER

Before the Court is the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees (the "Motion") of Ralph S. Janvey, in his capacity as the Court-appointed receiver for the Stanford Receivership Estate (the "Receiver") in *SEC v. Stanford International Bank, Ltd.*, Civil Action No. 3:09-CV-0928-N (the "SEC Action"), and the Court-appointed Official Stanford Investors Committee (the "Committee"). [ECF No. __.] The Motion concerns a proposed settlement (the "Settlement") among and between, on the one hand, the Receiver; the Committee; and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative

EXHIBIT C

class of Stanford investors (collectively, the “Investor Plaintiffs”), as plaintiffs in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, Chadbourne & Parke LLP (“Chadbourne”), as a defendant in this action and the Investor Litigation. John J. Little, the Court-appointed Examiner (the “Examiner”) signed the Settlement Agreement¹ as chair of the Committee, and as Examiner solely to evidence his support and approval of the settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the Settlement, this action, or the Investor Litigation.

Following notice and a hearing, and having considered the filings and heard the arguments of counsel, the Court hereby GRANTS the Motion.

I. INTRODUCTION

The SEC Action, the Investor Litigation, and this case all arise from a series of events leading to the collapse of Stanford International Bank, Ltd. (“SIBL”). On February 16, 2009, this Court appointed Ralph S. Janvey to be the Receiver for SIBL and related parties (the “Stanford Entities”). [SEC Action ECF No. 10.] After years of diligent investigation, the Plaintiffs believe that they have identified claims against a number of third parties, including Chadbourne, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Investor Litigation, the Investor Plaintiffs assert claims against Chadbourne, and other defendants in that action, for aiding and abetting violations of the Texas Securities Act (the “TSA”); aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent

¹ The “Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion (ECF No. __).

supervision of former Chadbourne partner Thomas V. Sjoblom (“Sjoblom”).² In this action, the Receiver and Committee assert claims against Chadbourne, and the other defendants in that action, for professional negligence; aiding, abetting, or participation in breaches of fiduciary duties; aiding abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver’s negligence claim.³

Multiparty negotiations occurred in 2014 and again in late 2015. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs, the Committee—which the Court appointed to “represent[] in this case and related matters” the “customers of SIBL who, as of February 16, 2009, had funds on deposit at SIBL and/or were holding certificates of deposit issued by SIBL (the ‘Stanford Investors’)” (ECF No. 1149)—the Receiver, and the Examiner—who the Court appointed to advocate on behalf of “investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any Defendant in this action” (ECF No. 322)—all participated in the extensive, arm’s-length negotiations in 2014, before the retired Honorable Harlan Martin, and then, in December 2015, before the retired Honorable Layn R. Phillips and Gregory Lindstrom, Esq. Negotiations continued and, in February 2016, the Parties reached agreement resulting in the Settlement. For several weeks thereafter, the parties continued efforts to negotiate and document the terms of the Settlement Agreement. The parties executed the Settlement Agreement on _____, 2016.

² By Order dated March 4, 2015, the Court dismissed with prejudice the claims against Chadbourne for negligent retention/negligent supervision and for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006.

³ By Order dated June 23, 2015, the Court dismissed with prejudice the claim against Chadbourne for aiding and abetting fraudulent transfers.

Under the terms of the Settlement, Chadbourne will pay \$35 million (the “Settlement Amount”) to the Receivership Estate, which (less attorneys’ fees and expenses) will be distributed to Stanford Investors. In return, Chadbourne seeks total peace with respect to all claims that have been, or could have been, asserted against Chadbourne, arising out of the events leading to these proceedings. Accordingly, the Settlement is conditioned on the Court’s approval and entry of this Rule 54(b) Final Judgment and Bar Order (the “Final Judgment and Bar Order”) enjoining Interested Parties from asserting or prosecuting claims against the Chadbourne Released Parties.

On ____ __, 2016, the Receiver and the Committee filed the Motion. [ECF No. ____]. The Court thereafter entered a Scheduling Order on ____ __, 2016 [ECF No. ____], which, *inter alia*, authorized the Receiver to provide notice of the Settlement, established a briefing schedule on the Motion, and set the date for a hearing. On _____, 2016, the Court held the scheduled hearing. For the reasons set forth herein, the Court finds that the terms of the Settlement Agreement are adequate, fair, reasonable, and equitable, and that the Settlement should be and is hereby **APPROVED**. The Court further finds that entry of this Final Judgment and Bar Order is appropriate.

II. ORDER

It is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. Terms used in this Final Judgment and Bar Order that are defined in the Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the Settlement Agreement (which is deemed incorporated herein by reference).

2. The Court has “broad powers and wide discretion to determine the appropriate relief in [this] equity receivership,” including the authority to enter the Final Judgment and Bar

Order. *SEC v. Kaleta*, 530 F. App'x 360, 362 (5th Cir. 2013) (internal quotations omitted).

Moreover, the Court has jurisdiction over the subject matter of this action, and the Receiver and the Committee are proper parties to seek entry of this Final Judgment and Bar Order.

3. The Court finds that the methodology, form, content and dissemination of the Notice: (i) were implemented in accordance with the requirements of the Scheduling Order; (ii) constituted the best practicable notice; (iii) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in this Final Judgment and Bar Order and in the Final Bar Order to be entered in the SEC Action; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, this Final Judgment and Bar Order, and the Final Bar Order to be entered in the SEC Action, and to appear at the Final Approval Hearing; (v) were reasonable and constituted due, adequate, and sufficient notice; (vi) met all applicable requirements of law, including, without limitation, the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vii) provided to all Persons a full and fair opportunity to be heard on these matters.

4. The Court finds that the Settlement, including, without limitation, the Settlement Amount, was reached following an extensive investigation of the facts and resulted from vigorous, good-faith, arm's-length, mediated negotiations involving experienced and competent counsel. The Court further finds that (i) significant issues exist as to the merits and value of the claims asserted against Chadbourne by Plaintiffs and by others whose potential claims are foreclosed by this Final Judgment and Bar Order; (ii) such claims contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with uncertainty regarding whether such claims would be successful; (iii) a significant risk exists

that future litigation costs would dissipate receivership assets and that Plaintiffs and other persons who have submitted claims to the Receiver (“Claimants”) may not ultimately prevail on their claims; (iv) Plaintiffs and Claimants who have filed Claims with the Receiver will receive partial satisfaction of their claims from the Settlement Amount being paid pursuant to the Settlement; and (v) Chadbourne would not have agreed to the terms of the Settlement in the absence of this Final Judgment and Bar Order unless it was assured of “total peace” with respect to all claims that have been, or could be, asserted arising from their relationship with the Stanford Entities. *See SEC v. Kaleta*, No. 4:09-3674, 2012 WL 401069, at *4 (S.D. Tex. Feb. 7, 2012), *aff’d*, 530 F. App’x 360 (5th Cir. 2013) (approving these factors for consideration in evaluating whether a settlement and bar order are sufficient, fair, and necessary). The injunction against such claims as set forth herein is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the Settlement. *See Kaleta*, 530 F. App’x at 362 (affirming a bar order and injunction against investor claims as “ancillary relief” to a settlement in an SEC receivership proceeding). After careful consideration of the record and applicable law, the Court concludes that the Settlement is the best option for maximizing the net amount recovered from Chadbourne for the Receivership Estate, Plaintiffs, and the Claimants.

5. Pursuant to the Settlement Agreement and upon motion by the Receiver in the SEC Action, this Court will approve a Distribution Plan that will fairly and reasonably distribute the net proceeds of the Settlement to Stanford Investors who have Claims approved by the Receiver. The Court finds that the Receiver’s claims process and the Distribution Plan contemplated in the Settlement Agreement have been designed to ensure that all Stanford

Investors have received an opportunity to pursue their Claims through the Receiver's claims process previously approved by the Court [ECF No. 1584].

6. The Court further finds that the Parties and their counsel have at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

7. Accordingly, the Court finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of all Persons claiming an interest in, having authority over, or asserting a claim against Chadbourne, the Stanford Entities, or the Receivership Estate, including but not limited to the Plaintiffs, the Interested Parties, the Receiver, and the Committee. The Settlement, the terms of which are set forth in the Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement and this Final Judgment and Bar Order.

8. Pursuant to the provisions of Paragraph 40 of the Settlement Agreement, as of the Settlement Effective Date, the Chadbourne Released Parties shall be completely released, acquitted, and forever discharged from any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that the Investor Plaintiffs; the Receiver; the Receivership Estate; the Committee; the Claimants; and the Persons, entities and interests represented by those Parties ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities;

(ii) any certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, this action, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. The foregoing release, however, does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer Rose LLP ("Proskauer"). Pursuant to the provisions of Paragraph 45 of the Settlement Agreement, in the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of this Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

9. Pursuant to the provisions of Paragraph 41 of the Settlement Agreement, as of the Settlement Effective Date, the Plaintiffs Released Parties shall be completely released, acquitted, and forever discharged from all Settled Claims by Chadbourne.

10. Notwithstanding anything to the contrary in this Final Judgment and Bar Order, the foregoing releases do not release the Parties' rights and obligations under the Settlement or the Settlement Agreement or bar the Parties from enforcing or effectuating the terms of the Settlement or the Settlement Agreement. Further, the foregoing releases do not bar or release any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees, and agents.

11. The Court hereby permanently bars, restrains, and enjoins the Receiver, the Plaintiffs, the Claimants, the Interested Parties, and all other Persons or entities anywhere in the world, whether acting in concert with the foregoing or claiming by, through, or under the foregoing, or otherwise, all and individually, from directly, indirectly, or through a third party, instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, this action, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including but not limited to litigation, arbitration, or other proceeding, in any Forum, including, without limitation, any court of first instance or any appellate court (other than in an appeal from this Final Judgment and Bar Order), whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way relates to, is based upon, arises from, or is connected with the Stanford Entities; this case; the Investor Litigation; SEC Action; the subject matter of this case, of the Investor Litigation, or of the SEC Action; or any Settled Claim. The foregoing specifically includes, without limitation, the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.) (the "*ARCA Investments* Litigation"). The foregoing also specifically includes any claim, however denominated, seeking contribution, indemnity, damages, or other remedy where the alleged injury to such Person, entity, or Interested Party, or the claim asserted by such Person, entity, or Interested Party, is based upon such Person's, entity's, or Interested Party's liability to any

Plaintiff, Claimant, or Interested Party arising out of, relating to, or based in whole or in part upon money owed, demanded, requested, offered, paid, agreed to be paid, or required to be paid to any Plaintiff, Claimant, Interested Party, or other Person or entity, whether pursuant to a demand, judgment, claim, agreement, settlement or otherwise. The foregoing bar, restraint, and injunction does not apply to, and shall not prevent, the institution or continuation of any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Further, notwithstanding the foregoing, there shall be no bar of any claims, including but not limited to the Settled Claims that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees and agents. Further, the Parties retain the right to sue for alleged breaches of the Settlement Agreement.

12. The releases and the covenants not to sue set forth in the Settlement Agreement, and the releases, bars, injunctions, and restraints set forth in this Final Judgment and Bar Order, do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuits against Sjoblom, Proskauer, and P. Mauricio Alvarado related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of knowledge Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

13. Nothing in this Final Judgment and Bar Order shall impair or affect or be construed to impair or affect in any way whatsoever, any right of any Person, entity, or Interested Party to: (a) claim a credit or offset, however determined or quantified, if and to the extent provided by any applicable statute, code, or rule of law, against any judgment amount, based upon the Settlement or payment of the Settlement Amount; (b) designate a "responsible third party" or "settling person" under Chapter 33 of the Texas Civil Practice and Remedies Code; or

(c) take discovery under applicable rules in litigation; provided for the avoidance of doubt that nothing in this paragraph shall be interpreted to permit or authorize (x) any action or claim seeking to recover any monetary or other relief from Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), or (y) the commencement, assertion or continuation of any action or claim against Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including any action or claim seeking to impose any liability of any kind (including but not limited to liability for contribution, indemnification or otherwise) upon Chadbourne or any Chadbourne Released Party, including, but not limited to, the *ARCA Investments* Litigation as to Chadbourne.

14. Chadbourne and the Chadbourne Released Parties have no responsibility, obligation, or liability whatsoever with respect to the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the Settlement; the management, investment, distribution, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the Settlement, or any portion thereof; the payment or withholding of Taxes; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or the Settlement Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. No appeal, challenge, decision, or other matter concerning any subject set forth in this paragraph shall

operate to terminate or cancel the Settlement, the Settlement Agreement, or this Final Judgment and Bar Order.

15. Nothing in this Final Judgment and Bar Order or the Settlement Agreement and no aspect of the Settlement or negotiation or mediation thereof is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability, or wrongdoing, or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims, allegations, or defenses in the Investor Litigation, this action, or any other proceeding.

16. Chadbourne is hereby ordered to deliver or cause to be delivered the Settlement Amount (\$35 million) as described in Paragraph 26 of the Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions the Settlement Agreement.

17. Without in any way affecting the finality of this Final Judgment and Bar Order, the Court retains continuing and exclusive jurisdiction over the Parties for purposes of, among other things, the administration, interpretation, consummation, and enforcement of the Settlement, the Settlement Agreement, the Scheduling Order, and this Final Judgment and Bar Order, including, without limitation, the injunctions, bar orders, and releases herein, and to enter orders concerning implementation of the Settlement, the Settlement Agreement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel.

18. The Court expressly finds and determines, pursuant to Federal Rule of Civil Procedure 54(b), that there is no just reason for any delay in the entry of this Final Judgment and Bar Order as to Chadbourne, which is both final and appealable as to Chadbourne, and immediate entry of final judgment as to Chadbourne by the Clerk of the Court is expressly directed.

19. This Final Judgment and Bar Order shall be served by counsel for the Plaintiffs, via email, first class mail or international delivery service, on any person or entity that filed an objection to approval of the Settlement, the Settlement Agreement, or this Final Judgment and Bar Order.

20. All relief as to Chadbourne not expressly granted herein, other than Plaintiffs' request for approval of Plaintiffs' attorneys' fees, which will be addressed by a separate order, is denied. This is a final Rule 54(b) judgment. The Clerk of the Court is directed to enter Judgment as to Chadbourne in conformity herewith.

Signed on _____, 2016

DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE

Receivership Entities

16NE Huntingdon, LLC	International Fixed Income Stanford Fund, Ltd.
20/20 Ltd.	The Island Club, LLC
Antigua Athletic Club Limited	The Islands Club, Ltd.
The Antigua Sun Limited	JS Development, LLC
Apartment Household, Inc.	Maiden Island Holdings Ltd.
Asian Village Antigua Limited	Miller Golf Company, L.L.C.
Bank of Antigua Limited	Parque Cristal Ltd.
Boardwalk Revitalization, LLC	Pelican Island Properties Limited
Buckingham Investments A.V.V.	Pershore Investments S.A.
Caribbean Aircraft Leasing (BVI) Limited	Polygon Commodities A.V.V.
Caribbean Airlines Services Limited	Porpoise Industries Limited
Caribbean Airlines Services, Inc.	Productos y Servicios Stanford, C.A.
Caribbean Star Airlines Holdings Limited	R. Allen Stanford, LLC
Caribbean Star Airlines Limited	Robust Eagle Limited
Caribbean Sun Airlines Holdings, Inc.	Sea Eagle Limited
Casuarina 20 LLC	Sea Hare Limited
Christiansted Downtown Holdings, LLC	SFG Majestic Holdings, LLC
Crayford Limited	SG Ltd.
Cuckfield Investments Limited	SGV Asesores C.A.
Datcom Resources, Inc.	SGV Ltd.
Devinhouse, Ltd.	Stanford 20*20, LLC
Deygart Holdings Limited	Stanford 20/20 Inc.
Foreign Corporate Holdings Limited	Stanford Acquisition Corporation

Guardian International Investment Services No. One, Inc.	Stanford Aerospace Limited
Guardian International Investment Services No. Three, Inc.	Stanford Agency, Ltd. [Louisiana] ⁱ
Guardian International Investment Services No. Two, Inc.	Stanford Agency, Inc. [Texas]
Guardian One, Ltd.	Stanford Agresiva S.A. de C.V.
Guardian Three, Ltd.	Stanford Aircraft, LLC
Guardian Two, Ltd.	Stanford American Samoa Holding Limited
Guiana Island Holdings Limited	Stanford Aviation 5555, LLC
Harbor Key Corp.	Stanford Aviation II, LLC
Harbor Key Corp. II	Stanford Aviation III, LLC
Idea Advertising Group, Inc.	Stanford Aviation Limited
Stanford Bank Holdings Limited	Stanford Aviation LLC
Stanford Bank, S.A. Banco Comercial	Stanford Bank (Panama), S.A. ⁱⁱ
Stanford Capital Management, LLC	Stanford Galleria Buildings Management, LLC
Stanford Caribbean Investments, LLC	Stanford Gallows Bay Holdings, LLC
Stanford Caribbean Regional Management Holdings, LLC	Stanford Global Advisory, LLC
Stanford Caribbean, LLC	Stanford Group (Antigua) Limited
Stanford Casa de Valores, S.A.	Stanford Group (Suisse) AG
Stanford Cobertura, S.A. de C.V.	Stanford Group Aruba, N.V.
Stanford Coins & Bullion, Inc.	Stanford Group Bolivia
The Stanford Condominium Owners' Association, Inc.	Stanford Group Casa de Valores, S.A.
Stanford Corporate Holdings International, Inc.	Stanford Group Company
Stanford Corporate Services (BVI) Limited	Stanford Group Company Limited

Stanford Corporate Services (Venezuela), C.A.	Stanford Group Holdings, Inc.
Stanford Corporate Services, Inc.	Stanford Group Mexico, S.A. de C.V.
Stanford Corporate Ventures (BVI) Limited	Stanford Group Peru, S.A., Sociedad Agente de Bolsa
Stanford Corporate Ventures, LLC	Stanford Group Venezuela Asesores de Inversion, C.A.
Stanford Crecimiento Balanceado, S.A. de C.V.	Stanford Group Venezuela, C.A.
Stanford Crecimiento, S.A. de C.V.	Stanford Holdings Venezuela, C.A.
Stanford Development Company (Grenada) Ltd.	Stanford International Bank Holdings Limited
Stanford Development Company Limited	Stanford International Bank Limited
Stanford Development Corporation	Stanford International Holdings (Panama) S.A.
Stanford Eagle, LLC	Stanford International Management Ltd.
Stanford Family Office, LLC	Stanford International Resort Holdings, LLC
The Stanford Financial Group Building, Inc.	Stanford Investment Advisory Services, Inc.
Stanford Financial Group Company	Stanford Leasing Company, Inc.
Stanford Financial Group Global Management, LLC	Stanford Management Holdings, Ltd.
Stanford Financial Group (Holdings) Limited	Stanford Real Estate Acquisition, LLC
Stanford Financial Group Limited	Stanford S.A. Comisionista de Bolsa
Stanford Financial Group Ltd.	Stanford Services Ecuador, S.A.
Stanford Financial Partners Advisors, LLC	Stanford South Shore Holdings, LLC
Stanford Financial Partners Holdings, LLC	Stanford Sports & Entertainment Holdings, LLC
Stanford Financial Partners Securities, LLC	Stanford St. Croix Marina Operations, LLC
Stanford Financial Partners, Inc.	Stanford St. Croix Resort Holdings, LLC

Stanford Fondos, S.A. de C.V.	Stanford St. Croix Security, LLC
The Stanford Galleria Buildings, LP	Stanford Trust Company
Stanford Trust Holdings Limited	Stanford Trust Company Administradora de Fondos y Fideicomisos S.A.
Stanford Venture Capital Holdings, Inc.	Stanford Trust Company Limited
The Sticky Wicket Limited	Torre Oeste Ltd.
Sun Printing & Publishing Limited	Torre Senza Nome Venezuela, C.A.
Sun Printing Limited	Trail Partners, LLC
	Two Islands One Club (Grenada) Ltd.
	Two Islands One Club Holdings Ltd.

ⁱ Locations in brackets are included to differentiate between legal entities with the same name but different locations or other identifying information.

ⁱⁱ Locations in parentheses are included in the legal name of an entity or other identifying information.

List of Other Actions

1. *Gale v. Proskauer Rose LLP*, No. 3:12-cv-1803 (N.D. Tex.) (pending), removed from No. 2011-CI-20427 (Tex., Bexar Cnty. [285th Dist.])
2. *Green v. Proskauer Rose LLP*, No. 3:12-cv-1808 (N.D. Tex.) (pending), removed from No. 2011- 77805 (Tex., Harris Cnty. [189th Dist.])
3. *Ibarra v. Proskauer Rose LLP*, No. 3:12-cv-1805 (N.D. Tex.) (pending), removed from No. 2011-CI-20425 (Tex., Bexar Cnty. [224th Dist.])
4. *Martin v. Proskauer Rose LLP*, No. 3:12-cv-1809 (N.D. Tex.) (pending), removed from No. 2011- 77800 (Tex., Harris Cnty. [11th Dist.])
5. *Reed v. Proskauer Rose LLP*, No. 3:12-cv-1806 (N.D. Tex.) (pending), removed from No. 2011-CI-20426 (Tex., Bexar Cnty. [225th Dist.])
6. *Arista Trust v. Proskauer Rose LLP*, No. 2012-CI-02423 (Tex., Bexar Cnty. [131st Dist.]) (dismissed without prejudice for want of prosecution on July 28, 2015)
7. *Canuta Trust v. Proskauer Rose LLP*, No. 2012-CI-02422 (Tex., Bexar Cnty. [73rd Dist.]) (dismissed without prejudice for want of prosecution on March 18, 2015)
8. *CS Tecnologia, S.A. v. Proskauer Rose LLP*, No. 2012-09838 (Tex., Harris Cnty. [152d Dist.]) (dismissed without prejudice for want of prosecution on January 16, 2015)
9. *Garza v. Proskauer Rose LLP*, No. 2011-77793 (Tex., Harris Cnty. [281st Dist.]) (dismissed without prejudice as non-suited on March 12, 2014)
10. *MFR Inversiones, C.A. v. Proskauer Rose LLP*, No. 2012-09824 (Tex., Harris Cnty. [113th Dist.]) (dismissed without prejudice for want of prosecution on August 15, 2014)
11. *Rubiano v. Proskauer Rose LLP*, No. 2012-CI-02425 (Tex., Bexar Cnty. [166th Dist.]) (dismissed without prejudice for want of prosecution on May 20, 2014)
12. *Valenzuela de Jimenez v. Proskauer Rose LLP*, No. 2012-CI-02424 (Tex., Bexar Cnty. [150th Dist.]) (dismissed without prejudice for want of prosecution on December 17, 2014)

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

- against -

STANFORD INTERNATIONAL BANK, LTD.,
et al.,

Defendants.

Civil Action No. 3:09-CV-00298-N

RALPH S. JANVEY, IN HIS CAPACITY AS
COURT-APPOINTED RECEIVER FOR THE
STANFORD RECEIVERSHIP ESTATE, AND
THE OFFICIAL STANFORD INVESTORS
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE LLP,
CHADBOURNE & PARKE LLP,
AND THOMAS V. SJOBLOM,

Defendants.

Civil Action No. 3:13-cv-00477-N

SCHEDULING ORDER

This matter is before the Court on the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees (the "Motion")

EXHIBIT F

of Ralph S. Janvey (the “Receiver”), as Receiver for the Receivership Estate in *SEC v. Stanford International Bank, Ltd.*, No. 3:09-CV-0298-N (N.D. Tex.) (the “SEC Action”), and the Official Stanford Investors Committee (the “Committee”), as a party to the SEC Action and, along with the Receiver, as a plaintiff in *Janvey v. Proskauer Rose, LLP*, No. 3:13-cv-0447-N (N.D. Tex.) (the “Receiver Litigation”). [SEC Action, ECF. No. __; Receiver Litigation, ECF No. ____.] The Motion concerns a proposed settlement (the “Settlement”) among and between, on the one hand, the Receiver; the Committee; the Court-appointed Examiner, John J. Little (the “Examiner”);¹ Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”), as plaintiffs in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, Chadbourne & Parke LLP (“Chadbourne”), as a defendant in the Receiver Litigation and the Investor Litigation. Capitalized terms not otherwise defined in this order shall have the meaning assigned to them in the settlement agreement attached to the Motion (the “Settlement Agreement”).

In the Motion, the Receiver and the Committee seek the Court’s approval of the terms of the Settlement, including entry of a bar order in the SEC Action (the “Bar Order”) and a final judgment and bar order in the Receiver Litigation (the “Judgment and Bar Order”). After reviewing the terms of the Settlement and considering the arguments presented in the Motion, the Court preliminarily approves the Settlement as adequate, fair, reasonable, and equitable.

¹ The Examiner executed the Settlement Agreement to indicate his approval of the terms of the Settlement and to confirm his obligation to post Notice on his website, as required herein, but is not otherwise individually a party to the Settlement Agreement, the Receiver Action, or the Investor Litigation.

Accordingly, the Court enters this scheduling order to: (i) provide for notice of the terms of the Settlement, including the proposed Bar Order in the SEC Action and the proposed Judgment and Bar Order in the Receiver Litigation; (ii) set the deadline for filing objections to the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees; (iii) set the deadline for responding to any objection so filed; and (iv) set the date of the final approval hearing regarding the Settlement, the Bar Order in the SEC Action, the Judgment and Bar Order in the Receiver Litigation, and Plaintiffs' request for approval of Plaintiffs' attorneys' fees (the "Final Approval Hearing"), as follows:

1. Preliminary Findings on Potential Approval of the Settlement: Based upon the Court's review of the terms of the Settlement Agreement, the arguments presented in the Motion, and the Motion's accompanying appendices and exhibits, the Court preliminarily finds that the Settlement is fair, reasonable, and equitable; has no obvious deficiencies; and is the product of serious, informed, good-faith, and arm's-length negotiations. The Court, however, reserves a final ruling with respect to the terms of the Settlement until after the Final Approval Hearing referenced below in Paragraph 2.

2. Final Approval Hearing: The Final Approval Hearing will be held before the Honorable David C. Godbey of the United States District Court for the Northern District of Texas, United States Courthouse, 1100 Commerce Street, Dallas, Texas 75242, in Courtroom 1505, at __: __ .m. on _____, which is a date at least ninety (90) calendar days after entry of this Scheduling Order. The purposes of the Final Approval Hearing will be to: (i) determine whether the terms of the Settlement should be approved by the Court; (ii) determine whether the Bar Order attached as Exhibit B to the Settlement Agreement should be entered by the Court in the SEC Action; (iii) determine whether the Judgment and Bar Order attached as Exhibit C to the

Settlement Agreement should be entered by the Court in the Receiver Litigation; (iv) rule upon any objections to the Settlement, Bar Order, or the Judgment and Bar Order; (v) rule upon Plaintiffs' request for approval of Plaintiffs' attorneys' fees; and (vi) rule upon such other matters as the Court may deem appropriate.

3. Notice: The Court approves the form of Notice attached as Exhibit A to the Settlement Agreement and finds that the methodology, distribution, and dissemination of Notice described in the Motion: (i) constitute the best practicable notice; (ii) are reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in the Bar Order and Judgment and Bar Order; (iii) are reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, the Bar Order, or the Judgment and Bar Order, and to appear at the Final Approval Hearing; (iv) constitute due, adequate, and sufficient notice; (v) meet all requirements of applicable law, including the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vi) will provide to all Persons a full and fair opportunity to be heard on these matters. The Court further approves the form of the publication Notice attached as Exhibit G to the Settlement Agreement. Therefore:

a. The Receiver is hereby directed, no later than twenty-one (21) calendar days after entry of this Scheduling Order, to cause the Notice in substantially the same form attached as Exhibit A to the Settlement Agreement to be sent via electronic mail, first class mail, or international delivery service to all Interested Parties; to be sent via electronic service to all counsel of record for any Person who has been or is, at the time of Notice, a party in any case included in *In re Stanford Entities Securities Litigation*, MDL No. 2099 (N.D. Tex.) (the "MDL"), the SEC Action, the Investor Litigation, or the Receiver Litigation, who are deemed to

have consented to electronic service through the Court's CM/ECF System under Local Rule CV-5.1(d); and to be sent via facsimile transmission and/or first class mail to any other counsel of record for any other Person who has been or is, at the time of service, a party in any case included in the MDL, the SEC Action, the Investor Litigation, or the Receiver Litigation.

b. The Receiver is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the notice in substantially the same form attached as Exhibit G to the Settlement Agreement to be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*.

c. The Receiver is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to be posted on the Receiver's website (<http://stanfordfinancialreceivership.com>). The Examiner is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to be posted on the Examiner's website (<http://lpf-law.com/examiner-stanford-financial-group>).

d. The Receiver is hereby directed promptly to provide the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to any Person who requests such documents via email to Sandra Rivas, a paralegal at Castillo Snyder, PC, at srivas@casnlaw.com, or via telephone by calling Sandra Rivas at 210-630-4200. The Receiver may provide such materials in the form and manner that the Receiver deems most appropriate under the circumstances of the request.

e. No less than ten days before the Final Approval Hearing, the Receiver shall cause to be filed with the Clerk of this Court written evidence of compliance with subparts (a) through (d) of this Paragraph, which may be in the form of an affidavit or declaration.

4. Objections and Appearances at the Final Approval Hearing: Any Person who wishes to object to the terms of the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees, or who wishes to appear at the Final Approval Hearing, must do so by filing an objection, in writing, with the Court in the SEC Action (3:09-CV-0298-N), by ECF or by mailing the objection to the Clerk of the United States District Court for the Northern District of Texas, 1100 Commerce Street, Dallas, Texas 75242, no later than [insert date of 21st day before Final Approval Hearing], 2016. All objections filed with the Court must:

- a. contain the name, address, telephone number, and (if applicable) an email address of the Person filing the objection;
- b. contain the name, address, telephone number, and email address of any attorney representing the Person filing the objection;
- c. be signed by the Person filing the objection, or his or her attorney;
- d. state, in detail, the basis for any objection;
- e. attach any document the Court should consider in ruling on the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees; and
- f. if the Person filing the objection wishes to appear at the Final Approval Hearing, make a request to do so.

No Person will be permitted to appear at the Final Approval Hearing without filing a written objection and request to appear at the Final Approval Hearing as set forth in subparts (a) through (f) of this Paragraph. Copies of any objections filed must be served by ECF, or by email or first class mail, upon each of the following:

Harry M. Reasoner
Vinson & Elkins LLP
1001 Fannin Street, Suite 2500
Houston, Texas 77002-6760
Telephone: (713) 758-2222
Facsimile: (713) 615-5173
E-mail: hreasoner@velaw.com

and

William D. Sims, Jr
Vinson & Elkins LLP
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975
Telephone: (214) 220-7700
Facsimile: (214) 220-7716
Email: bsims@velaw.com

and

Daniel J. Beller
Daniel J. Leffell
William B. Michael
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019-6064
Telephone: (212) 373-3000
Facsimile: (212) 757-3990
Email: dbeller@paulweiss.com
Email: dleffell@paulweiss.com
Email: wmichael@paulweiss.com

and

Edward C. Snyder
Castillo Snyder, PC
One Riverwalk Place
700 N. St. Mary's, Suite 405
San Antonio, Texas 78205
Telephone: 210-630-4200
Fax: 210-630-4210
E-mail: esnyder@casnlaw.com

and

Judith R. Blakeway
Strasburger & Price, LLP
2301 Broadway
San Antonio, Texas 78215
Telephone: (210) 250-6000
Facsimile: (210) 250-6100
E-mail: judith.blakeway@strasburger.com

and

Douglas J. Buncher
Neligan Foley LLP
325 N. St. Paul, Suite 3600
Dallas, Texas 75201
Telephone: 214-840-5320
Fax: 214-840-5301
E-mail: dbuncher@neliganlaw.com

and

John J. Little
Little Pedersen Fankhauser LLP
901 Main Street, Suite 4110
Dallas, Texas 75202
Telephone: 214.573.2307
Fax: 214.573.2323
E-mail: jlittle@lpf-law.com

and

Ralph Janvey
2100 Ross Ave
Suite 2600
Dallas, TX 75201
E-mail: rjanvey@kjllp.com

and

Kevin Sadler
Baker Botts
1001 Page Mill Road
Building One, Suite 200
Palo Alto, California 94304-1007
E-mail: kevin.sadler@bakerbotts.com

Any Person filing an objection shall be deemed to have submitted to the jurisdiction of this Court for all purposes of that objection, the Settlement, the Bar Order, and the Judgment and Bar Order. Potential objectors who do not present opposition by the time and in the manner set forth above shall be deemed to have waived the right to object (including any right to appeal) and to appear at the Final Approval Hearing and shall be forever barred from raising such objections in this action or any other action or proceeding. Persons do not need to appear at the Final Approval Hearing or take any other action to indicate their approval.

5. Responses to Objections: Any Party to the Settlement may respond to an objection filed pursuant to Paragraph 4 by filing a response in the SEC Action no later than [insert date of 7th day before the Final Approval Hearing]. To the extent any Person filing an objection cannot be served by action of the Court's CM/ECF system, a response must be served to the email and/or mailing address provided by that Person.

6. Adjustments Concerning Hearing and Deadlines: The date, time, and place for the Final Approval Hearing, and the deadlines and date requirements in this Scheduling Order, shall be subject to adjournment or change by this Court without further notice other than that

which may be posted by means of ECF in the MDL, the SEC Action, and the Receiver Litigation.

7. Retention of Jurisdiction: The Court shall retain jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

8. Entry of Injunction: If the Settlement is approved by the Court, the Court will enter the Bar Order in the SEC Action and the Judgment and Bar Order in the Receiver Litigation. If entered, each order will permanently enjoin, among others, Interested Parties, including Stanford Investors and Claimants, from bringing, encouraging, assisting, continuing, or prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including, without limitation, contribution or indemnity claims or the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.), arising from or relating to a Settled Claim.

9. Stay of Proceedings: The Receiver Litigation and the Investor Litigation are hereby stayed as to Chadbourne only, except to the extent necessary to give effect to the Settlement.

10. Use of Order: Under no circumstances shall this Scheduling Order be construed, deemed, or used as an admission, concession, or declaration by or against Chadbourne of any fault, wrongdoing, breach or liability. Nor shall the Order be construed, deemed, or used as an admission, concession, or declaration by or against Plaintiffs that their claims lack merit or that

the relief requested is inappropriate, improper, or unavailable, or as a waiver by any party of any defenses or claims he or she may have. Neither this Scheduling Order, nor the proposed Settlement Agreement, or any other settlement document, shall be filed, offered, received in evidence, or otherwise used in these or any other actions or proceedings or in any arbitration, except to give effect to or enforce the Settlement or the terms of this Scheduling Order.

11. Entry of This Order: This Scheduling Order shall be entered separately on the dockets both in the SEC Action and in the Receiver Litigation.

IT IS SO ORDERED.

Signed on _____, 2016

DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE

Publication Notice

To be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*:

PLEASE TAKE NOTICE that the Court-appointed Receiver for Stanford International Bank, Ltd. (“SIB”), and certain Plaintiffs, have reached an agreement to settle all claims asserted or that could have been asserted against Chadbourne & Parke LLP relating to or in any way concerning SIB (the “Settlement Agreement”). As part of the Settlement Agreement, the Receiver and Plaintiffs have requested orders that permanently enjoin, among others, all Interested Parties, including Stanford Investors (i.e., customers of SIB, who, as of February 16, 2009, had funds on deposit at SIB and/or were holding certificates of deposit issued by SIB), from bringing any legal proceeding or cause of action arising from or relating to the Stanford Entities against the Chadbourne Released Parties.

Complete copies of the Settlement Agreement, the proposed bar orders, and settlement documents are available on the Receiver’s website <http://www.stanfordfinancialreceivership.com>. All capitalized terms not defined in this Notice are defined in the Settlement Agreement.

Interested Parties may file written objections with the United States District Court for the Northern District of Texas on or before [insert date of 21st day before Final Approval Hearing].

EXHIBIT “2”

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:09-CV-0298-N
	§	
STANFORD INTERNATIONAL BANK, LTD., <i>et</i>	§	
<i>al.</i> ,	§	
	§	
Defendants.	§	
<hr/>		
RALPH S. JANVEY, <i>et al.</i> ,	§	
	§	
Plaintiff,	§	
	§	Civil Action No. 3:13-cv-00477
v.	§	
	§	
PROSKAUER ROSE, LLP, LLP, <i>et al.</i> ,	§	
	§	
Defendants.	§	

**DECLARATION OF EDWARD C. SNYDER
IN SUPPORT OF RECEIVER AND OSIC’S MOTION FOR ORDER APPROVING
PROPOSED SETTLEMENT WITH CHADBOURNE & PARKE LLP, TO ENTER THE
BAR ORDER, TO ENTER THE FINAL JUDGMENT AND BAR ORDER, AND TO
APPROVE APPLICATION FOR ATTORNEYS’ FEES AND EXPENSES**

Pursuant to 28 U.S.C. § 1746, I, Edward C. Snyder, hereby declare under penalty of perjury that I have personal knowledge of the following facts:

I. OVERVIEW

I am submitting this Declaration in support of the Receiver and the Official Stanford Investors Committee (“OSIC”) (collectively, the “Plaintiffs”) Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Final

Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees and Expenses (the "Motion").¹

A. Chabourne & Park, LLP

1. The settlement for which approval is sought in the Motion settles all claims against Chadbourne & Parke LLP ("Chadbourne") in exchange for payment of **\$35 million** by Chadbourne to the Receiver for ultimate distribution to the Stanford investor victims.

2. My law firm along with co-counsel Strasburger & Price, LLP ("Strasburger"), and Neligan Foley LLP ("Neligan") (together with my firm Castillo Snyder P.C., "Plaintiffs' Counsel"), have been litigating claims against Chadbourne on behalf of a putative class of Stanford investors since August 2009, and on behalf of the Receiver and OSIC since January 2012. My firm was retained by OSIC in January 2012 to pursue claims against Chadbourne.

B. Curriculum Vitae

3. I am a named shareholder of the law firm Castillo Snyder P.C., based in San Antonio, Texas, and have been practicing law for twenty one (21) years. I presently serve as co-lead counsel for OSIC and the putative class of Stanford investors with respect to claims against Chadbourne. I have actively participated in all material aspects regarding the Chadbourne matter.

4. I received my law degree from the University of Texas School of Law in 1994 and my law license also in 1994. After law school, I served as Legal Advisor to the former Chairman of the U.S. International Trade Commission in Washington, D.C. Since entering private practice in 1996, I have been involved principally in commercial litigation and trial work, and have handled major cases for both corporate and individual clients, as both plaintiff's and defendant's counsel. I am admitted to practice in the Western, Eastern, Northern and Southern federal districts of the State of Texas as well as the Fifth and Ninth Circuit courts of appeal and the United States Supreme Court.

¹ Capitalized Terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

5. Castillo Snyder is a commercial litigation “boutique” firm based in San Antonio. My partner Jesse Castillo (who is a 30+ year trial lawyer and previously was a partner at Cox & Smith) and I concentrate our practice on complex commercial litigation, including everything from contract, corporate and partnership disputes, securities litigation, real estate litigation, oil and gas litigation and other commercial and business cases. We have tried dozens of complex commercial matters to verdict and judgment, including commercial cases tried in U.S. courts under foreign laws.

6. Since the 1990s, my partner and I have been involved on the plaintiffs’ side in numerous class action lawsuits involving allegations of fraud and securities fraud and aider and abettor liability. In the late 1990s, while an associate and, later, a partner at San Antonio-based law firm Martin, Drought & Torres, I (along with my current partner Jesse Castillo and other lawyers from that firm) served as lead or co-lead or second chair class counsel in roughly a dozen or more state-wide and nationwide class actions against life insurance companies based on allegations of fraud in the marketing and sale of “vanishing premium” life insurance products. In that capacity we litigated class action cases and certified various class actions, typically for settlement purposes although some were litigated to class certification hearings, and also handled class action administrative issues including class claims administration via settlement distribution procedures with class action administration agents we employed. Some of the defendant life insurance companies we brought (and resolved) class action litigation against include: Metlife, CrownLife, First Life Assurance, Manufacturers Life, Equitable Life, Sun Life, College Life, Jackson National Life, Great American Life, and John Hancock.

7. One of my specialized practice areas over the last 16 years has been in the area of pursuing third parties such as banks, accounting firms, law firms and others accused of aiding

and abetting complex international (typically offshore) securities fraud schemes. From 1998 through 2006 I served as lead class counsel for Mexican investors who had been defrauded by a Dallas-based Investment Adviser firm named Sharp Capital Inc. (“Sharp”) that operated what amounted to an illegal offshore “fund” in the Bahamas but that was run from Dallas. The SEC intervened and filed suit against Sharp and appointed Ralph Janvey as the receiver for Sharp. Sharp lost over \$50 million of Mexican investor funds. Through various lawsuits we brought under the Texas Securities Act (“TSA”), we were able to eventually recover millions of dollars for the Sharp investors. See *Melo v. Gardere Wynne*, 2007 WL 92388 (N.D. Tex. 2007). I also represented Ralph Janvey, as receiver for Sharp, in litigation arising from the Sharp case, which was also settled. See *Janvey v. Thompson & Knight*, 2004 WL 51323 (N.D. Tex. 2004).

8. Beginning in late 1999, my prior law firm and I also served as lead and/or co-lead class counsel (along with the Diamond McCarthy law firm) for the Class of primarily Mexican investors of the InverWorld group of companies, which was an investment group based in San Antonio that operated what amounted to an offshore fund in the Cayman Islands. We filed class action lawsuits against several Defendants, including a French bank, New York law firm Curtis Mallet-Prevost, and accounting firm Deloitte & Touche. See *Nocando Mem Holdings v. Credit Comercial de France*, 2004 WL 2603739 (W.D. Tex. 2004); *Gutierrez v. the Cayman Islands Firm of Deloitte & Touche*, 100 S.W.3d 261 (Tex. App. – San Antonio 2002). Those class cases proceeded in tandem with estate litigation filed by the bankruptcy trustee for InverWorld, who was principally represented by the Neligan firm. All of those class cases were premised on TSA aider and abettor claims and all of them eventually settled, each for eight figure sums.

9. In 2003 I was retained by a group of Mexican investors who had been defrauded in yet another \$400 million offshore investment fraud committed by a Houston-based investment

firm called InterAmericas that, like Stanford, ran an offshore bank (in Curacao, Netherlands Antilles) through which primarily Mexican investors invested. While not a class action, myself and my former law firm filed litigation under the TSA aider and abettor provisions against Deloitte & Touche and a few other Defendants, resulting in seven figure settlements. See *Deloitte & Touche Netherlands Antilles and Aruba v. Ulrich*, 172 S.W.3d 255 (Tex. App. – Beaumont 2005).

10. Besides the Stanford cases, I have recently been involved in two other SEC Ponzi scheme cases. I served as a Special Litigation Counsel to an SEC Receiver in the Central District of California in a Ponzi scheme case styled *Securities and Exchange Commission v. Westmoore Management LLC et al*, Case No. 08:10-CV-00849-AG-MLG. In that capacity I represented the Receiver with respect to all litigation activities. I also currently represent several foreign investors in an alleged Ponzi scheme case in McAllen, Texas styled *Securities & Exchange Commission v. Marco A. Ramirez, Bebe Ramirez, USA Now, LLC., USA Now Energy Capital Group, LLC., and Now. Co. Loan Services, LLC*; In the United States District Court for the Southern District of Texas – McAllen Division; Case No. 7:13-cv-00531.

11. Based on my experience in SEC receivership and offshore fraud cases generally, as well as my experience in the Stanford cases, I am often invited to speak at seminars on securities litigation issues (including liability under the TSA) by the Texas State Bar.

C. Involvement with the Stanford Cases Since 2009

12. I and my law firm have been heavily involved with the Stanford cases since February 2009.

13. As soon as Stanford collapsed in February 2009, I was retained by hundreds of investors from Mexico. I immediately began investigating claims against various third party

potential defendants connected with the collapse of Stanford.

14. After the OSIC was created, I was asked to be a member of said Committee and continue to serve on said Committee today, without compensation. My service on OSIC has consumed hundreds if not thousands of hours of my time over the last few years including time spent communicating with other OSIC members on weekends and late at night.

15. My investigations and efforts eventually led myself and the other Plaintiffs' Counsel to file multiple class action lawsuits on behalf of Stanford investors, as well as companion litigation on behalf of OSIC, including the following cases: *Troice v. Willis of Colorado et al*, Case No. 3:09-cv-01274; *Janvey v. Willis of Colorado, Inc.*, Case No. 3:13-cv-03980; *Troice v. Proskauer Rose et al.*, Case No. 3:09-cv-01600; *Janvey v. Proskauer Rose, LLP*, Case No. 3:13-cv-477; *Janvey v. Greenberg Traurig, LLP*, Case No. 3:12-cv-04641; *Philip Wilkinson, et al v. BDO USA, LLP, et al*, Case No. 3:11-cv-1115; *The Official Stanford Investors Committee v. BDO USA, LLP, et al*, Case No. 3:12-cv-01447; *Turk v. Pershing, LLC*, Case No. 3:09-cv-02199; *Wilkinson, et al. v. Breazeale, Sachse, & Wilson, LLP*, Case No. 3:11-cv-00329; and *Janvey v. Adams & Reese, LLP, et al.*, Case No. 3:12-cv-00495 (the "Stanford Cases").

16. I am either lead counsel or co-lead counsel with the other Plaintiffs' Counsel in all of the Stanford Cases and I have been actively involved in every facet of the cases, including the investigation of the facts and legal theories that form the bases for the suits, responding to motions to dismiss and litigating class certification. I served as co-lead counsel in the successful appeals of the dismissal of the related *Troice* class action cases under SLUSA to the Fifth Circuit and the U.S. Supreme Court ("SLUSA Appeal").

17. In my view, my and my law firm's involvement in all of the related Stanford Cases has proven invaluable to the successful resolution of the claims against Chadbourne.

Given the inherent overlap of factual and legal issues in third party litigation arising from the Stanford fraud, much of the work performed by Plaintiffs' Counsel in related Stanford litigation since 2009 laid the groundwork for the successful resolution of the claims against Chadbourne here.

II. THE CLAIMS AGAINST CHABOURNE AND SETTLEMENT

A. The Claims Against Chadbourne and Procedural History of the Litigation

18. Plaintiffs Counsel have zealously prosecuted and pursued claims against Chadbourne in both in the Investor Litigation, since 2009, and in the Receiver Litigation, since 2012. The claims we filed against Chadbourne include the following:

Category	Claim
Receiver/OSIC Claims	Negligence
	Aiding and Abetting Breach of Fiduciary Duty
	Negligent Retention / Negligent Supervision
Investor Class Claims	Aiding and Abetting Violations of the TSA
	Aiding and Abetting / Participating in Breach of Fiduciary Duty
	Aiding and Abetting / Participating in a Fraudulent Scheme
	Civil Conspiracy

1. Investor Class Case

19. On October 9, 2009 Plaintiffs' Counsel filed the putative class action Amended Complaint against Chadbourne and co-Defendants Proskauer Rose LLP ("Proskauer") and Thomas Sjoblom ("Sjoblom") on behalf of Samuel Troice, Punga Punga Financial, Ltd., Horacio Mendez, and Annalisa Mendez (the "Investor Plaintiffs"), individually and on behalf of a putative class of Stanford investors, in the case styled *Troice v. Proskauer Rose et al.*, Civil Action No. 3:09-cv-01600 (the "Investor Litigation") [ECF No. 1]. The Defendants (Chadbourne, Proskauer, Sjoblom, and P. Mauricio Alvarado) filed motions to dismiss the Investor Litigation in December 2009. [ECF Nos. 31, 36, 44]. On October 21, 2011, this Court

granted the various motions to dismiss, finding that the Securities Litigation Uniform Standards Act of 1998 (“SLUSA”) precluded the action. [ECF No. 96]. We appealed that decision to the Fifth Circuit. On March 19, 2012, the Fifth Circuit issued its opinion reversing this Court’s order of dismissal. *Roland v. Green*, 675 F.3d 503 (5th Cir. 2012). The Defendants then petitioned for *certiorari* with the United States Supreme Court, which granted the petition. On February 26, 2014, the Supreme Court issued its opinion affirming the Fifth Circuit and concluding that SLUSA did not preclude the state law-based class action lawsuits brought against Defendants in the Investor Litigation. *Chadbourne & Parke, LLP v. Troice*, 134 S. Ct. 1058 (2014). The litigation involving SLUSA took over 4 years to resolve.

20. On September 16, 2014 this Court issued its Order denying our request for entry of a scheduling order to permit merits discovery and granting Defendants’ request to permit additional briefing on their attorney immunity defense, which Defendants had addressed in their Motions to Dismiss. [ECF No. 141]. On the same day the Court issued its Class Action Scheduling Order. The parties thereafter engaged in roughly six months of extensive class certification discovery and fact and expert witness depositions. [ECF No. 142]. The parties filed all of their class certification evidence and voluminous briefing with this Court on April 20, 2015. [ECF Nos. 192-99].

21. By Order dated March 4, 2015, the Court granted in part and denied in part Chadbourne’s motion to dismiss the Investor Litigation, dismissing the claim against Chadbourne for negligent retention/negligent supervision, dismissing with prejudice the claims against Chadbourne for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006, and declining to dismiss the other claims

against Chadbourne, including other claims for aiding and abetting TSA violations, for aiding and abetting/participation in a fraudulent scheme, and for civil conspiracy. [ECF No. 176]. Thereafter, on April 1, 2015, defendants Proskauer, Chadbourne, and Sjoblom filed Rule 59(e) Motions for Reconsideration of the Court's denial of their Motions to Dismiss under the attorney immunity doctrine. [ECF No. 187]. On May 15, 2015 the Court denied those motions. [ECF No. 217].

22. Defendants Proskauer, Chadbourne, and Sjoblom then appealed the Court's denial of their Motions for Reconsideration to the Fifth Circuit in June 2015. A month later the Texas Supreme Court issued its decision in *Cantey Hanger LLP v. Byrd*, 467 S.W. 3d 477 (Tex. 2015). On March 10, 2016, and based on *Cantey Hanger* and a finding that the Investor Plaintiffs had waived certain arguments, the Fifth Circuit reversed this Court's ruling and rendered judgment in favor of the Defendants, dismissing the Investor Litigation. *Troice v. Proskauer Rose LLP*, F.3d ___, No. 15-10500, 2016 WL 929476 (5th Cir. Mar. 10, 2016) (the "Troice Decision").

2. The Receiver Litigation

23. On January 27, 2012, the Receiver and OSIC commenced an action (the "Receiver Litigation") against Defendants Proskauer, Chadbourne, and Sjoblom in the United States District Court for the District of Columbia (the "D.C. Court") based on Sjoblom's long-time residency in that district. *See Janvey v. Proskauer Rose LLP*, No. 1:12-cv-00155, (D.D.C. Jan. 27, 2012) [ECF No. 1] ("*Janvey I*"). Defendants requested that the case be transferred to this Court by the Judicial Panel on Multidistrict Litigation (the "JPML"). On March 1, 2012, the JPML transferred *Janvey I* from the D.C. Court to this Court. *See Janvey I*, No. 3:12-cv-00644-N, (N.D. Tex. Mar. 2, 2012) [ECF No. 13]. On October 24, 2012, Defendants asserted that neither this Court nor the D.C. Court had jurisdiction over the case. *See id.* at ECF Nos. 49-50,

53. We then moved this Court to recommend that the JPML remand *Janvey I* to the D.C. Court so that we could ask the D.C. Court to transfer *Janvey I* back to this Court under 28 U.S.C. § 1631. *See id.* at Docket No. 55. In an abundance of caution, we also filed the Receiver Litigation in this Court as a “back up” action to be prosecuted in the event *Janvey I* was dismissed rather than transferred by the D.C. Court. *See Janvey v. Proskauer Rose LLP*, 3:13-cv-00477-N (N.D. Tex. Jan. 31, 2013) [ECF No. 1].

24. By order dated August 21, 2013, the Court granted Plaintiffs’ motion and recommended that *Janvey I* be remanded back to the D.C. Court. Order at 6, *Janvey I*, No. 3:12-cv-0644 (N.D. Tex. Aug. 21, 2013) [ECF No. 71] (the “Transfer Order”). Upon remand of *Janvey I* back to the D.C. Court, Plaintiffs filed a motion to transfer the case back to this Court under 28 U.S.C. § 1631. *See Janvey I*, No. 1:12-cv-00155, (D.D.C. Feb. 5, 2014) [ECF No. 15]. Defendants Proskauer, Chadbourne, and Sjoblom opposed the motion to transfer on the ground that the D.C. Court lacked jurisdiction over the case in the first instance. On July 24, 2014, the D.C. Court denied Plaintiffs’ motion to transfer and dismissed the case. *Janvey v. Proskauer Rose, LLP*, Civil Action No. 12-155 (CKK), 2014 WL 3668578, at *5 (D.D.C. July 24, 2014).

25. Defendants Proskauer and Chadbourne then filed Motions to Dismiss the Receiver Litigation on October 3, 2014. [ECF No. 22, 58]. Defendant Sjoblom filed a Motion to Dismiss on November 13, 2014. [ECF No. 61]. The Receiver and Committee filed a Joint Response to Defendants’ Motions to Dismiss on December 2, 2014. [ECF No. 63].

26. On or about July 1, 2013, Neligan Foley was retained to prosecute claims against Chadbourne on behalf of the Receiver, and replaced the Hohman Taube & Summers firm that the Receiver had retained in January 2012. Certain defendants tried to disqualify the Receiver’s counsel Neligan Foley. [ECF No. 34]. The Court permitted limited discovery regarding the

disqualification issue in October 2014. [ECF No. 60]. The Defendants filed their Motions to Dismiss the Receiver Litigation in October 2014, and the Receiver and Committee responded in December 2014. [ECF Nos. 55, 58, 63]. On June 23, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss the Original Complaint in the Receiver Litigation, dismissing the claim for aiding and abetting fraudulent transfers but declining to dismiss the other claims against Chadbourne. [ECF No. 79]. Defendants filed their Answers in the Receiver Litigation in August 2015. [ECF Nos. 83, 85, 87].

B. Mediation

27. Mediation was held with Chadbourne on two occasions. The first mediation was held in in 2014, before the retired Honorable Harlan Martin, and lasted several hours. However the parties were unable to reach resolution at that time. Following the Court's decisions on Chadbourne's Motions to Dismiss in both the Investor and Receiver Litigations, and the parties' submission of class certification briefing and evidence in the Investor Litigation, the parties convened a second mediation with the Hon. Layn R. Phillips and Gregory Lindstrom, Esq., in California in December 2015. Despite a full day mediation that went late into the night, the parties were once again unable to reach a resolution. However, negotiations continued and, in February 2016, we reached agreement resulting in the Chadbourne Settlement. The parties executed the Chadbourne Settlement Agreement on February 25, 2016.

C. Plaintiffs' Counsel Have Sufficient Basis to Evaluate and Recommend this Settlement

28. Plaintiffs' Counsel have spent substantial time and energy since 2009 investigating Stanford's business operations and relationships with third parties, including Chadbourne, which involved the review of hundreds of thousands if not millions of pages of documents (including spending literally weeks at the Receiver's document warehouse in

Houston), interviews of dozens of witnesses across the globe, coordination of efforts with the Receiver, Examiner, SEC and Department of Justice, and researching case law to establish viable theories of liability and damages and then defending those theories through dispositive motion practice before this Court in over a dozen separate lawsuits, including the SLUSA Appeal of the Investor Litigation all the way to the U.S. Supreme Court. All of that work paved the way for the proposed settlement with Chabourne, and, in my view, the proposed Settlement could not have been achieved without the substantial amount of time and effort expended by Plaintiffs' Counsel and their tireless efforts in the Stanford Cases over all.

29. Plaintiffs' Counsel collectively have spent roughly 6½ years and thousands of hours zealously pursuing claims against Chabourne on behalf of the Stanford Receivership Estate and the Stanford investors prior to reaching the mediated settlement in February 2016. As part of the investigation of claims against Chabourne for the Receiver and OSIC, we reviewed voluminous documents, including thousands of pages of documents detailing Chabourne's relationship with and services provided to Stanford. The documents reviewed included documents from the Receivership, documents obtained from Chadbourne and Proskauer and other law firms. We also interviewed in excess of a dozen witnesses. We researched relevant case law to develop claims against Chabourne, including claims under the TSA and other common law claims belonging to the Stanford investors, as well as claims that could be asserted by the Receiver and OSIC, to determine how the facts surrounding Chabourne's conduct supported such claims. The investigation of claims further required formulation of viable damage models and causation theories for both the Receivership Estate claims and the investor claims, and myself and Plaintiffs' Counsel spent considerable time researching and working up damage models for these cases.

30. Plaintiffs' Counsel could not have successfully prosecuted and resolved the claims asserted against Chabourne without having spent thousands of additional hours investigating and understanding the background and history of the complex web of Stanford companies, the operations, financial transactions, interrelationship and dealings between and among the various Stanford entities, and the facts relating to the Ponzi scheme and how it was perpetrated through the various Stanford entities. Without a comprehensive investigation and understanding of this background, it would not have been possible to formulate viable claims against Chabourne, and prosecute them successfully to conclusion.

31. Finally, Plaintiffs' Counsel have diligently and aggressively litigated the Investor and Receiver Litigations for the last 6½ years, including appeals to the Fifth Circuit and U.S. Supreme Court. Plaintiffs' Counsel briefed and largely prevailed on Defendants' Motions to Dismiss, and engaged in extensive class certification discovery and voluminous briefing of class certification issues that included numerous complex and novel issues regarding foreign law. Plaintiffs' Counsel are uniquely qualified to evaluate the merits of the claims against Chadbourne and the value of this settlement, and have acquired knowledge and expertise regarding Chadbourne's involvement with Stanford sufficient to provide a sound basis for their recommendation of approval of the instant settlement.

D. The Settlement is Fair and Reasonable and Should be Approved

32. It is my opinion based upon years of experience prosecuting and settling complex investor class actions under the TSA, as well as complex receivership Ponzi scheme litigation, that the Chabourne Settlement is fair and reasonable and in the best interests of the Stanford Receivership Estate and the Stanford investors and should be approved by the Court.

33. More importantly, I believe that the Chabourne Settlement represents the best

result that could be achieved given all of the circumstances. Indeed, and as evidenced by the Fifth Circuit's dismissal of the Investor Litigation, these are by no means "easy" cases. As a consequence, the result obtained is simply outstanding. In light of all of the factors outlined in the Motion, the Chabourne Settlement represents an extremely good result for the Stanford receivership estate and its investors. Therefore, I believe the Chabourne Settlement is in the best interests of the Stanford receivership estate and its investors and should be approved.

III. ATTORNEYS' FEES

A. The Contingency Fee Agreement

34. Plaintiffs' Counsel have been jointly handling all of the Stanford Cases referenced above, including the claims against Chabourne, pursuant to twenty-five percent (25%) contingency fee agreements with the Receiver, OSIC (in cases in which OSIC is a named Plaintiff) and the Investor Plaintiffs (in investor class action lawsuits). With specific reference to the Chadbourne cases, Plaintiffs' Counsel were collectively retained by the Investor Plaintiffs pursuant to contingency fee contracts that provide for a fee equivalent to 25% of any net recovery from Chadbourne. Similarly, Neligan was retained by the Receiver pursuant to a contingency fee contract that provides for a fee equivalent to 25% of any net recovery from Chadbourne, and my firm and Strasburger were retained by OSIC to pursue claims against Chadbourne based on a 25% contingent fee.

35. As stated in the Motion, the Movants seek Court approval to pay Plaintiffs' Counsel a fee equal to an aggregate of twenty-five percent (25%) of the Net Recovery (*i.e.*, the settlement amount less allowable expense disbursements) in the Chabourne Settlement. This is the fee agreed to be paid to Plaintiffs' Counsel by the Receiver, OSIC and the Investor Plaintiffs, and this is the amount of the fee for which approval is sought in the Motion.

B. The 25% Contingency Fee is Fair and Reasonable

36. It is my opinion that the fee requested in the Motion is reasonable in comparison to the total net amount to be recovered for the benefit of the Stanford investors. The twenty-five percent (25%) contingency fee was heavily negotiated between the Receiver, OSIC and Plaintiffs' Counsel, and is substantially below the typical market rate contingency fee percentage of 33% to 40% that most law firms would demand to handle cases of this complexity and magnitude. In certain instances, OSIC interviewed other potential counsel who refused to handle the lawsuits without a higher percentage fee. The claims against Chabourne and the other third-party lawsuits are extraordinarily large and complex, involving voluminous records and electronic data and requiring many years of investigation, discovery and dispositive motions to get to trial.

37. Moreover, as described above, the litigation against Chabourne has been hard fought and has gone on for over 6½ years and included various levels of appeals all the way to the U.S. Supreme Court. As a result Plaintiffs' Counsel have collectively invested thousands of hours of time worth in excess of \$4 million over a 6½ year period working on the Chabourne matter, without compensation. Plaintiffs' Counsel has, for many years now, borne significant risk of loss throughout this process after years of work for no compensation. A twenty-five percent (25%) contingency fee is reasonable given the time and effort that was actually expended, the complexity of the matter and the risks involved.

C. Time and Effort of Plaintiffs' Counsel

38. Since February 2009, myself and my law firm have dedicated thousands of hours of time to the prosecution of Stanford litigation on a contingent fee basis. This includes time spent investigating and understanding the background and history of the complex web of Stanford

companies, the operations, financial transactions, interrelationship and dealings between and among the various Stanford entities and the defendants we have sued, the facts relating to the Ponzi scheme and how it was perpetrated through the various Stanford entities, and the involvement of the third-party defendants in the foregoing cases with Stanford. Without a comprehensive investigation and understanding of this background, it would not have been possible to formulate viable claims against the third-party defendants and prosecute them successfully.

39. Even a cursory review of the Court's docket in all of these cases reveals the immense amount of work that Plaintiffs' Counsel have put into the prosecution of all of these lawsuits since 2009. However, the docket and pleadings only reveal the work that is filed with the Court. As discussed further herein, and as the Court is aware, the prosecution of lawsuits of this magnitude and complexity has required a tremendous amount of time and effort to investigate the facts, research the relevant legal issues, coordinate and strategize with counsel and clients regarding the handling of the cases, conduct discovery, prepare the briefs and motions, attempt to negotiate settlements, and prepare cases for summary judgment and/or trial. Plaintiffs' Counsel have collectively spent thousands of hours since 2009 in their investigation and prosecution of Stanford-related claims, including the claims against Chabourne.

40. Over the last 6½ years, myself and other attorneys and paralegals from my law firm have spent thousands of hours in uncompensated time worth millions of dollars investigating and prosecuting the Stanford Cases, including the Chabourne matter. On average, well in excess of 70% of my practice over the last 6 years (and more typically 80-100% of my time on any given week) has been dedicated to these Stanford cases. I personally have worked many late nights and virtually every weekend for the last 7 years on Stanford cases or Stanford-related matters

without compensation. Basically my law practice over the last 7 years has been dedicated almost exclusively to the Stanford Cases, to the exclusion of other clients and work.

41. The total amount of attorney and paralegal time invested in the Stanford Cases by myself and other attorneys and paralegals at my Firm totals close to \$8 million at our hourly billing rates applicable to complex cases like these, all of which time has been uncompensated to date.

42. With specific reference to the Chabourne matter, I recorded my own as well other attorneys and paralegals from my firm's time for work on the Chabourne case separately from other Stanford cases. Given the length of time involved working on the Chabourne litigations since August 2009 (when we filed the Investor Litigation) through today's date, my firm has invested over \$1.7 million worth of time on the Chabourne matter alone. Specifically, as of April 12, 2016, my firm has spent almost **3,000 hours** of attorney and paralegal time worth approximately **\$1,742,740.00** at our applicable hourly rates for complex cases of this nature consisting of time that was dedicated directly to the Chabourne cases. The vast majority of the work on these cases has been performed by me, as can be seen in the chart below:

	<i>Biller</i>		<i>Hourly Rate</i>	<i>Hours Billed</i>	<i>Total</i>
ECS	Edward Snyder		\$600.00	2273	\$1,363,800.00
JRC	Jesse Castillo		\$600.00	621	\$372,600.00
BC	Bianca Cantu		\$85.00	4	\$340.00
SR	Sandy Rivas		\$125.00	48	\$6,000.00
				2945	\$1,742,740.00

43. I obviously anticipate investing additional time dedicated to the finalization of the instant Settlement, including finalizing the motion for approval documents, monitoring and responding to any objections where applicable, and attending and arguing at the approval hearing. Therefore I believe that my law firm's total time dedicated to the Chabourne matter will eventually exceed **\$1.8 million**.

44. My firm has also incurred and paid **\$89,252.15** in unreimbursed expenses in the

Chabourne case, which mostly consists of expert witness fees and travel expenses incurred in the class certification process in the Investor Litigation.

45. Furthermore, Plaintiffs' Counsel retained Washington-based U.S. Supreme Court appellate counsel Tom Goldstein to assist them and serve as lead Supreme Court appellate counsel with respect to the SLUSA appeal before the U.S. Supreme Court and are contractually obligated to pay Mr. Goldstein's firm, Goldstein & Russell P.C., the sum of \$334,000.00 in compensation for the work he performed on said appeal.

46. The proposed settlement is the result of many years of effort and thousands of hours of work by the Receiver, OSIC, Investor Plaintiffs and Plaintiffs' Counsel as described herein. But for the efforts of these parties, and the efforts of myself and my law firm described herein, there would be no Chabourne Settlement, which will net the Receivership estate and the Stanford investors approximately \$26,250,000 (should the Court approve the attorneys' fee request) they would not have otherwise had.

47. In light of the tremendous time and effort myself and my law firm and the other Plaintiffs' Counsel have put into the overall effort to recover monies for the Stanford Receivership Estate and the investors, all of which was necessary to the successful prosecution and resolution of the Chabourne matter, it is my opinion that the twenty-five percent (25%) fee to be paid to counsel for OSIC and the Investor Plaintiffs for the settlement of the Chabourne matter is very reasonable. Myself and my laws firm and the other Plaintiffs' Counsel have worked tirelessly for over six years to attempt to recover money for the benefit of Stanford's investors.

Dated: April 19, 2016

A handwritten signature in black ink, appearing to read 'Edward C. Snyder', is written over a horizontal line. The signature is fluid and cursive, with a large initial 'E' and 'S'.

Edward C. Snyder

EXHIBIT “3”

**IN THE UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF TEXAS
 DALLAS DIVISION**

RALPH S. JANVEY, IN HIS CAPACITY
 AS COURT-APPOINTED RECEIVER
 FOR THE STANFORD RECEIVERSHIP
 ESTATE, AND THE OFFICIAL
 STANFORD INVESTORS COMMITTEE,

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Plaintiffs,

v.

Civil Action No. 3:13-CV-0477-N

PROSKAUER ROSE, LLP,
 CHADBOURNE & PARKE, LLP, AND
 THOMAS S. SJOBLOM,

Defendants.

**DECLARATION OF EDWARD F. VALDESPINO
 IN SUPPORT OF RECEIVER, OSIC AND INVESTOR PLAINTIFFS' EXPEDITED
 REQUEST FOR ENTRY OF SCHEDULING ORDER AND MOTION TO APPROVE
 PROPOSED SETTLEMENT WITH CHADBOURNE & PARKE, LLP TO APPROVE
 THE PROPOSED NOTICE OF SETTLEMENT WITH CHADBOURNE & PARKE, LLP,
 TO ENTER THE BAR ORDER, TO ENTER THE FINAL JUDGMENT AND BAR
 ORDER, AND FOR PLAINTIFFS' ATTORNEYS' FEES**

Pursuant to 28 U.S.C. § 1746, I, Edward F. Valdespino, hereby declare under penalty of perjury that I have personal knowledge of the following facts:

BACKGROUND

1. I submit this Declaration in support of the Receiver, Official Stanford Investors Committee (“OSIC”) and Investor Class Plaintiffs’ (the “Investor Plaintiffs”) (collectively, the “Plaintiffs”) Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with CHADBOURNE & PARKE, LLP, to Approve the Proposed Notice of Settlement with CHADBOURNE & PARKE, LLP, to Enter the Bar Order, to Enter the Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees (the “Motion”).

2. The settlement for which approval is sought in the Motion settles all claims asserted against CHADBOURNE & PARKE, LLP (“Chadbourne”) in Civil Action Nos. 3:13-cv-0477-N (the “OSIC Lawsuit”) and 3:09-cv-1600-N (the “Investor Lawsuit”) (collectively, the “Chadbourne Lawsuits”) for \$35 million (the “Chadbourne Settlement”).

3. I am a former partner in the Commercial Litigation section of Strasburger & Price, LLP. I served and my former law firm continues to serve as Plaintiff’s co-counsel in the Chadbourne Lawsuits and are responsible for the prosecution of these lawsuits. I and my former law firm actively participated in all material aspects of the above-referenced lawsuits from the investigative stage to the current status. The other firms that have been involved in the investigation and prosecution of the Chadbourne Lawsuits include Neligan Foley LP (“Neligan Foley”), Castillo Snyder P.C. (“Castillo Snyder”), and Butzel Long (“Butzel Long”).

CURRICULUM VITAE

4. I was admitted to practice law in the State of Texas in 1987. I am also admitted to practice before the United States District Courts for the Northern, Southern and Western districts of Texas and the United States Court of Appeals for the Fifth Circuit. Throughout my career, I have handled complex commercial litigation for both corporate and individual clients, acting as both defendants’ and plaintiffs’ counsel

5. Strasburger & Price LLP (“Strasburger”) was founded in 1939 and currently has approximately 220 attorneys with offices in Austin, Dallas, Frisco, Houston and San Antonio, Texas. Strasburger also maintains offices in New York, Washington, D.C. and Mexico City.

6. Strasburger is a full service firm with attorneys in multiple practice areas providing relevant and meaningful expertise to prosecute the Chadbourne Lawsuits. Strasburger has served as lead counsel in countless lawsuits concerning various areas of the law, including:

- a. securities litigation;
- b. fiduciary litigation;
- c. class action litigation;
- d. attorney malpractice; and
- e. accounting malpractice.

7. Strasburger attorneys also have handled numerous complex bankruptcy and receivership cases and litigation associated with those cases, representing creditors, receivers and trustees.

8. Strasburger also maintains a strong Appellate group that has been actively involved in the Chadbourne lawsuits and all other Stanford lawsuits.

9. To date, the following Strasburger attorneys have provided substantive assistance for the prosecution of these Chadbourne lawsuits:

- a. Robert O'Boyle;
- b. Michael Jung;
- c. Judith Blakeway;
- d. Edward Valdespino (former partner);
- e. David Cibrian (former partner);
- f. Andy Kerr;
- g. Lee Polson;
- h. John Muller;
- i. Kelsey Sproull;
- j. Forrest Seger;
- k. Joe Rubio;

- l. Zach Thomas;
- m. J. Derek Quick;
- n. Tate Hemingson;
- o. John M. Pinckney, III
- p. Raymond W. Battaglia;
- q. Stephen Dennis; and
- r. Margaret Hagelman.

A detailed description of Strasburger, its areas of practice as well as the personal background and experience of the above referenced attorneys are set forth on Strasburger's website, www.Strasburger.com.

STRASBURGER'S WORK ON THE STANFORD CASES

10. In February of 2009, shortly after the collapse of Stanford, Strasburger was retained by approximately 2300 Stanford victims who lost approximately \$570,000,000. We then began investigating potential claims against third party defendants.

11. Later, I filed putative class action lawsuits against the Proskauer Defendants on behalf of Venezuelan investors that were ultimately combined into the current Troice Class Action Cases.¹ After the Official Stanford Investor's Committee ("OSIC") was formed, I was asked to become a member and served on that committee until January of 2016, without compensation. Judith Blakeway, a Strasburger partner, continues to serve on the OSIC, without compensation.

12. Through cooperation with other counsel and counsel for the Receiver, multiple class action lawsuits were filed on behalf of Stanford investors, as well as litigation filed on

¹ *Troice v. Willis of Colorado, et al*, Civil Action No. 3:09-CV-01274-N-BG and *Troice v. Proskauer Rose, LLP et al*, Civil Action No. 3:09-CV-01600-N-BG ("Troice Class Actions").

behalf of OSIC, including the instant cases as well as the following cases: *Janvey v. Willis of Colorado, Inc.*, Case No. 3:13-cv-03980; *Janvey v. Greenberg Traurig, LLP*, Case No. 3:12-cv-04616; and *Turk v. Pershing, LLC*, Case No. 3:09-cv-02199. Strasburger is co-counsel in all of the afore-mentioned cases.

13. In addition, Strasburger was also engaged as lead counsel to represent the OSIC in the following fraudulent transfer cases along with co-counsel:

- a. *The Official Stanford Investor's Committee v. American Lebanese Syrian Associated Charities, Inc., et al*; Civil Action No. 3:11-cv-00303-N-BG;
- b. *Janvey v. InsideOut Sports & Entertainment*, Civil Action No. 3:11-cv-00760-N-BG;
- c. *Janvey v. Interim Executive Management, Inc.*, Civil Action No. 3:10-cv-00829-N-BG;
- d. *Janvey v. Merge Healthcare, Inc.*; Civil Action No. 3:10-cv-01465-N-BG;
- e. *Janvey v. Tonarelli*; Civil Action No. 3:10-cv-01955-N-BG;
- f. *Janvey v. Vingerhoedt, et al*; Civil Action No. 3:11-cv-00291-N-BG; and
- g. *Janvey v. Tolentino*; Civil Action No. 3:10-cv-2290-N-BG.

14. Since February of 2009, myself and Strasburger have spent thousands of hours investigating and prosecuting Stanford litigation on a contingent fee basis. We began this process by meeting and interviewing clients and former employees of Stanford in both the United States and in Mexico. We also reviewed documents that we obtained from these individuals, from the internet and from other public sources. We also met with independent witnesses and gleaned information from the public filings of the SEC and Receiver. Through this process, we gained knowledge of the complex structure of Stanford entities, their operations,

financial transactions and the relationships between them and the defendants that we have sued. Through this investigation we gained an understanding of how the Ponzi scheme was perpetrated and how Strasburger clients were victimized through the participation of the third party defendants. It was only through this extensive and comprehensive investigation that we could identify and develop the claims against the third party defendants.

15. Well in excess of 50% of my practice over the last 6 years has been dedicated to these Stanford cases. As a direct consequence, I have been required to turn down billable work that I otherwise would have been able to accept.

16. Strasburger has participated as co-counsel in every facet of the cases, including the investigation of the facts and legal theories that form the bases for the lawsuits and preparing responses to motions to dismiss. I also served as co-lead counsel in the successful appeal of the dismissal of the Troice Class Action cases under SLUSA to the Fifth Circuit and the U.S. Supreme Court ("SLUSA Appeal"). Strasburger appellate partners, Michael Jung and Judith Blakeway were heavily involved in preparing and presenting the briefs to the Fifth Circuit and to The Supreme Court of the United States. In addition, Mike Jung successfully argued the case before the Fifth Circuit.

17. Throughout this process, I have coordinated my activities with the Receiver and his counsel, the Examiner, other members of the OSIC, the SEC and the Department of Justice. On numerous occasions I have also traveled to Washington, D.C. to discuss and coordinate activities with the SEC and DOJ. I have also met with members of the U.S. Senate and US. Congress and their staff. I have interviewed numerous witnesses and reviewed thousands of documents, including spending weeks at the Receiver's document warehouse in Houston. I traveled to Antigua to search for additional documents with counsel for the Receiver. I have also

reviewed the databases maintained by the Receiver, and the trial transcripts of the Stanford criminal trial as well as the exhibits used at trial.

18. In my opinion, my involvement and the involvement of Strasburger in all of the related Stanford Cases has proven invaluable to the successful prosecution and resolution of the Chadbourne Lawsuits. In addition, it is also my opinion that the proposed Chadbourne settlement could not have been accomplished without the substantial amount of time and effort expended by all Plaintiffs' Counsel and their tireless efforts in the Stanford Cases.

STRASBURGER'S WORK ON THE CHADBOURNE LAWSUITS AND SETTLEMENT

19. Based upon our comprehensive investigation of the myriad Stanford entities, their relationship with Chadbourne and Chadbourne's role in the Ponzi scheme, we participated in formulating the causes of action and damage claims and the filing and litigation of the lawsuits that resulted in this settlement.

a. The Investor Lawsuit

20. Plaintiff's filed their initial complaint on behalf of the Stanford Investor victims as a putative class on August 27, 2009 and have amended the Complaint twice with the current operative pleading filed on October 9, 2009. Among other claims, Plaintiffs asserted causes of action against Chadbourne for negligence, aiding and abetting violations of the TSA, aiding and abetting breaches of fiduciary duty, participation in a fraudulent scheme, and conspiracy.

21. Chadbourne filed comprehensive motions to dismiss the Second Amended Complaint on the ground that the claims were precluded by the Securities Litigation Uniform Standards Act of 1998 ("SLUSA"). The Court dismissed the case and Plaintiffs appealed the SLUSA ruling. The United States Court of Appeals for the Fifth Circuit reversed the district court's order of dismissal, and the U.S. Supreme Court affirmed the Court of Appeals' decision.

See Roland v. Green, 675 F.2d 503, 506-07 (5th Cir. 2012), *aff'd sub nom.*, *Chadbourne & Park, LLP v. Troice*, 134 S.Ct. 1058 (2014).

22. Upon remand, on March 4, 2015, the district court granted in part and denied in part Defendants' motion to dismiss. The district court dismissed Plaintiffs' negligent retention/negligent supervision claims. The district court also dismissed claims for the sale of unregistered securities and the sale of securities by unregistered dealers to the extent they were based on sales taking place prior to October 9, 2006. The district court declined to dismiss other claims, rejecting Defendants' affirmative defense of attorney immunity, among other arguments.

23. Chadbourne appealed from the order denying dismissal based on attorney immunity. Plaintiffs filed a motion to dismiss the appeal for want of jurisdiction, which the Fifth Circuit carried along with briefing on the merits. Chadbourne filed its appellate brief on August 3, 2015. Plaintiffs responded on September 8, 2015. Chadbourne filed its reply brief on October 2, 2015. Oral argument for the case occurred on February 29, 2016.

24. Meanwhile, Plaintiffs filed their Opposed Motion for Class Certification, and For Designation of Class Representatives and Class Counsel, and Brief in Support Thereof, on April 20, 2015. Chadbourne responded on April 20, 2015. The class certification motion is currently pending decision by the district court.

25. Chadbourne answered the Second Amended Complaint on May 4, 2015.

b. **The OSIC Lawsuit**

26. The Receiver initially filed suit against Defendants on January 27, 2012, in the United States District Court for the District of Columbia, in the case styled *Janvey v. Proskauer Rose LLP, et al*, No. 1:12-CV-00155 (D. DC January 27, 2012). The instant action was filed on January 13, 2013, while the earlier case remained pending.

27. On October 3 and November 13, 2014, Defendants moved to dismiss the Receiver case on numerous grounds, including the statute of limitations. The Court on June 23, 2015, dismissed Plaintiffs' aiding and abetting fraudulent transfer claims, but otherwise denied the motion to dismiss. Additionally, the Court held that a fact issue with respect to the discovery rule precluded summary judgment on the Receiver's legal malpractice claim. Chadbourne filed its answer on August 14, 2015.

28. Strasburger has been and continues to be actively involved in both the Investor Lawsuit and the OSIC Lawsuit. Strasburger appellate lawyers took the lead in briefing the SLUSA issues and Michael Jung successfully argued the case at the Fifth Circuit Court of Appeals. Strasburger also acted as co-lead counsel for the U.S. Supreme Court briefing and handled the filings for the Plaintiffs at the Supreme Court.

29. In addition, Strasburger was also involved in briefing responses to the motions to dismiss, and the motions to certify the class. I was also actively involved with the preparation and presentation of class representative depositions and also attended the class expert depositions in New York City.

30. Strasburger attorneys continue to actively participate in the case.

31. The parties mediated the case in Dallas, Texas in September of 2014, but the mediation was unsuccessful. Ultimately, the parties agreed to participate in a mediation that resulted in a settlement. That mediation was conducted with former U.S. District Judge Layn Phillips in Newport Beach, California on December 16, 2015. Former Judge Phillips has vast experience mediating complex litigation cases. He has mediated some of the largest complex litigation cases in U.S. history.

32. I prepared for and participated in the mediation. The mediation lasted a full day, but was unsuccessful. The parties and mediator continued to negotiate by phone which resulted in the \$35 million settlement that is the subject of this Motion. Even after the agreement was reached, Plaintiffs' counsel, the Examiner and counsel for the Receiver, continued to work on the terms of the closing documents for weeks before the final documents were signed. Without the relentless efforts of the Receiver, Examiner, OSIC, Investor Plaintiffs and Plaintiffs' counsel investigating, developing and prosecuting these claims as a part of the overall effort to recover money from third parties for the benefit of all Stanford Investors, this settlement could not have been achieved and the Chadbourne Lawsuits would likely have continued for years with uncertain outcome and great expense to the parties.

REQUEST FOR APPROVAL OF THE SETTLEMENT

33. I respectfully submit that, based upon years of experience prosecuting and settling complex commercial litigation, that the Chadbourne Settlement is fair and reasonable and in the best interests of the Stanford receivership estate and the Stanford investors and should be approved by the Court. The risks, uncertainty and the length of time it would take to get to trial in the Chadbourne Lawsuits further favors the settlement. The Chadbourne Settlement represents an extremely good result for the Stanford receivership estate and its investors. Therefore, I believe the Chadbourne Settlement is in the best interests of the Stanford receivership estate and its investors and should be approved.

REQUEST FOR APPROVAL OF ATTORNEYS' FEES

34. Plaintiffs' Counsel have been jointly handling all of the Stanford Cases referenced above, including the Chadbourne Lawsuits, pursuant to twenty-five percent (25%) contingency fee agreements with OSIC (in cases in which OSIC is a named Plaintiff) and the Investor

Plaintiffs (in investor class action lawsuits). The Movants seek Court approval to pay Plaintiffs' Counsel a fee equal to an aggregate of twenty-five percent (25%) of the Net Recovery in the Chadbourne Lawsuits.

35. I respectfully submit the fee requested in the Motion is reasonable in comparison to the total net amount to be recovered for the benefit of the Stanford investors. The twenty-five percent (25%) contingency fee was heavily negotiated between OSIC and Plaintiffs' Counsel, and is substantially below the typical market rate contingency fee percentage of 33% to 40% that most law firms would demand to handle cases of this complexity and magnitude. In certain instances, OSIC interviewed other potential counsel who refused to handle the lawsuits without a higher percentage fee. The Chadbourne Lawsuits and the other third-party lawsuits are extraordinarily large and complex, involving voluminous records and electronic data and requiring many years of investigation, discovery and dispositive motions to get to trial.

36. Moreover the Chadbourne Lawsuits and the companion Stanford Cases, many of which were filed over 6 years ago, involve significant financial outlay and risk by Plaintiffs' Counsel. The investor class actions were dismissed following the Court's SLUSA ruling, and are only now proceeding toward class discovery and motions to certify. Plaintiffs' Counsel therefore has, for many years now, borne significant risk of loss through dispositive motions or at trial after years of work for no compensation, and an almost certain appeal following any victory at trial. A twenty-five percent (25%) contingency fee is reasonable given the time and effort required to litigate these case, their complexity and the risks involved.

37. Since February 2009, myself and Strasburger have dedicated thousands of hours to the prosecution of Stanford litigation on a contingent fee basis. This includes time spent investigating and understanding the background and history of the complex web of Stanford

companies, the operations, financial transactions, interrelationship and dealings between and among the various Stanford entities and the defendants we have sued, the facts relating to the Ponzi scheme and how it was perpetrated through the various Stanford entities, and the involvement of the third-party defendants in the foregoing cases with Stanford. Without a comprehensive investigation and understanding of this background and the requisite legal skill, it would not have been possible to formulate viable claims against the third-party defendants and prosecute them successfully.

38. A review of the Court's docket in all of these cases reveals only a portion of the immense amount of work that Plaintiffs' Counsel have put into the prosecution of all of these lawsuits since 2009. The docket and pleadings reveal only the work that is filed with the Court. As the Court is aware, the prosecution of lawsuits of this magnitude, complexity and novelty has required a tremendous amount of time and effort to investigate the facts, research the relevant legal issues, coordinate and strategize with counsel and clients regarding the handling of the cases, conduct discovery, prepare the briefs and motions, negotiate settlements, and prepare cases for summary judgment and trial. Plaintiffs' Counsel have collectively spent thousands of hours since 2009 in their investigation and prosecution of the lawsuits referenced above, including the Chadbourne Lawsuits. Because of the amount of time dedicated to those cases, Plaintiff's counsel was precluded from performing other legal work.

39. Over the last 6 years, myself and other attorneys and paralegals from Strasburger have spent thousands of hours in uncompensated time worth millions of dollars investigating and prosecuting the Stanford Cases, including the Chadbourne Litigation. Well in excess of 50% of my practice over the last 6 years has been dedicated to these Stanford cases. I personally have worked many late nights and weekends for the last 6 years on Stanford cases or Stanford-related

matters with virtually no compensation.

40. I have personally tracked the time spent by my firm working on Stanford litigation, which is recorded on a daily basis through detailed time records and identified the time attributable to the Chadbourne litigation. Based upon my professional judgment and experience with cases of similar novelty, complexity and importance, I believe that the hours and fees reflected in Exhibit A are reasonable and necessary for the effective resolution of this case.

41. As of March 28, 2016, Strasburger spent 2,150.50 hours of attorney and paralegal time worth \$1,250,720.00 at our applicable hourly rates for complex cases of this nature that I feel is rightfully and equitably attributable to the Chadbourne Lawsuits. Strasburger incurred \$52,664.00 in expenses. I am familiar with the legal practice in the Northern District of Texas and have knowledge of the usual and customary rates charged for legal services required in this and similar cases. I am also familiar with the type and amount of legal services reasonably necessary and the nature of the work required to prosecute this type of matter.

42. The proposed settlement is the direct result of many years of effort and thousands of hours of work by the Receiver, OSIC, Investor Plaintiffs and Plaintiffs' Counsel as described herein. But for the efforts of these parties, and the efforts of myself and my law firm described herein, there would be no Chadbourne Settlement, which will net the Receivership estate and the Stanford investors approximately \$26,250,000 they would not have otherwise received.

43. In light of the tremendous time and expense myself and Strasburger and the other Plaintiffs' Counsel have put into the overall effort to recover monies for the Stanford Receivership Estate and the investors, all of which was necessary to the successful prosecution and resolution of the Chadbourne case, I respectfully submit that the twenty-five percent (25%) fee to be paid to counsel for OSIC and the Investor Plaintiffs for the settlement of the

Chadbourn Lawsuits is reasonable. Myself and Strasburger and the other Plaintiffs' Counsel have worked tirelessly for six years to attempt to recover money for the benefit of Stanford's investors for virtually no compensation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on April 13, 2016



EDWARD F. VALDESPINO

EXHIBIT “4”

Chadbourne & Parke LLP, to Enter the Final Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees (the "Motion").¹

B. Curriculum Vitae

2. My name is Douglas J. Buncher. I am an attorney admitted to practice law in the State of Texas since 1989. I am also admitted to practice before the United States District Courts for the Northern, Southern, Western and Eastern Districts of Texas, and am a member of the Bar Association of the United States Court of Appeals for the Fifth Circuit. I am a partner in Neligan Foley LLP ("Neligan Foley"), a Dallas law firm which concentrates its practice in complex bankruptcy, insolvency and receivership proceedings and related litigation. I have concentrated my practice in complex, commercial litigation since my career began in 1989, and since joining Neligan Foley in 2000 have concentrated my practice in handling complex receivership and bankruptcy litigation.

3. Neligan Foley has handled numerous complex bankruptcy and receivership cases, and litigation associated with those cases, since the firm was formed in 1995. Neligan Foley and I have handled many receivership and bankruptcy-related lawsuits seeking to recover hundreds of millions, and in some cases, billions of dollars in damages from third parties for the benefit of bankruptcy and receivership estates, as well as the investors and creditors of those estates. A detailed description of Neligan Foley, its areas of practice, case studies, and representative engagements, as well as my personal biography, background and experience, are set forth on Neligan Foley's website, www.neliganfoley.com.

4. As an example of Neligan Foley's prior experience in complex bankruptcy and receivership proceedings, in 1999 Neligan Foley was retained as counsel to the SEC receiver, joint official liquidators and Chapter 11 bankruptcy trustee in the InverWorld insolvency proceeding, a cross-

¹ Capitalized Terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

border SEC receivership and bankruptcy case pending in United States Bankruptcy Judge Leif Clark's court in San Antonio, Texas, with a simultaneous Cayman liquidation proceeding in the Cayman Islands. InverWorld, Inc., one of the InverWorld companies, was a San Antonio-based SEC registered investment adviser and broker-dealer that took in over \$300 million of primarily Latin American investors' funds on the promise of liquid, low risk investments and above-market rate returns, much like Stanford on a smaller scale. Neligan Foley was the lead counsel for the SEC receiver in the InverWorld case, serving in essentially the same role as Baker Botts in the Stanford case. In the InverWorld case, Neligan Foley also coordinated and participated in the prosecution of several multi-hundred million dollar lawsuits brought by the receiver/trustee and investors, individually and as class representatives, against third parties who were alleged to have aided and abetted the InverWorld Ponzi scheme, including the auditor Deloitte & Touche, law firm Curtis Mallet, and French, Bahama and Swiss financial institutions affiliated with Credit Commercial de France. All of that litigation was successfully resolved, resulting in significant recoveries to the InverWorld estate and investors.

5. Neligan Foley also served as counsel to an ad hoc committee of bondholders, the litigation trustee, and a group of individual bondholders in litigation arising out of the Global Crossing bankruptcy in 2001 involving hundreds of millions of dollars in alleged damages. At the time, Global Crossing, a company that was laying fiber optic cable all over the world including on the ocean floors in anticipation of the expanding usage of the internet, was one of the largest bankruptcies in U.S. history.

B. Neligan Foley Role in Stanford-Related Litigation

6. Shortly after the Stanford Receivership was commenced in early 2009, Neligan Foley was approached by Edward Snyder of Castillo Snyder P.C. ("Castillo Snyder") and Edward Valdespino of Strasburger & Price, LLP ("Strasburger") to serve as co-counsel to their clients who had invested hundreds of millions of dollars into Stanford International Bank, Ltd. CDs ("SIBL CDs"). Due to Neligan Foley's prior experience in major bankruptcy and

receivership proceedings and third-party litigation associated with those proceedings, Neligan Foley was hired to assist counsel at Castillo Snyder and Strasburger with the investigation and prosecution of litigation against third parties and to assist with the Stanford Receivership and potential bankruptcy issues.

7. Neligan Foley has monitored and participated in the main Stanford Receivership proceeding since that time. On July 29, 2009, the Stanford Multidistrict Litigation matter, MDL No. 2099, was initiated (the "Stanford MDL Proceeding"). Neligan Foley has also participated in and monitored the Stanford MDL Proceeding since its inception.

8. In 2009, Castillo Snyder, Strasburger, and Neligan Foley jointly initiated class action lawsuits in this Court on behalf of certain named Stanford investors, individually and on behalf of a class of similarly situated investors, styled *Troice v. Willis of Colorado, Inc.*, Case No. 3:09-cv-01274, and *Troice v. Proskauer Rose, LLP*, Case No. 3:09-cv-01600.

9. Since that time, in addition to the aforementioned *Proskauer* and *Willis* investor cases, attorneys from Neligan Foley have investigated, filed and prosecuted virtually all of the other major Stanford-related litigation against third-parties on behalf of the Committee and Stanford investor plaintiffs who have sued individually and on behalf of a putative class of Stanford investors, along with Castillo Snyder, Strasburger and Butzel Long, including the following lawsuits pending before the Court:

- (a) *Official Stanford Investors Committee, et al. v. Breazeale, Sachse, & Wilson, LLP, et al.*, Case No. 3:11-cv-00329;
- (b) *Janvey, et al. v. Adams & Reese, LLP, et al.*, Case No. 3:12-cv-00495;
- (c) *Janvey, et al. v. Greenberg Traurig, LLP, et al.*, Case No. 3:12-cv-04641;
- (d) *Janvey, et al. v. Proskauer Rose, LLP, et al.*, Case No. 3:13-cv-477; and

- (e) *Janvey, et al. v. Willis of Colorado, Inc., et al.*, Case No. 3:13-cv-03980.²

In addition to representing the Committee and Investor Plaintiffs in these cases, Neligan Foley has also been engaged to represent the Receiver in these cases where the Receiver is a named Plaintiff. Neligan Foley was also lead counsel for the Plaintiffs in the two BDO lawsuits, which were successfully resolved: *Philip Wilkinson, et al v. BDO USA, LLP, et al*, Case No. 3:11-cv-1115; *The Official Stanford Investors Committee v. BDO USA, LLP, et al*, Case No. 3:12-cv-01447. Thus, Neligan Foley has been actively involved in the major Stanford-related litigation against third parties since 2009.

10. Neligan Foley has also jointly handled many of the fraudulent transfer cases brought by the Committee and the Receiver pursuant to an agreement approved by the Court's order dated February 25, 2011 [Docket No. 1267]. Neligan Foley is lead counsel in the following cases:³

- (a) *Ralph S. Janvey and Official Stanford Investors Committee v. Yolanda Suarez*, Civil Action No. 10-cv-2581, now consolidated with the *Greenberg* lawsuit, Civil Action No. 3:12-cv-4641;
- (b) *Ralph S. Janvey and Official Stanford Investors Committee v. IMG Worldwide, Inc.*, Civil Action No. 11-0117; consolidated with *Ralph S. Janvey and Official Stanford Investors Committee v. International Players Championship, Inc.*, Civil Action No. 11-0293;
- (c) *Ralph S. Janvey and Official Stanford Investors Committee v. Miami Heat Limited Partnership and Basketball Properties, Ltd.*, Civil Action No. 11-0158;
- (d) *Ralph S. Janvey and Official Stanford Investors Committee v. PGA Tour, Inc.*, Civil Action No. 11-0226;

² Peter Morgenstern of Butzel Long is co-counsel for the Investor Plaintiffs and Committee in all of these cases except the cases against Willis of Colorado, Inc. and Proskauer Rose, LLP. Strasburger is not involved in the cases against Adams & Reese, LLP and Breazeale, Sachse & Wilson LLP.

³ Castillo Snyder, Strasburger, and Butzel Long serve as co-counsel in these cases and lead counsel in other Stanford-related fraudulent transfer cases. In turn, Neligan Foley serves as co-counsel in the cases in which Castillo Snyder, Strasburger, or Butzel Long serve as lead counsel.

- (e) *Ralph S. Janvey and Official Stanford Investors Committee v. The Golf Channel, Inc.*, Civil Action No. 11-0294, currently on appeal at the Fifth Circuit;
- (f) *Ralph S. Janvey and Official Stanford Investors Committee v. ATP Tour, Inc.*, Civil Action No. 11-0295; and
- (g) *Ralph S. Janvey and Official Stanford Investors Committee v. Rocketball, Ltd. and Hoops, L.P.*, Civil Action No. 11-770.

C. Neligan Foley Role in Litigation Against Chadbourne

11. As discussed in the Declaration of Edward Snyder, Neligan Foley has been one of the firms acting as Plaintiffs' Counsel with respect to the investigation, prosecution and settlement of the investor claims asserted against Chadbourne in the Investor Litigation since 2009. On or about January 27, 2012, Neligan Foley was retained by the Committee to investigate, file and prosecute claims against Chadbourne on behalf of the Committee, and has served as co-counsel to the Committee as one of the Plaintiffs in the Receiver Litigation since that time. On or about July 1, 2013, Neligan Foley was retained by the Receiver to take over the lead role as the Receiver's counsel in the Receiver Litigation.

12. The settlement for which approval is sought in the Motion settles all claims against Chadbourne & Parke LLP ("Chadbourne") in exchange for payment of \$35 million by Chadbourne to the Receiver for ultimate distribution to the Stanford investor victims. Neligan Foley LLP ("Neligan"), together with my firm Castillo Snyder P.C. ("Castillo Snyder") and Strasburger & Price, LLP ("Strasburger") (collectively, "Plaintiffs' Counsel"), have been investigating and litigating claims against Chadbourne since August 2009, initially on behalf of a putative class of investors, and later on behalf of the Committee and the Receiver.

13. Neligan Foley was involved in all aspects of the investigation, prosecution and settlement of the Investor Litigation since 2009 that are described in the Declaration of Edward

Snyder, including but not limited to the investigation of and research related to the claims and causes of action asserted in the Investor Litigation, the responses and legal research related to the responses to the motions to dismiss, the four-year SLUSA appeal, and the class certification discovery, motion, and briefing pursuant to the Court's class certification Scheduling Order. Neligan Foley's assistance in that investigation has included spending many hours assisting with document review at the warehouse in Houston, Texas, where the Stanford business records are maintained, as well as review of critical documents that formed the basis of the claims in the Complaint.

14. Neligan Foley was involved in all aspects of the prosecution and settlement of the Receiver Litigation, initially as co-counsel to the Committee, which is a named Plaintiff in the Receiver Litigation asserting claims against Chadbourne by assignment from the Receiver, and later as lead counsel to the Receiver with respect to the Receiver's legal malpractice claims against Chadbourne in the Receiver Litigation. Neligan Foley's prosecution of the Receiver Litigation included assisting with the preparation and filing of the Complaint in the D.C. court in *Janvey I*, responding to Defendants' motions to dismiss after the case was transferred to Dallas by the Judicial Panel on Multidistrict Litigation and moving to have the case transferred back to D.C. so that Plaintiffs could seek to have the case transferred to Dallas in the interests of justice under 28 U.S.C. §1631 to preserve the filing date of the D.C. action for limitations purposes. Neligan Foley also assisted with the filing of the backup action, 3:13-CV-00477 ("*Janvey II*"), in this Court in the event that the D.C. case was dismissed instead of transferred under 28 U.S.C. §1631.

15. By the time the Court granted Plaintiffs' motion to transfer *Janvey I* back to the D.C. Court on August 21, 2013, Neligan Foley had been retained as lead counsel to the Receiver

in that action. Thus, Neligan Foley took the lead in preparing and prosecuting the motion and brief arguing for the transfer of the case back to Dallas under 28 U.S.C. §1631, and then preparing briefs in response to Defendants' motions to dismiss once the D.C. Court denied the motion and the Defendants' filed motions to dismiss in the *Janvey II* case. As a result of that briefing, Plaintiffs successfully survived dismissal on all Plaintiffs' claims except the claim for aiding and abetting fraudulent transfers. Neligan Foley was also required to spend time responding to a motion attempting to disqualify Neligan Foley filed by certain Defendants, and successfully defeated that motion.

16. Neligan Foley participated in both mediations described in the Declaration of Edward Snyder, and Neligan Foley's time and effort played an integral role in achieving the successful resolution of the claims against Chadbourne. Neligan Foley also participated in the negotiation and drafting of the settlement documents.

D. Reasonableness of Settlement

17. It is my opinion based upon years of experience prosecuting, trying and settling complex receivership and bankruptcy litigation, my involvement in the settlements with BDO, Kroll and certain Defendants in the Adams & Reese litigation related to the Stanford Receivership, and my assessment of the relative merits of the claims and defenses with respect to Chadbourne, that the settlement with Chadbourne is fair and reasonable and in the best interests of the Stanford Receivership Estate and the Stanford investors and should be approved by the Court. Similarly, it is my opinion that the bar order sought by the settlement is the only effective means of resolving this case and giving Chadbourne the protection it needs to end all U.S. litigation. Without the bar order sought in the Motion, there would be no settlement with

Chadbourne, as Chadbourne would continue to face potential claims by other parties in the U.S. related to Stanford.

E. Time and Effort of Neligan Foley Related to Chadbourne and Other Stanford Litigation

18. The Motion seeks approval and payment of the agreed upon twenty-five percent (25%) contingency fee to Plaintiffs' Counsel. Neligan Foley has invested \$406,470.50 of professional time through April 6, 2016 in the Investor Litigation and the Receiver Litigation against Chadbourne. The hours incurred by Neligan Foley broken down by professional are as follows:

<u>Professional</u>	<u>Hourly Rate</u>	<u>Hours</u>	<u>Total</u>
Patrick Neligan	\$675	37.70	\$25,447.50
Nicholas Foley	\$650	1.30	\$845.00
Douglas Buncher	\$625	435.10	\$271,937.50
Douglas Dunn	\$350	23.60	\$8,260.00
Seymour Roberts	\$395	23.20	\$9,164.00
John Gaither	\$300	211.50	\$63,450.00
Rick Berger	\$275	88.10	\$24,227.50
Ruth Clark	\$150	17.40	\$2,610.00
Kathy Graddick	\$115	4.60	\$529.00
		Total	\$406,470.50

19. Neligan Foley will continue to incur additional time in connection with obtaining court approval of the Chadbourne settlement. Neligan Foley also has paid \$16,593.82 in

unreimbursed expenses for expert witness fees and other litigation expenses associated with the Chadbourne Litigation.

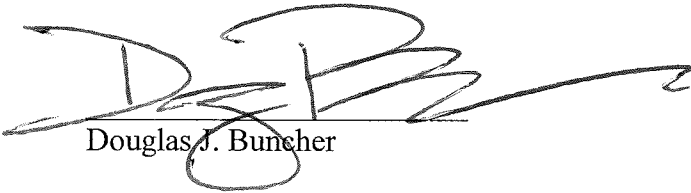
20. In addition to the time invested by Neligan Foley in the Chadbourne Litigation, Neligan Foley has put in an immense amount of time and effort into the Stanford cases generally and into litigation against third parties in an effort to recover money for the benefit of the Stanford investors since 2009. Neligan Foley has devoted thousands of hours and millions of dollars of time investigating and prosecuting the Stanford litigation referenced above and monitoring the Stanford Receivership generally since its inception. It is not possible to properly handle any of the major Stanford lawsuits against third parties, including the Litigation against Chadbourne, without monitoring and staying abreast of the Court's decision in all of the related cases. It is also not possible to properly handle any of the major Stanford lawsuits against third parties, including the Litigation against Chadbourne, without coordinating efforts with the Receiver's counsel at Baker Botts LLP, as well as other counsel to the Committee. Neligan Foley and the other Plaintiffs' Counsel have done an immense amount of work investigating and analyzing the Stanford Ponzi scheme and the potential claims that could be brought against third party aiders and abettors of Stanford since the commencement of this Receivership case, all of which allowed Plaintiffs' Counsel to formulate, prosecute and successfully settle the claims against Chadbourne. But for the diligent efforts of Plaintiffs' Counsel since the commencement of this Receivership proceeding, the settlement with Chadbourne would never have been achieved.

F. Reasonableness of Attorneys' Fees

21. In light of the tremendous time and effort Neligan Foley and the other Plaintiffs' Counsel have put into the effort to recover monies for the Stanford Receivership Estate and the

investors, including but not limited to the time related to the claims against Chadbourne, the Court's prior approval of the 25% contingency fee arrangement between the Committee and the Receiver related to the prosecution of the fraudulent transfer claims, the Court's approval of the 25% contingency fees in connection with the BDO Settlement and the settlement with certain Defendants in the Adams & Reese litigation, as well as applicable case law in the Fifth Circuit concerning the range of reasonable contingency fees for litigation of this nature, it is my opinion that the twenty-five percent (25%) fee to be paid to Plaintiffs' Counsel for the settlement with Chadbourne is reasonable and should be approved.

Dated: April 18, 2016.



Douglas J. Buncher

EXHIBIT “5”

DECLARATION OF SCOTT D. POWERS

Pursuant to 28 U.S.C. § 1746, I, Scott D. Powers, hereby declare under penalty of perjury that I have personal knowledge of the following facts:

1. My name is Scott D. Powers. I am over the age of eighteen (18) and am competent to make this Declaration.

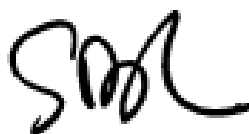
2. I am admitted to practice law in the State of Texas, and am admitted to practice before various federal courts, including the U.S. Courts of Appeal for the Fifth Circuit and the U.S. District Court for the Northern District of Texas. I have been licensed to practice law since 2000, and I am a partner in the law firm of Baker Botts LLP (“Baker Botts”).

3. Baker Botts has served as lead counsel to Ralph S. Janvey, in his capacity as the Court-appointed Receiver in the Stanford Financial Group SEC receivership proceedings, since said proceedings were initiated in 2009 in the case styled *SEC v. Stanford International Bank, Ltd., et al.*, Civil Action No. 3:09-CV-0298-N. In its role as lead counsel, Baker Botts has reviewed litigation-related expenses incurred by, and paid to, the Receiver, counsel for the Receiver, and counsel for the Official Stanford Investors Committee, including expenses related to lawsuits such as *Janvey v. Proskauer Rose LLP*, 3:13-cv-00477-N (N.D. Tex. Jan. 31, 2013) (the “Chadbourne/Proskauer Receiver Action”).

4. I have reviewed records of the Receivership related to the litigation expenses incurred by the Receiver, counsel for the Receiver, and counsel for the Official Stanford Investors Committee in the Chadbourne/Proskauer Receiver Action. The following table summarizes expenses that have been paid in connection with the Chadbourne/Proskauer Receiver Action:

	Amount	Notes
	\$8,250.00	Payment to Phillips ADR for Dec. 2015 mediation (Invoice 11488)
	\$7,237.50	Payment to Phillips ADR for mediation follow up work (Invoice 11847)
	\$7,437.50	Payment to Phillips ADR for mediation follow up work (Invoice 11998)
	\$3,028.76	Payment to Phillips ADR for mediation follow up work (Invoice 12089)
	\$292.70	Receiver expenses for Sept. 2014 mediation
	\$1,465.39	Examiner expenses for Dec. 2015 mediation
	\$187.78	Castillo Snyder expenses for Sept. 2014 mediation
	\$1,080.15	Castillo Snyder expenses for Dec. 2015 mediation
	\$3,496.91	Neligan Foley expenses for Dec. 2015 mediation
Total	\$32,476.69	

Executed on April 20, 2016.



Scott D. Powers

EXHIBIT “6”

DECLARATION OF EXAMINER JOHN J. LITTLE

Pursuant to 28 U.S.C. § 1746, I, John J. Little, hereby declare under penalty of perjury that I have personal knowledge of the following facts:

1. My name is John J. Little. I am over the age of eighteen (18) and am competent to make this Declaration.

2. I am admitted to practice law in the State of Texas, and am admitted to practice before various federal courts, including the United States Supreme Court, the U.S. Courts of Appeal for the Fifth and Eleventh Circuits, the United States Tax Court and the U.S. District Courts for the Northern, Eastern and Southern Districts of Texas. I have been practicing law in Dallas, Texas since 1983, and have been a partner in the Dallas law firm Little Pedersen Fankhauser, LLP, since 1994.

3. By Order dated April 20, 2009, I was appointed by Judge David C. Godbey (the “Court”) to serve as the Examiner in the Stanford Financial Group receivership proceedings. *SEC v. Stanford International Bank, Ltd., et al.*, Civil Action No. 3:09-CV-0298-N, ECF No. 322 (the “Examiner Order”). Pursuant to the Examiner Order, I was directed to “convey to the Court such information as the Examiner, in his sole discretion, shall determine would be useful to the Court in considering the interests of the investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any Defendants¹ in this action (the “Investors”).” I have served as Examiner in the Stanford Financial Receivership proceedings continuously since my appointment.

¹ The Defendants include Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Stanford

4. By Order dated August 10, 2010, the Court created the Official Stanford Investors Committee (“OSIC”) to represent Stanford Investors in the Stanford Financial Receivership proceedings and all related matters. *SEC v. Stanford International Bank, Ltd., et al.*, Civil Action No. 3:09-CV-0298-N, ECF No. 1149 (the “OSIC Order”). The OSIC Order defined “Stanford Investors” as “the customers of SIBL who, as of February 16, 2009, had funds on deposit at SIBL and/or were holding certificates of deposit issued by SIBL.” OSIC Order at 2. The OSIC Order conferred upon the OSIC “rights and responsibilities similar to those of a committee appointed to serve in a bankruptcy case.” The OSIC Order appointed me, as Examiner, to serve as a member of the OSIC and as its initial Chair. I have served as the Chair of the OSIC since its formation and continue to so serve.

5. The OSIC Order specifically authorized the OSIC to pursue claims on a contingency fee basis against (a) Stanford’s pre-receivership professionals, and (b) the officers, directors and employees of any Stanford entity.² OSIC Order at 8.

A. The Receiver and OSIC Retain Counsel

6. On or about January 20, 2012, the Receiver, Ralph S. Janvey, entered into an engagement letter with the law firm Hohmann, Taube & Summers, L.L.P. (“HTS”) pursuant to which the Receiver retained HTS to represent the Receivership in connection with potential legal malpractice claims to be asserted against Proskauer Rose, LLP

Financial Group, The Stanford Financial Group Bldg. Inc. The Receivership encompasses Defendants and all entities they own or control.

² This authority was limited in that the OSIC could not pursue claims that were duplicative of claims already being prosecuted by the Receiver. OSIC Order at 8.

(“Proskauer”), and Chadbourne & Parke, LLP (“Chadbourne”), among others. Pursuant to the January 20, 2012 engagement letter, the Receiver agreed to pay HTS a fee equal to twenty-five percent (25%) of “all sums collected upon settlement or judgment.”

7. In my capacity as Chair of the OSIC, I negotiated and executed an engagement agreement dated January 27, 2012, pursuant to which the OSIC retained Castillo Snyder, P.C. (“CS”), Neligan Foley, LLP (“NF”) and Strasburger & Price, LLP (“SP”) to represent the OSIC in connection with the prosecution of claims against the Proskauer, Chadbourne and Thomas V. Sjoblom (“Sjoblomo) (the “Proskauer Claims”). The January 27, 2012 engagement agreement contemplated that the three law firms would be compensated for their services through a contingent fee of twenty-five percent (25%) of the Net Recovery realized in respect of the Proskauer Claims.

8. On June 14, 2013, the Receiver terminated his engagement of HTS with respect to the Proskauer Claims. The Receiver subsequently executed an engagement letter with NF to represent the Receiver with respect to the Proskauer Claims.

9. In my capacity as Chair of the OSIC, I negotiated and executed a Revised Fee Agreement with CS, NF and SP with respect to the Proskauer Claims dated as of April 10, 2014. The April 10, 2014 Revised Fee Agreement provided that the three law firms would be compensated for their services through a contingent fee of twenty-five percent (25%) of the Net Recovery realized in respect of the Proskauer Claims. The Revised Fee Agreement defined Net Recovery as the “Recovery³ in connection with the

³ “Recovery” was defined as “anything of value directly or indirectly received by the Stanford Receivership Estate as a result of the Proskauer Claims, including but not limited to the proceeds of any

Proskauer Claims, after deducting allowable expenses and disbursements.” In connection with the execution of the April 10, 2014 Revised Fee Agreement, the three law firms entered into an agreement that addressed how those firms would divide the work to be done in prosecuting the Proskauer Claims and any fees paid with respect to the Proskauer Claims.

B. The Investor Action

10. On August 27, 2009, Samuel Troice, Horacio Mendez, Annalisa Mendez and Punga Punga Financial, Ltd., each an individual Stanford Investor (as putative representatives of a class of similarly situated plaintiffs), filed an action against Proskauer Sjoblom. Civil Action No. 3:09-CV-1600-N in the Northern District of Texas, Dallas Division (the “Investor Action”). The action was filed by CS. A second amended complaint was filed in the Investor Action on October 9, 2009, that added Chadbourne and P. Mauricio Alvarado (“Alvarado”) as Defendants. The second amended complaint was filed by CS, NF and SP.

11. The Defendants (Chadbourne, Proskauer, Sjoblom, Alvarado) filed motions to dismiss the Investor Action in December 2009. [Investor Action, ECF Nos. 31, 36, 44]. On October 21, 2011, this Court granted the various motions to dismiss, finding that the Securities Litigation Uniform Standards Act of 1998 (“SLUSA”) precluded the action. [Investor Action, ECF No. 96]. The Investor Plaintiffs appealed that decision to

settlement or other disposition, a direct monetary payment or award, restitution awarded through any criminal proceeding, a fine assessed by the United States or other local or state Government, or forfeiture of any of the Proskauer Defendants’ assets, regardless of whether such Recovery received by the Stanford Receivership Estate arguably results from the claims asserted by the Receiver or the Committee against the Proskauer Defendants.”

the Fifth Circuit. On March 19, 2012, the Fifth Circuit issued its opinion reversing this Court's order of dismissal. *Roland v. Green*, 675 F.3d 503 (5th Cir. 2012). The Defendants then petitioned for certiorari with the United States Supreme Court, which granted the petition. On February 26, 2014, the Supreme Court issued its opinion affirming the Fifth Circuit and concluding that SLUSA did not preclude the state law-based class action lawsuits brought against Defendants in the Investor Action. *Chadbourne & Parke, LLP v. Troice*, 134 S. Ct. 1058 (2014).

12. On September 16, 2014 this Court denied the Investor Plaintiffs' request for entry of a scheduling order and granted Defendants' request to permit additional briefing on their attorney immunity defense. [Investor Action, ECF No. 141]. On the same day the Court issued its Class Action Scheduling Order; the parties then engaged in six months of class certification discovery and fact and expert witness depositions. [Investor Action, ECF No. 142]. The parties filed their class certification evidence and briefing with this Court on April 20, 2015. [Investor Action, ECF Nos. 192-99].

13. On March 4, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss the Investor Litigation, dismissing the claim against Chadbourne for negligent retention/negligent supervision, dismissing with prejudice the claims against Chadbourne for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006, and declining to dismiss the other claims against Chadbourne, including other claims for aiding and

abetting TSA violations, for aiding and abetting/participation in a fraudulent scheme, and for civil conspiracy. [Investor Action, ECF No. 176].

14. Defendants Proskauer, Chadbourne, and Sjoblom filed Rule 59(e) Motions for Reconsideration of the Court's denial of their Motions to Dismiss under the attorney immunity doctrine on April 1, 2015. [Investor Action, ECF No. 187]. The Court denied those motions on May 15, 2015. [Investor Action, ECF No. 217].

15. Defendants Proskauer, Chadbourne, and Sjoblom appealed this Court's denial of their Motions for Reconsideration to the Fifth Circuit in June 2015. A month later, the Texas Supreme Court issued its decision in *Cantey Hanger LLP v. Byrd*, 467 S.W. 3d 477 (Tex. 2015). Based on *Cantey Hanger* and a finding that the Investor Plaintiffs had waived certain arguments, the Fifth Circuit reversed this Court's ruling and rendered judgment in favor of the Defendants. *Troice v. Proskauer Rose LLP*, ___ F.3d ___, No. 15-10500, 2016 WL 929476 (5th Cir. Mar. 10, 2016).

C. The Receiver Action

16. On January 27, 2012, the Receiver and OSIC commenced an action against Defendants Proskauer, Chadbourne, and Sjoblom in the United States District Court for the District of Columbia (the "D.C. Court") based on Sjoblom's long-time connection with that district. *See Janvey v. Proskauer Rose LLP*, No. 1:12-cv-00155, (D.D.C. Jan. 27, 2012) [ECF No. 1] ("*Janvey I*"). Defendants requested that the case be transferred to the Northern District of Texas, and to this Court, by the Judicial Panel on Multidistrict Litigation (the "JPML"). On March 1, 2012, the JPML transferred *Janvey I* from the

D.C. Court to this Court. *See Janvey I*, No. 3:12-cv-00644-N, (N.D. Tex. Mar. 2, 2012) [ECF No. 13].

17. On October 24, 2012, Defendants asserted that neither this Court nor the D.C. Court had jurisdiction over the case. *See Janvey I* at ECF Nos. 49-50, 53. Plaintiffs then moved this Court to recommend that the JPML remand *Janvey I* to the D.C. Court so that Plaintiffs could move the D.C. Court to transfer *Janvey I* back to this Court under 28 U.S.C. § 1631. *See id.* at ECF No. 55.

18. In an abundance of caution, Plaintiffs also filed a second action in this Court as a “back up” action to be prosecuted in the event *Janvey I* was dismissed rather than transferred by the D.C. Court. *See Janvey v. Proskauer Rose LLP*, 3:13-cv-00477-N (N.D. Tex. Jan. 31, 2013) [ECF No. 1](the “Receiver Action”). The Receiver Action was stayed pending a determination of the issues relating to *Janvey I*. Receiver Action, ECF No. 13.

19. By order dated August 21, 2013, this Court granted Plaintiffs’ motion and recommended that *Janvey I* be remanded back to the D.C. Court. Order at 6, *Janvey I*, No. 3:12-cv-0644 (N.D. Tex. Aug. 21, 2013) [ECF No. 71] (the “Transfer Order”). Upon remand of *Janvey I* back to the D.C. Court, Plaintiffs filed a motion to transfer the case back to this Court under 28 U.S.C. § 1631. *See Janvey I*, No. 1:12-cv-00155, (D.D.C. Feb. 5, 2014) [ECF No. 15]. Defendants Proskauer, Chadbourne, and Sjoblom opposed the motion to transfer on the ground that the D.C. Court lacked jurisdiction over the case in the first instance. On July 24, 2014, the D.C. Court denied Plaintiffs’ motion to

transfer and dismissed the case. *Janvey v. Proskauer Rose, LLP*, Civil Action No. 12-155 (CKK), 2014 WL 3668578, at *5 (D.D.C. July 24, 2014).

20. Defendants Proskauer and Chadbourne then filed Motions to Dismiss the Receiver Action on October 3, 2014. [Receiver Action, ECF No. 22, 58]. Defendant Sjoblom filed a Motion to Dismiss on November 13, 2014. [Receiver Action, ECF No. 61]. The Receiver and OSIC filed a Joint Response to Defendants' Motions to Dismiss on December 2, 2014. [Receiver Action, ECF No. 63].

21. On June 23, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss the Original Complaint in the Receiver Action, dismissing the claim for aiding and abetting fraudulent transfers but declining to dismiss the other claims against Chadbourne. [Receiver Action, ECF No. 79]. Defendants filed their Answers in the Receiver Litigation in August 2015. [Receiver Action, ECF Nos. 83, 85, 87].

D. Examiner Involvement in Actions

22. In my capacity as the OSIC Chair, I have worked closely with the Receiver, his counsel, OSIC's counsel, and putative class counsel to coordinate the prosecution of claims against third parties for the benefit of the Receivership Estate and Stanford Investors, including the claims asserted in the Investor Action and the Receiver Action.

23. In that regard, I have been involved, as Chair of OSIC, in the OSIC's prosecution of the Proskauer Claims in the Receiver Action.

24. OSIC's counsel at NF, CS, and SP have spent several years and thousands of hours investigating and pursuing the claims asserted in the Receiver Action. The

materials reviewed by OSIC's counsel included, among other materials, thousands of pages of SEC and other investigation materials, thousands of pages of deposition and trial testimony from the prosecution of Allen Stanford and others, thousands of emails of Stanford and Chadbourne personnel, and hundreds of boxes of materials, including Chadbourne materials and files, that the Receiver secured from Stanford's various offices and law firms.

25. Two mediation sessions were held with Chadbourne to address the Proskauer Claims. The first was held in Dallas in 2014, facilitated by the Hon. Harlan Martin. The Examiner did not attend that mediation session but communicated throughout it with the Receiver and with OSIC's counsel. The second mediation session was held in California in December 2015, facilitated by the Hon. Layn R. Phillips and Gregory Lindstrom, Esq. As OSIC's Chair, I participated in that second mediation session. In addition to myself, the plaintiffs in the Investor Action and the Receiver Action were represented by a number of class representative plaintiffs, including Samuel Troice and Manuel Canabal, and by attorneys from NF (Pat Neligan and Doug Buncher), CS (Ed Snyder), and SP (Ed Valdespino).

26. Despite a full day mediation that went late into the night, the parties were unable to reach a resolution. Negotiations continued between and among the parties continued following the second mediation session. In February 2016, Chadbourne, the Receiver, the OSIC and the Investor Plaintiffs reached agreement resulting in the Chadbourne Settlement.

27. In my capacity as Chair of the OSIC, I was involved in the negotiations that followed the second mediation session and in the negotiations that led to the drafting and execution of the Chadbourne Settlement Agreement. The parties executed the Chadbourne Settlement Agreement on February 25, 2016. The Chadbourne Settlement Agreement calls for Chadbourne to pay \$35 million to settle the Proskauer Claims asserted against Chadbourne in the Investor Action and the Receiver Action.

E. Examiner's Opinion Concerning the Chadbourne Settlement and The Payment of Attorneys' Fees

28. It is my opinion that the settlement the Receiver, the OSIC and the putative class plaintiffs reached with Chadbourne is fair and reasonable, in the best interests of the Stanford Receivership estate and the Stanford Investors, and should be approved by the Court. My opinion is based upon my involvement in the investigation and prosecution of the claims asserted in the Investor Action and the Receiver Action, the risks, uncertainty and the length of time it would take to get to trial in both of those actions, and the Fifth Circuit's recent *Troice* decision. *Troice v. Proskauer Rose LLP*, ___ F.3d ___, No. 15-10500, 2016 WL 929476 (5th Cir. Mar. 10, 2016).

29. The Receiver and the OSIC have agreed in principal with putative class counsel and the named Plaintiffs in the Investor Action that any proceeds recovered from the Receiver Action or the Investor Action will be distributed through the Receiver's existing (and already approved and operating) mechanism for identifying and approving claims and making distributions. Using the Receiver's existing process will be far more

efficient, and likely result in larger distributions to Stanford Investors, than the alternative of creating one or more parallel claim and distribution process(es) for class actions.

30. As noted above, the OSIC entered into a Revised Fee Agreement with CS, NF, and SP that provided for the payment of a contingent fee of twenty-five percent (25%) of the Net Recovery realized in respect of the Proskauer Claims.

31. The Court has previously approved a contingent fee arrangement between OSIC and its counsel that provides for the payment of a 25% contingent fee on net recoveries from certain lawsuits prosecuted by OSIC.⁴ Civil Action No. 3:09-CV-0298-N, Doc. No. 1267.

32. The Revised Fee Agreement entered between OSIC and its counsel here (NF, CS, and SP) was modeled after the contingency fee agreement already approved by the Court in the primary receivership proceeding. Civil Action No. 3:09-CV-0298-N, Doc. No. 1267.

33. For the same reasons the Court previously found the twenty-five percent (25%) contingency fee agreement between the OSIC and its counsel to be reasonable, *see id.*, p. 2, the Court should find the twenty-five percent (25%) contingency fee applicable to the settlement with Chadbourne to be reasonable and approve it for payment.

34. It is my opinion that the attorneys' fee requested is reasonable in comparison to the total net amount to be recovered for the benefit of the Stanford Investors. The twenty-five percent (25%) contingency fee was heavily negotiated

⁴ The referenced Order addressed the OSIC's prosecution of certain fraudulent transfer and unjust enrichment actions.

between OSIC and its Counsel, and is substantially below the typical market rate contingency fee percentage of 33% to 40% that most law firms would demand to handle cases of this complexity and magnitude.

35. I respectfully submit that an award of attorneys' fees equal to twenty-five percent (25%) of the Net Recovery from the settlement with Chadbourne is reasonable and appropriate considering the significant time, effort, and resources which OSIC's counsel have invested in investigating the Stanford fraud, prosecuting and resolving the Proskauer Claims with respect to Chadbourne, and prosecuting the other Stanford-related litigation.

Executed on April 18, 2016.



John J. Little