

**IN THE UNITED STATES DISTRICT COURT
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

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”) and the Official Stanford Investors Committee (the “Committee”) (the Receiver and the Committee, collectively, the “Movants”), have reached an agreement (the “Settlement Agreement”) to settle all claims asserted or that could have been asserted against Trustmark National Bank (“Trustmark”) in *Rotstain, et al. v. Trustmark National Bank, et al.*, Civil Action No. 4:22-cv-00800 (S.D. Tex.) (the “Rotstain Litigation”), *Jackson, et al. v. Cox, et al.*, Civil Action No. 3:10-cv-00328-N (N.D. Tex.) (the “Jackson Litigation”), or *Smith, et al. v. Independent Bank, et al.*, Civil Action No. 4:20-cv-00675 (S.D. Tex.) (the “Smith Litigation”) (the Rostain Litigation, the Jackson Litigation, and the Smith Litigation are referred to collectively herein as the “Litigation”).

PLEASE TAKE FURTHER NOTICE that the Movants have filed an Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Trustmark, to Approve the Proposed Notice of Settlement with Trustmark, to Enter the Bar Order, and to Enter the Rule 54(b) Final Judgment and Bar Order (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. 3219), 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 Lara Richards at lrichards@fishmanhaygood.com; or by telephone, by calling (504) 586-5252. 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 including Stanford Investors,² Plaintiffs,³ Claimants,⁴ and Joint Liquidators⁵ from pursuing Settled Claims,⁶ including claims you may possess, against Trustmark.

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; the Joint Liquidators; the Jackson Investor Plaintiffs; 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.

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

³ “Plaintiffs” means the Receiver, the Committee, the individual plaintiffs in the Rostain Litigation (Guthrie Abbott, Steven Queyrouze, Salim Estefenn Uribe, Sarah Elson-Rogers, Diana Suarez, and Ruth Alfille de Penhos), and each of the plaintiffs in the Smith Litigation.

⁴ “Claimants” means any Persons who have submitted a Claim to the Receiver or to the Joint Liquidators.

⁵ “Joint Liquidators” means Hugh Dickson and Mark McDonald, 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 or predecessors.

⁶ “Settled Claim” generally means any action, cause of action, suit, liability, claim, right of action, right of levy or attachment, 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

PLEASE TAKE FURTHER NOTICE that the settlement amount is one hundred million U.S. dollars (\$100,000,000.00) (the “Settlement Amount”). The Settlement Amount, less any fees and costs awarded by the Court to the attorneys for Plaintiffs and expenses paid by the Receiver (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 the SEC Action (*see* subparagraph f below).

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

The material terms of the Settlement Agreement include the following:

- a) Trustmark will pay \$100 million, which will be deposited with the Receiver as required pursuant to the Settlement Agreement;
- b) Plaintiffs will fully release the Trustmark Released Parties⁷ from Settled Claims, *e.g.*, claims arising from or relating to Robert Allen Stanford, the

with any one or more of the Stanford Entities; (iii) Trustmark’s relationship with any one or more of the Stanford Entities and/or any of their personnel or any Person acting by, through, or in concert with any Stanford Entity; (iv) Trustmark’s or any of the Trustmark Released Parties’ provision of services to or for the benefit of or on behalf of any one or more 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 Litigation, or any proceeding concerning any of 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. *See* Paragraph 16 of the Settlement Agreement for a complete definition of Settled Claim. (ECF No. 3219.)

⁷ “Trustmark Released Parties” generally means Trustmark National Bank and all of its predecessor banks, including without limitation Republic National Bank, and, for each of the foregoing, all of their respective past and present subsidiaries, parents, predecessors, affiliates, related entities and divisions, and all of the foregoings’ 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. *See* Paragraph 22 of the Settlement Agreement for a complete definition of Trustmark Released Parties. (ECF No. 3219.)

Stanford Entities,⁸ or any conduct by the Trustmark Released Parties relating to Robert Allen Stanford or the Stanford Entities, with prejudice;

- c) The Settlement Agreement seeks entry of a Judgment and Bar Order in the Jackson Litigation, and entry of a Bar Order in the SEC Action, each of which permanently enjoins, among others, Interested Parties, including all Stanford Investors, Investor Plaintiffs, and Claimants, from bringing, encouraging, assisting, continuing, or prosecuting, against Trustmark or any of the Trustmark Released Parties, the Litigation, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature, including, without limitation, contribution or indemnity claims, arising from or relating to a Settled Claim;
- d) The Committee and the Rotstain Investor Plaintiffs will fully and finally dismiss their claims against Trustmark in the Rotstain Litigation with prejudice. The Smith Investor Plaintiffs will fully and finally dismiss their claims against Trustmark in the Smith Litigation with prejudice.
- e) 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 websites maintained by the Examiner (www.lpf-

⁸ “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. 3219); and 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.

[law.com/examiner-stanford-financial-group/](http://www.stanfordfinancialreceivership.com)) and the Receiver (<http://www.stanfordfinancialreceivership.com>);

- f) The Receiver will develop and submit to the Court for approval a plan for distributing the Net Settlement Amount (the “Distribution Plan”);
- g) 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;
- h) Persons who accept funds from the Settlement Amount will, upon accepting the funds, fully release the Trustmark Released Parties from any and all Settled Claims; and
- i) The Litigation will be dismissed with prejudice as to Trustmark, with each party bearing its own costs and attorneys’ fees.

Attorneys for the Plaintiffs seek a fee award based upon 25% of the Settlement Amount, pursuant to 25% contingency fee agreements with the Plaintiffs. Twenty-Five percent of the net recovery from the Settlement is to be calculated but shall not exceed \$25,000,000.00.

The final hearing on the Motion is set for Wednesday May 3, 2023 (the “Final Approval Hearing”). Any objection to the Settlement Agreement or its terms, the Motion, the Judgment and Bar Order, the Bar Order, or the request for approval of the Plaintiffs’ attorneys’ fees must be filed, in writing, with the Court in the SEC Action no later than Wednesday April 12, 2023 with such written objection complying with the requirements of Paragraph 4 of the Scheduling Order (ECF No. 3220) in the SEC Action. 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.