

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

SECURITIES AND EXCHANGE	§	
COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Civil Action No. 3:09-cv-00298-N
	§	
STANFORD INTERNATIONAL BANK,	§	
LTD., <i>et al.</i> ,	§	
	§	
Defendants.	§	

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**NOTICE OF SETTLEMENT AND BAR ORDER PROCEEDINGS**

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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 The Toronto-Dominion Bank (“TD Bank”) in *Rotstain, et al. v. Trustmark National Bank, et al.*, Civil Action No. 4:22-cv-00800 (S.D. Tex.) (the “Rotstain 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 TD Bank, to Approve the Proposed Notice of Settlement with TD Bank, to Enter the Bar Order, and For Plaintiffs’ Attorneys’ Fees and Expenses (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 Nos. 3246, 3247), 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/](http://www.lpf-law.com/examiner-stanford-financial-group/)). Copies of these documents may also be requested by email, by sending the request to Peter Morgenstern at [morgenstern@butzel.com](mailto:morgenstern@butzel.com); or by telephone, by calling (212) 818-1110. 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,<sup>1</sup> including Stanford Investors,<sup>2</sup> Plaintiffs,<sup>3</sup> Claimants,<sup>4</sup> and Joint Liquidators<sup>5</sup> from pursuing Settled Claims,<sup>6</sup> including claims you may possess, against TD Bank.

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<sup>1</sup> “Interested Parties” means the Receiver; the Receivership Estate; the Committee; the members of the Committee; the Plaintiffs; the Rotstain Investor Plaintiffs; the Stanford Investors; the Claimants; the Examiner; the Joint Liquidators; 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.

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

<sup>3</sup> “Plaintiffs” means the Receiver, the Committee, and the Rotstain Investor Plaintiffs. The Rotstain Investor Plaintiffs are the individual plaintiffs in the *Rotstain* Litigation (Guthrie Abbott, Steven Queyrouze, Salim Estefenn Uribe, Sarah Elson-Rogers, Diana Suarez, and Ruth Alfille de Penhos).

<sup>4</sup> “Claimants” means any Persons who have 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 or the Joint Liquidators, 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 or the Joint Liquidators have 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.

<sup>5</sup> “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 SIBL or any of their successors or predecessors.

<sup>6</sup> “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

PLEASE TAKE FURTHER NOTICE that the settlement amount is one billion two hundred five million U.S. dollars (\$1,205,000,000.00) (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) TD Bank will pay one billion two hundred five million U.S. dollars, which will be deposited with the Receiver as required pursuant to the Settlement Agreement;
- b) Plaintiffs will fully release the TD Bank Released Parties<sup>7</sup> from Settled Claims, *e.g.*, claims arising from or relating to Robert Allen Stanford, the Stanford

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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 associated with any of the Stanford Entities; (iii) TD Bank’s relationships with any of the Stanford Entities and/or any of their personnel; (iv) TD Bank’s provision of services to or for the benefit of or on behalf of any 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 *Rotstain* Litigation, the *Smith* Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. “Settled Claims” includes all claims arising out of or related to the facts, circumstances, and allegations in the Complaints. “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 (“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, that govern or limit the release of unknown or unsuspected claims, including, without limitation, California Civil Code § 1542. *See* Paragraph 17 of the Settlement Agreement for a complete definition of Settled Claim. (ECF No. 3247 at 16–17.)

<sup>7</sup> “TD Bank Released Parties” means TD Bank and its counsel. TD Bank 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. *See*

Entities,<sup>8</sup> or any conduct by the TD Bank Released Parties relating to Robert Allen Stanford or the Stanford Entities, with prejudice;

- c) The Settlement Agreement seeks entry of a Bar Order in the SEC Action, which permanently enjoins, among others, Interested Parties, including all Stanford Investors, Rotstain Investor Plaintiffs, and Claimants, from bringing, encouraging, assisting, continuing, or prosecuting, against TD Bank or any of the TD Bank Released Parties, the *Rotstain* Litigation, the *Smith* 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 TD Bank in the *Rotstain* Litigation with prejudice. The *Smith* Litigation will be dismissed as against TD Bank with prejudice pursuant to the Bar Order in the SEC Action.
- 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 ([---

Paragraph 22 of the Settlement Agreement for a complete definition of TD Bank Released Parties. \(ECF No. 3247 at 18.\)](http://www.lpf-</a></li></ul></div><div data-bbox=)

<sup>8</sup> “Stanford Entities” means Robert Allen Stanford; James M. Davis; Laura Pendergest-Holt; Gilbert Lopez; Mark Kuhrt; Leroy King; SIBL; Stanford Group Company; Stanford Capital Management, LLC (collectively, the “Stanford SEC Defendants”); Stanford Financial Group Ltd.; Bank of Antigua Limited; Stanford Bank (Panama), S.A.; the entities listed in Exhibit C to the Settlement Agreement (ECF No. 3247 at 60–64); and all entities the Stanford SEC Defendants owned or controlled as of February 16, 2009.

[law.com/examiner-stanford-financial-group/](http://www.law.com/examiner-stanford-financial-group/)) 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, further evidence their release of the TD Bank Released Parties from any and all Settled Claims; and
- i) The *Rotstain* Litigation and the *Smith* Litigation will be dismissed with prejudice as to TD Bank, with each party bearing its own costs and attorneys’ fees.

Attorneys for the Plaintiffs seek a fee award of \$100 million, which represents 8.3% of the Settlement Amount.

The final hearing on the Motion is set for August 8, 2023 at 9:30 a.m. 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 (the “Final Approval Hearing”). Any objection to the Settlement Agreement or its terms, the Motion, 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 July 18, 2023 with such written objection complying with the requirements of Paragraph 4 of the Scheduling Order (ECF No. 3258) 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.