

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

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

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

Defendants.

Case No. 3:09-CV-0298-N

**SCHEDULING ORDER**

WHEREAS, on the one hand, (i) Ralph S. Janvey, solely in his capacity as Receiver for the Receivership Estate; (ii) the Official Stanford Investors Committee (the “OSIC”); and (iii) Horacio Mendez and Philip Wilkinson (the “Investor Plaintiffs”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, (iv) Adams & Reese LLP (“A&R”), Robert C. Schmidt (“Schmidt”) and James R. Austin (“Austin”) (collectively, the “A&R Parties”), (v) Breazeale, Sachse & Wilson, LLP (“BSW”) (vi) Cordell Haymon (“Haymon”) and (vi) Lynette Frazer, individually and as independent executrix of the estate of Thomas L. Frazer (“Frazer”) (the A&R Parties, BSW, Haymon and Frazer are collectively referred to herein as the “Settling Defendants”) (Plaintiffs, on the one hand, and the Settling Defendants, on the other hand, are referred to in this Agreement individually as a “Party” and together as the “Parties”) have entered into an Amended Stipulation and Settlement Agreement (the “Agreement”), which provides for a settlement (the “Settlement”) of all claims, disputes and issues between them, including but not limited to the claims asserted in Civil Action No. 3:12-CV-00495-B, *Ralph S. Janvey, et al. v. Adams & Reese*

*LLP, et al.* (N.D. Tex.) (the “Receiver Lawsuit”) and Civil Action No. 3:11-CV-00329-BL, *The Official Stanford Investors Committee, et al. v. Adams & Reese, et al.* (N.D. Tex.) (the “Investor Lawsuit”) (together with the Receiver Lawsuit, the “STC Lawsuits”), in consideration of A&R’s payment to the Plaintiffs of \$1 million, BSW’s payment to the Plaintiffs of \$1,530,000, BSW’s release of the \$198,165.49 currently being held in escrow by BSW, pursuant to that certain Escrow Agreement between Stanford Group Company and SBL Capital Corporation, dated March 27, 2008, which designates BSW as Escrow Agent, to the Receiver, or his authorized and designated representative, Haymon’s payment to the Plaintiffs of \$2 million, and Frazer’s payment to the Plaintiffs of \$175,000 (the “Settlement Amounts”);

Whereas Plaintiffs have filed an Expedited Motion for Entry of Scheduling Order and Motion For Order Approving Proposed Settlement with Adams & Reese Parties, Breazeale, Sachse & Wilson, LLP, Cordell Haymon and Lynette Frazer and for Entry of Bar Order, Approving Notice and Entry of Scheduling Order, and Approving Attorneys’ Fees (the “Motion to Approve”) in the above-referenced Stanford receivership proceeding (Civil Action No. 3:09-cv-0298) (the “Receivership Action”);

WHEREAS, the Receiver plans to include the Settlement Amounts, contingent on the Settlement becoming effective, minus attorneys’ fees, payment to putative class representatives, expenses, and costs, together with other funds that will be distributed pursuant to a Distribution Plan that the Receiver expects will be substantially similar to the Plan approved by this Court in its Order Approving Receiver’s Second Interim Distribution Plan [*see* Doc. 2037], which distributed funds on a pro rata basis to investors in SIBL CDs who have allowed claims in the Receivership Action;

WHEREAS, unless otherwise defined in this order (the “Scheduling Order”), the capitalized terms in this Scheduling Order shall have the same meanings as they have in the Agreement, which is attached as Exhibit 1 to the Appendix in Support of the Motion to Approve. Copies of the Motion to Approve and supporting papers may be obtained from the Court’s docket in the Receivership Action (ECF Nos. 2134 and 2135) and are also available on the official 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/)).;

WHEREAS, on May 12, 2015, in the Motion to Approve, the Parties have moved for an order to, *inter alia*: (i) provide for notice of the Agreement, the Settlement, and the Bar Order; (b) set the Objection Deadline by which objections to the Agreement, the Settlement, and the Bar Order must be filed and served; (iii) set a date by which the Parties may file responses to any such objections; and (iv) provide for a Hearing on the Agreement, the Settlement, and the Bar Order, and any objections;

WHEREAS, the Court has considered all arguments made and all papers filed in connection with the foregoing motion;

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as follows:

1. Hearing: A Hearing on the Motion to Approve is scheduled to be held before the Honorable David C. Godbey in the United States District Court for the Northern District of Texas, United States Courthouse, 1100 Commerce Street, Dallas, Texas 75242, in Courtroom 1505, at 10:00 a.m. on July 31, 2015, which is a date at least sixty calendar days after entry of this Scheduling Order. The purposes of the Hearing will be: (i) to determine whether the Agreement and the Settlement it describes, should be finally approved by the Court; (ii) to

determine whether the Order Approving Settlement and Entering Final Bar Order and Injunction attached as Exhibit A to the Agreement, should be entered by the Court; (iii) to rule upon any objections to the Settlement, the Agreement or the Bar Order and Injunction; and (iv) to rule upon such other matters as the Court may deem appropriate.

2. Preliminary Approval: The Court preliminarily finds that the Settlement is fair and reasonable based upon the Court's review of the Motion to Approve and the Agreement, and the accompanying appendix and exhibits. The Court will make a final determination with respect to the approval of the Settlement at the Hearing referenced in Paragraph 1. The Court reserves the right to approve the Agreement and the Settlement, and to enter the Bar Order and Injunction, at or after the Hearing, with such modifications as may be consented to by the Parties, and without further notice other than that which may be posted by means of the Court's electronic case file system ("ECF") in this action.

3. Notice: The Court finds that the methodology, distribution, and dissemination of Notice described in the Agreement (i) constitute the best practicable notice; (ii) constitute notice that is reasonably calculated, under the circumstances, to apprise all interested parties of the Settlement and its effects, including the releases, the Bar Order and Injunction provided under its terms, and all rights to object to the Agreement, the Settlement, or the Bar Order and Injunction, and to appear at the Hearing; (iii) are reasonable and constitute due, adequate, and sufficient notice; (iv) 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 (v) will provide to all Persons a full and fair opportunity to be heard on these matters. OSIC and the Receiver are hereby ordered to:

a. no later than thirty (30) calendar days after entry of this Scheduling Order, cause the Notice to be given as set forth in Paragraph 8 of the Agreement;

b. no later than fifteen (15) calendar days after entry of this Scheduling Order, cause this Scheduling Order, the Notice, the Motion to Approve and the Agreement, together with all appendices and exhibits, to be posted on the websites of the Receiver (<http://stanfordfinancialreceivership.com>), the Examiner (<http://lpf-law.com/examiner-stanford-financial-group>), and the Receiver's claims agent (<http://www.stanfordfinancialclaims.com>).

c. promptly provide this Scheduling Order, the Notice, the Motion to Approve and the Agreement, together with all appendices and exhibits, to any Person who requests such documents via email to Ruth Clark, at [rclark@neliganlaw.com](mailto:rclark@neliganlaw.com), a paralegal at Neligan Foley LLP, counsel to the Receiver; and

f. at or before the Hearing, provide the Court with written evidence of compliance with paragraph 3(a)-(e) of this Scheduling Order, which may be in the form of an affidavit or affirmation.

4. Objections and Appearances at the Hearing: Any interested party who opposes the Agreement, the Settlement, or the Bar Order and Injunction, or wishes to appear at the Hearing, shall, no later than twenty-one (21) calendar days before the hearing (the "Objection Deadline"):

a. file in this action by ECF, or instead in writing with the Clerk of the United States District Court for the Northern District of Texas, 1100 Commerce Street, Dallas, Texas 75242, an objection that:

i. is signed;

ii. contains the name, address, telephone number, and, if available, e-mail address of the objector;

iii. contains the name, address, telephone number, and e-mail address of any attorney representing the objector in this matter;

iv. states whether the objector, or, if applicable, the objector's attorney, wishes to be heard orally at the Hearing;

v. states in detail the basis for the objection;

vi. attaches any documents the objector wants the Court to consider;

and

b. serve copies of such objection by ECF, or instead by e-mail or first class mail upon each of the following:

Douglas J. Pepe  
Jeffrey H. Zaiger  
JOSEPH HAGE AARONSON LLC  
485 Lexington Avenue, 30<sup>th</sup> Floor  
New York, NY 10017  
(212) 407-1200  
(212) 407-1299 (Facsimile)  
Email: dpepe@jhany.com  
jzaiger@jhany.com

and

Charles L. Babcock  
Kurt A. Schwarz  
JACKSON WALKER L.L.P.  
Texas State Bar No. 17871550  
kschwarz@jw.com  
901 Main Street, Suite 6000  
Dallas, Texas 75202  
(214) 953-6000  
(214) 953-5822 (Facsimile)  
Email: cbabcock@jw.com  
kschwarz@jw.com

and

Thomas A. Culpepper  
Stephen Richman  
THOMPSON, COE, COUSINS & IRONS, L.L.P.  
700 N. Pearl Street – 25<sup>th</sup> Floor  
Dallas, Texas 75201-2832  
(214) 871-8200  
(214) 871-8209 (Facsimile)  
Email: tculpepper@thompsoncoe.com  
srichman@thomspconcoe.com

and

Douglas J. Buncher  
Neligan Foley LLP  
325 N. St. Paul, Suite 3600  
Dallas, TX 75201  
Telephone: (214) 840-5320  
Facsimile: (214) 840-5301  
Email: dbuncher@neliganlaw.com

and

Edward C. Snyder  
Castillo & Snyder PC  
Bank of America Plaza  
300 Convent Suite 1020  
San Antonio, Texas 78205-3789  
Telephone: (210) 630-4214  
E-mail: esnyder@casnlaw.com

An objector shall be deemed to have submitted to the jurisdiction of this Court for all purposes related to the objection, the Agreement, the Settlement, and the Bar Order and Injunction. 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 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 Hearing or take any other action to indicate their approval.

5. Responses to Objections: No later than seven (7) calendar days before the Hearing, the Parties to the Agreement shall (i) file by ECF in this action any responses to any objections, and (ii) to the extent any objector filed and served an objection by the Objection Deadline in compliance with paragraph 4 of this Scheduling Order other than by ECF, serve such responses upon such objector by first class mail and e-mail, to the extent that objector has provided a mail address and an e-mail address.

6. Computing Time: All deadlines and date requirements pursuant to this Scheduling Order shall be met: (i) in the case of in-person filing with the Clerk of the Court, by filing no later than when the Clerk's office is scheduled to close, (ii) in the case of mail, by sending such mail postmarked no later than the deadline or required date, (iii) in the case of electronic filing via ECF, by electronic filing no later than 11:59 p.m. in the Court's time zone, and (iv) in the case of e-mail, by sending such e-mail no later than 11:59 p.m. in the Court's time zone. If any deadline or date requirement pursuant to this Scheduling Order falls on a Saturday, a Sunday, or a legal holiday specified in Rule 6(a)(6) of the Federal Rules of Civil Procedure, such date shall be adjourned until the next date that is not a Saturday, Sunday, or a legal holiday specified in Rule 6(a)(6) of the Federal Rules of Civil Procedure.

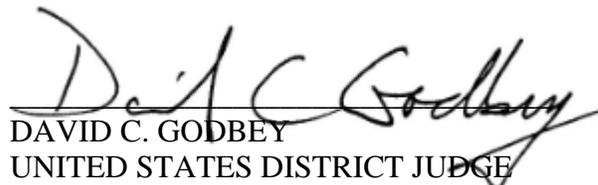
7. Adjustments Concerning Hearing and Deadlines: The date, time, and place for the Hearing, and the deadlines and date requirements in this Scheduling Order, shall be subject to adjournment or change by this Court without further notice other than that which may be posted by means of ECF in this action.

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

9. If the Settlement is approved by the Court, a separate Order Approving Settlement and Entering Bar Order and Injunction will be entered as described in the Agreement.

**IT IS SO ORDERED.**

SIGNED May 22, 2015.

  
DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE