

between the Receiver; the Committee; the Court-appointed Examiner, John J. Little;¹ Phillip A. Wilkinson and Pam Reed (the “Investor Plaintiffs”), as plaintiffs in *Philip Wilkinson, et al. v. BDO USA, LLP, et al.*, Civil Action No. 3:11-CV-01115-N (the “Investor Litigation”) (the Receiver, the Committee, and the Investor Plaintiffs are, collectively, the “Plaintiffs”); and BDO USA, LLP and other BDO entities (the “Defendants”)² as defendants in the Committee 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 “BDO Settlement Agreement”).

In the Motion, the Receiver and the Committee seek the Court’s approval of the terms of the BDO Settlement, including entry of a bar order in the SEC Action (the “Bar Order”) and a final judgment and bar order in the Committee Litigation (the “Judgment and Bar Order”). After reviewing the terms of the BDO Settlement and considering the arguments presented in the Motion, the Court preliminarily approves the BDO Settlement as adequate, fair, reasonable, and equitable. Accordingly, the Court enters this scheduling order to (i) provide for notice of the terms of the BDO Settlement, including the proposed Bar Order in the SEC Action and the proposed Judgment and Bar Order in the Committee Litigation; (ii) set the deadline for a Stanford Investor with an Outstanding Claim to submit that claim to the Receiver; (iii) set the deadline for filing objections to the BDO Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs’ request for approval of Plaintiffs’ attorneys’ fees; (vi) set the deadline for responding to any objection so filed; and (v) set the date of the Final Approval Hearing regarding

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

² BDO International Ltd. (“BDO International”), BDO Global Coordination, B.V. (“BDO Global”), and Brussels Worldwide Services BVBA (“Brussels Worldwide”).

the BDO Settlement, the Bar Order in the SEC Action, the Judgment and Bar Order in the Committee Litigation, and Plaintiffs' request for approval of Plaintiffs' attorneys' fees, as follows:

1. Preliminary Findings on Potential Approval of the BDO Settlement: Based upon the Court's review of the terms of the BDO Settlement Agreement, the arguments presented in the Motion, and the Motion's accompanying appendices and exhibits, the Court preliminarily finds that the BDO Settlement is fair, reasonable, and equitable; has no obvious deficiencies; and is the product of serious, informed, arm's-length negotiations. The Court, however, reserves a final ruling with respect to the terms of the BDO 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 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 August 28, 2015, 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 BDO Settlement should be approved by the Court; (ii) determine whether the Bar Order attached as Exhibit C to the BDO Settlement Agreement should be entered by the Court in the SEC Action; (iii) determine whether the Judgment and Bar Order attached as Exhibit D to the BDO Settlement Agreement should be entered by the Court in the Committee Litigation; (iv) rule upon any objections to the BDO 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 E to the BDO 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 BDO 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 BDO 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 H to the BDO 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 E to the BDO 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 MDL No. 2099, *In re: Stanford Entities Securities Litigation* (N.D. Tex.) (the “MDL”), the SEC Action, the Investor Litigation, or the Committee 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 Committee 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 H to the BDO 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 BDO 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 BDO 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 BDO 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 Ruth Clark, a paralegal at Neligan Foley, LLP, at rclark@neliganlaw.com, or via telephone by calling Ruth Clark at 214-840-5315. 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 BDO 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 August 7, 2015. 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 BDO 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:

James R. Nelson
Email: jr.nelson@dlapiper.com
Karl G. Dial
Email: karl.dial@dlapiper.com
DLA PIPER LLP (US)
1717 Main Street, Suite 4600
Dallas, TX 75201
Telephone: (214) 743-4500

and

Michael S. Poulos
DLA PIPER LLP (US)
203 N. LaSalle Street, Suite 1900
Chicago, IL 60601
Telephone: (312) 368-4000
Email: michael.poulos@dlapiper.com

and

Douglas J. Buncher
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and

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and

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and

Kevin Sadler
Baker Botts
1001 Page Mill Road
Building One, Suite 200
Palo Alto, California 94304-1007
Email: 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 BDO 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 BDO Settlement may respond to an objection filed pursuant to Paragraph 4 by filing a response in the SEC Action no later than August 21, 2015. 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. Submission of Outstanding Claims: Any Person who had funds on deposit at Stanford International Bank, Ltd. ("SIBL") and/or was holding a certificate of deposit ("CD") issued by SIBL as of February 16, 2009 ("Stanford Investor"), and who previously has not

submitted a Claim (defined below) to either the Receiver or the Joint Liquidators (“Outstanding Claim”), may seek to receive funds from the BDO Settlement under the terms of the proposed Distribution Plan and potentially to participate in future distributions of funds obtained by the Receivership as a result of future litigation settlements or recoveries, by submitting to the Receiver a Proof of Claim Form substantially in the form of the document attached as Exhibit B to the BDO Settlement Agreement, by the seventy-fifth (75th) day after entry of this Scheduling Order (the “Outstanding Claim Deadline”). A “Claim” is a Person’s potential or asserted right to receive funds from the Receivership Estate arising from or relating to the deposit of funds in or the purchase of a CD from SIBL. The Receiver will review and consider all Proof of Claim Forms on Outstanding Claims submitted prior to the Outstanding Claim Deadline and will determine each such Outstanding Claim, including whether to allow the Outstanding Claim. Submitting a Proof of Claim Form does not guarantee that the Outstanding Claim will be allowed or that a Stanford Investor will receive any funds. The Receiver will also prepare and submit to the Court for approval a Distribution Plan for the proceeds from the BDO Settlement, but only after the BDO Settlement is approved by the Court and becomes effective under its own terms.

Any Stanford Investor who has not yet submitted a Claim to the Receiver or to the Joint Liquidators and who fails to submit a Proof of Claim Form for an Outstanding Claim before the Outstanding Claim Deadline will, if the BDO Settlement is approved, be forever barred, estopped, and enjoined from asserting any claim, in any manner, against the BDO Released Parties arising from or relating to the Stanford Entities or the Stanford Receivership. Such a Stanford Investor will also be excluded from distributions under the Distribution Plan and any

other future distributions of funds obtained by the Receivership as a result of future litigation settlements or recoveries.

7. 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 Committee Litigation.

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

9. Entry of Injunction: If the Settlement is approved by the Court, the Court will also enter the Bar Order in the SEC Action and the Judgment and Bar Order in the Committee Litigation. If entered, each order will permanently enjoin Interested Parties, including Stanford Investors and Claimants, from pursuing Settled Claims against the BDO Released Parties.


10. Stay of Proceedings: The Committee Litigation and the Investor Litigation are hereby stayed except to the extent necessary to give effect to the BDO Settlement.

11. Use of Order: Under no circumstances shall this Scheduling Order be construed, deemed, or used as an admission, concession, or declaration by or against the Defendants 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 BDO 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 BDO Settlement or the terms of this Scheduling Order.

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

IT IS SO ORDERED.

SIGNED May 22, 2015.


DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE