



3.	Declaration of Edward C. Snyder in Support of Receiver and OSIC's Motion for Order Approving Proposed Settlement with Bowen Miclette & Britt, to Enter the Bar Order, and to Enter the Final Judgment and Bar Order
4.	Declaration of Examiner John J. Little
5.	Declaration of Judith R. Blakeway in Support of Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with the BMB Defendants, to Enter the Bar Order and to Enter the Final Judgment and Bar Orders and to Enter the Notice of Bar Order

Dated: September 28, 2016

Respectfully submitted,

**STRASBURGER & PRICE, LLP**

2301 Broadway  
San Antonio, Texas 78215  
Telephone: (210) 250-6004  
Facsimile: (210) 258-2706

BY: s/ Judith R. Blakeway  
JUDITH R. BLAKEWAY  
State Bar No. 02434400  
[judith.blakeway@strasburger.com](mailto:judith.blakeway@strasburger.com)

**STRASBURGER & PRICE, LLP**

901 Main Street, Suite 4400  
Dallas, Texas 75202  
Telephone: (214) 651-4300  
Facsimile: (214) 651-4330  
DAVID N. KITNER  
State Bar No. 11541500  
[david.kitner@strasburger.com](mailto:david.kitner@strasburger.com)

**COUNSEL FOR THE PLAINTIFFS**

**CASTILLO SNYDER, P.C.**

300 Convent Street, Suite 1020  
San Antonio, Texas 78205  
Telephone: (210) 630-4200  
Facsimile: (210) 630-4210

EDWARD C. SNYDER  
State Bar No. 00791699  
[esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)  
JESSE R. CASTILLO  
State Bar No. 03986600  
[jcastillo@casnlaw.com](mailto:jcastillo@casnlaw.com)

**NELIGAN FOLEY, LLP**

Republic Center  
325 N. St. Paul, Suite 3600  
Dallas, Texas 75201  
Telephone: (214) 840-5320  
Facsimile: (214) 840-5301  
DOUGLAS J. BUNCHER  
State Bar No. 03342700  
[dbuncher@neliganlaw.com](mailto:dbuncher@neliganlaw.com)

**CERTIFICATE OF SERVICE**

I hereby certify that on this 28th day of September, 2016, I electronically filed the foregoing document with the Clerk of the Court, using the CM/ECF system, which will send notification of such filing to all counsel of record.

I further certify that on 28th day of September, 2016, I served a true and correct copy of the foregoing document via United States Postal Certified Mail, Return Receipt required to the persons noticed below who are non-CM/ECF participants:

R. Allen Stanford, Pro Se      Certified Mail Return Receipt Req.  
Inmate #35017183  
Coleman II USP  
Post Office Box 1034  
Coleman, FL 33521

By: /s/ Judith R. Blakeway  
Judith R. Blakeway

# APPENDIX 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 Receiver for the Receivership Estate (as defined herein); (ii) the Official Stanford Investors Committee (the “Committee”); and (iii) Samuel Troice, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferreiro and Promotora Villa Marino, C.A. (the “Investor Plaintiffs”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as “Plaintiffs”); and, on the other hand, (iv) Bowen, Miclette & Britt, Inc. (“BMB”); and (v) Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, deceased (“Winter”) (BMB and Winter are collectively referred to as the “BMB Defendants”) (Plaintiffs, on the one hand, and the BMB Defendants, 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 Securities and Exchange Commission (the “SEC”) filed Civil Action No. 3:09-cv-00298-N, *Securities and Exchange Commission v. Stanford International Bank, Ltd., et al.* (N.D. Tex.) (the “SEC Action”), alleging that Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, and Stanford Financial Group (the “Stanford 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 assumed exclusive jurisdiction and took possession of the assets, monies, securities, properties, real and personal, tangible and intangible, of whatever kind and description, wherever located, of the Stanford Defendants and

all entities they owned or controlled (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 Stanford Defendants, or issued by the Stanford Defendants and in the possession of any agent or employee of the Stanford Defendants (the “Receivership Records”);

**WHEREAS**, in that same order (ECF No. 10), Ralph S. Janvey was appointed Receiver (the “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 S. 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 of the Stanford Defendants;

**WHEREAS**, John J. 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), to represent the 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. (the “Stanford Investors”);

**WHEREAS**, by that same order (ECF No. 1149), 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 July 2, 2009, certain of the Investor Plaintiffs filed Civil Action No. 3:09-cv-01274-L (N.D. Tex.), *Samuel Troice, Martha Diaz, Paula Gilly-Flores and Punga Punga Financial, Ltd. v. Willis of Colorado Inc., et al.* (the “Troice Litigation”), alleging, *inter alia*, that the BMB Defendants aided and abetted violations of the Texas Securities Act (the “TSA”), participated in a fraudulent scheme and a conspiracy, were negligent and grossly negligent, negligently retained personnel, and negligently supervised personnel;

**WHEREAS**, on August 6, 2009, the remaining Investor Plaintiffs filed Civil Action No. 3:09-cv-01474-D (N.D. Tex), *Manuel Canabal, Daniel Gomez Ferrero and Promotora Villa Marino, C. A., individually and on behalf of a class of all others similarly situated v. Willis of Colorado Inc., et al.* (the “Canabal Litigation”), alleging, *inter alia*, that the BMB Defendants aided and abetted violations of the TSA, participated in a fraudulent scheme, were negligent and grossly negligent, negligently retained personnel, and negligently supervised personnel;

**WHEREAS**, on December 18, 2009, the parties in the Troice Litigation and the Canabal Litigation stipulated to the consolidation of those actions (under the Troice Litigation civil action number), and, on December 31, 2009, the plaintiffs in the Canabal Litigation filed a notice of dismissal, dismissing the Canabal Litigation without prejudice;

**WHEREAS**, on October 1, 2013, the Receiver, the Committee and certain of the Investor Plaintiffs filed Civil Action No. 3:13-cv-03980-N-BG (N.D. Tex.), *Ralph S. Janvey, in his Capacity as Court-Appointed Receiver for the Stanford Receivership Estate, The Official Stanford Investors Committee, and Samuel Troice and Manuel Canabal, on their own behalf and on behalf of a class of all others similarly situated v. Willis of Colorado Inc., et al.* (the “Janvey Litigation”), alleging, *inter alia*, that the BMB Defendants aided, abetted or participated in breaches of fiduciary duty, aided, abetted or participated in fraudulent transfers, were negligent and grossly negligent, negligently retained personnel, and negligently supervised personnel;

**WHEREAS**, between July 2009 and February 2013, the BMB Defendants were named as defendants in additional actions relating to the same subject matter as the Troice Litigation, the Canabal Litigation and the Janvey Litigation, including the actions captioned: (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County) (the “*Rupert Litigation*”); (ii) *Casanova v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, filed on September 16, 2010 in the United States District Court for the Northern District of Texas (the “*Casanova Litigation*”); (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County) (the “*Rishmague Litigation*”); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County) (the “*MacArthur Litigation*”) (collectively, the “Other BMB Litigation”).

**WHEREAS**, following the death of Defendant Robert S. Winter on September 11, 2014, Paul D. Winter was appointed as the Dependent Executor of the Estate of Robert S. Winter, Deceased, and was thereafter substituted as the successor defendant to Robert S. Winter, Deceased, in the Troice Litigation, the Janvey Litigation, and the Other BMB Litigation;



**WHEREAS**, the BMB Defendants each expressly deny any and all allegations of wrongdoing, fault, liability or damages whatsoever and are entering into this Agreement to avoid the burden, expense, and risks of litigation and to achieve global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising from or related to the BMB Defendants' relationship with the Stanford Entities (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 herein);

**WHEREAS**, Plaintiffs have conducted an extensive investigation into the facts and the law relating to the Troice Litigation and the Janvey 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 the BMB Defendants under the terms set forth below is fair, reasonable, adequate, and in the best interests of Plaintiffs, the Stanford Investors, the Interested Parties, and all Persons affected by the Stanford Defendants, 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 (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41) upon the terms set forth herein;

**WHEREAS**, the Parties have engaged in extensive, good faith, arm's-length negotiations;

**WHEREAS**, absent this Settlement, the Troice Litigation, the Janvey Litigation and the Other BMB Litigation would have taken years and cost the Parties millions of dollars to litigate

to final judgment, appeals would likely have resulted, the outcome would have been uncertain and the insurance coverage available to the BMB Defendants may have been reduced or exhausted;

**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;<sup>1</sup> and

**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 from each of the BMB Defendants, 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 other than Winter have signed the Agreement, and as of the date of execution by the last Party other than Winter to sign the Agreement (the "Agreement Date").

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<sup>1</sup> 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 Troice Litigation or the Janvey Litigation.

## **II. Terms Used in this Agreement**

The following terms as used in this Agreement, the Bar Order, and the Judgments and Bar Orders 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. “BMB Released Parties” means BMB, its insurers (including, but not limited to, Endurance American Specialty Insurance Company and Great American E & S Insurance Company) and their past, present, and future, direct and indirect parents, subsidiaries, affiliates, related entities, divisions, partnerships, corporations, directors, officers, legal and equitable owners, shareholders, members, managers, principals, distributees, attorneys, trustees, general and limited partners, lenders, executors, administrators, heirs, beneficiaries, assigns, predecessors, predecessors-in-interest, successors, successors-in-interest, and reinsurers, and their past and present employees, associates, agents, and representatives, specifically including but not limited to Robert S. Winter (deceased) and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, deceased, and their respective heirs, assigns, and estates. Notwithstanding the foregoing, “BMB Released Parties” does not include any Person, other than the BMB Defendants, against whom, as of the Agreement Date, any of the Plaintiffs was asserting a claim or cause of action in any Forum, and does not include any Person who becomes employed by, related to, or affiliated with the BMB Defendants after the Agreement Date and whose liability, if any, arises out of or derives from actions or omissions unrelated to the BMB Defendants, and which occurred before such Person became employed by, related to, or affiliated with the BMB Defendants.

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 that led to the Settlement and this Agreement. Confidential Information also includes the terms of this Agreement, but only until the filing of this Agreement and related documents with the Court.

7. “Court” means the United States District Court for the Northern District of Texas, Judge David C. Godbey, currently presiding.

8. “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 and expenses paid by the Receiver) to Stanford Investors who, as of the date of the approval of the Distribution Plan, have had their Claims allowed by the Receiver (“Allowed Claims”).

9. “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 Judgments and Bar Orders, including findings under Rule 54(b) of the Federal Rules of Civil Procedure, will each become Final as set forth in this paragraph as though such orders were entered as a

judgment at the end of a case, and the continuing pendency of the actions in which such Bar Order and Judgments and Bar Orders were entered shall not be construed as preventing such Bar Order and Judgments and Bar Orders from becoming Final.

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

11. “Hearing” means a formal proceeding in open court before the United States District Judge having jurisdiction over the Troice Litigation and the Janvey Litigation.

12. “Interested Parties” means the Receiver, the Receivership Estate, the Committee, the members of the Committee, Plaintiffs, the plaintiffs in the Other BMB Litigation, the Stanford Investors, the Claimants, the Examiner, the Joint Liquidators, or any other Person or Persons who have or may have claims against the BMB Released Parties or the Receivership Estate, or who are alleged by the Receiver, the Committee, or any 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.

13. “Joint Liquidators” means the liquidators appointed by the Eastern Caribbean Supreme Court in Antigua and Barbuda to take control of and manage the affairs and assets of Stanford International Bank, Ltd.

14. “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 Judgments and Bar Orders; and (e) the date, time and location

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

15. “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, estate, limited liability company, trust, committee, fiduciary, association, proprietorship, organization, or business, regardless of location, residence, or nationality.

16. “Plaintiffs Released Parties” means the Investor Plaintiffs, the Receiver, the Examiner, the Committee, and each of their counsel, and each of their respective past, present, and future, direct and indirect, parents, subsidiaries, affiliates, related entities, divisions, partnerships, corporations, and each of its and their respective 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, heirs, executors, administrators, beneficiaries, predecessors, predecessors-in-interest, successors, successors-in-interest, and assigns.

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

18. “Settled Claim” means any action, cause of action, suit, liability, claim, right of action, debt, sums of money, covenants, contracts, controversies, agreements, promises, damages, contribution, indemnity, specific performance, attorney’s fees and demands 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 certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities, (iii) any one or more of the BMB Defendants' relationship(s) with any one or more of the Stanford Entities, (iv) the BMB Defendants' provision of services to any of the Stanford Entities, and any other acts, representations, errors, or omissions by the BMB Defendants for or related to 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 Troice Litigation, the Janvey Litigation, the Other BMB Litigation (whether pending before the Court or not), or any other 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.

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

20. “Settlement Amount” means exactly Twelve Million Eight Hundred Fifty Thousand Dollars (\$12,850,000) in United States currency.

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

a. approval by the Court of the Settlement and the terms of this Agreement in their entirety and without modification or limitation;

b. entry in the SEC Action of a bar order, including findings under Rule 54(b) of the Federal Rules of Civil Procedure and in exactly the form attached hereto as Exhibit C (the “Bar Order”), with no modifications or limitations (other than immaterial modifications or limitations, with materiality to be determined by the BMB Defendants in their good-faith discretion), except that the blanks in the form may be filled in as appropriate by the Court;

c. entry in the Janvey Litigation and the Casanova Litigation of Judgments and Bar Orders in exactly the forms attached hereto as Exhibit D (the “Judgments and Bar Orders”), with no modifications or limitations (other than immaterial modifications or limitations, with materiality to be determined by the BMB Defendants in their good-faith discretion), except that the blanks in the forms may be filled in as appropriate by the Court; and



d. such approvals and orders, including, without limitation, the Bar Order and the Judgments and Bar Orders, have all become Final.

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

23. “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 the Settlement Amount**

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

25. Delivery of the Settlement Amount: On the later of (a) thirty (30) days after the Settlement Effective Date or (b) thirty (30) days after the dismissal of the Troice Litigation (in its entirety as to the BMB Defendants), the BMB Defendants shall pay or cause to be paid 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, or by delivery of a check to the Receiver at the address for notices to the Receiver pursuant to this Agreement. The Settlement

Amount shall be the full and sole monetary contribution made by or on behalf of the BMB Defendants in connection with or in any way arising out of or relating to the Settlement, and it specifically covers any claims for costs and attorneys' fees by Plaintiffs, and all taxes, fees, and expenses related to the administration or distribution of the Settlement Amount.

**IV. Use of the Settlement Amount**

26. Management and Distribution of the 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.

27. No Liability: The BMB Defendants and the BMB 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, disbursement, or administration of the Settlement Amount, or any Taxes arising therefrom or relating thereto.

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

28. Motion: Within thirty (30) days after the Agreement Date, Plaintiffs shall submit to the Court a motion requesting entry of an order substantially in the form attached hereto as Exhibit E (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 21 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 Claimants; sent via electronic service to all counsel of record for any Person who 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 Troice Litigation, the Janvey Litigation, or the Other BMB 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 certified, first class mail to counsel of record for the plaintiffs in the Other BMB Litigation; 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 Troice Litigation, the Janvey Litigation, or the Other BMB Litigation; sent via certified mail to plaintiffs’ counsel in the *Rupert* Litigation, the *Rishmague* Litigation and the *MacArthur* 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, excluding any objections filed with the Court by parties objecting to or otherwise opposing the Settlement, which objections are not required to be posted on the websites. Plaintiffs will further propose that Notice in substantially the form attached hereto as Exhibit F 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 the BMB Defendants with a reasonable opportunity to review and comment on such motion papers.

29. 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, the BMB Defendants 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.

30. No Recourse Against the BMB Defendants: The BMB Defendants and the BMB Released Parties shall have no responsibility, obligation, or liability whatsoever for, and no Interested Party or any other Person shall have any recourse against any of the BMB Defendants or any of the BMB Released Parties with respect to, the cost associated with providing Notice pursuant to this Agreement and as directed by the Court or any claims that may arise from or relate to the Notice process. As of the Settlement Effective Date, Plaintiffs, Plaintiffs Released 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 and relinquish the BMB Defendants and the BMB Released Parties from any and all such responsibility, obligation and liability.

31. Motion Contents: In the motion papers referenced in Paragraph 28 of this Agreement, 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 exactly the form attached hereto as Exhibit C; and

d. enter in the Janvey Litigation and the Casanova Litigation Judgments and Bar Orders in exactly the forms attached hereto as Exhibit D.

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

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

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

34. 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 modifications or limitations; (b) entry by the Court of the Bar Order in the SEC Action in exactly the form attached hereto as Exhibit C, without modifications or limitations (other than immaterial modifications or limitations, with materiality to be determined by the BMB Defendants in their good-faith discretion), except that the blanks in the form may be filled in as appropriate by the Court; (c) entry by the Court of the Judgments and Bar Orders in the Janvey Litigation and the Casanova Litigation in exactly the forms attached hereto as Exhibit D, without modifications or limitations (other than immaterial modifications or limitations, with materiality

to be determined by the BMB Defendants in their good-faith discretion), except that the blanks in the forms may be filled in as appropriate by the Court; and (d) all such approvals and orders becoming Final, pursuant to Paragraphs 9 and 21 of this Agreement. If the Court does not provide the approvals described in (a), or if the final result of any appeal from the approvals described in (a) is that any of the approvals are not affirmed, in their entirety and without modification or limitation, then any Party has the right to withdraw within thirty (30) days its agreement to the Settlement and to this Agreement. If the Court refuses to enter the bar orders described in (b) and (c), or if the final result of any appeal from such bar orders is that any of the bar orders are not affirmed, in their entirety and without modifications or limitations (other than immaterial modifications or limitations, with materiality to be determined by the BMB Defendants in their good-faith discretion), then any Party has the right within thirty (30) days to withdraw their agreement to the Settlement and to this Agreement. Should the Parties not elect to exercise this right of withdrawal from the Settlement and this Agreement within such 30-day period, then the condition, whose failure to occur caused the withdrawal right to accrue, will be deemed to have occurred the first day following the expiration of such 30-day period. 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 force or effect whatsoever (other than the terms of this paragraph and paragraphs 44 and 45, 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. To exercise its right under this paragraph to withdraw its agreement to the Settlement and to this Agreement, a Party must provide written notice of such withdrawal pursuant to Paragraph 53 herein. 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, subject only to the terms of this paragraph and paragraphs 44 and 45, including that the Parties shall maintain the confidentiality of their mediation and related communications.

**VII. Distribution Plan**

35. 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 the BMB Defendants or the BMB 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 the BMB Defendants nor the BMB 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.

36. Distribution by Check: The Receiver must include the following statement, without alteration (except that additional releasees may be included to the extent the Receiver includes in such distribution checks funds derived from settlements with such additional 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 BOWEN, MICLETTE, & BRITT, INC., AND ITS PAST AND PRESENT PARENT, SUBSIDIARY AND AFFILIATED ENTITIES AND EACH OF ITS CURRENT AND FORMER EMPLOYEES, DIRECTORS, OFFICERS, AGENTS AND INSURERS (INCLUDING, WITHOUT LIMITATION, ROBERT S. WINTER) ARISING FROM OR RELATING TO STANFORD INTERNATIONAL BANK, LTD. AND ACCEPT THIS PAYMENT IN FULL SATISFACTION THEREOF.

37. No Responsibility: The BMB Defendants and the BMB 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 disbursement 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 Amount; 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, Plaintiffs, Plaintiffs Released 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 the BMB Defendants and the BMB Released Parties from any and all such responsibility, obligation and liability.

**VIII. Releases, Covenants Not to Sue, and Permanent Injunction**

38. Release of the BMB Released Parties: As of the Settlement Effective Date, each of Plaintiffs, including, without limitation, the Receiver on behalf of the Receivership Estate, the Committee, and each of Plaintiffs' respective past and present, direct and indirect, parent entities, subsidiaries, affiliates, heirs, executors, administrators, predecessors, successors and assigns, in their capacities as such, and anyone who can claim through any of them, fully, finally, and forever release, relinquish, and discharge, with prejudice, all Settled Claims against the BMB Defendants and the BMB Released Parties, except that this release does not extend to, shall not



include, and shall not alter, limit, or otherwise affect, the final judgment entered in favor of the Receiver against Winter in *Janvey v. Hamric*, Case No. 3:13-cv-00775-N-BG, Doc. No. 257 (the “Winter Final Judgment”). Notwithstanding anything to the contrary in this Agreement, the Receiver reserves all rights to pursue recovery of the Winter Final Judgment to the maximum extent permitted by the Order Granting Application for Turnover Order, In re Robert S. Winter, deceased, Case No. 435,100 in the Probate Court No. 4 of Harris County, Texas (the “Turnover Order”), and nothing in this Agreement or the Settlement shall be construed to impair or limit the Receiver’s rights to collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with the terms of the Turnover Order.

39. Release of the Plaintiffs Released Parties: As of the Settlement Effective Date, the BMB Defendants fully, finally, and forever release, relinquish, and discharge, with prejudice, all Settled Claims against the Plaintiffs Released Parties.

40. No Release of Obligations Under This Agreement: Notwithstanding anything to the contrary in this Agreement, the releases in the two foregoing paragraphs do not release the Parties’ rights and obligations under this Agreement or the Settlement, nor bar the Parties from seeking to enforce or effectuate this Agreement or the Settlement.

41. Covenant Not to Sue: Effective as of the Agreement Date, each of the Plaintiffs 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, now or at any time in the future, against any of the BMB Defendants or any of the BMB 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 the Settled Claims, whether in a court or

any other Forum. However, this covenant not to sue shall not apply to or affect the Receiver's right or ability to pursue recovery of the Winter Final Judgment to the maximum extent permitted by the Turnover Order, and nothing in this Agreement or the Settlement shall be construed to impair or limit the Receiver's right or ability to pursue and collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with the terms of the Turnover Order. Effective as of the Agreement Date, each of the BMB Defendants 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 Plaintiffs or 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 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. Further, notwithstanding the foregoing, the Janvey Litigation, the Troice Litigation and the Casanova Litigation will remain open pending consideration and Final Approval of the Agreement (though during that time, the Janvey Litigation, the Troice Litigation and the Casanova Litigation will be stayed for all activities other than those activities necessary to obtain approval of the Agreement).

**IX. Representations and Warranties**

42. No Assignment, Encumbrance, or Transfer: 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 the Settled Claims against the BMB Defendants and the BMB Released Parties. The Receiver represents and warrants that, other than assigning the Settled Claims against the BMB Defendants to the Committee, he has not, in whole or in part, assigned, encumbered, sold, pledged as security, or in any manner transferred or compromised the Settled Claims against the BMB Defendants and the BMB Released Parties.

43. 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 they have the authority to take appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms, including the Releases in Paragraphs 38-39. The Committee represents and warrants that the Committee has approved this Agreement in accordance with the by-laws of the Committee.

**X. No Admission of Fault or Wrongdoing**

44. The Settlement, this Agreement, and the negotiation 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 Troice Litigation, the Janvey Litigation, the Other BMB Litigation, or any other proceeding in any Forum relating to the Stanford Entities. The Settlement and this Agreement are a resolution of disputed claims in order to avoid the risk and

expense of protracted litigation. The BMB Defendants expressly deny any liability or wrongdoing with respect to the matters alleged in the complaints in the Troice Litigation, Janvey Litigation, and Other BMB Litigation, and with respect to any matter related to the Stanford Entities. The Settlement, this Agreement, and evidence thereof shall not be used, directly or indirectly, in any way, in the Troice Litigation, the Janvey Litigation, the Other BMB Litigation, the SEC Action, or in any other proceeding, other than to enforce the terms of the Settlement and this Agreement.

**XI. Miscellaneous**

45. Confidentiality: Except as necessary to obtain Court approval of the Settlement and this Agreement, to provide the Notices as required by this Agreement, or to enforce or effectuate 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: (a) a Party may disclose Confidential Information pursuant to a legal, professional, or regulatory obligation; court order; or lawfully issued subpoena, but only after providing prompt written 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 disclosure; and (b) a Party may disclose Confidential Information based on specific written consent from each of the other Parties. Notwithstanding anything else in this Agreement or otherwise, such consent may be transmitted by email. Notwithstanding any provision to the contrary in the foregoing, the Parties agree that the BMB Defendants may make disclosures regarding the Settlement and this Agreement to their legal, accounting and tax advisors, insurers,

lenders and stakeholders, and they need not meet and confer with Plaintiffs before making such disclosure(s).

46. 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 (a) the Plaintiffs, the Plaintiffs Released Parties and the Interested Parties, on the one hand, and (b) the BMB Defendants and the BMB Released Parties, on the other hand (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 herein), and this Agreement, including its exhibits, shall be interpreted to effectuate this purpose. The Parties agree not to assert in any Forum that another 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 Troice Litigation, the Janvey Litigation, the Other BMB Litigation, the Settlement or this Agreement.

47. 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.

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

49. 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 such 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.

50. 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 47 of this Agreement), except as necessary to effect and enforce the releases and covenants not to sue included herein.

51. 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.”

52. 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 Judgments and Bar Orders, 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 21 of this Agreement.

53. Any notices, documents, or correspondence of any nature required to be sent pursuant to this Agreement shall be transmitted by both email and overnight delivery to the following recipients, and will be deemed transmitted upon receipt by the overnight delivery service:

If to Plaintiffs:

Edward C. Snyder, Esq.  
Castillo Snyder, P.C.  
Bank of America Plaza  
300 Convent, Suite 1020  
San Antonio, Texas 78205-3789  
Telephone: (210) 630-4200  
Facsimile: (210) 630-4200  
Email: [esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)

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

Judith R. Blakeway, Esq.  
Strasburger & Price, LLP  
2301 Broadway  
San Antonio, Texas 78215  
Telephone: (210) 250-6000  
Facsimile: (210) 250-6100  
Email: [Judith.blakeway@strasburger.com](mailto:Judith.blakeway@strasburger.com)

Ralph S. Janvey, Esq.  
Krage & Janvey, LLP  
2100 Ross Avenue, Suite 2600  
Dallas, Texas 75201  
Telephone: (214) 397-1912  
Facsimile: (214) 220-0230  
Email: [rjanvey@kjllp.com](mailto:rjanvey@kjllp.com)

If to Plaintiffs:

Edward C. Snyder, Esq.  
Castillo Snyder, P.C.  
Bank of America Plaza  
300 Convent, Suite 1020  
San Antonio, Texas 78205-3789  
Telephone: (210) 630-4200  
Facsimile: (210) 630-4200  
Email: [esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)

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

Kevin M. Sadler, Esq.  
Baker Botts LLP  
1001 Page Mill Road  
Building One, Suite 200  
Palo Alto, California 94304-1007  
Telephone: (650) 739-7518  
Facsimile: (650) 739-7618  
Email: [kevin.sadler@bakerbotts.com](mailto:kevin.sadler@bakerbotts.com)

If to the BMB Defendants:

Bradley W. Foster  
Andrews Kurth LLP  
1717 Main Street, Suite 3700  
Dallas, Texas 75201  
Telephone: 214-659-4646  
Facsimile: 214-659-4401  
[bradfoster@andrewskurth.com](mailto:bradfoster@andrewskurth.com)

Nicholas Lanza  
McCormick, Lanza & McNeel, LLP  
4950 Bissonnet Street  
Bellaire, TX 77401  
Telephone: 713-523-0400  
Facsimile: 713-668-6417  
[nlanza@mlm-lawfirm.com](mailto:nlanza@mlm-lawfirm.com)

Paul K. Nesbitt  
Kelly, Sutter & Kendrick, P.C.  
3050 Post Oak Blvd., Suite 200  
Houston, Texas 77056  
Telephone: 713-595-6000  
Fax: 713-595-6001  
[pnesbitt@ksklawyers.com](mailto:pnesbitt@ksklawyers.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.



54. Probate Court Approval: The Parties other than Winter understand that, within fifteen (15) days of the Agreement Date, Winter intends to file a motion in Probate Court No. 4 of Harris County, Texas (the “Probate Court”) seeking authorization to sign the Agreement (the “Probate Motion”). The Parties other than Winter shall take all reasonable steps to advocate for and encourage the Probate Court to grant the Probate Motion. If the Probate Court denies the Probate Motion or fails to rule on the Probate Motion within sixty (60) days of the Agreement Date, then any of the Plaintiffs may withdraw his, her, or its agreement to the Settlement or this Agreement by written notice within seventy-five (75) days of the Agreement Date. If any Plaintiff exercises such right to withdraw, then the withdrawal shall have the same force and effect as a withdrawal pursuant to paragraph 34 of this Agreement. If no Plaintiff exercises such right to withdraw within the time period for doing so, then the Settlement and Agreement shall remain in place and will be construed as if Winter were not, and was never intended to be, a Party to the Agreement, and in such event, the Bar Order and Final Judgments and Bar Orders may be modified by the Court to the extent necessary to reflect that Winter is not a Party to the Settlement or Agreement. Other than for the purpose of Winter’s identification as a Party, however, Winter shall continue to be considered one of the BMB Defendants for all purposes in this Agreement, including all of its exhibits.

55. 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.

56. 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.

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

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

59. 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.

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

61. 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.

62. Agreed Changes: Notwithstanding any other provision of this Agreement, the Parties may consent, but are not obligated to consent, to changes made by the Court to the Scheduling Order, the Notice, the Bar Order, the Judgment and Bar Orders, or other filings. Any such consent must be in writing and signed by all Parties or must be agreed to by all Parties on the record in open court.

63. Counterparts: 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.

**[SIGNATURE PAGES FOLLOW]**

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

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

Punga Punga Financial, Ltd.

Ralph S. Janvey 09/26/2016  
Date

By: \_\_\_\_\_ Date

John J. Little, in his capacity as the Examiner

\_\_\_\_\_  
Date

Manuel Canabal \_\_\_\_\_ Date

Official Stanford Investors Committee

By: John J. Little, Chairperson \_\_\_\_\_ Date

Daniel Gomez Ferreiro \_\_\_\_\_ Date

Promotora Villa Marino, C.A.

Samuel Troice \_\_\_\_\_ Date

By: \_\_\_\_\_ Date

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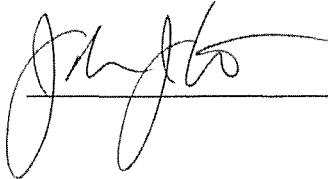
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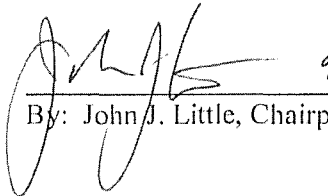
\_\_\_\_\_  
Date By: \_\_\_\_\_ Date

John J. Little, in his capacity as the Examiner

 9/23/2016  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Manuel Canabal Date

Official Stanford Investors Committee

 9/23/2016  
By: John J. Little, Chairperson Date

\_\_\_\_\_  
Daniel Gomez Ferreiro Date

Promotora Villa Marino, C.A.

\_\_\_\_\_  
Samuel Troice Date

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By: \_\_\_\_\_ Date

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\_\_\_\_\_  
Date      By:      \_\_\_\_\_  
Date

John J. Little, in his capacity as the Examiner

\_\_\_\_\_  
Date      Manuel Canabal      \_\_\_\_\_  
Date

Official Stanford Investors Committee

By: John J. Little, Chairperson      Date      Daniel Gomez Ferreiro      Date

Promotora Villa Marino, C.A.

\_\_\_\_\_  
Samuel Troice      Date      By:      \_\_\_\_\_  
Date



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Punga Punga Financial, Ltd.

\_\_\_\_\_  
Date

By:   
\_\_\_\_\_  
Date  
*26-SEP-2016*

John J. Little, in his capacity as the Examiner

\_\_\_\_\_  
Date

Manuel Canabal \_\_\_\_\_  
Date

Official Stanford Investors Committee

By: John J. Little, Chairperson \_\_\_\_\_  
Date

Daniel Gomez Ferreiro \_\_\_\_\_  
Date

Promotora Villa Marino, C.A.

Samuel Troice \_\_\_\_\_  
Date

By: \_\_\_\_\_  
Date

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[SIGNATURE PAGES FOLLOW]

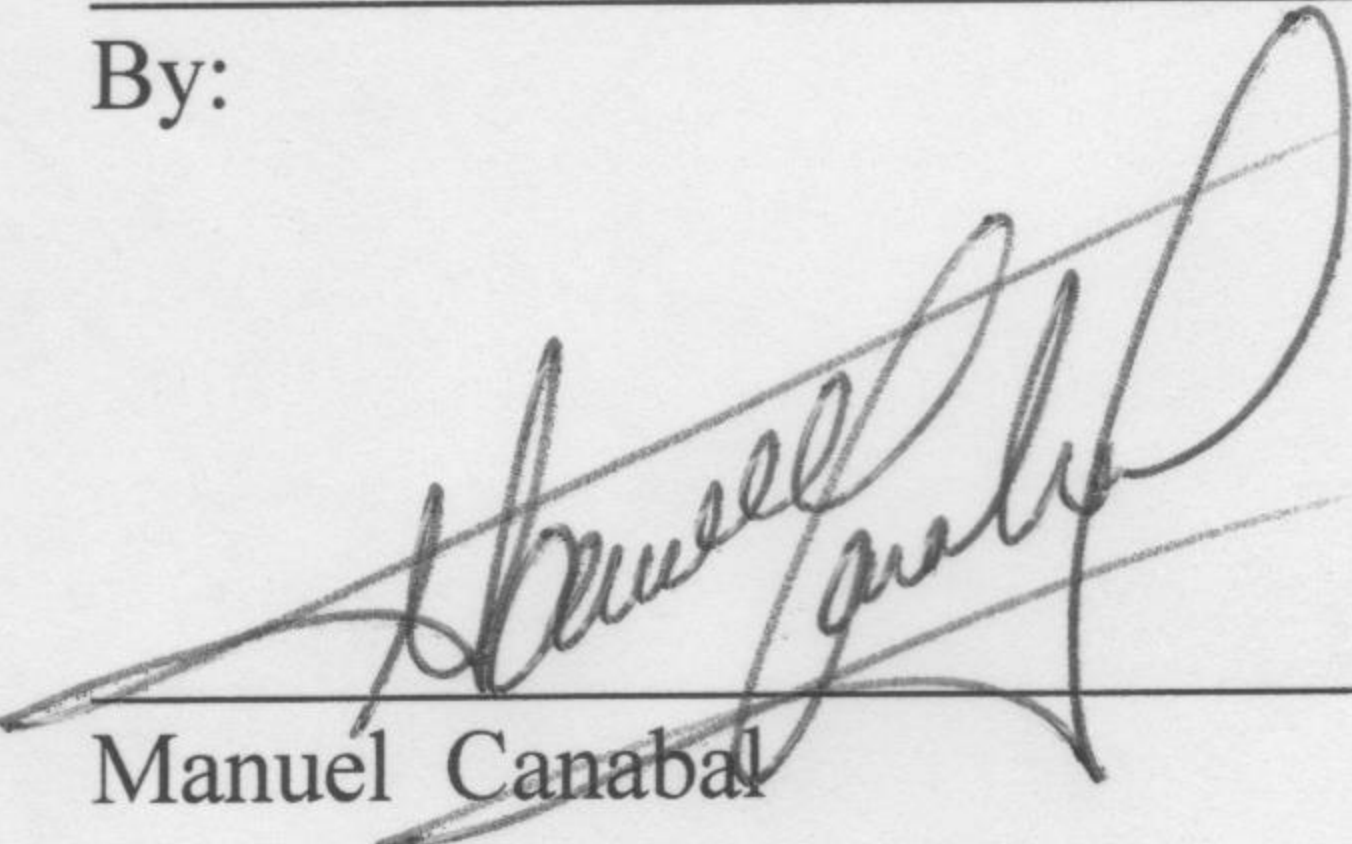
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\_\_\_\_\_  
Date      By:      Date

John J. Little, in his capacity as the Examiner

\_\_\_\_\_  
Date      Manuel Canabal      Date



09/23/2016

Official Stanford Investors Committee

By: John J. Little, Chairperson      Date

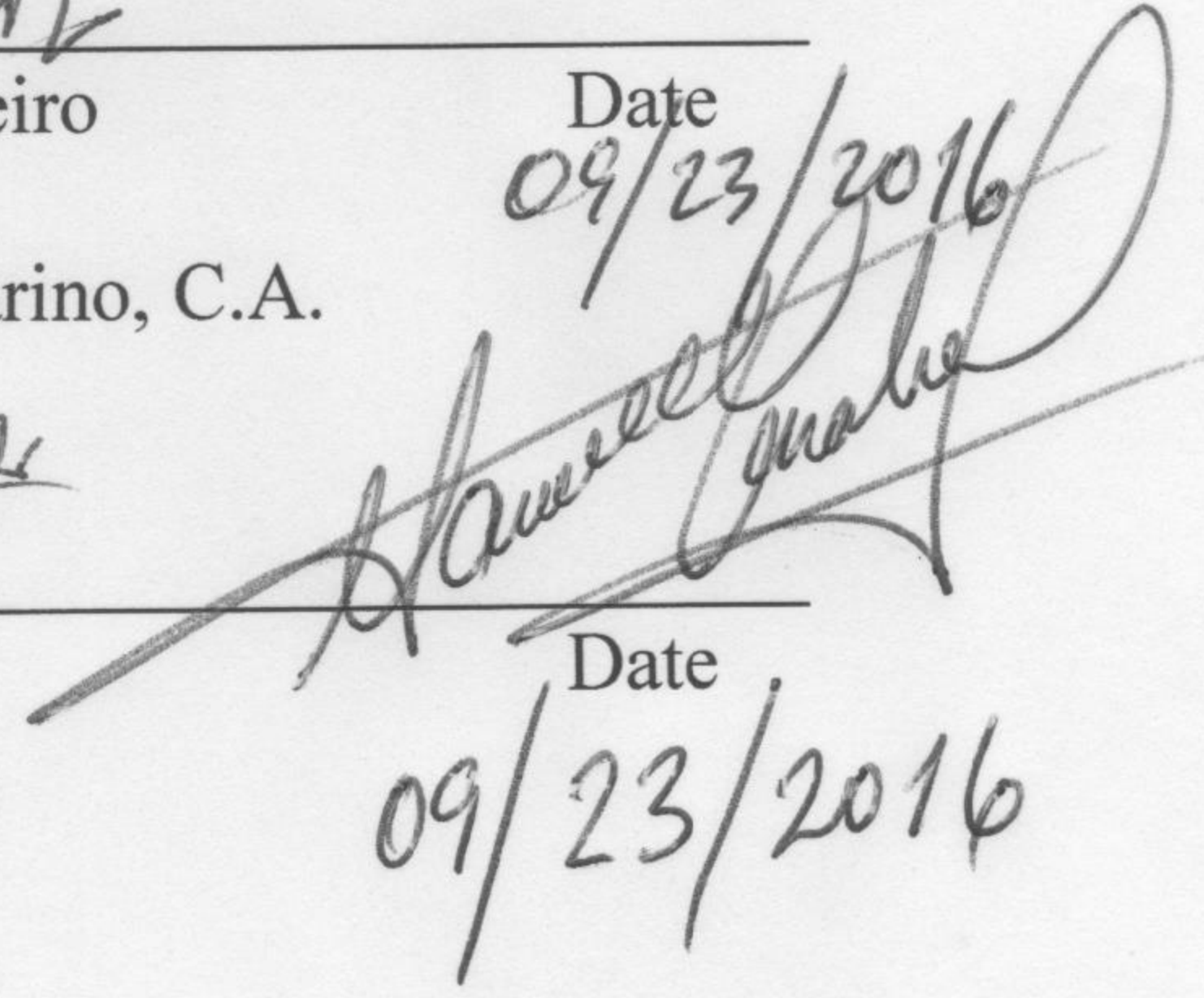
\_\_\_\_\_  
Daniel Gomez Ferreiro      Date

Promotora Villa Marino, C.A.

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Daniel Gomez Ferreiro

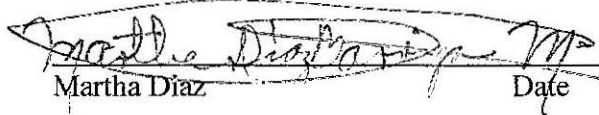
Samuel Troice      Date

By:      Date



09/23/2016

Ralph S. Janvey, in his capacity as the Receiver for the Stanford Receivership Estate Punga Punga Financial, Ltd.

\_\_\_\_\_  
Date By: \_\_\_\_\_ Date  
  
Martha Diaz Date

\_\_\_\_\_  
Paula Gilly-Flores Date

Bowen, Miclette, & Britt, Inc.

\_\_\_\_\_  
By: \_\_\_\_\_ Date

Paul D. Winter, as Dependent Executor of  
The Estate of Robert D. Winter (Deceased)

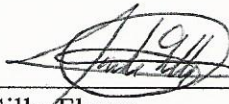
\_\_\_\_\_  
By: Paul D. Winter, Dependent Executor Date



Ralph S. Janvey, in his capacity as the Receiver for the Stanford Receivership Estate Punga Punga Financial, Ltd.

\_\_\_\_\_  
Date By: \_\_\_\_\_ Date

\_\_\_\_\_  
Martha Diaz Date

  
\_\_\_\_\_  
Paula Gilly-Flores Date

Bowen, Mickette, & Britt, Inc.

\_\_\_\_\_  
By: \_\_\_\_\_ Date

Paul D. Winter, as Dependent Executor of  
The Estate of Robert D. Winter (Deceased)

\_\_\_\_\_  
By: Paul D. Winter, Dependent Executor Date

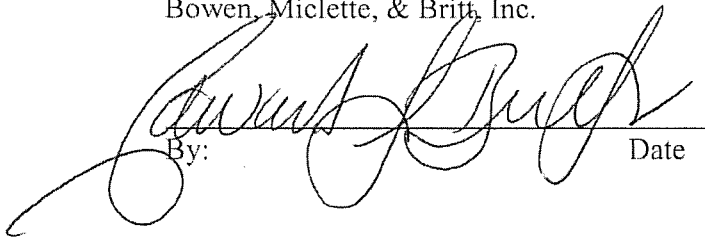
Ralph S. Janvey, in his capacity as the Receiver for the Stanford Receivership Estate Punga Punga Financial, Ltd.

\_\_\_\_\_  
Date By: \_\_\_\_\_ Date

\_\_\_\_\_  
Martha Diaz Date

\_\_\_\_\_  
Paula Gilly-Flores Date

Bowen, Miclette, & Britt, Inc.

 \_\_\_\_\_  
By: Date 9/21/16

Paul D. Winter, as Dependent Executor of  
The Estate of Robert D. Winter (Deceased)

\_\_\_\_\_  
By: Paul D. Winter, Dependent Executor Date

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

SECURITIES AND EXCHANGE	§	
COMMISSION,	§	
	§	
Plaintiff,	§	
v.	§	
	§	Civil Action No. 3:09-cv-0298-N
STANFORD INTERNATIONAL BANK,	§	
LTD., et al.,	§	
	§	
Defendants.	§	

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RALPH S. JANVEY, et al.	§	
	§	
Plaintiffs,	§	
v.	§	
	§	Civil Action No. 3:13-cv-03980-N
	§	
WILLIS OF COLORADO INC., et al.	§	
	§	
Defendants.	§	

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**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, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferreiro and Promotora Villa Marino, C.A. (collectively, the “Investor Plaintiffs” and with the Receiver and the Committee, the “Plaintiffs”), have reached an agreement (the “Settlement Agreement”) to settle all claims asserted or that could have been asserted against Bowen, Miclette & Britt, Inc. (“BMB”), and Robert S. Winter (Deceased) and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, Deceased (collectively, “Winter” and together with BMB, the “BMB Defendants”) by

**EXHIBIT A**

the Receiver and the Committee in *Janvey v. Willis of Colorado, Inc., et al.*, No. 3:13-CV-03980-N (N.D. Tex.) (the “Janvey Litigation”), and by the Investor Plaintiffs in *Troice v. Willis of Colorado, Inc. et al.*, No. 3:09-CV-1274-L (N.D. Tex.) (the “Troice Litigation”), with the settlement of claims against Winter being subject to certain exceptions set forth in paragraphs 38 and 41 of the Settlement Agreement.

PLEASE TAKE FURTHER NOTICE that the Plaintiffs have filed in *SEC v. Stanford Int’l Bank, Ltd.*, No. 3:09-cv-0298-N (N.D. Tex.) (the “SEC Action”) an Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement of Claims Against the BMB Defendants, to Enter the Bar Order, and to Enter the Final Judgments and Bar Orders (the “Scheduling/Approval Motion”), and a Motion for Plaintiffs’ Attorneys’ Fees (the “Attorneys’ Fees Motion,” and together with the Scheduling/Approval Motion, the “Motions”). Copies of the Settlement Agreement, the Motions, and other supporting papers may be obtained from the Court’s docket in the SEC Action [ECF No. \_\_\_\_\_], and will also be 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 [margaret.hagelman@strasburger.com](mailto:margaret.hagelman@strasburger.com); or by telephone, by calling Margaret Hagelman at 210-250-6001. 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 Scheduling/Approval Motion.

PLEASE TAKE FURTHER NOTICE that the Scheduling/Approval Motion requests that the Court approve the Settlement and enter bar orders permanently enjoining all Persons<sup>1</sup>,

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<sup>1</sup> “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, estate, limited liability company, trust, committee, fiduciary, association, proprietorship, organization, or business, regardless of location, residence, or nationality.

including, without limitation, all Interested Parties,<sup>2</sup> Stanford Investors,<sup>3</sup> and Claimants,<sup>4</sup> from pursuing Settled Claims,<sup>5</sup> including claims that you may possess and/or may have already

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<sup>2</sup> “Interested Parties” as defined herein and in the BMB Settlement Agreement, means “the Receiver, the Receivership Estate, the Committee, the members of the Committee, Plaintiffs, the plaintiffs in the Other BMB Litigation, the Stanford Investors, the Claimants, the Examiner, the Joint Liquidators, or any other Person or Persons who have or may have claims against BMB Released Parties or the Receivership Estate, or who are 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>3</sup> “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.

<sup>4</sup> “Claimants” refers generally to any Persons who have submitted a Claim to the Receiver or to the Joint Liquidators.

<sup>5</sup> “Settled Claims” means any action, cause of action, suit, liability, claim, right of action, debt, sums of money, covenants, contracts, controversies, agreements, promises, damages, contribution, indemnity, specific performance, attorney’s fees and demands 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 (defined below), (ii) any certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities, (iii) any one or more of the BMB Defendants’ relationship(s) with any one or more of the Stanford Entities, (iv) the BMB Defendants’ provision of services to any of the Stanford Entities, and any other acts, representations, errors, or omissions by the BMB Defendants for or related to 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 Troice Litigation, the Janvey Litigation, the Other BMB 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 the Agreement, including the releases granted therein, 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 the Settlement Agreement.

“Stanford Entities” means Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, Stanford Financial Group, the Stanford Financial Bldg Inc., the entities listed in Exhibit B to Settlement Agreement, and any entity of any type that was owned or controlled by Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital

asserted, against the BMB Defendants.

PLEASE TAKE FURTHER NOTICE that the settlement amount is Twelve Million Eight Hundred Fifty Thousand Dollars (\$12,850,000) in United States currency (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 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) BMB will pay or cause to be paid the Settlement Amount, which will be deposited with the Receiver as required pursuant to the Settlement Agreement;
- b) Plaintiffs will fully release the BMB Defendants and the BMB Released Parties<sup>6</sup> from all Settled Claims (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the Settlement Agreement);
- c) The Settlement Agreement requires entry of a Final Bar Order in the SEC Action, and entry of Final Judgments and Bar Orders in the Janvey Litigation and the

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Management, LLC, Stanford Financial Group, or the Stanford Financial Bldg Inc., on or before February 16, 2009.

<sup>6</sup> “BMB Released Parties” means BMB, its insurers (including, but not limited to, Endurance American Specialty Insurance Company and Great American E & S Insurance Company) and their past, present, and future, and direct and indirect parents, subsidiaries, affiliates, related entities, divisions, partnerships, corporations, directors, officers, legal and equitable owners, shareholders, members, managers, principals, distributees, attorneys, trustees, general and limited partners, lenders, executors, administrators, heirs, beneficiaries, assigns, predecessors, predecessors-in-interest, successors, successors-in-interest, and reinsurers, and their past and present employees, associates, agents, and representatives, specifically including but not limited to Robert S. Winter (deceased) and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, deceased, and their respective heirs, assigns, and estates. Notwithstanding the foregoing, “BMB Released Parties” does not include any Person, other than the BMB Defendants, against whom, as of the Agreement Date, any of the Plaintiffs was asserting a claim or cause of action in any Forum, and does not include any Person who becomes employed by, related to, or affiliated with the BMB Defendants after the Agreement Date and whose liability, if any, arises out of or derives from actions or omissions unrelated to the BMB Defendants, and which occurred before such Person became employed by, related to, or affiliated with the BMB Defendants.

Casanova Litigation, which permanently enjoin all Persons, including, without limitation, all Interested Parties, Stanford Investors, and Claimants, whether before the Court or not, from bringing or continuing any legal proceeding or asserting, encouraging, assisting, continuing, or prosecuting any cause of action, including contribution or indemnification claims, arising from or relating to a Settled Claim, against any of the BMB Defendants or any of the BMB Released Parties, including without limitation the Troice Litigation, the Janvey Litigation, and the Other BMB Litigation<sup>7</sup>, whether pending before the Court or not (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the Settlement Agreement);

- 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/](http://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 Net 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; and

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<sup>7</sup> The “Other BMB Litigation” includes: (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County); (ii) *Casanova v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, filed on September 16, 2010 in the United States District Court for the Northern District of Texas; (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County).

- g) The Troice Litigation will be dismissed with prejudice as to the BMB Defendants, 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 \$3,212,500.00.

The final hearing on the Motion is set for [\_\_\_\_\_], 2016 (the "Final Approval Hearing"). Any objection to the Settlement Agreement or its terms, the Scheduling/Approval Motion, the Final Bar Order, the Final Judgments and Bar Orders, or the Attorneys' Fees Motion, 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.



### 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] <sup>1</sup>
Guardian International Investment Services No. Two, Inc.	Stanford Agency, Inc. [Texas]
Guardian One, Ltd.	Stanford Agresiva S.A. de C.V.

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<sup>1</sup> Locations in brackets are included to differentiate between legal entities with the same name but different locations or other identifying information.

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. <sup>2</sup>
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

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<sup>2</sup> Locations in parentheses are included in the legal name of an entity or other identifying information.

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.

**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 of Claims Against the BMB Defendants,<sup>1</sup> to Enter the Bar Order, and to Enter the Final Judgments and Bar Orders, (the “Motion”) of Ralph S. Janvey, the Receiver for the Receivership Estate (the “Receiver”) and a plaintiff in *Janvey, et al. v. Willis of Colorado Inc., et al.*, Civil Action No. 3:13-cv-03980-N-BG (the “Janvey Litigation”); the Court-appointed Official Stanford Investors Committee (the “Committee”), as a party to this action and a plaintiff in the Janvey Litigation; and Samuel Troice, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferreiro and Promotora Villa Marino, C.A. (collectively, the “Investor Plaintiffs”), plaintiffs in the Janvey Litigation (Messrs. Troice and Canabal only) and in *Troice, et al. v. Willis of Colorado Inc., et al.*, Civil Action No. 3:09-cv-01274-L (the “Troice Litigation”) (collectively, the Receiver, the Committee and the Investor Plaintiffs are the “Plaintiffs”). [ECF No. \_\_\_\_]. The Motion concerns a

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<sup>1</sup> The “BMB Defendants” refers, collectively, to Bowen, Miclette & Britt, Inc. (“BMB”) and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, Deceased (“Winter”).

proposed settlement (the “BMB Settlement”) involving the Plaintiffs and the BMB Defendants. The Court-appointed Examiner signed the BMB Settlement Agreement<sup>2</sup> as Chairperson of the Committee and as Examiner solely to evidence his support and approval of the BMB Settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the BMB Settlement, the Janvey Litigation, or the Troice 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 Troice Litigation, the Janvey 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 the BMB Defendants, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Troice Litigation and the Janvey Litigation, the Investor Plaintiffs allege, *inter alia*, that the BMB Defendants aided and abetted violations of the Texas Securities Act and aided, abetted or participated in a fraudulent scheme and a conspiracy. In addition, in the Janvey Litigation, the Receiver and the Committee allege, *inter alia*, that the BMB Defendants aided, abetted or participated in breaches of fiduciary duty, aided, abetted or participated in a fraudulent scheme, and aided, abetted or participated in fraudulent transfers. The BMB Defendants have denied and continue to deny any and all allegations of wrongdoing.

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<sup>2</sup> The “BMB Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion.

Lengthy, multiparty negotiations led to the BMB Settlement. 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 that ultimately resulted in the BMB Settlement and the BMB Settlement Agreement. The parties reached an agreement-in-principle in May 2016 and subsequently executed the BMB Settlement Agreement.

Under the terms of the BMB Settlement, BMB will pay or cause to be paid \$12,850,000 to the Receivership Estate, which (less attorneys’ fees and expenses) will be distributed to Stanford Investors. In return, the BMB Defendants seek global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and the BMB Released Parties by any Person arising from or related to any of the BMB Defendants’ relationship with the Stanford Entities (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the Settlement Agreement). Obtaining such global peace is a critical and material component of the Settlement. Accordingly, the BMB Settlement is conditioned, among other things, on the Court’s approval and entry of this Final Bar Order enjoining any Person from asserting, maintaining or

prosecuting claims against any of the BMB Defendants or any of the BMB Released Parties (subject to the aforementioned exceptions applicable to Winter), as set forth more fully herein.

On \_\_\_\_\_, 2016, the Plaintiffs 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 BMB 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 BMB Settlement Agreement are adequate, fair, reasonable, and equitable, and that the BMB 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 BMB Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the BMB Settlement Agreement.

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); *see also SEC v. Parish*, No. 2:07-cv-00919-DCN, 2010 WL 8347143 (D.S.C. Feb. 10, 2010). Moreover, the Court has jurisdiction over the subject matter of this action, and the Plaintiffs 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, including the plaintiffs in the Other BMB Litigation<sup>3</sup>, of the BMB Settlement, the BMB Settlement Agreement, the releases therein, and the injunctions provided for in this Final Bar Order and in the Final Judgments and Bar Orders to be entered in the Janvey Litigation and the Casanova Litigation; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the BMB Settlement, this Final Bar Order, the Final Judgments and Bar Orders to be entered in the Janvey Litigation and the Casanova 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 BMB Settlement was reached following an extensive investigation of the facts and resulted from vigorous, good faith, arm's-length negotiations involving experienced and competent counsel. The claims asserted against the BMB Defendants contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with a significant risk that Plaintiffs may not ultimately prevail on their claims. By the same token, it is clear that the BMB Defendants would never agree to the terms of the BMB Settlement unless they were assured of global peace with respect to all claims that have

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<sup>3</sup> The "Other BMB Litigation" is defined in the BMB Settlement Agreement to include the following additional actions relating to the same subject matter as the Troice Litigation and the Janvey Litigation: (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County); (ii) *Casanova v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, filed on September 16, 2010 in the United States District Court for the Northern District of Texas (the "Casanova Litigation"); (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County).



been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising from or related to the BMB Defendants' relationship with the Stanford Entities (subject only to the aforementioned exceptions applicable to Winter). The injunction against such claims is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the BMB Settlement. *See Kaleta*, 530 F. App'x at 362 (entering bar order and injunction against investor claims as "ancillary relief" to a settlement in an SEC receivership proceeding); *Parish*, 2010 WL 8347143 (similar).

5. Pursuant to the BMB 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 BMB 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 BMB 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 Federal Rule of Civil Procedure 11.

7. Accordingly, the Court finds that the BMB 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 any of the BMB Defendants and any of the BMB Released Parties, the Stanford Entities or the Receivership Estate, including but not limited to the

Plaintiffs, the Claimants, and all other Interested Parties. The BMB Settlement, the terms of which are set forth in the BMB Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the BMB Settlement in accordance with the terms and provisions of the BMB Settlement Agreement and this Final Bar Order.

8. Pursuant to the provisions of Paragraph 38 of the BMB Settlement Agreement, as of the Settlement Effective Date, the BMB Defendants and the BMB Released Parties are hereby completely released, relinquished, acquitted, and forever discharged, with prejudice, from all Settled Claims by the Plaintiffs, including, without limitation, the Receiver on behalf of the Receivership Estate and each of the Plaintiffs' respective past and present, direct and indirect, parent entities, subsidiaries, affiliates, heirs, executors, administrators, predecessors, successors and assigns, in their capacities as such and anyone who can claim through any of them, except that this release does not extend to, shall not include, and shall not alter, limit, or otherwise affect, the final judgment entered in favor of the Receiver against Winter in *Janvey v. Hamric*, Case No. 3:13-cv-00775-N-BG, Doc. No. 257 (the "Winter Final Judgment"). Notwithstanding anything to the contrary in this Bar Order, the Receiver reserves all rights to pursue recovery of the Winter Final Judgment to the maximum extent permitted by the Order Granting Application for Turnover Order, *In re Robert S. Winter, deceased*, Case No. 435,100 in the Probate Court No. 4 of Harris County, Texas (the "Turnover Order"), and nothing in this Bar Order or the BMB Settlement Agreement or the BMB Settlement shall be construed to impair or limit the Receiver's rights to collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with the terms of the Turnover Order.

9. As of the Settlement Effective Date, the Plaintiffs Released Parties are hereby completely released, acquitted, and forever discharged from all Settled Claims by the BMB

Defendants, and each of the BMB Defendants' respective parent entities, subsidiaries, affiliates, heirs, executors, administrators, predecessors, successors and assigns, in their capacities as such.

10. Notwithstanding anything to the contrary in this Final Bar Order, the foregoing releases do not release the Parties' rights and obligations under the BMB Settlement or the BMB Settlement Agreement or bar the Parties from seeking to enforce or effectuate the terms of the BMB Settlement or the BMB Settlement Agreement.

11. The Court hereby permanently bars, restrains and enjoins the Receiver, the Plaintiffs, the Claimants, all other Interested Parties<sup>4</sup>, and all other Persons or entities, 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, proceeding, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against any of the BMB Defendants or any of the BMB Released Parties, now or at any time in the future, any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature, including but not limited to litigation, arbitration, or other proceeding, in any Forum, whether individually, representatively, directly, derivatively, on behalf of a class or putative class, as a member of a class or putative class, or in any other capacity whatsoever, that, in whole or in part, in any way concerns, relates to, is based upon, arises from, 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) any one or

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<sup>4</sup> "Interested Parties," as defined herein and in the BMB Settlement Agreement, means "the Receiver, the Receivership Estate, the Committee, the members of the Committee, Plaintiffs, the plaintiffs in the Other BMB Litigation, the Stanford Investors, the Claimants, the Examiner, the Joint Liquidators, or any other Person or Persons who have or may have claims against the BMB Released Parties or the Receivership Estate, or who are alleged by the Receiver, the Committee, or any 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."

more of the BMB Defendants' relationship(s) with any one of the Stanford Entities, (iv) the BMB Defendants' provision of services to any of the Stanford Entities, and any other acts, errors or omissions by the BMB Defendants for or related to the Stanford Entities, (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of this case, the Troice Litigation, the Janvey Litigation, the Other BMB Litigation, or any other proceeding concerning the Stanford Entities pending or commenced in any Forum, or (vi) any Settled Claim. The foregoing specifically includes, but is not limited to, 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. Notwithstanding the foregoing, this bar order does not extend to, shall not include, and shall not alter, limit, or otherwise affect the Receiver's right or ability to pursue and collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with and to the maximum extent permitted by the Turnover Order.

12. The BMB Defendants shall file motions to dismiss with prejudice, motions for summary judgment, or similar dispositive motions in all of the Other BMB Litigation not pending before this Court<sup>5</sup>, which motions shall include this Final Bar Order as an exhibit. The

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<sup>5</sup> *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County); *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County);

plaintiffs in the Other BMB Litigation shall not oppose such dispositive motions, and are hereby permanently enjoined and barred from continuing to prosecute the Other BMB Litigation.

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 BMB Settlement or payment of the Settlement Amount by or on behalf of the BMB Defendants and the BMB Released Parties; (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 other litigation; provided, however, 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 any of the BMB Defendants or the BMB Released Parties, or (y) the commencement, assertion or continuation of any action or claim against any of the BMB Defendants or the BMB Released Parties, 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 any of the BMB Defendants or BMB Released Parties.

14. The BMB Defendants and the BMB Released Parties have no responsibility, obligation, or liability whatsoever with respect to the cost associated with or the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the BMB Settlement; the management, investment, disbursement, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in

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County); and *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County).

connection with the BMB 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 BMB Settlement or the BMB 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, cancel or modify the BMB Settlement, the BMB Settlement Agreement or this Final Bar Order.

15. Nothing in this Final Bar Order or the BMB Settlement Agreement and no aspect of the BMB Settlement or negotiation 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 Troice Litigation, the Janvey Litigation, the Other BMB Litigation, or any other proceeding. The BMB Defendants expressly deny any liability or wrongdoing with respect to the matters alleged in the complaints in the Troice Litigation, the Janvey Litigation, the Other BMB Litigation and any other claims related to the Stanford Entities.

16. BMB is hereby ordered to deliver or cause to be delivered the Settlement Amount in accordance with the terms of Paragraphs 20 and 25 of the BMB Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions of the BMB 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 BMB Settlement, the BMB

Settlement Agreement, the Scheduling Order, and this Final Bar Order, including, without limitation, the injunctions, bar orders, and releases described herein, and to enter orders concerning implementation of the BMB Settlement, the BMB 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 BMB Settlement, the BMB Settlement Agreement, or this Final Bar Order.

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE





signed the BMB Settlement Agreement<sup>2</sup> as Chairperson of the Committee and as Examiner solely to evidence his support and approval of the BMB Settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the BMB Settlement, this action, or the Troice 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 Troice 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 the BMB Defendants, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Troice Litigation and this case, the Investor Plaintiffs allege, *inter alia*, that the BMB Defendants aided and abetted violations of the Texas Securities Act and aided, abetted or participated in a fraudulent scheme and a conspiracy. In addition, in this case, the Receiver and the Committee allege, *inter alia*, that the BMB Defendants aided, abetted or participated in breaches of fiduciary duty, aided, abetted or participated in a fraudulent scheme, and aided, abetted or participated in fraudulent transfers. The BMB Defendants have denied and continue to deny any and all allegations of wrongdoing.

Lengthy, multiparty negotiations led to the BMB Settlement. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs,

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<sup>2</sup> The “BMB Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion.

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’)” [SEC Action, 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” [SEC Action, ECF No. 322]—all participated in the extensive, arm’s-length negotiations that ultimately resulted in the BMB Settlement and the BMB Settlement Agreement. The Parties reached an agreement-in-principle in May 2016 and subsequently executed the BMB Settlement Agreement.

Under the terms of the BMB Settlement, BMB will pay or cause to be paid \$12,850,000 to the Receivership Estate, which (less attorneys’ fees and expenses) will be distributed to Stanford Investors. In return, the BMB Defendants seek global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and the BMB Released Parties by any Person arising from or related to any of the BMB Defendants’ relationship with the Stanford Entities (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the Settlement Agreement). Obtaining such global peace is a critical and material component of the Settlement. Accordingly, the BMB Settlement is conditioned on, among other things, the Court’s approval and entry of this Final Judgment and Bar Order enjoining any Person from asserting, maintaining or prosecuting claims against any of the BMB Defendants or any of the BMB

Released Parties (subject to the aforementioned exceptions applicable to Winter), as set forth more fully herein.

On \_\_\_\_\_, 2016, the Plaintiffs 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 BMB 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 BMB Settlement Agreement are adequate, fair, reasonable, and equitable, and that the BMB 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 BMB Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the BMB Settlement Agreement.

2. The Court has “broad powers and wide discretion to determine the appropriate relief in [this] equity receivership,” including the authority to enter this Final Judgment and Bar Order. *SEC v. Kaleta*, 530 F. App’x 360, 362 (5th Cir. 2013) (internal quotations omitted); *see also SEC v. Parish*, No. 2:07-cv-00919-DCN, 2010 WL 8347143 (D.S.C. Feb. 10, 2010). Moreover, the Court has jurisdiction over the subject matter of this action, and the Plaintiffs 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, including the plaintiffs in the Other BMB Litigation<sup>3</sup>, of the BMB Settlement, the BMB Settlement Agreement, the releases therein, and the injunctions provided for in the Final Bar Order to be entered in the SEC Action, this Final Judgment and Bar Order, and the Final Judgment and Bar Order to be entered in the Casanova Litigation; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the BMB Settlement, the BMB Settlement Agreement, the Final Bar Order to be entered in the SEC Action, this Final Judgment and Bar Order, and the Final Judgment and Bar Order to be entered in the Casanova 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 BMB Settlement was reached following an extensive investigation of the facts and resulted from vigorous, good faith, arm's-length negotiations involving experienced and competent counsel. The claims asserted against the BMB Defendants contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with a significant risk that Plaintiffs may not ultimately prevail on their claims. By the same token, it is clear that the BMB Defendants would never agree to the terms of

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<sup>3</sup> The "Other BMB Litigation" is defined in the BMB Settlement Agreement to include (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County); (ii) *Casanova v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, filed on September 16, 2010 in the United States District Court for the Northern District of Texas (the "Casanova Litigation"); (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County).

the BMB Settlement unless they were assured of global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising from or related to the BMB Defendants' relationship with the Stanford Entities (subject only to the aforementioned exceptions applicable to Winter). The injunction against such claims is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the BMB Settlement. *See Kaleta*, 530 F. App'x at 362 (entering bar order and injunction against investor claims as "ancillary relief" to a settlement in an SEC receivership proceeding); *Parish*, 2010 WL 8347143 (similar).

5. Pursuant to the BMB 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 BMB 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 BMB 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. [SEC Action ECF No. 1584].

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

7. Accordingly, the Court finds that the BMB 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 any of the BMB Defendants and any of the BMB

Released Parties, the Stanford Entities or the Receivership Estate, including but not limited to the Plaintiffs, the Claimants, and all other Interested Parties. The BMB Settlement, the terms of which are set forth in the BMB Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the BMB Settlement in accordance with the terms and provisions of the BMB Settlement Agreement and this Final Judgment and Bar Order.

8. Pursuant to the provisions of Paragraph 38 of the BMB Settlement Agreement, as of the Settlement Effective Date, the BMB Defendants and the BMB Released Parties are hereby completely released, relinquished, acquitted, and forever discharged, with prejudice, from all Settled Claims by the Plaintiffs, including, without limitation, the Receiver on behalf of the Receivership Estate and each of the Plaintiffs' respective past and present, direct and indirect, parent entities, subsidiaries, affiliates, heirs, executors, administrators, predecessors, successors and assigns, in their capacities as such and anyone who can claim through any of them, except that this release does not extend to, shall not include, and shall not alter, limit, or otherwise affect, the final judgment entered in favor of the Receiver against Winter in *Janvey v. Hamric*, Case No. 3:13-cv-00775-N-BG, Doc. No. 257 (the "Winter Final Judgment"). Notwithstanding anything to the contrary in this Final Judgment and Bar Order, the Receiver reserves all rights to pursue recovery of the Winter Final Judgment to the maximum extent permitted by the Order Granting Application for Turnover Order, *In re Robert S. Winter, deceased*, Case No. 435,100 in the Probate Court No. 4 of Harris County, Texas (the "Turnover Order"), and nothing in this Final Judgment and Bar Order or the BMB Settlement Agreement or the BMB Settlement shall be construed to impair or limit the Receiver's rights to collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with the terms of the Turnover Order.

9. As of the Settlement Effective Date, the Plaintiffs Released Parties are hereby completely released, acquitted, and forever discharged from all Settled Claims by the BMB Defendants, and each of the BMB Defendants' respective parent entities, subsidiaries, affiliates, heirs, executors, administrators, predecessors, successors and assigns, in their capacities as such.

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 BMB Settlement or the BMB Settlement Agreement or bar the Parties from seeking to enforce or effectuate the terms of the BMB Settlement or the BMB Settlement Agreement.

11. The Court hereby permanently bars, restrains and enjoins the Receiver, the Plaintiffs, the Claimants, all other Interested Parties<sup>4</sup>, and all other Persons or entities, 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, proceeding, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against any of the BMB Defendants or any of the BMB Released Parties, now or at any time in the future, any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature, including but not limited to litigation, arbitration, or other proceeding, in any Forum, whether individually, representatively, directly, derivatively, on behalf of a class

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<sup>4</sup> "Interested Parties," as defined herein and in the BMB Settlement Agreement, means "the Receiver, the Receivership Estate, the Committee, the members of the Committee, Plaintiffs, the plaintiffs in the Other BMB Litigation, the Stanford Investors, the Claimants, the Examiner, the Joint Liquidators, or any other Person or Persons who have or may have claims against the BMB Released Parties or the Receivership Estate, or who are alleged by the Receiver, the Committee, or any 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."

or putative class, as a member of a class or putative class, or in any other capacity whatsoever, that, in whole or in part, in any way concerns, relates to, is based upon, arises from, 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) any one or more of the BMB Defendants' relationship(s) with any one of the Stanford Entities, (iv) the BMB Defendants' provision of services to any of the Stanford Entities, and any other acts, errors or omissions by the BMB Defendants for or related to the Stanford Entities, (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of this case, the Troice Litigation, the SEC Action, the Other BMB Litigation, or any other proceeding concerning the Stanford Entities pending or commenced in any Forum, or (vi) any Settled Claim. The foregoing specifically includes, but is not limited to, 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. Notwithstanding the foregoing, this bar order does not extend to, shall not include, and shall not alter, limit, or otherwise affect the Receiver's right or ability to pursue and collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with and to the maximum extent permitted by the Turnover Order.



12. 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 BMB Settlement or payment of the Settlement Amount by or on behalf of the BMB Defendants and the BMB Released Parties; (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 other litigation; provided, however, 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 any of the BMB Defendants or the BMB Released Parties, or (y) the commencement, assertion or continuation of any action or claim against any of the BMB Defendants or the BMB Released Parties, 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 any of the BMB Defendants or BMB Released Parties.

13. The BMB Defendants and the BMB Released Parties have no responsibility, obligation, or liability whatsoever with respect to the cost associated with or the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the BMB Settlement; the management, investment, disbursement, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the BMB 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 BMB Settlement or the BMB 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, cancel or modify the BMB Settlement, the BMB Settlement Agreement or this Final Judgment and Bar Order.

14. Nothing in this Final Judgment and Bar Order or the BMB Settlement Agreement and no aspect of the BMB Settlement or negotiation 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 this action, the Troice Litigation, the SEC Action, the Other BMB Litigation, or any other proceeding. The BMB Defendants expressly deny any liability or wrongdoing with respect to the matters alleged in the complaints in this action, the Troice Litigation, the SEC Action, the Other BMB Litigation, and any other claims related to the Stanford Entities.

15. BMB is hereby ordered to deliver or cause to be delivered the Settlement Amount in accordance with the terms of Paragraphs 20 and 25 of the BMB Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions of the BMB Settlement Agreement.

16. 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 BMB Settlement, the BMB 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 BMB Settlement, the BMB Settlement

Agreement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel.

17. 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 the BMB Defendants, which is both final and appealable as to the BMB Defendants, and immediate entry by the Clerk of the Court as to the BMB Defendants is expressly directed.

18. 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 BMB Settlement, the BMB Settlement Agreement, or this Final Bar Order.

19. All relief as to the BMB Defendants that is 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 judgment. The Clerk of the Court is directed to enter Judgment as to the BMB Defendants in conformity herewith.

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE

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

SALVADOR CASANOVA, ET AL.,	§	
	§	
Plaintiffs,	§	
	§	CIVIL ACTION NO. 3:10-CV-1862-N-BL
v.	§	
	§	
WILLIS OF COLORADO, INC., ET AL.,	§	
	§	
Defendants.	§	

**FINAL JUDGMENT AND BAR ORDER**

By Order entered \_\_\_\_\_, 2016 (the “Final Bar Order”), this Court approved a proposed settlement (the “BMB Settlement”) involving Ralph S. Janvey, the Receiver for the Stanford Receivership Estate in *SEC v. Stanford International Bank, Ltd., et al.*, Civil Action No. 3:09-CV-0298-N (the “SEC Action”) and a plaintiff in *Janvey, et al. v. Willis of Colorado Inc., et al.*, Civil Action No. 3:13-cv-03980-N-BG (the “Janvey Litigation”); the Court-appointed Official Stanford Investors Committee (the “Committee”) as a party to the SEC Action and a plaintiff in the Janvey Litigation; and Samuel Troice, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferreiro and Promotora Villa Marino, C.A. (collectively, the “Investor Plaintiffs”), plaintiffs in the Janvey Litigation (Messrs. Troice and Canabal only) and in *Troice, et al. v. Willis of Colorado Inc., et al.*, Civil Action No. 3:09-cv-01274-L (the “Troice Litigation”) (collectively, the Receiver, the Committee and the Investor Plaintiffs are the “Troice-Janvey Plaintiffs”); and the BMB Defendants.<sup>1</sup> The Court-appointed

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<sup>1</sup> The “BMB Defendants” refers collectively to Bowen, Miclette & Britt, Inc. (“BMB”) and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, Deceased (“Winter”).

Examiner signed the BMB Settlement Agreement<sup>2</sup> as Chairperson of the Committee and as Examiner solely to evidence his support and approval of the BMB Settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the BMB Settlement, the Janvey Litigation, or the Troice Litigation.

## **I. INTRODUCTION**

The SEC Action, the Troice Litigation, the Janvey 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 Troice-Janvey Plaintiffs believe that they have identified claims against a number of third parties, including the BMB Defendants, that the Troice-Janvey Plaintiffs claim enabled the Stanford Ponzi scheme. The Troice-Janvey Plaintiffs and the plaintiffs in this action allege, *inter alia*, that the BMB Defendants aided and abetted violations of the Texas Securities Act and aided, abetted or participated in a fraudulent scheme and a conspiracy. In addition, in the Janvey Litigation, the Receiver and the Committee allege, *inter alia*, that the BMB Defendants aided, abetted or participated in breaches of fiduciary duty, aided, abetted or participated in a fraudulent scheme, and aided, abetted or participated in fraudulent transfers. The BMB Defendants have denied and continue to deny any and all allegations of wrongdoing.

Lengthy, multiparty negotiations led to the BMB Settlement. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs,

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<sup>2</sup> The “BMB Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement of Claims Against the BMB Defendants, to Enter the Bar Order, and to Enter the Final Judgments and Bar Orders (the “Motion”) filed in the SEC Action and the Janvey Litigation.

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’)” [SEC Action, 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” [SEC Action, ECF No. 322]—all participated in the extensive, arm’s-length negotiations that ultimately resulted in the BMB Settlement and the BMB Settlement Agreement. The Parties reached an agreement-in-principle in May 2016 and subsequently executed the BMB Settlement Agreement.

Under the terms of the BMB Settlement, BMB will pay or cause to be paid \$12,850,000 to the Receivership Estate, which (less attorneys’ fees and expenses) will be distributed to Stanford Investors. In return, the BMB Defendants seek global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and the BMB Released Parties by any Person arising from or related to any of the BMB Defendants’ relationship with the Stanford Entities (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the BMB Settlement Agreement). Obtaining such global peace is a critical and material component of the BMB Settlement. Accordingly, the BMB Settlement is conditioned on, among other things, the Court’s approval and entry of this Final Judgment and Bar Order enjoining any Person from asserting, maintaining or prosecuting claims against any of the BMB Defendants or

any of the BMB Released Parties (subject to the aforementioned exceptions applicable to Winter), as set forth more fully herein.

On \_\_\_\_\_, 2016, the Troice-Janvey Plaintiffs filed the Motion in the SEC Action and the Janvey Litigation. [SEC Action ECF No. \_\_\_\_; Janvey Action ECF No. \_\_\_\_]. The Court thereafter entered a Scheduling Order on \_\_\_\_\_, 2016 [SEC Action ECF No. \_\_\_\_; Janvey Action ECF No. \_\_\_\_], which, *inter alia*, authorized the Receiver to provide Notice of the BMB 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 in the Final Bar Order and herein, the Court finds that the terms of the BMB Settlement Agreement are adequate, fair, reasonable, and equitable; and the Court approves the BMB Settlement. 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 BMB Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the BMB Settlement Agreement.

2. The Court has “broad powers and wide discretion to determine the appropriate relief in [this] equity receivership,” including the authority to enter this Final Judgment and Bar Order. *SEC v. Kaleta*, 530 F. App’x 360, 362 (5th Cir. 2013) (internal quotations omitted); *see also SEC v. Parish*, No. 2:07-cv-00919-DCN, 2010 WL 8347143 (D.S.C. Feb. 10, 2010). Moreover, the Court has jurisdiction over the subject matter of this action, and the Troice-Janvey Plaintiffs 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, including the plaintiffs in the Other BMB Litigation<sup>3</sup>, of the BMB Settlement, the BMB Settlement Agreement, the releases therein, and the injunctions provided for in the Final Bar Order to be entered in the SEC Action, this Final Judgment and Bar Order, and the Final Judgment and Bar Order to be entered in the Janvey Litigation; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the BMB Settlement, the BMB Settlement Agreement, the Final Bar Order to be entered in the SEC Action, this Final Judgment and Bar Order, and the Final Judgment and Bar Order to be entered in the Janvey 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 BMB Settlement was reached following an extensive investigation of the facts and resulted from vigorous, good faith, arm's-length negotiations involving experienced and competent counsel. The claims asserted against the BMB Defendants contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with a significant risk that the Troice-Janvey Plaintiffs and the plaintiffs

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<sup>3</sup> The "Other BMB Litigation" is defined in the BMB Settlement Agreement to include (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County); (ii) this action; (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County).



herein may not ultimately prevail on their claims. By the same token, it is clear that the BMB Defendants would never agree to the terms of the BMB Settlement unless they were assured of global peace with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising out of or related to the events leading to these proceedings, and with respect to all claims that have been, could have been, or could be asserted against any of the BMB Defendants and any of the BMB Released Parties by any Person arising from or related to the BMB Defendants' relationship with the Stanford Entities (subject only to the aforementioned exceptions applicable to Winter). The injunction against such claims is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the BMB Settlement. *See Kaleta*, 530 F. App'x at 362 (entering bar order and injunction against investor claims as "ancillary relief" to a settlement in an SEC receivership proceeding); *Parish*, 2010 WL 8347143 (similar).

5. Pursuant to the BMB 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 BMB 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 BMB 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. [SEC Action ECF No. 1584].

6. Accordingly, the Court finds that the BMB 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 any of the BMB Defendants and any of the BMB

Released Parties, the Stanford Entities or the Receivership Estate, including but not limited to the plaintiffs in this action, the Troice-Janvey Plaintiffs, the Claimants, and all other Interested Parties.

7. The Court hereby permanently bars, restrains and enjoins the Receiver, the plaintiffs in this action, the Troice-Janvey Plaintiffs, the Claimants, all other Interested Parties<sup>4</sup>, and all other Persons or entities, 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, proceeding, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against any of the BMB Defendants or any of the BMB Released Parties, now or at any time in the future, any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature, including but not limited to litigation, arbitration, or other proceeding, in any Forum, whether individually, representatively, directly, derivatively, on behalf of a class or putative class, as a member of a class or putative class, or in any other capacity whatsoever, that, in whole or in part, in any way concerns, relates to, is based upon, arises from, 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) any one or more of the BMB Defendants'

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<sup>4</sup> "Interested Parties," as defined herein and in the BMB Settlement Agreement, means "the Receiver, the Receivership Estate, the Committee, the members of the Committee, [the Troice-Janvey] Plaintiffs, the plaintiffs in the Other BMB Litigation, the Stanford Investors, the Claimants, the Examiner, the Joint Liquidators, or any other Person or Persons who have or may have claims against the BMB Released Parties or the Receivership Estate, or who are alleged by the Receiver, the Committee, or any 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."

relationship(s) with any one of the Stanford Entities, (iv) the BMB Defendants' provision of services to any of the Stanford Entities, and any other acts, errors or omissions by the BMB Defendants for or related to the Stanford Entities, (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of this action, the Janvey Litigation, the Troice Litigation, the SEC Action, the Other BMB Litigation, or any other proceeding concerning the Stanford Entities pending or commenced in any Forum, or (vi) any Settled Claim. The foregoing specifically includes, but is not limited to, 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. Notwithstanding the foregoing, this bar order does not extend to, shall not include, and shall not alter, limit, or otherwise affect the Receiver's right or ability to pursue and collect the full amount of the final judgment entered in favor of the Receiver against Winter in *Janvey v. Hamric*, Case No. 3:13-cv-00775-N-BG, Doc. No. 257 (the "Winter Final Judgment") or make any recovery pursuant thereto in accordance with and to the maximum extent permitted by the Order Granting Application for Turnover Order, *In re Robert S. Winter, Deceased*, Case No. 435,100 in the Probate Court No. 4 of Harris County, Texas (the "Turnover Order"). Further, nothing in this Final Judgment and Bar Order or the BMB Settlement Agreement or the BMB Settlement shall be construed to impair or limit the

Receiver's rights to collect the full amount of the Winter Final Judgment or make any recovery pursuant thereto in accordance with the terms of the Turnover Order.

8. 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 BMB Settlement or payment of the Settlement Amount by or on behalf of the BMB Defendants and the BMB Released Parties; (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 other litigation; provided, however, 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 any of the BMB Defendants or the BMB Released Parties, or (y) the commencement, assertion or continuation of any action or claim against any of the BMB Defendants or the BMB Released Parties, 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 any of the BMB Defendants or BMB Released Parties.

9. The BMB Defendants and the BMB Released Parties have no responsibility, obligation, or liability whatsoever with respect to the cost associated with or the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the BMB Settlement; the management, investment, disbursement, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the BMB 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 BMB Settlement or the BMB 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, cancel or modify the BMB Settlement, the BMB Settlement Agreement or this Final Judgment and Bar Order.

10. Nothing in this Final Judgment and Bar Order, the Final Bar Order or the BMB Settlement Agreement and no aspect of the BMB Settlement or negotiation 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 this action, the Troice Litigation, the Janvey Litigation, the Other BMB Litigation, or any other proceeding. The BMB Defendants have always denied and continue to expressly deny any liability or wrongdoing with respect to the matters alleged in the complaints in this action, the Troice Litigation, the Janvey Litigation, the Other BMB Litigation, and any other claims related to the Stanford Entities.

11. Without in any way affecting the finality of this Final Judgment and Bar Order, the Court retains continuing and exclusive jurisdiction over the parties to this action for purposes of, among other things, the administration, interpretation, consummation, and enforcement of the BMB Settlement, the BMB Settlement Agreement, the Scheduling Order, the Final Bar 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 BMB Settlement, the BMB Settlement Agreement, and the Distribution Plan.

12. 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 the BMB Defendants, which is both final and appealable as to the BMB Defendants, and immediate entry by the Clerk of the Court as to the BMB Defendants is expressly directed.

13. All relief as to the BMB Defendants that is not expressly granted herein is denied. This is a final judgment. The Clerk of the Court is directed to enter Judgment as to the BMB Defendants in conformity herewith.

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE



class of Stanford investors (collectively, the “Investor Plaintiffs”), as plaintiffs in *Troice v. Willis of Colorado, Inc.*, No. 3:09-CV-1274-N (N.D. Tex.) (the “Troice Litigation”)<sup>1</sup> [SEC Action, ECF No. \_\_; Janvey Litigation, ECF No. \_\_\_\_] (the “Scheduling/Approval Motion”), and (b) Plaintiffs’ Motion for an Award of Attorneys’ Fees in Connection with the Settlements with Willis and BMB Defendants [SEC Action, ECF No. \_\_\_\_; Janvey Litigation, ECF No. \_\_\_\_] (the “Attorneys’ Fees Motion”).<sup>2</sup>

The Motions concern a proposed settlement (the “Settlement”) involving, on the one hand, the Receiver; the Committee; the Court-appointed Examiner, John J. Little (the “Examiner”);<sup>3</sup> and the Investor Plaintiffs; and, on the other hand, BMB and Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, Deceased (“Winter” and together with BMB, the “BMB Defendants”) as defendants in the Janvey Litigation and the Troice Litigation. Capitalized terms not otherwise defined in this order shall have the meaning assigned to them in the settlement agreement attached as Exhibit 1 to the appendix accompanying the Scheduling/Approval Motion (the “Settlement Agreement”).

In the Scheduling/Approval Motion, the Plaintiffs seek the Court’s approval of the terms of the Settlement, including entry of a final bar order in the SEC Action (the “Bar Order”) and entry of final judgments and bar orders in the Janvey Litigation and the Casanova Litigation (the “Final Judgments and Bar Orders”).

After reviewing the terms of the Settlement and considering the arguments presented in the Motions, the Court preliminarily approves the Settlement as adequate, fair, reasonable, and

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<sup>1</sup> The Receiver, the Committee and the Investor Plaintiffs are collectively referred to herein as “Plaintiffs.”

<sup>2</sup> The Scheduling/Approval Motion and the Attorneys’ Fees Motion are collectively referred to herein as the “Motions.”

<sup>3</sup> 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 Janvey Litigation, or the Troice Litigation.



equitable. 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 Final Judgments and Bar Orders in the Janvey Litigation and the Casanova Litigation; (ii) set the deadline for filing objections to the Settlement, the Bar Order, the Final Judgments and Bar Orders, or the Attorneys' Fees Motion; (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 Final Judgments and Bar Orders in the Janvey Litigation and the Casanova Litigation and the Attorneys' Fees Motion (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 Motions, and the Motions' 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 finally approved by the Court; (ii) determine whether the Bar Order attached as Exhibit C to the Settlement Agreement should be entered by the Court in the SEC Action; (iii) determine whether the Final Judgments and Bar Orders

attached as Exhibit D to the Settlement Agreement should be entered by the Court in the Janvey Litigation and the Casanova Litigation; (iv) rule upon any objections to the Settlement, the Bar Order, or the Final Judgments and Bar Orders; (v) rule upon the Attorneys' Fees Motion; 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, including the plaintiffs in the Other BMB Litigation<sup>4</sup>, of the Settlement, the releases therein, and the injunctions provided for in the Bar Order and the Final Judgments and Bar Orders; (iii) are reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, the Bar Order, and the Final Judgments and Bar Orders, 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 F 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,

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<sup>4</sup> The "Other BMB Litigation," as defined in the BMB Settlement Agreement, includes: (i) *Rupert v. Winter, et al.*, Case No. 20090C116137, filed on September 14, 2009 in Texas state court (Bexar County) (the "Rupert Litigation"); (ii) *Casanova v. Willis of Colorado, Inc., et al.*, C.A. No. 3:10-CV-1862-O, filed on September 16, 2010 in the United States District Court for the Northern District of Texas (the "Casanova Litigation"); (iii) *Rishmague v. Winter, et al.*, Case No. 2011C12585, filed on March 11, 2011 in Texas state court (Bexar County)(the "Rishmague Litigation"); and (iv) *MacArthur v. Winter, et al.*, Case No. 2013-07840, filed on February 8, 2013 in Texas state court (Harris County)(the "MacArthur Litigation").

or international delivery service to all Claimants; to be sent via electronic service to all counsel of record for any Person who 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 Troice Litigation, the Janvey Litigation, or the Other BMB 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 certified mail to plaintiffs’ counsel in the Rupert Litigation, the Rishmague Litigation and the MacArthur Litigation; and to be 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 Troice Litigation, the Janvey Litigation, or the Other BMB Litigation.

b. 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 F 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 twenty-one (21) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motions, 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 twenty-one (21) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motions, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to be posted on the Examiner’s website (<http://lpflaw.com/examiner-stanford-financial-group>).

d. The Receiver is hereby directed promptly to provide the Settlement

Agreement, the Motions, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to any Person who requests such documents via email to Margaret Hagelman, an attorney at Strasburger & Price, LLP, at [margaret.hagelman@strasburger.com](mailto:margaret.hagelman@strasburger.com), or via telephone by calling Margaret Hagelman at 210-250-6001. 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 Final Bar Order in the SEC Action, the Final Judgments and Bar Orders or the Attorneys' Fees Motion, 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 Final Judgments and Bar Orders or the Attorneys' Fees Motion; 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:

Edward C. Snyder  
Jesse R. Castillo  
Castillo Snyder, P.C.  
One Riverwalk Place  
700 N. St. Mary's, Suite 405  
San Antonio, Texas 78205  
Telephone: (210) 630-4200  
Facsimile: (210) 630-4210  
Email: [esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)

and

David N. Kitner  
Strasburger & Price LLP  
901 Main Street, Suite 4400  
Dallas, TX 75250-100  
Telephone: (214) 651-4300  
Facsimile: (214) 651-4330  
Email: [david.kitner@strasburger.com](mailto:david.kitner@strasburger.com)

and

Ralph S. Janvey, Esq.  
Krage & Janvey, LLP  
2100 Ross Avenue, Suite 2600  
Dallas, Texas 75201  
Telephone: (214) 397-1912  
Facsimile: (214) 220-0230  
Email: [rjanvey@kjllp.com](mailto:rjanvey@kjllp.com)

and

Kevin M. Sadler, Esq.  
Baker Botts LLP  
1001 Page Mill Road  
Building One, Suite 200  
Palo Alto, California 94304-1007  
Telephone: (650) 739-7518  
Facsimile: (650) 739-7618  
Email: [kevin.sadler@bakerbotts.com](mailto:kevin.sadler@bakerbotts.com)

and

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

and

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

and

John J. Little  
Little Pedersen Fankhauser  
901 Main Street, Suite 4110  
Dallas, TX 75202  
Telephone: (214) 573-2307  
Facsimile: (214) 573-2323  
Email: [jlittle@lpf-law.com](mailto:jlittle@lpf-law.com)

and

Bradley W. Foster  
Andrews Kurth LLP

1717 Main Street, Suite 3700  
Dallas, Texas 75201  
Telephone: 214-659-4646  
Facsimile: 214-659-4401  
Email: [bradfooster@andrewskurth.com](mailto:bradfooster@andrewskurth.com)

and

Nicholas Lanza  
McCormick, Lanza & McNeel, LLP  
4950 Bissonnet Street  
Bellaire, TX 77401  
Telephone: 713-523-0400  
Facsimile: 713-668-6417  
Email: [nlanza@mlm-lawfirm.com](mailto:nlanza@mlm-lawfirm.com)

and

Paul K. Nesbitt  
Kelly, Sutter & Kendrick, P.C.  
3050 Post Oak Blvd., Suite 200  
Houston, Texas 77056  
Telephone: 713-595-6000  
Fax: 713-595-6001  
[pnesbitt@ksklawyers.com](mailto:pnesbitt@ksklawyers.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 Final Judgments and Bar Orders. 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, the Janvey Litigation, the Troice Litigation and the Other BMB Litigation (under the federal civil action numbers for such matters).

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 a Final Bar Order in the SEC Action and the Final Judgments and Bar Orders in the Janvey Litigation and the Casanova Litigation. If entered, such orders will permanently enjoin all Persons, including without limitation all Interested Parties, Stanford Investors, and Claimants, among others, from bringing, encouraging, assisting, continuing, or prosecuting any Settled Claims against any of the BMB Defendants or any of the BMB Released Parties (subject to certain exceptions applicable to Winter as set forth in paragraphs 38 and 41 of the Settlement Agreement), including all claims asserted in the Troice Litigation, the Janvey Litigation, and the Other BMB Litigation, whether pending before the Court or not.

9. Stay of Proceedings: The Janvey Litigation, the Troice Litigation, and the Other BMB Litigation are hereby stayed as to the BMB Defendants, 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 the BMB 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 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 in the SEC Action, the Janvey Litigation, the Troice Litigation, and the Other BMB Litigation (under the federal civil action numbers for such matters).

**IT IS SO ORDERED.**

Signed on \_\_\_\_\_, 2016

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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 Bowen, Miclette & Britt, Inc. (“BMB”) relating to or in any way concerning SIB or any other Stanford-related entity (the “Settlement Agreement”). As part of the Settlement Agreement, the Receiver and Plaintiffs have requested orders that permanently enjoin all Persons, 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) and all other Interested Parties, from bringing any legal proceeding or cause of action arising from or relating to the Stanford Entities against the BMB Released Parties (subject to certain limited exceptions as described in the Settlement Agreement).

Complete copies of the Settlement Agreement, the proposed bar orders, and other 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].

## APPENDIX 2



Orders (the "Motion").<sup>1</sup> Pursuant to the settlement, the BMB Defendants will pay the Receiver \$12.85 million for a release of all claims and a bar order.

**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](http://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

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

insolvency proceeding, a cross-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.

**C. 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”), and Neligan Foley has also monitored and participated in 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 (referred to herein and in the Settlement Agreement as the “Troice Litigation”), and *Troice v. Proskauer Rose, LLP*, Case No. 3:09-cv-01600.

9. Since that time, I and other attorneys from Neligan Foley have participated in the investigation, preparation, filing and prosecution of virtually all of the other major Stanford-related litigation brought against third-parties on behalf of the Committee and Stanford investor

plaintiffs who have sued individually and on behalf of putative classes of Stanford investors, including the following lawsuits:

- (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.<sup>2</sup>

10. In addition to representing the Committee and Investor Plaintiffs in these cases, Neligan Foley was also engaged to represent the Receiver in all of these cases where the Receiver is a named Plaintiff. In this role, Neligan Foley served as lead counsel in the Janvey Litigation against the BMB Defendants.

11. 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 played an integral role in all of the major Stanford-related litigation since 2009.

#### **D. Neligan Foley Role in Litigation Against the BMB Defendants**

12. 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 and prosecution of the investor claims asserted against the BMB Defendants in the Troice Litigation since 2009. The statements in Edward Snyder's Declaration regarding the procedural history of the Troice

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<sup>2</sup> 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.



Litigation are incorporated herein by reference as if fully set forth herein. Neligan Foley was involved in every aspect of the Troice Litigation described in Mr. Snyder's declaration since 2009, including the extensive investigation and document review related to the claims against the BMB Defendants, the preparation and filing of the Complaint and Amended Complaints, responding to the BMB Defendants' Motions to Dismiss, the SLUSA appeal to the Fifth Circuit and the U.S. Supreme Court, and the class certification discovery, motion and briefs.

13. On May 31, 2013, Neligan Foley was retained by the Receiver to represent the Receiver in the Janvey Litigation. On June 5, 2013, Neligan Foley was also retained by the Committee to investigate, file and prosecute the Committee's claims against the BMB Defendants.

14. Neligan Foley took a lead role in the Janvey Litigation against the BMB Defendants. Neligan Foley investigated and researched the basis for the Receivership Estate's claims and damages asserted in the Janvey Litigation, and prepared and filed the Complaint in the Janvey Litigation. Neligan Foley also took the lead in researching and preparing the Briefs in Response to the BMB Defendants' Motions to Dismiss in the Janvey Litigation, resulting in the Court's order denying the BMB Defendants' motions to dismiss most of the claims asserted against the BMB Defendants.

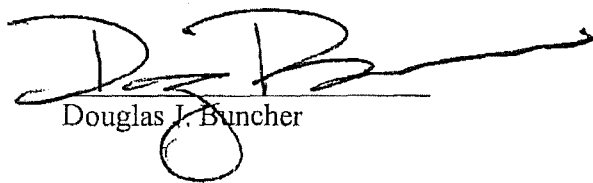
15. Neligan Foley also participated in the negotiations and both mediations that resulted in the \$12.85 million settlement with the BMB Defendants, as well as the negotiation and drafting of the Settlement Agreement and Bar Orders following the mediation.

16. Neligan Foley's time and effort in the Janvey and Troice Litigation played an integral role in achieving the successful resolution of the claims against the BMB Defendants.

**E. 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 Stanford-related litigation since its inception, my involvement with the settlements with BDO, Chadbourne, Kroll and certain Defendants in the *Adams & Reese* litigation referenced above, the available insurance to cover the claims asserted, and my assessment of the relative merits of the claims and defenses with respect to the BMB Defendants, that the settlement with the BMB Defendants 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. In fact, given the time it would take to reach a final conclusion of the litigation against the BMB Defendants, and the risk and uncertainty of the outcome, the settlement is an outstanding result. Similarly, it is my opinion that the bar order sought by the settlement is the only effective means of resolving this case and giving the BMB Defendants the protection they need to end the litigation against the BMB Defendants. Without the bar order sought in the Motion, there would be no settlement with the BMB Defendants, as the BMB Defendants would continue to face potential claims by other parties related to Stanford.

Dated: September 19, 2016.



Douglas J. Buncher

## APPENDIX 3



“Investor Plaintiffs”) (collectively, the “Plaintiffs”) Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Bowen Miclette & Britt (“BMB”), who is currently named as a defendant in Civil Action Nos. 3:13-cv-3980 (the “Receiver Lawsuit”) and 3:09-cv-01274 (the “Investor Lawsuit”)(collectively, the “BMB Lawsuits”), to Approve the Proposed Notice of Settlement with BMB, and to Enter the Final Judgment and Bar Order (the “Settlement Approval Motion”).<sup>1</sup>

**A. The BMB Settlement**

1. The settlement for which approval is sought in the Motion settles all claims against BMB in exchange for payment of **\$12,850,000.00** by BMB to the Receiver for ultimate distribution to the Stanford investor victims (the “BMB Settlement”).

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 BMB on behalf of a putative class of Stanford investors in the Investor Lawsuit since July 2009, and on behalf of the Receiver and OSIC in the Receiver Lawsuit since October 2013. I have been instrumentally involved as lead or co-lead counsel in the BMB Lawsuits since filing said cases in 2009 and 2013, respectively.

**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 BMB. I have actively participated in all material aspects regarding the BMB Lawsuits.

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

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

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.

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 at San Antonio-based law firm Martin, Drought & Torres, I (along with my current partner Jesse Castillo) 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 Neligan Foley. All of the 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. Soon after Stanford collapsed in February 2009, I was retained by hundreds of investors from Mexico. I immediately began investigating potential claims against various third party defendants connected with the collapse of Stanford. The Willis and BMB Defendants were the very first potential litigation targets I discovered, as many of my Mexican clients showed me copies of the insurance letters issued by Willis and, previously, by BMB, when I was retained by them between February and May 2009.

13. 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.

14. 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").

15. 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").

## II. THE BMB SETTLEMENT SHOULD BE APPROVED

### A. The Claims Against BMB and Procedural History of the Litigation

16. Plaintiffs' Counsel have zealously prosecuted and pursued claims against BMB in both in the Investor Lawsuit, since 2009, and in the Receiver Lawsuit, since 2013.

#### 1. The Investor Lawsuit

17. On July 2, 2009, based on my investigation and interviews of multiple clients over the preceding 5 months, I filed the Investor Lawsuit as a putative class action against BMB and the Willis Defendants. [Investor Lawsuit, ECF No. 1]. The original complaint was subsequently amended three times as we received further information and evidence. [*Id.*, ECF Nos. 13 (First Amended, August 12, 2009), 28 (Second Amended, December 31, 2009), and 115 (Third Amended, April 1, 2011)]. BMB and the Willis Defendants filed motions to dismiss the Investor Lawsuit on February 25, 2010. [*Id.*, ECF Nos. 37, 40, 41, 43, 45, 47].

18. Following the Court's grant of leave for the plaintiffs' to file their Third Amended Complaint (in April 2011), on May 2, 2011 BMB and the Willis Defendants filed a new round of 12(b)(6) motions to dismiss. [*Id.*, ECF 123, 125, 127]. The investor plaintiffs filed their responses to said motions on June 8, 2011. [*Id.*, ECF Nos. 137, 138]. On October 27, 2011, this Court granted the 12(b)(6) motion to dismiss, finding that the Securities Litigation Uniform

Standards Act of 1998 (“SLUSA”) precluded the action. [*Id.*, ECF Nos. 155, 156]. The Investor Plaintiffs 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). BMB and the Willis 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 BMB and the Willis Defendants in the Investor Lawsuit. *Chadbourne & Parke, LLP v. Troice*, 134 S. Ct. 1058 (2014).

19. As soon as the case was once again before this Court, in late March 2014 plaintiffs moved the Court to defer ruling on the remainder of the arguments contained in the BMB and Willis Defendants’ still-pending motions to dismiss and to instead enter a Scheduling Order and set the case for trial, which the Court denied via its Order dated September 16, 2014. [*Id.*, ECF 17, 193]. The parties also stipulated to consolidate the Investor Lawsuit with the Receiver Lawsuit. [*Id.*, ECF 181].

20. On September 16, 2014, the Court issued its Class Certification Scheduling Order, ordering the parties to engage in class certification discovery and to file all class certification motions, briefs, and evidence on April 20, 2015. [*Id.*, ECF 192]. The parties thereafter engaged in 6 months of intensive class certification discovery, depositions and briefing, and submitted all of their pleadings and evidence in support of, or opposition to, class certification on April 20, 2015. [*Id.*, ECF Nos. 226-257].

21. In the meantime, the parties filed supplemental briefing in support of and in opposition to BMB’s and the Willis Defendants’ still-pending 12(b)(6) motions to dismiss. [*Id.*, ECF Nos. 194-199, 202-203]. By Order dated December 15, 2014, the Court granted in part and

denied in part BMB and the Willis Defendants' 12(b)(6) motion to dismiss the Investor Lawsuit,<sup>2</sup> dismissing the claims against BMB for primary violations of the TSA, co-conspirator liability under the TSA, and for civil conspiracy, but declining to dismiss the other claims against BMB, including claims for aiding and abetting TSA violations, for aiding and abetting/participation in a fraudulent scheme, and individual claims for insurance code violations, common law fraud, negligent misrepresentation, gross negligence, negligent retention and negligent supervision. [*Id.*, ECF No. 208]. BMB and the Willis Defendants then filed their Answers to plaintiffs' Third Amended Complaint on January 30, 2015. [*Id.*, ECF Nos. 215, 216, 217].

2. The Janvey Litigation

22. On October 1, 2013, the Receiver and Committee, Troice and Canabal, individually and behalf of the class, commenced an action against Defendants BMB, Willis of Colorado, Inc., Willis, Ltd., Willis Group Holdings, Ltd. and Willis North America, Inc. in Civil Action No. 3:13-cv-03980-N-BG, *Ralph S. Janvey, in his Capacity as Court-appointed Receiver for the Stanford Receivership Estate, The Official Stanford Investors Committee, and Samuel Troice and Manuel Canabal, on their own behalf and on behalf of a class of all others similarly situated v. Willis of Colorado Inc., et al.* (the "Receiver Lawsuit") [ECF No. 1].

23. BMB and the Willis Defendants then filed Motions to Dismiss the Janvey Litigation on February 28, 2014. [Receiver Lawsuit, ECF No. 19-31]. Plaintiffs filed a Response to Defendants' Motions to Dismiss on April 29, 2014. [*Id.*, ECF No. 47].

24. On December 5, 2014, the Court granted in part and denied in part BMB's motion to dismiss, dismissing claims for civil conspiracy but declining to dismiss the other claims against the BMB. [*Id.*, ECF No. 64]. BMB filed its Answer in the Janvey Litigation on January

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<sup>2</sup> Because BMB ceased to issue the insurance letters in 2004, BMB had separate and distinct legal arguments from Willis with regard to applicable statutes of limitations and repose under the TSA that the Investor Plaintiffs were required to address.

16, 2015. [*Id.*, ECF No. 73, 74].

**B. Settlement Negotiations**

25. Informal settlement negotiations took place sporadically over the years between Plaintiffs and BMB. Said negotiations focused primarily on Plaintiffs' efforts to recover the remaining policy limits of BMB's insurance coverage before they were eroded by BMB's defense costs. However, such settlement discussions never bore fruit.

26. More formal negotiations took place between Plaintiffs and BMB after Plaintiffs reached settlement with the Willis Defendants in April 2016. Settlement with BMB was reached as a result of several months of negotiations that occurred thereafter, which negotiations revolved around BMB's remaining insurance limits. Plaintiffs were eventually able to extract the BMB settlement amount of \$12.85 million, which constitutes virtually all of BMB's remaining insurance coverage.

27. Without the tireless effort of the Receiver, the Committee, Investor Plaintiffs, and their counsel in investigating and prosecuting these claims as part of the overall effort to recover money from third parties for the benefit of Stanford Investors, the settlement could never have been achieved, and the BMB Lawsuits would have dragged on for years with an uncertain outcome and would have resulted in the further erosion in BMB's insurance policies.

**C. Plaintiffs' Counsel Have Sufficient Basis to Evaluate and Recommend the Settlements**

28. Plaintiffs' Counsel have spent substantial time and energy since 2009 investigating Stanford's business operations and relationships with third parties, including BMB, 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 Lawsuit all the way to the U.S. Supreme Court. All of that work paved the way for the proposed settlements with BMB, 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 7 years and thousands of hours zealously pursuing claims against BMB on behalf of the Stanford Receivership Estate and the Stanford investors prior to reaching the mediated settlement in late March 2016. As part of the investigation of claims against BMB, we reviewed voluminous documents, including thousands of pages of documents detailing Willis' and BMB's relationship with and services provided to Stanford. BMB's history with Stanford in particular was quite extensive, as it dated back to the mid-1990s. The documents reviewed included documents from the Receivership, from the investors, from former Stanford Financial Advisors, and documents obtained from the Antigua Joint Liquidators. We also interviewed dozens of witnesses. We researched relevant case law to develop claims against BMB, 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 BMB'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 BMB 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 BMB, and prosecute them successfully to conclusion.

31. Moreover, Plaintiffs' Counsel have diligently and aggressively litigated the Investor and Receiver Lawsuits close to 7 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 BMB and the value of this settlement, and have acquired knowledge and expertise regarding BMB's involvement with Stanford sufficient to provide a sound basis for their recommendation of approval of the instant settlement.

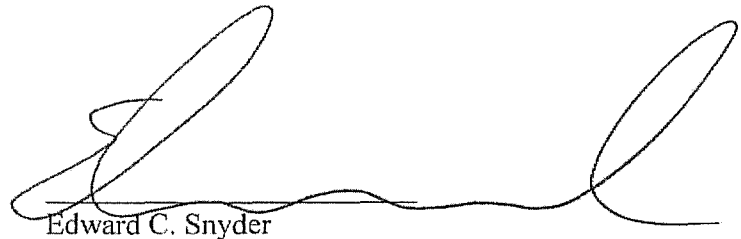
32. Finally, over the years that the BMB Lawsuits were pending, Plaintiffs' Counsel also undertook an investigation of BMB as a business, including its financial ability to pay a large judgment. BMB is a small, Houston-based insurance brokerage company with few, if any, assets. Its largest asset by far, from a collection standpoint, is its insurance policy, which is a "wasting" policy. Through this Settlement, Plaintiffs are recovering virtually the entirety of the remaining policy limits under that policy.

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

33. 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 BMB 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.

34. More importantly, I believe that the BMB Settlement represents the best result that could be achieved given all of the circumstances. The Stanford cases are by no means “easy” cases, and involve complex issues of law, and risks related to class certification, liability and damages. As a consequence, the results obtained are simply outstanding. In light of all of the factors outlined in the Motion, the BMB Settlement represents exceptional results for the Stanford receivership estate and its investors. Therefore, I believe the BMB Settlement is in the best interests of the Stanford receivership estate and its investors and should be approved.

Dated: September 9, 2016



Edward C. Snyder



## APPENDIX 4

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., *et al.*, §

Defendants. §

\_\_\_\_\_  
RALPH S. JANVEY, *et al.*, §

Plaintiffs, §

v. §

Civil Action No. 3:13-cv-03980-N

WILLIS OF COLORADO, INC., *et al.*, §

Defendants. §  
\_\_\_\_\_

**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 Defendants<sup>1</sup> in this action (the “Investors”).” I have served as Examiner in the Stanford Financial Receivership proceedings continuously since my appointment.

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.

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<sup>1</sup> The Defendants include Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Stanford Financial Group, The Stanford Financial Group Bldg. Inc. The Receivership encompasses Defendants and all entities they own or control.

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.<sup>2</sup> OSIC Order at 8.

**A. The Receiver and OSIC Retain Counsel**

6. On or about May 31, 2013, the Receiver, Ralph S. Janvey, entered into an engagement letter with the law firm Neligan Foley, L.L.P. ("NF") pursuant to which the Receiver retained NF to represent the Receivership in connection with potential claims to be asserted against Bowen, Miclette & Britt, Inc. ("BMB") and Robert S. Winter ("Winter") (collectively, the "BMB Defendants"), among others. Pursuant to the May 31, 2013 engagement letter, the Receiver agreed to pay NF 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 June 5, 2013, pursuant to which the OSIC retained Castillo Snyder, P.C. ("CS"), Strasburger & Price, LLP ("SP") and NF to represent the OSIC in connection with the prosecution of claims against the BMB Defendants and others (the "BMB Claims"). The June 5, 2013 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 BMB Claims.

8. Both the Receiver's engagement agreement with NF and the OSIC's engagement agreement with CS, SP and NF recognized that legal fees paid out of any Net Recovery realized in respect of the BMB Claims would at all times be limited to twenty-five percent (25%) of that Net Recovery.

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<sup>2</sup> 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.

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 BMB 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 BMB Claims. The Revised Fee Agreement defined Net Recovery as the “Recovery in connection with the [BMB] 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 BMB Claims and any fees paid with respect to the BMB Claims.

#### **B. The Troice Action**

10. On July 2, 2009, Samuel Troice, Martha Diaz, Paula Gilly-Flores and Punga Punga Financial, Ltd., each an individual Stanford Investor (and as putative representatives of a class of similarly situated plaintiffs), filed an action against the BMB Defendants and others. Civil Action No. 3:09-CV-1274-N in the Northern District of Texas, Dallas Division (the “Troice Action”). The Troice Action was filed by CS, SP and NF.

11. On August 6, 2009, Manuel Canabal, Daniel Gomez Ferrero and Promotora Villa Marino, C.A.,<sup>3</sup> each an individual Stanford Investor (and as putative representatives of a class of similarly situated plaintiffs), filed an action against the BMB Defendants and others. Civil Action No. 3:09-CV-1474-D in the Northern District of Texas, Dallas Division (the “Canabal Action”). The Canabal Action was filed by CS and SP.

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<sup>3</sup> Samuel Troice, Martha Diaz, Paula Gilly-Flores, Punga Punga Financial, Ltd., Manuel Canabal, Daniel Gomez Ferrero and Promotora Villa Marino, C.A. are collectively referred to in this Declaration as the “Investor Plaintiffs.”

12. On December 18, 2009, the parties in the Troice Action and the Canabal Action stipulated to the consolidation of those actions under the Troice Action's civil action number. On December 31, 2009, the Canabal Action was dismissed without prejudice.

13. BMB filed a motion to dismiss the Troice Action on May 2, 2011. [Troice Action, ECF Nos. 127-129]. Winter joined that motion to dismiss. [Troice Action, ECF No. 124]. On October 27, 2011, this Court granted the motion to dismiss, finding that the Securities Litigation Uniform Standards Act of 1998 ("SLUSA") precluded the action. [Troice Action, ECF Nos. 155, 156]. The Investor Plaintiffs 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). BMB (and others) 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 the Willis Defendants in the Troice Action. *Chadbourne & Parke, LLP v. Troice*, 134 S. Ct. 1058 (2014).

14. On September 16, 2014 this Court denied the Investor Plaintiffs' request for entry of a scheduling order and granted the BMB Defendants' request to permit additional briefing on their pending motions to dismiss. [Troice Action, ECF No. 193]. On the same day the Court issued its Class Action Scheduling Order, [Troice Action, ECF No. 192]; the parties then engaged in six months of extensive class certification discovery and fact and expert witness depositions. The parties filed their class certification evidence and briefing with this Court on April 20, 2015. [Troice Action, ECF Nos. 226 - 248]. The parties thereafter filed additional briefing relating to class certification in June and July 2015. [Troice Action, ECF Nos. 253-257; 261-263.] The Investor Plaintiffs' motion for class certification remains pending.

15. On December 15, 2014, the Court granted in part and denied in part the BMB Defendants' motion to dismiss the Troice Action, dismissing the claim against the BMB Defendants for primary violations of the TSA, co-conspirator liability under the TSA, and for civil conspiracy, and declining to dismiss the other claims against the BMB Defendants, including other claims for aiding and abetting TSA violations, for aiding and abetting/participation in a fraudulent scheme, and various individual claims. [Troice Action, ECF No. 208].

### **C. The Janvey Action**

16. On October 1, 2013, the Receiver and OSIC, along with Messrs. Troice and Canabal, individually and on behalf of a class, commenced an action against Willis of Colorado, Inc., Willis, Ltd., Willis Group Holdings, Ltd. and Willis North America, Inc. (collectively, the "Willis Defendants") *See Janvey v. Willis of Colorado, Inc., et al.*, No. 3:13-CV-03980-N, in the Northern District of Texas, Dallas Division (the "Janvey Action"). [Janvey Action, ECF No. 1.]

17. On November 15, 2013, a First Amended Complaint was filed in the Janvey Action adding the BMB Defendants. [Janvey Action, ECF No. 7].

18. The BMB Defendants filed motions to dismiss the Janvey Action on February 28, 2014. [Janvey Action, ECF Nos. 30-32.] Plaintiffs filed a Response to those motions to dismiss on April 29, 2014. [Janvey Action, ECF No. 47]. The BMB Defendants filed their replies on May 29, 2014. [Janvey Action, ECF Nos. 54, 56.]

19. On December 5, 2014, the Court granted in part and denied in part the BMB Defendants' motions to dismiss, dismissing claims for civil conspiracy, and primary liability under the TSA, but declining to dismiss the other claims against the BMB Defendants. [Janvey

Action, ECF No. 64]. BMB filed its Answer in the Janvey Action on January 16, 2015. [Janvey Litigation, ECF No. 74].

20. On December 18, 2014, a Notice of Suggestion of Death was filed with respect to Winter. [Janvey Action, ECF No. 66]. An unopposed Motion to Substitute Party was filed on February 9, 2015 by Paul D. Winter, Dependent Executor of the Estate of Robert S. Winter, Deceased. [Janvey Action, ECF No. 83]. The substitution was approved by Order dated February 17, 2015. [Janvey Action, ECF No. 85].<sup>4</sup>

#### **D. Examiner Involvement in Actions**

21. 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 against the BMB Defendants in the Troice Action and the Janvey Action.

22. In that regard, I have been involved, as Chair of OSIC, in the OSIC's prosecution of the BMB Claims in the Janvey Action.

23. OSIC's counsel at NF, CS, and SP have spent several years and thousands of hours investigating and pursuing the claims asserted in the Janvey 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 BMB personnel, and hundreds of boxes of materials, including BMB materials and files, that the Receiver secured from Stanford's various offices.

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<sup>4</sup> No answer has been filed in the Janvey Action with respect to the claims against Winter or his Estate.



24. As the Court knows, the Plaintiffs in the Troice Action and the Janvey Action settled their claims against the Willis Defendants as a result of two separate mediation sessions held in October 2015 and March 2016. [See Janvey Action, ECF Nos. 104, 105].

25. The claims asserted against the BMB Defendants in the Troice Action and the Janvey Action are similar to those asserted against the Willis Defendants in those actions. Following the Plaintiffs' settlement with the Willis Defendants, counsel for Plaintiffs and counsel for the BMB Defendants engaged in extended negotiations that resulted in a May 2016 agreement in principle to settle the claims against the BMB Defendants for \$12,850,000. The disparate settlement amounts agreed upon with the Willis Defendants and with the BMB Defendants are the result of the vastly different financial resources available to the Willis Defendants and the BMB Defendants.<sup>5</sup>

26. Counsel for the Plaintiffs and the BMB Defendants then spent approximately four (4) months negotiating and drafting the BMB Settlement Agreement and the various other documents, including bar orders, scheduling orders, and notices, contemplated by the BMB Settlement Agreement. The parties finally executed the BMB Settlement Agreement in September 2016.

27. In my capacity as Chair of the OSIC, I was involved in the negotiations that resulted in the May 2016 agreement in principle and in the negotiations that led to the drafting and execution of the BMB Settlement Agreement. The BMB Settlement Agreement calls for BMB (primarily through its insurers) to pay \$12,850,000 to settle the BMB Claims asserted against the BMB Defendants in the Troice Action and the Janvey Action.

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<sup>5</sup> The Willis Defendants are part of a global insurance brokerage and advisory company with over 39,000 employees and operations in over 120 countries. Defendant BMB operates from seven offices located in four states – Texas, Arkansas, Louisiana and Florida.

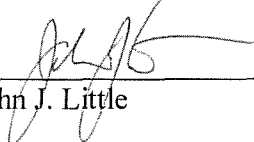
**E. Examiner's Opinion Concerning the BMB Settlement**

28. It is my opinion that the settlement the Receiver, the OSIC and the putative class plaintiffs reached with the BMB Defendants 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 Troice Action and the Janvey Action, and the risks, uncertainty and the length of time it would take to get to trial in both of those actions.

29. Similarly, it is my opinion that the bar orders contemplated by the BMB Settlement are necessary and appropriate, and indeed provide the only effective means of resolving this case and giving the BMB Defendants the protection they require to end the litigation against the BMB Defendants. Without the bar orders contemplated by the BMB Settlement, there will be no settlement with the BMB Defendants, as they would continue to face potential claims by other parties related to Stanford.

30. The Receiver and the OSIC have agreed in principal with putative class counsel and the named Plaintiffs in the Troice Action that any proceeds recovered from the Janvey Action or the Troice 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.

Executed on September 12, 2016.

  
\_\_\_\_\_  
John J. Little

## APPENDIX 5



Enter the Bar Order, and to Enter the Final Judgment and Bar Orders and to Enter the Notice of Bar Order.

**B. The BMB Settlement.**

2. The settlement for which approval is sought in the motion settles all claims against the BMB Defendants in exchange for a payment of \$12,850,000 by the BMB Defendants to the Receiver for ultimate distribution to the Stanford investor victims.

3. My law firm, with co-counsel Castillo Snyder, P.C. and Neligan Foley, LLP, has been litigating claims against the BMB Defendants on behalf of a putative class of Stanford investors in Investor lawsuits since July 2009, and on behalf of the Receiver and OSIC in the Receiver lawsuits since October 2013. I have been involved in these cases sporadically since the SLUSA appeal to the Fifth Circuit. In February 2016, I took over the Stanford docket from Mr. Edward Valdespino who left our firm.

**C. Curriculum Vitae.**

4. I am an attorney admitted to practice law in the State of Texas since 1977. I am also admitted to practice before the United States District Courts for the Northern, Southern, Western and Eastern Districts of Texas and the United States Courts of Appeals for the Fifth and Eleventh Circuits and the United States Supreme Court. I have been involved principally in commercial litigation, trial and appellate work since I was licensed in 1977. My practice is concentrated on complex commercial litigation.

5. Strasburger & Price LLP (“Strasburger”) was founded in 1939 and currently has approximately 200 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.

a. Strasburger is a full service firm with attorneys in multiple practice areas providing relevant and meaningful expertise to prosecute the BMB Defendants. Strasburger has served as lead counsel in countless lawsuits concerning various areas of the law, including: securities litigation, fiduciary litigation, class action litigation, attorney malpractice, and 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 Willis lawsuits and other Stanford lawsuits.

9. 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](http://www.Strasburger.com).

#### **D. Strasburger's Work on the Stanford Cases**

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

11. Strasburger filed putative class action lawsuits against the BMB Defendants on behalf of Venezuelan investors that were ultimately combined into the current Troice Class Action Cases.<sup>1</sup> After the Official Stanford Investor's Committee ("OSIC") was formed, Strasburger partner Edward Valdespino became a member and served on that committee until

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<sup>1</sup> *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").

January of 2016. When Mr. Valdespino left our firm, I was elected a member of OSIC and continue 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 behalf of OSIC, including the instant cases as well as the following cases: *Janvey v. Proskauer Rose, LLP*, Case No. 3:13-cv-477; *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 these cases.

13. In addition, Strasburger was 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, Strasburger lawyers have spent thousands of hours investigating and prosecuting Stanford litigation on a contingent fee basis. Strasburger began this process by meeting and interviewing clients and former employees of Stanford in the United

States and Mexico. Strasburger also reviewed documents that we obtained from these individuals, from the internet and from other public sources. Strasburger also met with independent witnesses and gleaned information from the public filings of the SEC and Receiver. Through this process, Strasburger 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 Strasburger 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 Strasburger could identify and develop the claims against the third party defendants.

15. 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. Strasburger partner Edward Valdespino 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 partner, Michael Jung and I were heavily involved in preparing the briefs in the Fifth Circuit and the Supreme Court of the United States. Michael Jung successfully argued the case before the Fifth Circuit.

**E. Strasburger’s Work on the BMB Lawsuits**

**a. The Investor Lawsuit**

16. Plaintiffs’ filed their initial complaint on behalf of the Stanford Investor victims as a putative class on July 2, 2009 and have amended the Complaint with the current operative pleading filed on April 1, 2011 (Third Amended Class Complaint Doc. No. 115). Among other



claims, Plaintiffs asserted causes of action against the BMB Defendants for negligence, aiding and abetting violations of the TSA, aiding and abetting breaches of fiduciary duty, participation in a fraudulent scheme, and conspiracy.

17. Defendants 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 on October 27, 2011 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.*, *Willis Group Holdings, Ltd. v. Troice*, 134 S.Ct. 1058 (2014).

18. Upon remand, the Defendants filed motions to dismiss Plaintiffs’ Third Amended Complaint and the parties prepared and filed extensive briefing of the various motions. Ultimately, on December 15, 2014, the district court granted in part and denied in part Defendants’ motions to dismiss.

19. The Court also entered a class certification scheduling order (Doc. No. 192). Pursuant to the order, the parties conducted class discovery, retained experts, and briefed all class certification issues.

20. 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. The BMB Defendants responded on April 20, 2015. The class certification motion is currently pending decision by the district court.

21. The BMB Defendants answered the Third Amended Complaint on January 30, 2015.

**b. The OSIC Lawsuit**

22. The Receiver filed suit against Defendants on October 1, 2013, in the United States District Court for the Northern District of Texas, in the case styled *The Official Stanford Investors Committee v. Willis of Colorado, Inc., et al*, No. 3:13-CV-03980.

23. On February 28, 2014, Defendants moved to dismiss the OSIC case on numerous grounds. On December 15, 2014 the court granted in part and denied in part Defendants' motions to dismiss (Doc. No. 69). On February 4, 2015, the district court amended the order of dismissal to reflect dismissal of the Receiver and OSIC's claims for aiding and abetting, or participation in fraudulent transfers.

24. 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.

25. Strasburger was also involved in briefing responses to the motions to dismiss, and the motions to certify the class. Edward Valdespino prepared and presented class representatives for deposition and attended class expert depositions in New York City.

26. The parties started serious negotiations toward settlement in April 2016, after the Willis settlement. The parties then spent over five (5) months negotiating and drafting the BMB Settlement Agreement and the various other documents, including bar orders, scheduling orders, and notices, contemplated by the BMB Settlement Agreement. The parties finally executed the BMB Settlement Agreement in September 2016.

27. BMB is a small Houston-based insurance brokerage business with few assets. Its primary asset is its insurance policy. The negotiation resulted in Plaintiffs obtaining virtually all of BMB's remaining insurance coverage, under a wasting policy that was being depleted by litigation expenses.

**D. Reasonableness of the Settlement**

28. It is my opinion based upon years of experience in prosecuting, trying and settling complex litigation, my involvement in Stanford-related litigation and my assessment of the relative merits of the claims and defenses with respect to the BMB Defendants, that the settlement with the BMB Defendants 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. It is also my opinion that without the bar orders sought in the motion there would be no settlement with the BMB Defendants.

Dated: September 28, 2016.

  
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JUDITH R. BLAKEWAY