

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

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK,  
LTD., ET AL.,

Defendants.

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Civil Action No. 3:09-CV-298-N

**ORDER APPROVING RECEIVER’S ELEVENTH  
INTERIM DISTRIBUTION PLAN**

This Order addresses the Receiver’s Motion for Approval of Eleventh Interim Distribution Plan (the “Motion”). After considering the Motion, any responses, objections, or replies thereto, the arguments of counsel, and the evidence and other materials in the record, the Court OVERRULES all objections and GRANTS the Motion in full. Accordingly, the Court ORDERS the Receiver to make interim distributions to eligible Investor CD Claimants according to the following Eleventh Interim Plan<sup>1</sup>:

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<sup>1</sup> With the exception of three elements (namely the particular funding sources, the amounts to be distributed, and a potential distribution to Eligible Insureds pursuant to the Ninth Interim Plan only), the details of the Receiver’s Motion and this Order approving the Eleventh Interim Plan are substantially identical to the motions and Orders concerning the First through Tenth Interim Plans [see Docs. 1877, 2037, 2288, 2520, 2805, 2922, 2974, 3065, 3163, 3380].

**A. Definitions.**

Unless otherwise defined in this Eleventh Interim Plan, all capitalized terms shall have the same definitions as those set forth in the Court’s May 30, 2013, Order Approving Receiver’s First Interim Plan. [*See* Doc. 1877.]

1. “Eleventh Interim Plan” means the instant Court Order setting forth and approving the Receiver’s Eleventh Interim Distribution Plan.

2. “JLs” means Mark McDonald and Kevin Hellard, in their capacities as the Eastern Caribbean Supreme Court–appointed Antiguan Joint Liquidators of Stanford International Bank, Ltd., and of Stanford Trust Company, Ltd.

3. “Investor CD Claimants” has the same definition in this Eleventh Interim Plan as in the First through Tenth Interim Plans. [*See* Doc. 1877 at 4, ¶ A(10).]

4. “JL Investor CD Claimants” means the subset of Investor CD Claimants who submitted claims in the JLs’ claims process, but only where such claims were not duplicative of claims already submitted in the Receiver’s claims process and where such claims were submitted prior to the Receiver’s Bar Date of September 1, 2012.

5. “Receivership Investor CD Claimants” means all Investor CD Claimants other than the JL Investor CD Claimants.

6. “TD Settlement” means the \$1,101,511,999.29 in funds remaining from the original \$1,205,000,000.00 received in settlement with the Toronto-Dominion Bank, after deducting \$3,488,000.71 in allowed expense disbursements and \$100,000,000.00 in Court-awarded attorneys’ fees. [*See* Docs. 3246, 3247 (motion for approval of TD Settlement);

Doc. 3258 (TD Scheduling Order); Doc. 3328 (minute entry concerning August 8, 2023, hearing on TD Settlement); Doc. 3331 (Order approving TD Settlement); Doc. 3334 (Order approving expenses and attorneys' fees relating to TD Settlement); Docs. 3352, 3354 (Fifth Circuit's dismissal of R. Allen Stanford's attempt to appeal TD Settlement).]

7. “IB Settlement” means the \$72,162,655.42 in funds remaining from the original \$100,000,000.00 received in settlement with Independent Bank, formerly known as Bank of Houston, after deducting \$3,783,126.11 in allowed expense disbursements and \$24,054,218.47 in Court-awarded attorneys' fees. [See Docs. 3241, 3242 (motion for approval of IB Settlement); Doc. 3256 (IB Scheduling Order); Doc. 3328 (minute entry concerning August 8, 2023, hearing on IB Settlement); Doc. 3330 (Order approving IB Settlement); Doc. 3333 (Order approving expenses and attorneys' fees relating to IB Settlement); Docs. 3352, 3354 (Fifth Circuit's dismissal of R. Allen Stanford's attempt to appeal IB Settlement).]

8. “HSBC Settlement” means the \$26,837,840.67 in funds remaining from the original \$40,000,000.00 received in settlement with HSBC Bank Plc, after deducting \$4,216,212.44 in allowed expense disbursements and \$8,945,946.89 in Court-awarded attorneys' fees. [See Docs. 3243, 3244 (motion for approval of HSBC Settlement); Doc. 3257 (HSBC Scheduling Order); Doc. 3328 (minute entry concerning August 8, 2023, hearing on HSBC Settlement); Doc. 3332 (Order approving HSBC Settlement); Doc. 3335 (Order approving expenses and attorneys' fees relating to HSBC Settlement); Docs. 3352,

3354 (Fifth Circuit’s dismissal of R. Allen Stanford’s attempt to appeal HSBC Settlement).]

9. “Approval Date” means the date that the instant Court Order is entered.

**B. The Court hereby approves a 24.99% pro rata distribution from the Receivership to eligible investor CD Claimants, to be made from the TD, IB, and HSBC Settlements.**

1. The Order Approving the First Interim Plan expressly states that “[a]ny future distributions to Investor CD Claimants shall likewise be pro rata based on Investor CD Claimants’ Allowed Claim Amounts.” [See Doc. 1877 at 6, ¶ B(1).] Consistent with that Order, the Court hereby orders that a 24.99% distribution shall be made to eligible Investor CD Claimants (including both to eligible Receivership Investor CD Claimants and to eligible JL Investor CD Claimants) on a pro rata basis pursuant to the Eleventh Interim Plan. Specifically, under the Eleventh Interim Plan, eligible Investor CD Claimants shall receive payments equal to 24.99% of their Allowed Claim Amounts as reflected in their Notices of Determination or Conditional Notices of Determination from the Receiver. The Allowed Claim Amounts shall be based on the Investor CD Claimants’ Net Losses. The Receiver shall use the TD, IB, and HSBC Settlements to fund the 24.99% distribution contemplated by this paragraph.

2. If an Investor CD Claimant serves and files a timely objection to a Notice of Determination or Conditional Notice of Determination, the Investor CD Claimant is not disqualified from receiving a distribution under the Eleventh Interim Plan. However, such Investor CD Claimant shall participate in the Eleventh Interim Plan based initially on the Allowed Claim Amount originally contained in the Notice of Determination or Conditional

Notice of Determination. If the Investor CD Claimant ultimately succeeds in increasing the Allowed Claim Amount (either by stipulation with the Receiver or by Court order sustaining the Investor CD Claimant's objection), the Investor CD Claimant shall receive a supplemental payment representing the pro rata difference between the Allowed Claim Amount in the Notice of Determination or Conditional Notice of Determination and the Allowed Claim Amount after final resolution of the Investor CD Claimant's objection.

3. Pursuant to the Order approving the First Interim Plan, the Receiver was ordered to send a Certification Notice to each Investor CD Claimant asking for certification, as a condition of receiving payment, regarding whether they have applied for or received compensation for their claimed losses from sources other than the Receivership and, if so, the amount of such compensation. [*See* Doc. 1877 at 8, ¶ C(2).] Under the terms of that Order, Investor CD claimants are required to provide the necessary certification within sixty (60) days of the date they received the Certification Notice. [*See id.*] Groups of Investor CD Claimants who fail to return their certifications in response to the Receiver's Certification Notices shall not receive payments under the Eleventh Interim Plan. The Receiver, however, retains the right to compensate such Investor CD Claimants pursuant to the Eleventh Interim Plan if, in the Receiver's discretion, such Investor CD Claimants have provided sufficient evidence that they failed to respond due to excusable neglect, inadvertence, or mistake. In addition to the Certification Notices, the JL Investor CD Claimants must also complete and return to the Receiver their "Consent to United

States Jurisdiction” forms that accompany the Receiver’s Conditional Notices of Determination before any distributions are made to them under any Interim Plan.

4. This Order does not require, and shall not be construed as requiring, the Receiver to send additional Certification Notices beyond the initial Certification Notices required by the First Interim Plan.

5. Claimants who have received compensation from sources other than the Receiver for their CD losses may not be eligible for payments under this Plan. To the extent an Investor CD Claimant has received one or more collateral recoveries, the Receiver may, in his discretion, reduce payments to such an Investor CD Claimant to the extent necessary to ensure that all the Investor CD Claimants are treated similarly with respect to the pro rata amount of their Allowed Claim Amounts they recover from all sources as of the date of the payments. The Receiver shall give any such Investor CD Claimant written notice of such a reduction and the reasons for same. Any Investor CD Claimant who disputes such a reduction by the Receiver shall serve upon the Receiver within sixty (60) days, but not file, a written objection to the reduction. The Receiver has ten (10) days to respond to the objection. If the Receiver fails to respond or if the dispute remains otherwise unresolved, then the Investor CD Claimant must file the objection with the Court. An Investor CD Claimant must file his objection to the reduction within ninety (90) days of the Investor CD Claimant having received the Receiver’s written notice of the reduction. Any objection to a reduction that is not timely filed is waived.

6. Each Investor CD Claimant's distribution under the Eleventh Interim Plan shall be based solely on his Investor CD Claims and not on his other types of Claims, if any.

7. Nothing in this Order shall preclude future distributions to Investor CD Claimants or other Claimants under a different plan. Nor shall anything in this Order restrict the Receiver's authority to compromise and settle any Claim, or resolve any objection to a determination, at any time, as appropriate, without further order of this Court. [See Doc. 1584 at 21, ¶ 7(u).]

**C. Execution of the Eleventh Interim Plan.**

1. All distributions to Investor CD Claimants—whether to Receivership Investor CD Claimants or to JL Investor CD Claimants—under this Eleventh Interim Plan shall begin after the Approval Date.

2. All payments under the Eleventh Interim Plan shall be made on a rolling basis. Prior to making a group of payments pursuant to the Eleventh Interim Plan, the Receiver shall file a schedule of the payments to be made. Each such schedule shall be filed at least ten (10) days prior to the subject payments being made. The schedules shall include claim ID numbers and the amount of the associated payments but shall not contain information from which the individual Investor CD Claimants can be identified.

3. The payments pursuant to the Eleventh Interim Plan representing the Investor CD Claimants' pro rata shares shall be made by check, unless otherwise agreed. If payment is being made to compensate for losses that derive from accounts jointly owned by or

otherwise associated with two or more Investor CD Claimants, the checks shall be jointly payable to all such Investor CD Claimants and require the full endorsement of all such Investor CD Claimants.

4. Each check shall state on its face that it will be void if not cashed within 180 days from the date of issue. The Investor CD Claimant(s) to whom the check was originally issued may submit a written request for reissuance to the Receiver within 180 days of the original date of issuance of the check. All funds represented by void checks not timely reissued shall revert to the Receivership Estate.

5. With respect to check payments representing an Investor CD Claimant's pro rata share of the TD, IB, and HSBC Settlements under this Eleventh Interim Plan, the following "Combined Endorsement Language"—which consolidates the provisions of the TD Endorsement Language, the IB Endorsement Language, and the HSBC Endorsement Language—shall be included on the reverse of all checks, above where the endorser will sign:

BY ENDORSING THIS CHECK, I RELEASE ALL CLAIMS, KNOWN OR NOT, AGAINST THE TORONTO-DOMINION BANK, ITS AGENTS, HEIRS, ASSIGNS, AND EMPLOYEES (WHETHER CURRENT OR PAST); INDEPENDENT BANK, FORMERLY KNOWN AS BANK OF HOUSTON, ITS AGENTS, HEIRS, ASSIGNS, AND EMPLOYEES (WHETHER CURRENT OR PAST), AND THE INDEPENDENT RELEASED PARTIES; AND HSBC BANK PLC AND ITS AGENTS OR EMPLOYEES (WHETHER CURRENT OR PAST), ARISING FROM OR RELATING TO STANFORD INTERNATIONAL BANK, LTD. OR ANY OF ITS RELATED ENTITIES AND ACCEPT THIS PAYMENT IN FULL SATISFACTION THEREOF.



[See Doc. 3247 at 25, ¶ 39 (the “TD Endorsement Language”); Doc. 3242 at 25, ¶ 40 (the “IB Endorsement Language”); Doc. 3244 at 26, ¶ 39 (the “HSBC Endorsement Language”).]

6. The Receiver shall distribute from the proceeds of the TD, IB, and HSBC Settlements the total amount of \$30,000.00 each to Steven Queyrouze, Guthrie Abbott, Salim Estefenn Uribe, Sarah Elson-Rogers, Diana Suarez, and Ruth Alfille de Penhos (with \$10,000.00 payable to each of the foregoing six individuals from the proceeds of each of the three Settlements), in acknowledgment of their participation and the work they performed as the named, putative class representative plaintiffs. These payments are in addition to the 24.99% pro rata distributions pursuant to paragraph (B)(1) and paragraphs (1) through (5) of this section.

**D. No Effect on Third-Party Claims.**

1. An Investor CD Claimant’s receipt of a payment under this Eleventh Interim Plan shall not constitute a waiver of the following:

- a. any defenses an Investor CD Claimant has or may have against litigation claims asserted or that may be asserted by the Receiver, including but not limited to any rights the Investor CD Claimant has or may have to appeal rulings of the trial court in such cases;
- b. any right that an Investor CD Claimant has or may have to pursue claims against former individual Stanford Financial Group financial advisors who were licensed by FINRA, subject to any limitations contained in this

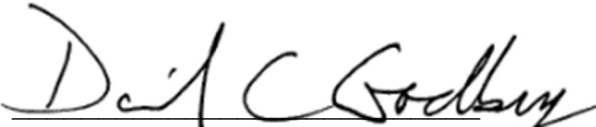
Court's prior Orders, including but not limited to this Court's Second Amended Receivership Order dated July 19, 2010 [*see* Doc. 1130];

- c. any right that an Investor CD Claimant has or may have to pursue claims against persons or entities that are not Receivership Entities, except as otherwise specified in the release language contained in the distribution checks and further subject to any limitations contained in this Court's prior Orders, including but not limited to this Court's Second Amended Receivership Order dated July 19, 2010 [*see id.*], and this Court's Final Bar Orders dated August 8, 2023, that bar certain claims against certain individuals and entities in connection with the TD, IB, and HSBC Settlements [*see* Docs. 3330, 3331, 3332]; or
- d. any claims, rights, or defenses which the Receiver, or his counsel, agree in a stipulation filed with this Court are not waived by filing of a Proof of Claim.

**E. Release.**

1. Any Investor CD Claimant who receives a payment pursuant to this Eleventh Interim Plan shall be deemed to have released the Investor CD Claim(s) for which payment was made to the extent of the payment. Each Investor CD Claimant's Allowed Claim Amount shall be reduced, dollar for dollar, by the total amount received pursuant to the Eleventh Interim Plan.

Signed September 26, 2024.

  
David C. Godbey  
Chief United States District Judge