

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

SECURITIES AND EXCHANGE	§	
COMMISSION,	§	
	§	
Plaintiff,	§	
v.	§	Case No.: 3-09-CV-0298-N
	§	
STANFORD INTERNATIONAL BANK,	§	
LTD., STANFORD GROUP COMPANY,	§	
STANFORD CAPITAL MANAGEMENT,	§	
LLC, R. ALLEN STANFORD, JAMES M.	§	
DAVIS, and LAURA PENDERGEST-	§	
HOLT,	§	
	§	
Defendants.	§	

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**RECEIVER’S INTERIM REPORT REGARDING STATUS OF  
RECEIVERSHIP, ASSET COLLECTION AND ONGOING ACTIVITIES**

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The Receiver hereby submits for the Court’s consideration the following information regarding the status of the Receivership, asset collection efforts and other ongoing activities. Unless otherwise stated herein, the information in this report is current as of June 24, 2010.

**Major Receivership Assets**

The Receiver has identified the following major Receivership assets to date:

*Cash Position:* The total of all cash on hand at June 24, 2010 was \$80.5 million.

Of this amount, \$15.2 million was restricted and \$65.3 million was non-restricted. The restricted amounts include funds held in escrow pursuant to an agreement with Pershing, amounts held in

escrow pending resolution of negotiations with regulators concerning Stanford Trust Company, funds dedicated to estate liquidation efforts in Latin America and amounts subject to potential liens.

*Private Equity:* The Receiver has recovered approximately \$17.2 million<sup>1</sup> in net cash proceeds from the liquidation of private equity investments and is entitled to future payments of an additional \$1.1 million in net proceeds relating to such transactions. The Receiver has additional transactions pending that would result in net cash proceeds of \$6.6 million. In addition, the Receiver's financial advisor is continuing to market the remaining investments in Stanford's private equity portfolio. The Receiver is unable to estimate the potential recovery from the liquidation of these remaining investments.

*Inventory and Accounts Receivable:* The Receiver has identified approximately \$2.3 million in coins and bullion inventory and accounts receivable relating to the coins and bullion operations. The Receiver anticipates that it will utilize a significant amount of the inventory to settle claims asserted by coin claimants and vendors and anticipates liquidation of the remainder pursuant to the Court's Order dated January 5, 2010 [Doc. 943]. The Receiver is also evaluating options to resolve and/or pursue the accounts receivable.

*Real Estate:* The Receiver has real estate transactions pending that would result in net cash proceeds of \$6.4 million. The Receiver anticipates recovering an additional \$11.7 million in net cash proceeds from the sales of other identified properties. In addition, the Receiver's real estate brokers are continuing to market the remaining properties in Stanford's real estate portfolio. The Receiver is unable to estimate the potential recovery from the liquidation of these remaining properties.

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<sup>1</sup> This amount is included in the Total Cash Inflow amount stated below, at p. 10.

*Litigation Claims:* The Receiver has fraudulent transfer and unjust enrichment claims pending totaling approximately \$511 million.<sup>2</sup> Asset recovery litigation is difficult, protracted and expensive. Nevertheless, such claims are the single largest potential source of funds which may be recovered from the Stanford Ponzi scheme. Although the Receiver has reached settlements totaling approximately \$10.2 million with some defendants and has secured an injunction to hold another approximately \$24 million, the amount that the Receiver ultimately is able to collect from the defendants is uncertain and in all probability will be less than the amount claimed. The Receiver's claims include:

- *Claims Against Investors*<sup>3</sup>: The Receiver has fraudulent transfer and unjust enrichment claims pending against 816 investors/investor groups. These investors received a total of approximately \$1.2 billion in CD proceeds, approximately \$213.5 million of which constitutes amounts received in excess of principal investments (or net gains). The Receiver has entered into settlements with 83 investors/investor groups for a total recovery of over \$5.8 million.<sup>4</sup> The Receiver likewise has been willing to work with investor defendants who believe they are not “net winners.” Indeed, after receiving additional information from the investors, the Receiver has dismissed claims against at least 6 investors against whom the Receiver had initially sought to recover over \$4.8 million in “excess proceeds.”
- *Claims Against Former Stanford Employees*<sup>5</sup>: The Receiver has asserted fraudulent transfer and unjust enrichment claims against 329

<sup>2</sup> The portion of this amount attributable to the Receiver's claims against investors includes only net gains sought by the Receiver, as opposed to all CD investment proceeds received by the investors. Although the Receiver is seeking to recover all CD investment proceeds from investor defendants, including purported interest and principal, the Receiver has offered to settle with each of the investors/investor groups for just the amount of net gains they received.

<sup>3</sup> These claims are asserted in the following lawsuits pending before this Court: *Janvey v. Alguire et al.*, Case No. 3:09-CV-0724-N; *Janvey v. Venger et al.*, 3:10-CV-0366-N; *Janvey v. Posada et al.*, Case No. 3:10-CV-0415-N; *Janvey v. Gilbe Corp. et al.*, Case No. 3:10-CV-0478-N; *Janvey v. Buck's Bits Service, Inc. et al.*, 3:10-CV-0528-N; *Janvey v. Johnson et al.*, Case No. 3:10-CV-0617-N; *Janvey v. Barr et al.*, Case No. 3:10-CV-0725-N; *Janvey v. Indigo Trust et al.*, Case No. 3:10-CV-0844-N; *Janvey v. Dokken et al.*, Case No. 3:10-CV-0931-N; *Janvey v. Fernandez et al.*, Case No. 3:10-CV-1002-N.

<sup>4</sup> Approximately \$388,000 of this amount will be paid by the settling defendants through installments over time.

<sup>5</sup> These claims are asserted in *Janvey v. Alguire et al.*, Case No. 3:09-CV-0724-N, pending before this Court.

former Stanford employees. The claims against the former employees total approximately \$267 million, which consists of (1) \$114 million in Stanford International Bank, Ltd. (“SIBL”) CD commissions, SIBL quarterly bonuses and branch managing director quarterly compensation; (2) \$101 million in loans, Performance Appreciation Rights Plan (“PARS”) payments and severance payments and (3) \$52 million in proceeds from employees’ SIBL CD investments.

- *Janvey v. Aitken and Thacker*, Case No. 3:09-CV-1946-N - The Receiver has asserted fraudulent transfer and unjust enrichment claims against Christopher Aitken and Stephen Thacker to recover payments they received from Stanford for the alleged purchase of “personal goodwill” when Aitken and Thacker joined Stanford just a few months before the Receiver was appointed. The Receiver has reached agreement with Aitken and Thacker to settle those claims in exchange for Aitken and Thacker’s payment of \$4.4 million.<sup>6</sup>
- *Janvey v. DSCC and NRCC et al.*, Case No. 3:10-CV-00346-N - The Receiver has asserted fraudulent transfer and unjust enrichment claims, seeking the return of \$1.6 million in political contributions, against the Democratic Senatorial Campaign Committee, the National Republican Congressional Committee, the Democratic Congressional Campaign Committee, the Republican National Committee and the National Republican Senatorial Committee.
- *Janvey v. Barnes*, Case No. 3:10-CV-527-N - The Receiver has asserted fraudulent transfer and unjust enrichment claims against Ben Barnes and Ben Barnes Group, L.P. (“Barnes”) for the return of more than \$5 million that Stanford paid to Barnes in connection with alleged lobbying services.
- *Janvey v. WMSL*, Case No. 3:10-CV-00477-N - The Receiver has asserted fraudulent transfer and unjust enrichment claims against Wealth Management Services, Ltd. (“WMSL”), a company owned and controlled by former Stanford financial advisor David Nanes, for the return of approximately \$9.8 million that Stanford paid to WMSL in bonuses and alleged consulting, marketing, branding and other fees.
- *Janvey v. IEM*, Case No. 3:10-CV-00829-N - The Receiver has asserted fraudulent transfer and unjust enrichment claims against Interim Executive Management, Inc. (“IEM”) for the return of more than \$4 million that Stanford paid to IEM in connection with alleged management consulting services.

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<sup>6</sup> This settlement has not yet been fully funded. Thus, this \$4.4 million is not included in the Total Cash Inflow amount stated below.

- *Janvey v. Reeves*, Case No. 3:09-CV-02151-N - The Receiver has asserted relief defendant, fraudulent transfer and conversion claims against Rebecca Reeves (“Reeves”) to recover at least \$3 million in proceeds Reeves received from the sale of a house that was part of the Receivership Estate as well as recovery of other funds supplied to her by Allen Stanford, in an as of yet undetermined amount.
- *Janvey v. Dillon Gage* - The Receiver anticipates asserting fraudulent transfer and unjust enrichment claims against Dillon Gage Inc. of Dallas and Dillon Gage, Inc. (“Dillon Gage”) in the very near future. These claims will seek the recovery of at least \$3 million paid to Dillon Gage by Stanford Coins and Bullion, Inc. (“SCB”) for product which SCB and its customer did not receive.

*Cost-Benefit Analysis:* Because of the uncertainties and expense attendant to litigation, the Receiver continues to engage in cost-benefit analyses of his claims to recover amounts from the above third parties. With regard to the Receiver’s claims against the former Stanford employees and investors, an appropriate cost-benefit analysis favors continued prosecution of those claims. The central considerations to the Receiver’s asset recovery claims are both liability and collectability. The Receiver evaluates both of those considerations on an ongoing basis with respect to each one of his asset recovery lawsuits.

With regard to the Receiver’s claims against former Stanford employees and investors, such claims are some of the largest sources of potential recovery for the victims of the Stanford fraud, but they represent a significant expense to the Receivership Estate. The initial investigation and development of these claims required significant up front work and expense, most of which consisted of forensic accounting analyses necessary to identify the fraudulent transfers received by the defendants. The majority of the forensic accounting work, however, is now complete. The completion of this initial work has allowed the Receiver to reduce substantially the monthly professional fees and expenses relating to the former employee and

investor claims. The Receiver expects to further reduce monthly professional fees relating to these claims over the remainder of 2010.

- Fees and expenses for professional services relating to the investor and former employee claims for March 2010 were approximately \$841,000.
- Fees and expenses for professional services relating to the investor and former employee claims for April 2010 were approximately \$742,000.
- Fees and expenses for professional services relating to the investor and former employee claims for May 2010 were approximately \$595,000.
- The Receiver projects that the monthly professional fees and expenses relating to the investor and former employee claims will steadily decrease over the summer and will be less than \$200,000 by August 2010.

As the Receiver has worked to achieve this significant reduction in fees and expenses, the Receiver nonetheless has been able to recover and safeguard millions of dollars through settlements and litigation efforts.

- The Receiver has entered into settlements with 83 investors/investor groups, collecting over \$5.8 million.
- The Receiver has obtained an injunction to hold another \$24 million held in the names of former employee defendants.

In a separate suit, the Receiver incurred approximately \$136,000 in professional fees and expenses pursuing claims against two former employees, which resulted in a recovery of \$4.4 million.

The Receiver will continue to work towards appropriate and reasonable settlements, where possible, in order to maximize the net recovery to the Receivership Estate.

*Overseas Cash:* The Receiver has identified approximately \$335 million in cash and assets and other investments in foreign accounts -- including accounts in Canada, the United Kingdom and Switzerland. Rights to the funds in Canada and the United Kingdom are subject to ongoing litigation in those jurisdictions, including proceedings involving freeze orders obtained by U.S. and foreign law enforcement agencies. The outcome of these proceedings is uncertain. On June 7, 2010, the Swiss administrative agency issued a decision giving legal recognition to the Antiguan Liquidation proceeding, rather than the U.S. Receivership.<sup>7</sup> In light of the law enforcement sponsored freeze on Swiss-held funds and assets, it is unclear what impact the Swiss administrative agency decision will have on the ultimate disposition of those funds and assets. With respect to the funds and assets subject to law enforcement freezes in the United Kingdom, Canada and Switzerland, the SEC has requested, and the Receiver has agreed, that the Receiver will not incur further significant fees and expenses relating to those funds and assets without first conferring with and obtaining the consent of the SEC and Department of Justice.

*Paradigm Core Alternative Fund, LLC Liquidation:* The Receiver estimates that it will recover approximately \$3.2 million upon liquidation of interests in the Paradigm Core Alternative Fund. The fund has to date refused to turn over the full amount of the Receiver's interest. Rather, it is withholding all amounts due to the Receiver until the fund's claim for \$150,000 in expenses is resolved. The parties are working to resolve this dispute amicably, but court action may be required if we are unable to reach agreement.

*Return of Political Contributions:* The Receiver has identified over \$1.9 million in political contributions made by Allen Stanford and related entities. The Receiver has

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<sup>7</sup> The Receiver is aware of the June 8, 2010 decision from the Eastern Caribbean Supreme Court in the High Court of Justice for Antigua and Barbuda removing the Antiguan Liquidators from office. The Antiguan Liquidators have stated their intent to appeal this decision. The Receiver does not yet know how these recent events will impact the foreign litigation regarding overseas cash or the Receiver's settlement agreement with the Antiguan Liquidators regarding these and a broader range of issues.

requested return of these contributions from over 90 politicians, political action committees and congressional committees. Through June 24, 2010, however, only \$107,400 has been returned. A list of the contributions returned/not returned thus far, and the identity of the recipients, can be found at: [http://www.stanfordfinancialreceivership.com/documents/Political\\_Contributions\\_06112010.pdf](http://www.stanfordfinancialreceivership.com/documents/Political_Contributions_06112010.pdf). The Receiver is pursuing recovery of approximately \$1.6 million of these contributions in the *Janvey v. DSCC and NRCC et al.* lawsuit referenced above.

*Bank of Panama and Brokerage Business Sale:* At this time, the net proceeds from the sale of Stanford Bank (Panama) S.A. and Stanford Casa de Valores will be approximately \$7.7 million, including \$3.3 million that has already been received and an additional \$4.4 million the Receiver expects to receive by the end of August 2010.<sup>8</sup> In addition, approximately \$800,000 in Stanford assets located in Stanford Bank (Panama) S.A. will be liquidated and transferred into the Receivership Estate.

*Sale of Peruvian Brokerage Business:* The Receiver is negotiating the sale of the Stanford Peruvian brokerage business for an estimated \$600,000 to \$700,000.

*Sale of Ecuadorian Brokerage Business, Trust and Services Companies:* The Receiver is liquidating Stanford Ecuadorian assets. To date, the Receiver has recovered approximately \$4.0 million through the liquidation of such assets and anticipates recovering an additional \$300,000 in July 2010 as well as \$200,000 through future liquidations. In addition, the Receiver is negotiating the sale of the Ecuadorian brokerage business and trust company for approximately \$400,000. The Receiver is also negotiating with authorities in Ecuador for the release of an additional \$4.0 million held through Stanford Services Ecuador, S.A. The recovery of these funds is uncertain.

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<sup>8</sup> The agreement to sell the interest in Stanford Bank (Panama) S.A. and Stanford Casa de Valores provides for the payment to the Receiver of an additional \$5 million from the Bank of Antigua, the receipt of which is not yet assured.

*Liquidation of Assets in Venezuela and Prosecution of Claim Involving Political Risk Policy:* The Receiver is in the process of liquidating seven Stanford entities in Venezuela. The potential for recovery exceeds \$1 million. However, political contingencies and labor claims will bear on the final amount to be recovered. In addition, the Receiver is evaluating the prosecution of a claim to recover under a political risk policy applicable as a result of the Chavez government's appropriation of Stanford Bank of Venezuela.

*Liquidation of Mexican Entities:* The Receiver has engaged Deloitte Mexico as the formal liquidator of the seven Stanford Mexican entities, as required by the CNVB, the Mexican securities and banking regulator. This process should last approximately four months. Recovery of assets is problematic as a result of labor claims filed by Stanford Mexico financial advisors.

### **Major Pre-Receivership Claims**

The total amount of claims that may be asserted in the Receivership proceeding is estimated to be approximately \$7.6 billion, based on available books and records, claims filed or claims otherwise asserted. These claims include:

*CD Claims:* The Receiver estimates that the outstanding claims for SIBL CD redemptions may be as much as \$7.2 billion.

*State and Local Taxes:* The Receiver estimates that tax liabilities to state and local governments total at least \$1.6 million. In addition, the IRS has so far asserted claims against Allen Stanford for \$226 million in unpaid taxes, penalties and interest, and additional claims are expected. The extent to which the IRS may look to the Receivership for such amounts is unclear, but the Receiver would oppose such efforts.

*Vendor Claims:* Vendors who provided products or services to Stanford related entities prior to the Receivership have filed net claims of \$25.4 million. The Receiver anticipates that additional vendor claims will be filed.

*Employee Claims:* Former Stanford employees have filed net claims for unpaid wages, unpaid commissions and unreimbursed expenses, among other claims, of \$18.8 million. The Receiver anticipates that additional employee claims will be filed.

*Landlord Claims:* Landlords who leased property to Stanford related entities have filed net claims, including claims for administrative expenses and lease rejection damages, of \$79.3 million. The Receiver anticipates that additional landlord claims will be filed.

### **Receivership Inflows/Payments**

*Total Cash Inflow:* The total amount of cash collected by the Receiver, including remaining operating income streams, asset liquidation and recovery of assets and funds from third parties, totals approximately \$166.5 million.

*Total Payment of Professional Fees and Expenses:* The total amount of professional fees and expenses paid by the Receiver is \$39.4 million. The Receiver and his team continue to work diligently to substantially reduce the professional fees and expenses being incurred.

*Total Other Cash Outflow:* The total amount of all other payments made by the Receiver, including expenses relating to Stanford personnel, insurance, taxes, security and other matters, was approximately \$46.6 million. By October 2009, as detailed in the Receiver's Interim Report on Asset Collection and Cost Reduction dated October 28, 2009 [Doc. 855], the Receiver had achieved an over 98% reduction in recurring monthly operating expenses relative to the seven months prior to the Receivership. The average monthly operating expenses for the

seven months prior to the Receivership was approximately \$33.3 million, and by October 2009, the Receiver had reduced that amount to less than \$1 million. Monthly expenses have since been further reduced to \$696,000 for May 2010.

For the period November 1, 2009 to May 31, 2010, the total amount of payments made by the Receiver, excluding professional fees, was \$9.1 million. Significant categories of these expenses included payroll expense of \$2.8 million, insurance of \$415,000, general and administrative expense of \$265,000, occupancy expense of \$1.1 million, telecommunication expense of \$435,000 and taxes of \$1.5 million. The Receivership also incurred other charges totaling \$1.1 million, including the \$375,000 Park Hill retainer, which will be offset against amounts earned by Park Hill on private equity sales. During this time, the Receiver has continued to reduce expenses by winding down multiple Stanford entities, substantially reducing the number and cost of Stanford personnel and taking several steps to improve the operational efficiency of the remaining Receivership entities.

### **Ongoing Work**

The following outlines the general nature of the work the Receiver anticipates performing during the remainder of 2010.

*Litigation* - The Receiver anticipates engaging in the following litigation-related activities during the remainder of 2010:

- **Asset Recovery Litigation** - The asset recovery lawsuits that the Receiver is pursuing are outlined above in the section entitled Major Receivership Assets. Each of these cases is in the very earliest stage of litigation. The Receiver's activities in these cases over the next six months will consist primarily of responding to defendants' motions to dismiss, preparing and responding to motions for summary judgment, engaging in discovery, and negotiating and finalizing settlements with certain defendants.

- Appeals Arising from Main SEC Case - There are three appeals pending before the United States Court of Appeals for the Fifth Circuit that arose out of the SEC's main case. One of the appeals is fully briefed and awaiting notice of oral argument. The Receiver's brief in one of the appeals is due in August 2010. The parties are awaiting a briefing schedule in the remaining appeal, but the Receiver anticipates that the briefing in that matter will take place over the next several months.
- Appeal of Injunction - On June 16, 2010, several former Stanford financial advisors served a notice of appeal of the injunction that continues the freeze over their accounts. The financial advisors requested expedited consideration by the Fifth Circuit, which was granted. Thus, the Receiver's brief will be due on July 28, 2010 and oral argument will take place during the week of August 30, 2010.
- Third Party Litigation - There are currently 30 filed cases in which a Receivership entity is a defendant and approximately 38 cases in which defendants include parties associated with the Receivership, such as former financial advisors, former executives, *etc.* All of these cases are subject to the litigation stay issued by this Court, and the Receiver anticipates minimal work on them over the next several months. The Receiver does expect, however, that his team will have to take some steps to enforce the litigation stay in other courts where the parties are not complying with it voluntarily.
- Foreign Jurisdiction Litigation - The Receiver anticipates limited activity associated with efforts to recover funds and assets subject to law enforcement freezes in Canada, the United Kingdom and Switzerland. As stated above, the SEC has requested, and the Receiver has agreed, that the Receiver will not incur further significant fees and expenses relating to those funds and assets without first conferring with and obtaining the consent of the SEC and Department of Justice.

*Receivership Administration* - The Receiver anticipates engaging in the following activities relating to Receivership Administration during the latter half of 2010:

- General Administration and Estate Wind-Down - These activities will include addressing legal issues relating to daily operations, addressing personnel issues, responding to inquiries from customers and creditors, preparing responses to media inquiries, updating disclosures, addressing human resource issues (such as termination of benefits plans), effecting Stanford corporate entity dissolutions, claims management and distribution, planning, document warehousing and

litigation support and responding to requests from the Investors Committee and third party requests for information.

- Administrative Motion Practice - Most of the Receiver's work relating to the SEC's main case during the next several months will consist of motion practice relating to asset liquidation efforts (*i.e.* motions to approve sales) and responding to various motions to intervene or for other relief filed by third parties. Other activities will depend, at least in part, on anticipated rulings by the Court. For example, if the Court approves a proposed agreed order providing for the creation of an Investors Committee, the Receiver will also work to assist in the creation of that committee and work with the committee once it is established.
- Government Investigations - These activities will include responding to inquiries from the SEC, DOJ, IRS and state agencies and producing documents to those entities. The Receiver has seen a significant increase in fees and expenses associated with responding to such requests. The fees incurred in connection with such efforts in April 2010, over \$185,000, were more than double the fees incurred for such activities in January 2010. Although similar fees for May 2010 were substantially reduced from April, the Receiver believes that substantial work will be devoted to these efforts for the foreseeable future as government action against the financial advisors proceeds and the criminal case nears trial.
- Wind-Up of Brokerage and Trust Accounts - These activities will include closing out the remaining 410 broker-dealer and 34 trust accounts. Ten of the remaining trust accounts will require action to be taken in the applicable state courts.
- Asset Liquidation - These activities will include continuing liquidation of the coins and bullion inventory, liquidation of 29 real estate holdings, finalizing pending sales of 12 private equity investments, sale of 18 additional private equity investments, liquidation of assets and entities in Latin America (identified above under Major Receivership Assets) and liquidation of other miscellaneous assets, including boats, office furniture, other personalty, *etc.*

*Claims Reconciliation and Interim Distribution* - The Receiver anticipates engaging in the following activities relating to claims reconciliation during the latter half of 2010:

- Reconciling Claims and Developing a Distribution Process - These activities will include evaluating the potential for and logistics surrounding an interim distribution of Receivership assets. The Fifth Circuit heavily favors pro rata distributions in Ponzi scheme cases. *SEC v. Forex Asset Mgmt., LLC*, 242 F.3d 325 (5th Cir. 2001). To accomplish such a distribution, however, the Receiver must take at least the steps outlined below, and likely others. These are time-consuming and complex tasks that will involve conferring with the SEC, the Examiner and the Investors Committee, if one is approved by the Court. This process will take many months to complete, and it is not certain whether it can be completed in time to submit a proposed distribution plan to the Court by the end of the year.
  - Evaluation and selection of the appropriate claims database and processing system for use in the distribution process.
  - Reconciliation of information previously submitted to the Receiver by potential claimants into a formal claims-resolution/distribution database.
  - Working with the Antiguan Liquidators to obtain any information or data that should be considered in evaluating submitted claims, in order to simplify the process and avoid duplication of payments.
  - Development of the necessary claims verification process.
  - Determination of claim priority criteria.
  - Extensive evaluation of the Receivership's financial status and projected operational requirements to determine the amount of assets that reasonably can be distributed.

The Receiver is aware that any interim distribution will involve significant fees and expenses, and the magnitude of such costs ultimately may influence significantly the timing and amount of any distribution. The Receiver will confer with the SEC and the Examiner with respect to a cost-benefit analysis of the timing and amount of any interim distribution.

The Receiver will supplement this report as circumstances develop or if the information herein materially changes.<sup>9</sup>

Dated: July 1, 2010

Respectfully submitted,

**BAKER BOTTS L.L.P.**

By: /s/ Kevin M. Sadler

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**ATTORNEYS FOR RECEIVER  
RALPH S. JANVEY**

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<sup>9</sup> A summary of the data in this report is contained in the concurrently filed Appendix.

**CERTIFICATE OF SERVICE**

On July 1, 2010, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Northern District of Texas, using the electronic case filing system of the Court. I hereby certify that I have served the Court-appointed Examiner, all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/ Kevin M. Sadler  
Kevin M. Sadler