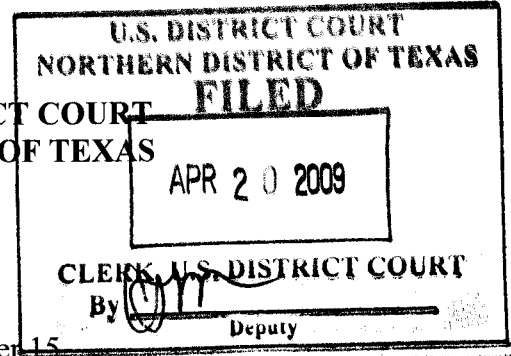


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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION



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In re :  
Stanford International Bank, Ltd., :  
Debtor in a Foreign Proceeding. :  
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Chapter 15  
Case No. 09- \_\_\_\_\_ (\_\_\_\_)  
**3-09CV0721-N**

**PETITION FOR RECOGNITION OF FOREIGN MAIN  
PROCEEDING PURSUANT TO CHAPTER 15 OF THE BANKRUPTCY CODE**

Nigel Hamilton-Smith and Peter Wastell (the "Foreign Representatives"), the duly appointed Joint Receivers-Managers and Liquidators of all the undertaking, property and assets of the Stanford International Bank, Ltd. ("SIB" or the "Debtor") in the insolvency proceeding currently pending under the laws of Antigua and Barbuda (the "Antiguan Proceeding"), hereby submit the Official Form Petition and this Petition for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (collectively, the "Petition") pursuant to chapter 15 of title 11 of the United States Code (the "Bankruptcy Code") for entry of an order recognizing the Antiguan Proceeding as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code. In support of the Petition, the Debtors submit the (a) Memorandum of Law in Support of Petition for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (the "Memorandum of Law"), and (b) Declaration of Nigel Hamilton-Smith in Support of Motion for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (the "Hamilton-Smith Declaration"), which are filed

contemporaneously herewith and incorporated herein by reference, and respectfully state as follows:

**I. Preliminary Statement**

1. On February 16, 2009 this Court appointed Richard S. Janvey of Dallas, Texas as receiver (the "U.S. Receiver") for SIB and certain affiliated companies. Three days later, the banking regulatory authorities in Antigua, where SIB is domiciled, appointed the Foreign Representatives as Joint Receivers-Managers for SIB. The Eastern Caribbean Supreme Court in the High Court of Justice, Antigua and Barbuda (the "Antiguan Supreme Court") instituted a liquidation proceeding for SIB under Antigua law on April 17, 2009, and appointed the Foreign Representatives as Liquidators. The Foreign Representatives have worked continuously since their February appointment to reach an agreement with the U.S. Receiver to establish a cooperative framework for the collection and sharing of information and, ultimately, the collection, preservation and administration of SIB's assets. These efforts, however, have been unsuccessful to date because (a) the U.S. Receiver has largely refused to recognize the Foreign Representatives' authority, and (b) without any agreement or protocol between the Foreign Representatives and the U.S. Receiver, neither this Court nor the Antiguan Court is currently recognizing the authority of, or coordinating with, the other court.

2. While the U.S. Receiver has repeatedly acknowledged the benefits and the need for cooperation and coordination with the Foreign Representatives, the U.S. Receiver has to date sought to displace the Foreign Representatives in Antigua and preclude the Foreign Representatives from seeking cooperation in U.S. courts by having this Court enjoin the filing of any chapter 15 petition. As a result, the Foreign Representatives have no choice but to file the Petition so that they can properly carry out their mandate in the Antiguan proceeding and

seek to coordinate the two proceedings and the respective roles of the Foreign Representatives and the U.S. Receiver.

3. Chapter 15 applies where, as here, "assistance is sought in the United States by a foreign court or a foreign representative in connection with a foreign proceeding." 11 U.S.C. § 1501(b)(1). Section 1517 of the Bankruptcy Code provides that a court *shall* enter an order recognizing a foreign proceeding if: "(1) such foreign proceeding for which recognition is sought is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 1502; (2) the foreign representative applying for recognition is a person or body; and (3) the petition meets the requirements of section 1515." 11 U.S.C. § 1517 (emphasis added). In this case, each of these statutory requirements is satisfied, and the Court should enter an order recognizing the Antiguan Proceeding as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

## **II. Jurisdiction and Venue**

4. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b)(2)(P). Venue of the Debtor's chapter 15 case is proper in this district pursuant to 28 U.S.C. § 1410.

## **III. Background**

5. SIB is a private international bank chartered under the laws of Antigua and Barbuda and domiciled in St. John's, Antigua, West Indies. As of February 19, 2009, the records of SIB indicate that it had 27,992 active clients with a total reported invested amount, including accrued interest, of \$7,206,204,579. SIB primarily sold certificates of deposit ("CDs") that purportedly yielded rates of return exceeding those offered by more traditional banks. The CDs were marketed to investors throughout the world through a series of affiliated companies, and SIB had clients based in 113 countries.

6. The Financial Services Regulatory Commission of Antigua and Barbuda (the "FSRC") is a statutory body established under the International Business Corporation Act, Cap. 222 of the Laws of Antigua and Barbuda, as amended (the "IBCA"), to, among other things, provide certain oversight to international bank and trust companies domiciled in Antigua. On February 19, 2009, the FSRC issued an order appointing the Foreign Representatives as Joint Receivers-Managers of all the undertaking, property and assets of SIB and Stanford Trust Company Ltd. ("STCL") and granting the Foreign Representatives all of the duties and powers previously vested in the directors of SIB and STCL. The Foreign Representatives have exercised those powers and managed the affairs of both entities since the FSRC entered its order.

7. On February 26, 2009, the Antigua Supreme Court, on application by the FSRC, ordered the appointment of the Foreign Representatives as Joint Receivers-Managers of SIB and STCL pursuant to Section 220 of the IBCA with such powers as the Court may determine.

8. Pursuant to their appointment as Joint Receivers-Managers, the Foreign Representatives, and a team from Vantis Business Recovery — a division of Vantis plc, one of the largest accounting firms in the United Kingdom — have been based at SIB's headquarters in St John's, Antigua since February 20, 2009. The Foreign Representatives have undertaken an enormous amount of work in that time and have gained a deep understanding of SIB's business, its assets and its liabilities from their review of SIB's records, their searches of SIB's computer systems and IT databases and their interviews of key members of SIB's staff.

9. After conducting a preliminary investigation, the Foreign Representatives determined that SIB was insolvent and incapable of being reorganized. Accordingly, the FSRC

applied to the Antigua Supreme Court and recommended that SIB be placed into immediate liquidation. The Antigua Supreme Court entered an order (the "Order Initiating Antiguan Proceeding")<sup>1</sup> on April 17, 2009 instituting the Antiguan Proceeding, a liquidation proceeding under Antiguan law.

#### **IV. Relief Requested**

10. The Foreign Representatives request that the Court enter an order:

(a) recognizing, pursuant to section 1517 of the Bankruptcy Code, the Antiguan Proceeding as a "foreign main proceeding" as that term is defined in section 1502(4) of the Bankruptcy Code;

(b) granting all relief afforded under section 1520 of the Bankruptcy Code upon recognition of a foreign main proceeding; and (c) granting such other and further relief as is appropriate under the circumstances.

#### **V. Argument**

11. The Memorandum of Law and the Hamilton-Smith Declaration, filed concurrently herewith, set forth the Foreign Representatives' legal and factual support for recognition of the Antiguan Proceeding as a foreign main proceeding and the other relief requested in this Petition.

#### **VI. Hearing and Notice**

12. The Foreign Representatives request that the Court set the date for a hearing, pursuant to section 1517(c) of the Bankruptcy Code. Once a hearing date (the "Hearing Date") has been set by the Court, notice will be given pursuant to Rule 2002(q) of the Federal Rules of Bankruptcy Procedure. Specifically, the Foreign Representatives will send a Notice of Filing and Hearing, with copies of the Petition, the Memorandum of Law and the

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<sup>1</sup> A certified copy of the Order Initiating Antiguan Proceeding is attached to the Hamilton-Smith Declaration as Exhibit C.

Hamilton-Smith Declaration, upon the following: (a) the Debtor; (b) all administrators in foreign proceedings of the Debtor; (c) all entities against whom provisional relief is being sought under § 1519 of the Bankruptcy Code; (d) all parties to any litigation in which the Debtor is a party and that is pending in the United States at the time of filing of the Petition; (e) the Office of the United States Trustee for the Northern District of Texas; (f) the SEC; and (g) counsel to the U.S. Receiver.

**VII. Reservation of Rights**

13. The Foreign Representatives reserve their right to seek any further or additional relief to which they may be entitled under chapter 15 of the Bankruptcy Code, including, but not limited to, interim relief pursuant to section 1519 of the Bankruptcy Code and additional relief under section 1521 of the Bankruptcy Code.

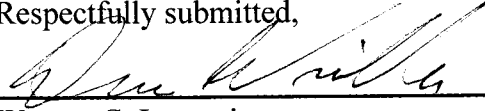
**VIII. No Prior Requests**

14. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Foreign Representatives respectfully request that the Court enter an order (i) granting the relief sought herein and (ii) granting to the Foreign Representatives such other and further relief as the Court may deem proper.

Dated: April 20, 2009

Respectfully submitted,



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ATTORNEYS FOR THE FOREIGN  
REPRESENTATIVES

**PROPOSED ORDER**



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

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In re : Chapter 15
  
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Stanford International Bank, Ltd., : Case No. 09- \_\_\_\_\_ (\_\_\_\_)
  
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Debtor in a Foreign Proceeding. :
  
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**[PROPOSED] ORDER GRANTING RECOGNITION OF FOREIGN MAIN PROCEEDING PURSUANT TO CHAPTER 15 OF THE BANKRUPTCY CODE**

This matter coming before the Court on the Official Form Petition and the Petition for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (collectively, the "Petition"),<sup>1</sup> filed by Nigel Hamilton-Smith and Peter Wastell (the "Foreign Representatives"), the duly appointed Joint Receivers-Managers of all the undertaking, property and assets of the Stanford International Bank, Ltd. ("SIB" or the "Debtor") in the insolvency proceeding currently pending under the laws of Antigua and Barbuda (the "Antiguan Proceeding"); the Court having reviewed the Petition, the Memorandum of Law in Support of Petition for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (the "Memorandum of Law"), and the Declaration of Nigel Hamilton-Smith in Support of Petition for Recognition of Foreign Main Proceeding Pursuant to Chapter 15 of the Bankruptcy Code (the "Hamilton-Smith Declaration") and having heard the arguments of counsel and reviewed the evidence adduced at a hearing before the Court (the "Hearing"); the Court having found that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Petition.

§§ 157 and 1334, (ii) venue is proper in this district pursuant to 28 U.S.C. § 1410, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (iv) the Foreign Representatives are "persons" as such term is defined in section 101(41) of the Bankruptcy Code and are "foreign representatives" as such term is defined in section 101(24) of the Bankruptcy Code, (v) the Antiguan Proceeding is a "foreign proceeding" as such term is defined in section 101(23) of the Bankruptcy Code, (vi) the Antiguan Proceeding is entitled to recognition by this Court pursuant to section 1517 of the Bankruptcy Code, (vii) the Antiguan Proceeding is pending in Antigua, which is the country where the Debtor's center of main interests is located, and is entitled to be recognized as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code, (viii) the Debtor has satisfied the requirements of section 1515 of the Bankruptcy Code and Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure, (ix) this chapter 15 case was properly commenced pursuant to sections 1504, 1509 and 1515 of the Bankruptcy Code, (x) the relief granted herein is appropriate and consistent with United States public policy and (xi) notice of the Petition, the Memorandum of Law, the Hamilton-Smith Declaration and the Hearing was sufficient under the circumstances; and after due deliberation the Court having found that the legal and factual bases set forth in the Petition, the Memorandum of Law and the Hamilton-Smith Declaration and at the Hearing establish just cause for the relief granted herein.

IT IS HEREBY ORDERED THAT:

1. The Antiguan Proceeding is granted recognition pursuant to 11 U.S.C. § 1517(a).
2. The Antiguan Proceeding is granted recognition as a foreign main proceeding pursuant to 11 U.S.C. § 1517(b)(1).

3. The Foreign Representatives are authorized to operate the business of the Debtor that is the subject of the Foreign Proceeding and may exercise the powers of a trustee under and to the extent provided by 11 U.S.C. § 1520.

4. The Debtor and the Foreign Representatives are entitled to all of the relief specified in 11 U.S.C. § 1520(a), including, but not limited to, the protections and rights afforded in sections 361, 362, 363, 549 and 552 of the Bankruptcy Code.

5. The Antiguan Proceeding shall be granted comity and given full force and effect.

6. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any requests for additional relief or any adversary proceeding brought in and through this chapter 15 case, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

7. Nothing in this Order shall limit the Foreign Representatives' right to seek further or additional relief to which they may be entitled, including, but not limited to, relief pursuant to 11 U.S.C. § 1521.

8. No action taken by the Foreign Representatives, the Debtor or each of their successors, agents, representatives, advisors or counsel, in preparing, disseminating, applying for, implementing or otherwise acting in furtherance of or in connection with the Foreign Proceeding, this Order, or this chapter 15 case, or any adversary proceeding herein, or any further proceeding commenced hereunder, shall be deemed to constitute a waiver of the immunity afforded such persons under 11 U.S.C. §§ 306 and 1510.

Dated: April \_\_, 2009.

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UNITED STATES DISTRICT JUDGE

DLI-6242382v6