

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

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

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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Case No.: 3-09-CV-0298-N

**APPENDIX IN SUPPORT OF RECEIVER'S MOTION TO APPROVE PROCEDURES
FOR THE SALE OF THE VESSEL "SEA EAGLE" AND
SALE OF THE VESSEL PURSUANT TO THOSE PROCEDURES**

**PURCHASE AND SALE AGREEMENT
(SUBJECT TO COURT APPROVAL)**

This Agreement is made this 16 day of AUGUST, 2009, by and between:

Buyer: <u>NEIL HELLIWELL</u>	Seller: Ralph Janvey, Federal Receiver
<u>TWIN TOWERS 501/502</u>	for Sea Eagle, Ltd.
<u>DEIRA, P.O. BOX 42252</u>	2100 Ross Avenue, Suite 2600
<u>DUBAI, U.A.E.</u>	Dallas, Texas 75201

1. Buyer agrees to purchase and Seller agrees to sell all right, title and interest in and to the vessel described as:

Name: Sea Eagle	Manufacturer: Hakvoort
Year: 1988	Length: 112 feet
Model: Yacht Fisherman	YW #: 1658-2068498
Hull No.: _____	

(hereinafter referred to as the "Vessel"), subject to the terms and conditions contained herein.

2. The purchase price of the Vessel is: USD ~~TWO MILLION FIVE HUNDRED~~ ^{THOUSAND} (\$2,500,000=); or such higher bid that may be received from potential bona fide purchasers by Seller/Broker between the date of this contract and the end date of the auction period as described hereinafter. Upon the signing of this Agreement by Buyer, a deposit of ten percent (10%) of the purchase price (\$250,000=) shall be paid by Buyer to Ardell Yacht and Ship Brokers, 1550 Southeast 17th Street, Fort Lauderdale, Florida 33316 ("Broker") and shall be held in escrow by Broker as a deposit towards the purchase price, subject to the terms of this Agreement.

3. **Auction.** Beginning on the date of five (5) business days following the signing of a Court Order by the United States District Court for the Northern District of Texas in Case No. 3:09-cv-00298, and continuing for a period of sixty (60) days thereafter, the Seller/Broker shall be entitled to receive competing bids from bona fide purchasers (as determined in the sole discretion of the Seller/Broker). Each competing bid must be at least Two Hundred Fifty Thousand Dollars (\$250,000.00) higher than the purchase price identified hereinabove or the last such competing bid, whichever is higher; each competing bidder must deposit with their bid ten percent (10%) of the bid price with Broker. Following the receipt of such subsequent bidder's ten percent (10%) deposit, any previous deposit shall be returned to such previous high bidder within five (5) business days. If any subsequent high bidder shall fail to make the ten percent (10%) deposit required hereinabove, within four (4) days of the date the Seller/Broker receives such bid, the bid will be deemed void and the previous high bidder will remain as such. At the conclusion of the auction period, the Vessel will be sold to the highest bidding bona fide purchaser bidding during the auction period.

4. **Survey and Sea Trial.** The Seller shall cause a certified survey and sea trial to be conducted by a reputable vessel surveyor at Seller's cost. The results of the survey/sea trial shall be published to the public and available for their review. Any potential bidder may conduct such additional inspections (non-invasive) as such bidder may deem appropriate during the sixty (60) day auction period at such bidder's sole cost.

5. **Terms of Sale.** The sale of this Vessel is "AS IS-WHERE IS".

6. At the conclusion of the auction period and the designation of the highest bona fide bidder, which shall occur within five (5) business days of the auction period end date, such selected bona fide bidder shall pay the balance of the purchase price within seven (7) business days after being so designated, to the Broker.

7. All parties agree that upon breach of this Agreement by Buyer, it would be impractical or difficult to fix Seller's actual damages. Accordingly, if the Buyer fails to pay the balance of the purchase price within the required period and to execute all documents necessary to be executed by him for completion of this purchase pursuant to the terms of this Agreement, the deposit paid by Buyer shall be retained by the Seller and Broker as liquidated damages for Buyer's failure to complete the purchase and Buyer, Seller and Broker shall be relieved of all further obligations under this Agreement. Said deposit shall be divided equally between Seller and Broker.

8. In the event of any default on the part of Seller, all moneys paid or deposited pursuant to this Agreement by Buyer shall be returned to Buyer upon demand less all expenses incurred on behalf of Buyer, or Buyer shall have the right to sue for damages.

9. This purchase and the purchase by any subsequent higher bidder is potentially subject to further Court approval.

10. The parties agree that the risk of loss, injury or destruction of the Vessel shall be borne by Seller until the date of sale. The date of sale under this Agreement shall be the date the Buyer places full payment with the Broker.

11. Possession and title of the Vessel shall remain with the Seller until the date of sale. Upon closing, delivery of the Vessel shall be made at the place of its current dockage, Roscioli Marina, Fort Lauderdale, Florida, and it shall be Buyer's obligation to accept said Vessel at such location and upon taking of possession, all costs and risks of ownership of the Vessel shall be borne thereafter by Buyer.

12. Seller shall furnish clear title pursuant to federal Court order. The Seller agrees to indemnify and hold harmless the Buyer against any liens, claims or actions against the Vessel which arise from ownership and/or operation of the Vessel prior to the closing of the within transaction. The Seller shall discharge, and Broker is authorized to pay out of the purchase price funds held by Broker, all known liens, mortgages and bills of every kind now held against the Vessel or any which may be incurred before consummation of the sale and passage of title of the Vessel to the Buyer.

13. Should sales or use taxes be imposed on this transaction. Buyer shall be solely responsible and shall pay them in full. If taxes or duties are owed with regard to ownership of the Vessel prior to closing, they shall be the responsibility of Seller.

14. **Breakup Fee.** Subject to approval of the Court, if a competing bid submitted in accordance with the Sale Procedures Order is accepted by Seller, a sale in accordance with such competing bid is consummated and Buyer is not in breach of this Agreement. Buyer shall receive a termination fee (inclusive of Buyer's attorneys' fees and costs) equal to three percent (3%) of the final purchase price (the "Breakup Fee"). The Breakup Fee shall be payable within thirty (30) days after the date of sale to a third party.

15. This sale is subject to the Sea Eagle Auction Procedures, a copy of which is attached hereto and incorporated hereby by reference.

16. It is agreed that if any controversy arises between Seller and Buyer or either of them and any third person or persons, the Broker shall not be required to determine the controversy or to take any further action with regard to this Agreement, and the Broker may await the settlement of any such controversy by appropriate legal proceedings or otherwise as may be required, and notwithstanding anything in this Agreement, in such event the Broker shall not be liable for any damages of any kind or nature whatever. In the event of such proceedings in which Broker is involved as a party, it is agreed that Broker shall be entitled to be paid for all court costs and reasonable attorneys' fees incurred. In the event of legal proceedings between Buyer and Seller on the one hand, and Broker on the other, concerning the transactions contemplated by this Agreement, the prevailing party shall be entitled to costs and reasonable attorneys' fees. It is agreed that this contract is made under and shall be interpreted pursuant to the laws of the State of Texas, USA. All disputes arising with regard to this contract shall be subject to the exclusive jurisdiction of the United States District Court for the Northern District of Texas in Cause No. 3:09-cv-00298.

17. This document constitutes the entire agreement between the parties and it is agreed and understood that there are no other duties, obligations, liabilities or warranties, implied or otherwise, except as referred to in an addendum, if any, attached.

18. This Agreement is binding on Seller and Buyer, their heirs, executors, personal representatives and assigns.

19. INFORMATION CONCERNING THE VESSEL HERETOFORE PROVIDED BY SELLER THROUGH THE BROKER IS BELIEVED TO BE CORRECT AND SUCH INFORMATION IS OFFERED IN GOOD FAITH, BUT BROKER CANNOT GUARANTEE THE ACCURACY OF THIS INFORMATION OR WARRANT THE CONDITION OF THE VESSEL. BUYER INDEPENDENTLY, AND THROUGH BUYER'S SURVEYORS, AGREES TO VERIFY SPECIFICATIONS, CONDITIONS OR OTHER MATTERS PERTAINING TO VESSEL. SELLER WARRANTS THAT IT HAS DISCLOSED ALL MATERS THAT WOULD BE MATERIAL TO A REASONABLE BUYER IN DECIDING WHETHER OR NOT TO PURCHASE THIS VESSEL.

NO WARRANTIES


20. THE VESSEL IS SOLD TO THE BUYER AND ACCEPTED BY THE BUYER AS IS AND WHERE IS. NO WARRANTY, EITHER EXPRESS OR IMPLIED AND NO REPRESENTATION AS TO THE CONDITION OF THE VESSEL HAS BEEN MADE BY THE SELLER OR BROKER, OTHER THAN THOSE SPECIFICALLY SET FORTH IN THIS AGREEMENT. SELLER WARRANTS THAT HE HAS INFORMED BUYER OF ANY INFORMATION RESPECTING PROBLEMS WITH THE BOAT OF WHICH HE HAS ACTUAL KNOWLEDGE AND WHICH INFORMATION WOULD BE DEEMED MATERIAL, BY A REASONABLE BUYER, TO THE DECISION TO PURCHASE OR NOT PURCHASE THE VESSEL.

21. This contract may be executed in counterparts, each of which so executed shall, regardless of the date of its execution and delivery, be deemed an original, and such counterparts together shall constitute one and the same instrument. Executed documents which are faxed between the parties shall be deemed as and treated as originals.

22. Except as otherwise expressly stated in this Agreement, Ardell is the authorized Selling Broker in this transaction, and the exclusive agent of Buyer. Buyer and Seller acknowledge that Ardell is the procuring cause of the within transaction.


23. Other conditions: (1) Seller agrees that the Vessel's inventory will remain the same as it was on the date of execution of this Agreement by Buyer and that said inventory includes any and all equipment or personal property normally used in operation and enjoyment of the Vessel, including all décor and furnishings, but excluding clothing, photos and purely personal items of the owner and the crew members. No item(s) of the Vessel's inventory shall be removed without Buyer's written approval; (2) that Seller provide Buyer with all ship's records and documents, including ship's logs, maintenance logs, records, survey reports and invoices, including all documents, if any, relating to the Classification of the Vessel.

BUYER:



NEIL HELLIWELL

SELLER:



RALPH JANVEY *Sea*
Federal Receiver for ~~Little~~ Eagle, Ltd.
pursuant to Court Order in Cause No. 3:09-
cv-00298



SEA EAGLE AUCTION PROCEDURE

Upon approval of the United States District Court for the Northern District of Texas in Cause No. 3:09-cv-00298, Ralph Janvey, Receiver for Stanford International Bank, et al. and their related companies, including Sea Eagle, Ltd., owner of the motor yacht "Sea Eagle", a 112 foot motor yacht manufactured in 1988 by Hakvoort and remodeled and refitted in approximately 2003-2005 by the current owner, will conduct an auction of the Vessel pursuant to the following procedures:

1. The Receiver has received an opening bid of Two Million Five Hundred Thousand Dollars (\$2,500,000) to purchase the Sea Eagle "AS IS WHERE IS", with no warranties and no contingencies.

2. The Receiver has caused a survey and sea trial to be conducted by Florida Nautical Surveyors, which is available for public review at Ardell Yacht and Ship Brokers at 1550 Southeast 17th Street, Fort Lauderdale, Florida 33316, and at the www.ardell.com website and the Receiver's website, www.stanfordfinancialreceivership.com. Any potential bidder may conduct such other noninvasive inspections of the Vessel at their sole cost and risk as they deem appropriate, at the convenience of the Seller and Ardell.

3. The bidding period shall begin five (5) business days after the United States District Court for the Northern District of Texas authorizes this process by signing a Court Order. That date will be published on the various above-described websites. The bidding period will continue for a period of sixty (60) days thereafter and shall end on the sixtieth (60th) day. The winning bidder will be announced by the Seller and Ardell no later than five (5) business days after the close of the auction period. Only bona fide bidders' bids will be accepted; whether a bidder is bona fide will be left to the sole discretion of the Seller. Bidders are requested to provide such financial information as they deem appropriate to establish their bona fide characteristics. Any bidder must deposit ten percent (10%) of the bid price with Ardell at the time of making the bid, in certified funds. Any bid must be at least Two Hundred Fifty Thousand Dollars (\$250,000.00) in excess of the initial bid of Two Million Five Hundred Thousand Dollars (\$2,500,000) or such higher amount as subsequently bid. All bids will be reported on the subject websites and by contacting Ardell.

4. All bids must be pursuant to a written contract, the form of which is available at Ardell and on the subject websites described hereinabove.

5. All questions regarding this process that are not answered hereinabove shall be made to Ardell, in writing, and all questions and answers will be published on the subject websites.