

**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., ET AL.,	§	
	§	
Defendants.	§	

**RECEIVER’S SEVENTH MONTHLY REPORT REGARDING
FEES AND EXPENSES INCURRED AS A RESULT OF THE CLAIMS PROCESS**

Receiver Ralph S. Janvey (the “Receiver”) hereby files his Seventh Monthly Report Regarding Fees and Expenses Incurred as a Result of the Claims Process (the “Seventh Monthly Report”), respectfully stating as follows:

STATUS OF PROFESSIONAL FEES & EXPENSES

As noted in the Receiver’s April 27, 2012 Estimated Budget Letter, the Receiver stated that he would “submit monthly reports to the Court reflecting the fees and expenses incurred by the Receiver as a result of the claims process.” [See Doc. 1583 at 4.] In accordance with that Letter, the Receiver had filed such monthly reports to the Court on a continuing basis.¹

The Receiver now hereby submits his Seventh Monthly Report for the period ending November 30, 2012, which also includes the figures for the periods subject to the First through Sixth Monthly Reports.² As of November 30, 2012, **\$4,279,028.19** in professional fees

¹ [See Doc. 1618 (the “First Monthly Report”); Doc. 1641 (the “Second Monthly Report”); Doc. 1676 (the “Third Monthly Report”); Doc. 1700 (the “Fourth Monthly Report”); Doc. 1714 (the “Fifth Monthly Report”); Doc. 1731 (the “Sixth Monthly Report”).]

² The following figures have been slightly revised as a result of additional fee and expense information received after the filing of the Sixth Monthly Report: (a) FTI’s expense amount for October 1-31, 2012; and (b) FTI’s total fee and expense amounts as described at footnote 3, *infra*.

and expenses were incurred as a result of the claims process. The fees and expenses related to the claims process that are attributable to each of the Receiver's professional firms are listed below:

GILARDI & CO. LLC		
REPORT PERIOD	PROFESSIONAL FEES	EXPENSES
First Monthly Report (as of May 31, 2012)	\$143,991.25	\$339,260.19
Second Monthly Report (June 1-30, 2012)	\$246,503.66	\$9,141.09
Third Monthly Report (July 1-31, 2012)	\$245,596.97	\$15,189.57
Fourth Monthly Report (August 1-31, 2012)	\$416,174.02	\$1,537.98
Fifth Monthly Report (September 1-30, 2012)	\$371,832.42	\$1,227.73
Sixth Monthly Report (October 1-31, 2012)	\$160,901.12	\$330.04
Seventh Monthly Report (November 1-30, 2012)	\$104,303.44	\$0.00
Gilardi Total (as of November 30, 2012)³	\$1,682,102.88	\$366,686.60

FTI CONSULTING, INC.		
REPORT PERIOD	PROFESSIONAL FEES	EXPENSES
First Monthly Report (as of May 31, 2012)	\$167,317.20	\$0.00
Second Monthly Report (June 1-30, 2012)	\$89,735.60	\$0.00
Third Monthly Report (July 1-31, 2012)	\$184,634.80	\$54.60
Fourth Monthly Report (August 1-31, 2012)	\$286,457.60	\$98.23
Fifth Monthly Report (September 1-30, 2012)	\$433,769.20	\$614.19
Sixth Monthly Report (October 1-31, 2012)	\$394,668.80	\$0.00
Seventh Monthly Report (November 1-30, 2012)	\$336,966.00	\$0.00
FTI Total (as of November 30, 2012)⁴	\$1,863,549.20	\$152.83

BAKER BOTTS L.L.P.		
REPORT PERIOD	PROFESSIONAL FEES	EXPENSES
First Monthly Report (as of May 31, 2012)	\$53,948.80	\$792.74
Second Monthly Report (June 1-30, 2012)	\$65,978.00	\$303.67
Third Monthly Report (July 1-31, 2012)	\$52,016.00	\$490.39
Fourth Monthly Report (August 1-31, 2012)	\$69,056.80	\$344.48
Fifth Monthly Report (September 1-30, 2012)	\$43,242.00	\$286.23
Sixth Monthly Report (October 1-31, 2012)	\$52,096.00	\$207.09
Seventh Monthly Report (November 1-30, 2012)	\$27,702.00	\$72.48
Baker Botts Total (as of November 30, 2012)	\$364,039.60	\$2,497.08

³ The total amount of Gilardi's professional fees reflects a reduction of \$7,200.00 relating to activities during July and August 2012.

⁴ The total amount of FTI's professional fees reflects a reduction of \$30,000.00 relating to activities during September and October 2012. Moreover, the total amount of FTI's expenses reflects a reduction of \$614.19 for September 2012.

The Receiver has expended the full amount of his original \$3.85 million estimated budget. [Cf. Doc. 1583 at 1 (Estimated Budget Letter setting forth the original budget); Doc. 1731 at 3 (Sixth Monthly Report stating that approximately \$8,700 of the original budget remained as of October 31, 2012).] For the reasons set forth in the Sixth Monthly Report, the Receiver has explained that “approximately \$1.1 million in additional fees and expenses [would] be necessary to complete CD claims processing and reconciliation through the sending of Notices of Determination.” [See Doc. 1731 at 3.] As of November 30, 2012, approximately \$671,000 of that additional budgeted amount remains.

ONGOING ACTIVITIES

The following is an update concerning the activities of the Receiver and his professionals with regard to claims processing:

- The Receivership received 19,877 claims through November 30, 2012 as a result of the Court-approved claims process. Of these, 3,945 were received online, and 15,932 were received via mail, electronic mail, fax, or courier delivery.
- The following statistics reflect the status of the 30,250 claims (whether CD or non-CD) received through both the prior claims process and the Court-approved claims process as of November 30, 2012. Please note that these numbers continue to fluctuate based upon continuing reconciliation activities.
 - Reconciliation activities regarding 16,991 claims were completed based on information processed to date.
 - 1,849 claims were being manually reconciled, as follows: (a) Gilardi was reconciling 16 CD claims; (b) Stanford Staff was reconciling 1,761 CD and non-CD claims; (c) FTI was reconciling 22 CD claims; (d) Baker Botts was reconciling 47 non-CD claims; and (e) Gilardi and FTI were appending additional claims-related data to 3 claims.
 - 1,650 claims were deficient due to a lack of required information on the claimants’ claim forms. Gilardi and, in some necessary instances, Baker Botts have thus far contacted claimants for 564 of those claims — whether through the dissemination of formal notices of deficiency or through more informal means of communication — to obtain the missing information. In addition, Gilardi is in the process of contacting claimants who

submitted 132 claims that, while not facially deficient, require additional documentation to effectively reconcile their claims.

- 9,262 claims were identified as duplicates of claims already submitted.
 - 14 claims were in the beginning stages of intake processing, initial review, and claim type determination.
 - 352 claims were served upon the Receiver after the Court-approved Bar Date expired.
- As discussed above, Baker Botts drafted and submitted the Sixth Monthly Report on November 6, 2012 and continued to monitor and oversee the claims process and fees and expenses related thereto.
 - Through November 30, 2012, the Receivership received approximately 8,300 telephone calls (of which approximately 4,200 were escalated to a customer service representative) and approximately 11,200 inquiries via electronic mail.

Dated: December 5, 2012

Respectfully submitted,

BAKER BOTTS L.L.P.

By: /s/ Kevin M. Sadler

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**ATTORNEYS FOR RECEIVER
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CERTIFICATE OF SERVICE

On December 5, 2012, 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