

## **SETTLEMENT AGREEMENT**

**THIS SETTLEMENT AGREEMENT** (the “Agreement”) is made and entered into by and between, on the one hand, (i) Ralph S. Janvey, solely in his capacity as the court-appointed receiver for the Stanford Receivership Estate (the “Receiver”); (ii) the Official Stanford Investors Committee (the “Committee”), and (iii) Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, (iv) Chadbourne & Parke LLP (“Chadbourne”) (Plaintiffs, on the one hand, and Chadbourne, on the other hand, are referred to in this Agreement individually as a “Party” and together as the “Parties”);

**WHEREAS**, on February 16, 2009, the U.S. Securities and Exchange Commission (the “SEC”) filed *SEC v. Stanford International Bank, Ltd.*, Civil Action No. 3:09-cv-00298-N (N.D. Tex.) (the “SEC Action”), alleging that Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Stanford International Bank, Ltd. (“SIB”), Stanford Group Company, Stanford Capital Management, LLC, and Stanford Financial Group (the “Defendants”) had engaged in a fraudulent scheme affecting tens of thousands of customers from over one hundred countries;

**WHEREAS**, in an order dated February 16, 2009, in the SEC Action (ECF No. 10), the United States District Court for the Northern District of Texas (the “Court”) assumed exclusive jurisdiction and took possession of the assets, and other tangible and intangible monies and property, as further set forth in that order, of the Defendants and all entities they own or control” (the “Receivership Assets”), and the books and records, client lists, account statements, financial and accounting documents, computers, computer hard drives, computer disks, internet exchange

servers, telephones, personal digital devices and other informational resources of or in possession of the Defendants, or issued by Defendants and in possession of any agent or employee of the Defendants (the “Receivership Records”);

**WHEREAS**, in that same order (ECF No. 10), Ralph S. Janvey was appointed Receiver for the Receivership Assets and the Receivership Records (collectively, the “Receivership Estate”) with the full power of an equity receiver under common law as well as such powers as are enumerated in that order, as amended by an order in that same matter, dated March 12, 2009 (ECF No. 157), and as further amended by an order entered in that same matter, dated July 19, 2010 (ECF No. 1130);

**WHEREAS**, Ralph Janvey has served as Receiver continuously since his appointment and continues to so serve;

**WHEREAS**, John J. Little was appointed to serve as examiner (the “Examiner”) by an order entered in the SEC Action, dated April 20, 2009 (ECF No. 322), to assist the Court in considering the interests of the worldwide investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any defendants in the SEC Action;

**WHEREAS**, John Little has served as Examiner continuously since his appointment and continues to so serve;

**WHEREAS**, the Committee was created pursuant to an order entered in the SEC Action, dated August 10, 2010 (ECF No. 1149) (the “Committee Order”), to represent the customers of SIB, who, as of February 16, 2009, had funds on deposit at SIB, and/or were holding certificates of deposit (“CDs”) issued by SIB (the “Stanford Investors”);

**WHEREAS**, by the Committee Order, the Examiner was named as the initial Chairperson of the Committee;

**WHEREAS**, the Examiner has served as Chairperson of the Committee continuously since his appointment and continues to so serve;

**WHEREAS**, on August 27, 2009, Samuel Troice, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd. filed Plaintiffs' Original Class Action Complaint in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the "Investor Litigation") naming only Proskauer Rose LLP ("Proskauer") and Thomas V. Sjoblom ("Sjoblom") as defendants, and then, on August 28, 2009, filed Plaintiffs' First Amended Class Action Complaint, naming these same defendants;

**WHEREAS**, on October 9, 2009, Samuel Troice, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd. filed Plaintiffs' Second Amended Class Action Complaint in the Investor Litigation, naming Chadbourne and P. Mauricio Alvarado as additional defendants and alleging claims against Chadbourne, and other defendants in the Investor Litigation, for aiding and abetting violations of the Texas Securities Act; aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent supervision;

**WHEREAS**, on January 31, 2013, the Receiver and the Committee filed *Janvey v. Proskauer, Rose LLP*, Civil Action No. 3:13-cv-00477-N (N.D. Tex.) (the "Receiver Litigation"), alleging claims against Chadbourne, and other defendants in the Receiver Litigation, for professional negligence; aiding, abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver's negligence claim;

**WHEREAS**, by Order dated March 4, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss Plaintiffs' Second Amended Class Action Complaint in the

Investor Litigation, dismissing with prejudice the claim against Chadbourne for negligent retention/negligent supervision, dismissing with prejudice the claims against Chadbourne for aiding and abetting Texas Securities Act violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006, and declining to dismiss the other claims against Chadbourne;

**WHEREAS**, by Order dated March 24, 2015, the Court permitted the addition of Pam Reed as a named plaintiff and putative class representative in the Investor Litigation;

**WHEREAS**, on March 26, 2015, Chadbourne filed a Notice of Appeal from the Court's Order entered on March 4, 2015, and from its further Order entered on May 15, 2015, denying Chadbourne's motion to alter or amend that ruling under Federal Rule of Civil Procedure 59(e);

**WHEREAS**, by Order dated June 23, 2015, the Court granted in part and denied in part Chadbourne's motion to dismiss the Original Complaint in the Receiver Litigation, dismissing the claim for aiding and abetting fraudulent transfers but declining to dismiss the other claims against Chadbourne;

**WHEREAS**, Chadbourne expressly denies any and all allegations of wrongdoing, fault, liability, or damages whatsoever and is entering into this Agreement solely to avoid the burden, very substantial expense, and risks of litigation;

**WHEREAS**, Plaintiffs have conducted an investigation into the facts and the law relating to the Investor Litigation and the Receiver Litigation and after considering the results of that investigation and the benefits of this Settlement, as well as the burden, expense, and risks of litigation, have concluded that a settlement with Chadbourne under the terms set forth below is fair, reasonable, adequate, and in the best interests of the Plaintiffs, the Interested Parties, and all

Persons affected by the Stanford Entities, and have agreed to enter into the Settlement and this Agreement, and to use their best efforts to effectuate the Settlement and this Agreement;

**WHEREAS**, the Parties desire to fully, finally, and forever compromise and effect a global settlement and discharge of all claims, disputes, and issues between them;

**WHEREAS**, the Parties have engaged in extensive, good-faith, arm's-length negotiations, including participation in mediation by representatives of the Parties in 2014, before the retired Honorable Harlan Martin, and then in December 2015, before the retired Honorable Layn R. Phillips, and Gregory Lindstrom, Esq., (with the retired Honorable Layn R. Phillips, the "Mediators"), leading to further negotiations and then to this Agreement;

**WHEREAS**, absent this Settlement, the Receiver Litigation and the Investor Litigation could have taken years and cost the Parties millions of dollars to litigate to a final judgment, appeals would likely have resulted, and the outcome would have been uncertain;

**WHEREAS**, the Examiner, both in his capacity as Chairperson of the Committee and in his capacity as the Court-appointed Examiner, participated in the negotiation of the Settlement;

**WHEREAS**, the Committee has approved this Agreement and the terms of the Settlement, as evidenced by the signature hereon of the Examiner in his capacity as Chairperson of the Committee;

**WHEREAS**, the Examiner, in his capacity as Examiner, has reviewed this Agreement and the terms of the Settlement and, as evidenced by his signature hereon, has approved this Agreement and the terms of the Settlement and will recommend that this Agreement, and the terms of the Settlement be approved by the Court and implemented;<sup>1</sup> and

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<sup>1</sup> The Examiner has also executed this Agreement to confirm his obligation to post Notice on his website, as required herein, but is not otherwise individually a party to the Settlement, the Receiver Litigation or the Investor Litigation.

**WHEREAS**, the Receiver has reviewed and approved this Agreement and the terms of the Settlement, as evidenced by his signature hereon;

**NOW, THEREFORE**, in consideration of the agreements, covenants, and releases set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**I. Agreement Date**

1. This Agreement shall take effect once all Parties have signed the Agreement, and as of the date of execution by the last Party to sign the Agreement (the "Agreement Date").

**II. Terms Used in this Agreement**

The following terms, as used in this Agreement, the Bar Order (defined in Paragraph 20), and the Judgment and Bar Order (defined in Paragraph 20), have the following meanings:

2. "Attorneys' Fees" means those fees awarded by the Court to Plaintiffs' counsel from the Settlement Amount pursuant to the terms of the applicable engagement agreements.

3. "Chadbourne Released Parties" means Chadbourne, and all of its predecessor firms and, of each of the foregoing, all of their respective past and present subsidiaries, parents, predecessors, affiliates, related entities and divisions, and all of their respective past, present, and future successors, and all of their respective current and former partners, members, counsel, principals, participating principals, associates, managing or other agents, management personnel, officers, directors, shareholders, administrators, servants, employees, staff, consultants, advisors, attorneys, accountants, lenders, insurers and reinsurers, representatives, successors and assigns, known or unknown, in their representative capacity or individual capacity. Notwithstanding the foregoing, "Chadbourne Released Parties" shall not include any Person, other than Chadbourne, against whom, as of the Agreement Date, any of the Plaintiffs is asserting a claim or cause of action in any judicial proceeding, and also shall not include any Person who becomes employed

by, related to, or affiliated with Chadbourne after the Agreement Date and whose liability, if any, arises solely out of or derives solely from their actions or omissions before becoming employed by, related to, or affiliated with Chadbourne.

4. “Claim” means a Person’s potential or asserted right to receive funds from the Receivership Estate.

5. “Claimant” means any Person who has submitted a Claim to the Receiver or to the Joint Liquidators. Where a Claim has been transferred to a third party and such transfer has been acknowledged by the Receiver, the transferee is a Claimant, and the transferor is not a Claimant unless the transferor has retained a Claim that has not been transferred. Where the Receiver has disallowed a Claim and the disallowance has become Final, then the submission of the disallowed Claim does not make the Person who submitted it a Claimant.

6. “Confidential Information” means the communications and discussions in connection with the negotiations and mediations that led to the Settlement and this Agreement. Confidential Information also includes the existence and terms of the Settlement and this Agreement, but only until the filing of this Agreement and related documents with the Court.

7. “Distribution Plan” means the plan hereafter approved by the Court for the distribution of the Settlement Amount (net of any attorneys’ fees or costs that are awarded by the Court) to Stanford Investors who have had their Claims allowed by the Receiver (“Allowed Claims”).

8. “Final” means unmodified after the conclusion of, or expiration of any right of any Person to pursue, any and all possible forms and levels of appeal, reconsideration, or review, judicial or otherwise, including by a court or Forum of last resort, wherever located, whether automatic or discretionary, whether by appeal or otherwise. The Bar Order and Judgment and

Bar Order shall include findings under Federal Rule of Civil Procedure 54(b) and will become Final as set forth in this paragraph as though such orders were entered as judgments at the end of a case, and the continuing pendency of the SEC Action, the Investor Litigation, and the Receiver Litigation shall not be construed as preventing such Bar Order and Judgment and Bar Order from becoming Final.

9. “Forum” means any court, adjudicative body, tribunal, or jurisdiction, whether its nature is federal, foreign, state, administrative, regulatory, arbitral, local, or otherwise.

10. “Hearing” means a formal proceeding in open court before the United States District Judge having jurisdiction over the Investor Litigation and the Receiver Litigation.

11. “Interested Parties” means the Receiver; the Receivership Estate; the Committee; the members of the Committee; the Plaintiffs; the Stanford Investors; the Claimants; the Examiner; or any Person or Persons alleged by the Receiver, the Committee, or other Person or entity on behalf of the Receivership Estate to be liable to the Receivership Estate, whether or not a formal proceeding has been initiated.

12. “Joint Liquidators” means Marcus A. Wide and Hugh Dickson, in their capacities as the joint liquidators appointed by the Eastern Caribbean Supreme Court in Antigua and Barbuda to take control of and manage the affairs and assets of SIB or any of their successors.

13. “Notice” means a communication, in substantially the form attached hereto as Exhibit A, describing (a) the material terms of the Settlement; (b) the material terms of this Agreement; (c) the rights and obligations of the Interested Parties with regard to the Settlement and this Agreement; (d) the deadline for the filing of objections to the Settlement, the Agreement, the Bar Order, and the Judgment and Bar Order; and (e) the date, time, and location



of the Hearing to consider final approval of the Settlement, this Agreement, the Bar Order, and the Judgment and Bar Order.

14. “Person” means any individual, entity, governmental authority, agency or quasi-governmental person or entity, worldwide, of any type, including, without limitation, any individual, partnership, corporation, limited liability company, estate, trust, committee, fiduciary, association, proprietorship, organization, or business, regardless of location, residence, or nationality.

15. “Plaintiffs Released Parties” means the Investor Plaintiffs, the Receiver, the Examiner, the Committee, and each of their counsel. Plaintiffs Released Parties also includes each of the foregoing persons’ respective past, present, and future directors, officers, legal and equitable owners, shareholders, members, managers, principals, employees, associates, representatives, distributees, agents, attorneys, trustees, general and limited partners, lenders, insurers and reinsurers, direct and indirect parents, subsidiaries, affiliates, related entities, divisions, partnerships, corporations, executors, administrators, heirs, beneficiaries, assigns, predecessors, predecessors in interest, successors, and successors in interest.

16. “Releasor” means any Person granting a release of any Settled Claim.

17. “Settled Claim” means any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that a Releasor ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner

connected with (i) the Stanford Entities; (ii) any CD, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. "Settled Claims" specifically includes, without limitation, all claims each Releasor does not know or suspect to exist in his, her, or its favor at the time of release, which, if known by that Person, might have affected their decisions with respect to this Agreement and the Settlement ("Unknown Claims"). Each Releasor expressly waives, releases, and relinquishes any and all provisions, rights, and benefits conferred by any law or principle, in the United States or elsewhere, which governs or limits the release of unknown or unsuspected claims, including, without limitation, California Civil Code § 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Each Releasor acknowledges that he, she, or it may hereafter discover facts different from, or in addition to, those which such Releasor now knows or believes to be true with respect to the Settled Claims, but nonetheless agrees that this Agreement, including the releases granted herein, will remain binding and effective in all respects notwithstanding such discovery. Unknown Claims include contingent and non-contingent claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of different or additional facts. These provisions concerning unknown and unsuspected claims and the inclusion of Unknown Claims in

the definition of Settled Claims were separately bargained for and are an essential element of this Agreement and the Settlement.

18. “Settlement” means the agreed resolution of the Settled Claims in the manner set forth in this Agreement.

19. “Settlement Amount” means Thirty-Five Million Dollars (\$35,000,000.00) in United States currency.

20. “Settlement Effective Date” means the date on which the last of all of the following have occurred:

a. entry in the SEC Action of a bar order including findings under Federal Rule of Civil Procedure 54(b) and in substantially the form attached hereto as Exhibit B (the “Bar Order”);

b. entry in the Receiver Litigation of a judgment and bar order in substantially the form attached hereto as Exhibit C (the “Judgment and Bar Order”); and

c. the Bar Order and the Judgment and Bar Order have both become Final.

21. “Stanford Entities” means Robert Allen Stanford; James M. Davis; Laura Pendergest-Holt; Gilbert Lopez; Mark Kuhrt; SIB; Stanford Group Company; Stanford Capital Management, LLC; Stanford Financial Group; the Stanford Financial Bldg Inc.; the entities listed in Exhibit D to this Agreement; any entity of any type that was, owned, controlled by, or affiliated with Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, SIB, Stanford Group Company, Stanford Capital Management, LLC, Stanford Financial Group, or the Stanford Financial Bldg Inc., on or before February 16, 2009.

22. “Taxes” means any and all taxes, whether federal, state, local, or other taxes related to the Settlement or the Settlement Amount, and costs incurred in connection with such taxation including, without limitation, the fees and expenses of tax attorneys and accountants.

**III. Delivery and Management of Settlement Amount**

23. Dismissal of Receiver Litigation: The Receiver Litigation shall be dismissed with prejudice as to Chadbourne by the Judgment and Bar Order being entered in the Receiver Litigation and becoming Final.

24. Dismissal of Investor Litigation: Within five (5) business days of the Settlement Effective Date, the Investor Plaintiffs shall file a motion to dismiss with prejudice the Investor Litigation as to Chadbourne.

25. Dismissal of Other Actions: Within five (5) business days of the Settlement Effective Date, the Plaintiffs shall file a motion to dismiss with prejudice or cause to be dismissed with prejudice as to Chadbourne each of the actions listed in Exhibit E that are represented in that exhibit as pending.

26. Delivery of Settlement Amount: On the later of (a) thirty (30) days after the Settlement Effective Date or (b) thirty (30) days after the dismissals with prejudice as to Chadbourne of the Receiver Litigation, the Investor Litigation, and the actions listed in Exhibit E that are represented in that exhibit as pending, Chadbourne shall deliver or cause to be delivered the Settlement Amount to the Receiver by wire transfer in accordance with wire transfer instructions provided by the Receiver for purposes of receiving the payment.

**IV. Use of Settlement Amount**

27. Management and Distribution of Settlement Amount: If and when the Settlement Amount is delivered to the Receiver pursuant to the terms of this Agreement, the Receiver shall receive and take custody of the Settlement Amount and shall maintain, manage, and distribute

the Settlement Amount in accordance with the Distribution Plan and under the supervision and direction and with the approval of the Court. The Receiver shall be responsible for all Taxes, fees, and expenses that may be due with respect to the Settlement Amount or the management, use, administration, or distribution of the Settlement Amount.

28. No Liability: Chadbourne and the Chadbourne Released Parties shall have no liability, obligation, or responsibility whatsoever with respect to the investment, management, use, administration, or distribution of the Settlement Amount or any portion thereof, including, but not limited to, the costs and expenses of such investment, management, use, administration, or distribution of the Settlement Amount, and any Taxes arising therefrom or relating thereto.

V. **Motion for Scheduling Order, Bar Order, and Judgment and Bar Order and Form and Procedure for Notice**

29. Motion: On a date mutually acceptable to the Parties that is not more than ninety (90) days, and not less than sixty (60) days, from the Agreement Date, unless otherwise agreed by the Parties in writing, via e-mail or otherwise, Plaintiffs shall submit to the Court a motion requesting entry of an order substantially in the form attached hereto as Exhibit F (the "Scheduling Order") (a) preliminarily approving the Settlement; (b) approving the content and plan for publication and dissemination of Notice; (c) setting the date by which any objection to the Settlement or this Agreement must be filed; and (d) scheduling a Hearing to consider final approval of the Settlement and entry of the orders required by Paragraph 20 of this Agreement. With respect to the content and plan for publication and dissemination of Notice, Plaintiffs will propose that Notice in substantially the form attached hereto as Exhibit A, be sent via electronic mail, first-class mail or international delivery service to all Interested Parties; sent via electronic service to all counsel of record for any Person who has been or is, at the time of Notice, a party in any case included in *In re Stanford Entities Securities Litigation*, MDL No. 2099 (N.D. Tex.)

(the “MDL”), the SEC Action, the Investor Litigation, or the Receiver Litigation who are deemed to have consented to electronic service through the Court’s CM/ECF System under Local Rule CV-5.1(d); sent via facsimile transmission and/or first class mail to any other counsel of record for any other Person who is, at the time of service, a party in any case included in the MDL, the SEC Action, the Investor Litigation, or the Receiver Litigation; and posted on the websites of the Receiver and the Examiner along with complete copies of this Agreement and all filings with the Court relating to the Settlement, this Agreement, and approval of the Settlement. Plaintiffs will further propose that Notice in substantially the form attached hereto as Exhibit G be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*. In advance of filing the motion papers to accomplish the foregoing, Plaintiffs shall provide Chadbourne with a reasonable opportunity to review and comment on such motion papers.

30. Notice Preparation and Dissemination: The Receiver shall be responsible for the preparation and dissemination of the Notice pursuant to this Agreement and as directed by the Court. In the absence of intentional refusal by the Receiver to prepare and disseminate Notice pursuant to this Agreement or a court order, no Interested Party or any other Person shall have any recourse against the Receiver with respect to any claims that may arise from or relate to the Notice process. In the case of intentional refusal by the Receiver to prepare and disseminate Notice pursuant to this Agreement or a court order, Chadbourne shall not have any claim against the Receiver other than the ability to seek specific performance. The Parties do not intend to give any other Person any right or recourse against the Receiver in connection with the Notice process.

31. No Recourse Against Chadbourne: No Interested Party or any other Person shall have any recourse against Chadbourne or the Chadbourne Released Parties with respect to any claims that may arise from or relate to the Notice process.

32. Motion Contents: In the motion papers referenced in Paragraph 29 above, Plaintiffs shall request that the Court, *inter alia*:

- a. approve the Settlement and its terms as set out in this Agreement;
- b. enter an order finding that this Agreement and the releases set forth herein are final and binding on the Parties;
- c. enter in the SEC Action a Bar Order in the form attached hereto as Exhibit B; and
- d. enter in the Receiver Litigation a Judgment and Bar Order in the form attached hereto as Exhibit C.

33. Parties to Advocate: The Parties shall take all reasonable steps to advocate for and encourage the Court to approve the terms of this Agreement.

34. No Challenge: No Party shall challenge the approval of the Settlement, and no Party will encourage or assist any Interested Party in challenging the Settlement.

**VI. Rescission if the Settlement is Not Finally Approved or the Bar Order and Judgment and Bar Order are Not Entered**

35. Right to Withdraw: The Parties represent and acknowledge that the following were necessary to the Parties' agreement to this Settlement, are each an essential term of the Settlement and this Agreement, and that the Settlement would not have been reached in the absence of these terms: (a) Court approval of the Settlement and the terms of this Agreement without amendment or revision; (b) entry by the Court of the Bar Order in the SEC Action in substantially the form attached hereto as Exhibit B; (c) entry by the Court of the Judgment and

Bar Order in the Receiver Litigation in substantially the form attached hereto as Exhibit C; and (d) all such approvals and orders becoming Final, pursuant to Paragraphs 8 and 20 of this Agreement. If the Court refuses to provide the approvals described in (a); if the Court refuses to enter the bar orders described in (b) or (c); or if the final result of any appeal from the approvals and orders described in (a), (b), or (c) is that any of the approvals or orders are not affirmed, in their entirety and without material modification or limitation, then any Party has the right to withdraw its agreement to the Settlement and to this Agreement by providing written notice of such withdrawal to all other Parties to this Agreement. In the event that any Party withdraws its agreement to the Settlement or this Agreement as allowed in this paragraph, this Agreement will be null and void and of no further effect whatsoever (except for the provisions identified in Paragraph 36, which shall survive), shall not be admissible in any ongoing or future proceedings for any purpose whatsoever, and shall not be the subject or basis for any claims by any Party against any other Party. If any Party withdraws from this Agreement pursuant to the terms of this paragraph, then each Party shall be returned to such Party's respective position immediately prior to such Party's execution of the Agreement.

36. The Parties do not have the right to withdraw from, or otherwise terminate, the Agreement for any reason other than the reasons identified in Paragraph 35. The following paragraphs of this Agreement shall survive termination of the Agreement: 51 and 52.

## **VII. Distribution Plan**

37. Duties: The Receiver, with the approval and guidance of the Court, shall be solely responsible for preparing, filing a motion seeking approval of, and implementing the Distribution Plan including, without limitation, receiving, managing and disbursing the Settlement Amount. The Receiver owes no duties to Chadbourne or the Chadbourne Released Parties in connection with the distribution of the Settlement Amount or the Distribution Plan, and if the Receiver



complies with all orders issued by the Court relating to the Distribution Plan neither Chadbourne nor the Chadbourne Released Parties may assert any claim or cause of action against the Receiver in connection with the distribution of the Settlement Amount or the Distribution Plan. In no event will the Receiver or the Receivership Estate be liable for damages or the payment or re-payment of funds of any kind as a result of any deficiency associated with the distribution of the Settlement Amount or the Distribution Plan.

38. Distribution by Check: The Receiver must include the following statement, without alteration (except that additional releasees may be included if the Receiver includes in the distribution check funds from settlements with such other releasees), on the reverse of all checks sent to Claimants pursuant to the Distribution Plan, above where the endorser will sign:

BY ENDORSING THIS CHECK, I RELEASE ALL CLAIMS, KNOWN OR NOT, AGAINST CHADBOURNE & PARKE LLP, ITS PARTNERS, AND EMPLOYEES (WHETHER CURRENT OR PAST, EXCLUDING FORMER PARTNER THOMAS V. SJOBLUM) ARISING FROM OR RELATING TO STANFORD INTERNATIONAL BANK, LTD. AND ACCEPT THIS PAYMENT IN FULL SATISFACTION THEREOF.

39. No Responsibility: Chadbourne and the Chadbourne Released Parties shall have no responsibility, obligation, or liability whatsoever with respect to the terms, interpretation, or implementation of the Distribution Plan; the administration of the Settlement; the management, investment, or distribution of the Settlement Amount or any other funds paid or received in connection with the Settlement; the payment or withholding of Taxes that may be due or owing by the Receiver or any recipient of funds from the Settlement Payment; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or this Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. As of the Settlement

Effective Date, the Plaintiffs, the Plaintiffs Released Parties, the Interested Parties, and all other individuals, persons or entities Plaintiffs represent or on whose behalf Plaintiffs have been empowered to act by any court fully, finally, and forever release, relinquish, and discharge Chadbourne and the Chadbourne Released Parties from any and all such responsibility, obligation, and liability.

**VIII. Releases, Covenant Not to Sue, and Permanent Injunction**

40. Release of Chadbourne Released Parties: As of the Settlement Effective Date, each of the Plaintiffs, including, without limitation, the Receiver on behalf of the Receivership Estate (including the Stanford Entities but not including the natural persons listed in Paragraph 21 of this Agreement), fully, finally, and forever release, relinquish, and discharge, with prejudice, all Settled Claims against Chadbourne and the Chadbourne Released Parties, except that the release does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer.

41. Release of Plaintiffs Released Parties: As of the Settlement Effective Date, Chadbourne fully, finally, and forever releases, relinquishes, and discharges, with prejudice, all Settled Claims against Plaintiffs Released Parties.

42. No Release of Obligations Under Agreement: Notwithstanding anything to the contrary in this Agreement, the releases and covenants contained in this Agreement do not release the Parties' rights and obligations under this Agreement or the Settlement nor bar the Parties from enforcing or effectuating this Agreement or the Settlement.

43. Covenant Not to Sue: Effective as of the Agreement Date, Plaintiffs and their respective counsel covenant not to, directly or indirectly, or through a third party, institute, reinstitute, initiate, commence, maintain, continue, file, encourage, solicit, support, participate in, collaborate in, or otherwise prosecute against any of the Chadbourne Released Parties any action,

lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, concerning or relating to the Settled Claims, whether in a court or any other Forum; provided, however, that this covenant not to sue does not apply to any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Effective as of the Agreement Date, Chadbourne and its respective counsel covenant not to, directly or indirectly, or through a third party, institute, reinstitute, initiate, commence, maintain, continue, file, encourage, solicit, support, participate in, collaborate in, or otherwise prosecute against any of the Plaintiffs Released Parties any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, concerning or relating to the Settled Claims, whether in a court or any other Forum. Notwithstanding the foregoing, however, the Parties retain the right to sue for alleged breaches of this Agreement.

44. Limitation on Sjoblom Carveouts: The releases and the covenants not to sue set forth in this Agreement do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuit against Sjoblom and Proskauer related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of any knowledge Mr. Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

**IX. Limitation on Recovery of Judgment from Sjoblom**

45. In the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of the SEC Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

**X. Dismissals**

46. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that the Receiver Litigation be dismissed with prejudice as against Chadbourne by the Judgment and Bar Order being entered in the Receiver Litigation and becoming Final.

47. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that the Investor Litigation be dismissed with prejudice as against Chadbourne, with the Parties paying their own fees and costs.

48. It shall be a condition precedent to Chadbourne paying or releasing or causing to be paid or released any portion of the Settlement Amount to the Receiver that each of the actions listed in Exhibit E that are represented in that exhibit as pending be dismissed with prejudice as against Chadbourne, with the parties paying their own fees and costs.

**XI. Representations and Warranties**

49. No Assignment, Encumbrance, or Transfer: The Plaintiffs, other than the Receiver, represent and warrant that they are the owners of the Settled Claims and that they have not, in whole or in part, assigned, encumbered, sold, pledged as security, or in any manner transferred or compromised any of the Settled Claims against Chadbourne and the Chadbourne Released Parties. The Receiver represents and warrants that, other than assigning those Settled Claims against Chadbourne that the Receiver transferred to the Committee, he has not, in whole or in part, assigned, encumbered, sold, pledged as security, or in any manner transferred or compromised any of the Settled Claims against Chadbourne and the Chadbourne Released Parties.

50. Authority: Each person executing this Agreement or any related documents represents and warrants that he or she has the full authority to execute the documents on behalf of the entity each represents and that each has the authority to take appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms. The Committee represents and warrants that the Committee has approved this Agreement in accordance with the by-laws of the Committee.

**XII. No Admission of Fault or Wrongdoing**

51. The Settlement, this Agreement, and the negotiation and mediation thereof shall in no way constitute, be construed as, or be evidence of an admission or concession of any violation of any statute or law; of any fault, liability, or wrongdoing; or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims, allegations, or defenses asserted or that could have been asserted in the Investor Litigation, the Receiver Litigation, any proceeding relating to any Settled Claim, or any other proceeding in any Forum. The Settlement and this Agreement are a resolution of disputed claims in order to avoid the risk and very substantial expense of protracted litigation. The Settlement, this Agreement, and evidence thereof shall not be used, directly or indirectly, in any way, in the Investor Litigation, the Receiver Litigation, the SEC Action, or in any other proceeding, other than to enforce the terms of the Settlement and this Agreement.

**XIII. Confidentiality**

52. Confidentiality: Except as necessary to obtain Court approval of this Agreement, to provide the Notices as required by this Agreement, or to enforce the terms of the Settlement and this Agreement, the Parties will keep confidential and shall not publish, communicate, or otherwise disclose, directly or indirectly, in any manner whatsoever, Confidential Information to any Person except that (i) the Parties may disclose Confidential Information to the Mediators,

subject to the previously agreed confidentiality agreement entered into between and among the Mediators, (ii) as to the United States Court of Appeals for the Fifth Circuit, the Parties may disclose the fact that the Parties have agreed to resolve the Investor Litigation as to Chadbourne but that the Settlement Agreement will be subject to a number of contingencies until it is Final, and, if such disclosure is made, the Parties may disclose to the United States District Court for the Northern District of Texas that the Parties have agreed to resolve the Investor Litigation as to Chadbourne but that the Settlement Agreement will be subject to a number of contingencies until it is Final, (iii) a Party may disclose Confidential Information to a person or entity to whom disclosure is required pursuant to law or regulation, but only after providing prompt notice to the other Parties so that, to the extent practicable, each Party has the time and opportunity, before disclosure of any Confidential Information, to seek and obtain a protective order preventing or limiting such disclosure, and (iv) a Party may disclose Confidential Information to a person or entity as to whom each of the other Parties have given specific written consent. Notwithstanding anything else in this Agreement or otherwise, such consent may be transmitted by e-mail.

#### **XIV. Miscellaneous**

53. Final and Complete Resolution: The Parties intend this Agreement and the Settlement to be and constitute a final, complete, and worldwide resolution of all matters and disputes between (1) the Plaintiffs Released Parties, and the Interested Parties, on the one hand, and (2) the Chadbourne Released Parties (other than Sjoblom related to his work while affiliated with Proskauer), on the other hand, and this Agreement, including its exhibits, shall be interpreted to effectuate this purpose. The Parties agree not to assert in any Forum that any other Party violated Rule 11 of the Federal Rules of Civil Procedure, or litigated, negotiated, or otherwise engaged in conduct in bad faith or without a reasonable basis in connection with the Investor Litigation, the Receiver Litigation, the Settlement or this Agreement.

54. Binding Agreement: As of the Agreement Date, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns. No Party may assign any of its rights or obligations under this Agreement without the express written consent of the other Parties.

55. Incorporation of Recitals: The Recitals contained in this Agreement are essential terms of this Agreement and are incorporated herein for all purposes.

56. Disclaimer of Reliance: The Parties represent and acknowledge that in negotiating and entering into the Settlement and this Agreement they have not relied on, and have not been induced by, any representation, warranty, statement, estimate, communication, or information, of any nature whatsoever, whether written or oral, by, on behalf of, or concerning any Party, any agent of any Party, or otherwise, except as expressly set forth in this Agreement. To the contrary, each of the Parties affirmatively represents and acknowledges that the Party is relying solely on the express terms contained within this Agreement. The Parties have each consulted with legal counsel and advisors, have considered the advantages and disadvantages of entering into the Settlement and this Agreement, and have relied solely on their own judgment and advice of their respective legal counsel in negotiating and entering into the Settlement and this Agreement.

57. Third-Party Beneficiaries: This Agreement is not intended to and does not create rights enforceable by any Person other than the Parties (or their respective heirs, executors, administrators, successors, and assigns, as provided in Paragraph 54 of this Agreement), except that if this Agreement provides that a Person is released or should not be sued as a consequence of a covenant not to sue, then such Person may enforce the release or covenant not to sue as it relates to said Person.

58. Negotiation, Drafting, and Construction: The Parties agree and acknowledge that they each have reviewed and cooperated in the preparation of this Agreement, that no Party should or shall be deemed the drafter of this Agreement or any provision hereof, and that any rule, presumption, or burden of proof that would construe this Agreement, any ambiguity, or any other matter, against the drafter shall not apply and is waived. The Parties are entering into this Agreement freely, after good-faith, arm's-length negotiation, with the advice of counsel, and in the absence of coercion, duress, and undue influence. The titles and headings in this Agreement are for convenience only, are not part of this Agreement, and shall not bear on the meaning of this Agreement. The words "include," "includes," or "including" shall be deemed to be followed by the words "without limitation." The words "and" and "or" shall be interpreted broadly to have the most inclusive meaning, regardless of any conjunctive or disjunctive tense. Words in the masculine, feminine, or neuter gender shall include any gender. The singular shall include the plural and vice versa. "Any" shall be understood to include and encompass "all," and "all" shall be understood to include and encompass "any."

59. Cooperation: The Parties agree to execute any additional documents reasonably necessary to finalize and carry out the terms of this Agreement. In the event a third party or any Person other than a Party at any time challenges any term of this Agreement or the Settlement, including the Bar Order and the Judgment and Bar Order, the Parties agree to cooperate with each other, including using reasonable efforts to make documents or personnel available as needed to defend any such challenge. Further, the Parties shall reasonably cooperate to defend and enforce each of the orders required under Paragraph 20 of this Agreement.

60. Notice: Any notices, documents, or correspondence of any nature required to be sent pursuant to this Agreement shall be transmitted by both e-mail and overnight delivery to the



following recipients, and will be deemed transmitted upon receipt by the overnight delivery service.

If to Chadbourne:

Chadbourne & Parke LLP  
Attn: General Counsel  
1301 Avenue of the Americas  
New York, New York 10019-6022  
Telephone: (212) 408-5100  
Fax: (212) 541-5369  
E-mail: rschwinger@chadbourne.com

and

Harry M. Reasoner  
Vinson & Elkins LLP  
1001 Fannin Street, Suite 2500  
Houston, Texas 77002-6760  
Telephone: (713) 758-2222  
Facsimile: (713) 615-5173  
E-mail: hreasoner@velaw.com

and

William D. Sims, Jr  
Vinson & Elkins LLP  
2001 Ross Avenue, Suite 3700  
Dallas, Texas 75201-2975  
Telephone: (214) 220-7700  
Facsimile: (214) 220-7716  
E-mail: bsims@velaw.com

and

Daniel J. Beller  
Daniel J. Leffell  
William B. Michael  
Paul, Weiss, Rifkind, Wharton & Garrison LLP  
1285 Avenue of the Americas  
New York, New York 10019-6064  
Telephone: (212) 373-3000  
Facsimile: (212) 757-3990  
E-mail: dbeller@paulweiss.com  
E-mail: dleffell@paulweiss.com  
E-mail: wmichael@paulweiss.com

If to Plaintiffs:

Edward C. Snyder  
Castillo Snyder, PC  
One Riverwalk Place  
700 N. St. Mary's, Suite 405  
San Antonio, Texas 78205  
Telephone: 210-630-4200  
Fax: 210-630-4210  
E-mail: [esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)

and

Judith R. Blakeway  
Strasburger & Price, LLP  
2301 Broadway  
San Antonio, Texas 78215  
Telephone: (210) 250-6000  
Facsimile: (210) 250-6100  
E-mail: [judith.blakeway@strasburger.com](mailto:judith.blakeway@strasburger.com)

and

Douglas J. Buncher  
Neligan Foley LLP  
325 N. St. Paul, Suite 3600  
Dallas, Texas 75201  
Telephone: 214-840-5320  
Fax: 214-840-5301  
E-mail: [dbuncher@neliganlaw.com](mailto:dbuncher@neliganlaw.com)

and

John J. Little  
Little Pedersen Fankhauser LLP  
901 Main Street, Suite 4110  
Dallas, Texas 75202  
Telephone: 214.573.2307  
Fax: 214.573.2323  
E-mail: [jlittle@lpf-law.com](mailto:jlittle@lpf-law.com)

and

Ralph Janvey  
2100 Ross Ave  
Suite 2600  
Dallas, TX 75201  
E-mail: rjanvey@kjllp.com

and

Kevin Sadler  
Baker Botts  
1001 Page Mill Road  
Building One, Suite 200  
Palo Alto, California 94304-1007  
E-mail: kevin.sadler@bakerbotts.com

Each Party shall provide notice of any change to the service information set forth above to all other Parties by the means set forth in this paragraph.

61. Choice of Law: This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas, without regard to the choice-of-law principles of Texas or any other jurisdiction.

62. Mandatory, Exclusive Forum Selection Clause: Any dispute, controversy, or claim arising out of or related to the Settlement or this Agreement, including breach, interpretation, effect, or validity of this Agreement, whether arising in contract, tort, or otherwise, shall be brought exclusively in the United States District Court for the Northern District of Texas. With respect to any such action, the Parties irrevocably stipulate and consent to personal and subject matter jurisdiction and venue in such court, and waive any argument that such court is inconvenient, improper, or otherwise an inappropriate forum.

63. United States Currency: All dollar amounts in this Agreement are expressed in United States dollars.

64. Timing: If any deadline imposed by this Agreement falls on a non-business day, then the deadline is extended until the next business day.

65. Waiver: The waiver by a Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

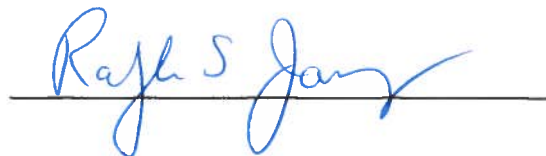
66. Exhibits: The exhibits annexed to this Agreement are incorporated by reference as though fully set forth in this Agreement.

67. Integration and Modification: This Agreement sets forth the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations, and communications, whether oral or written, with respect to such subject matter. Neither this Agreement, nor any provision or term of this Agreement, may be amended, modified, revoked, supplemented, waived, or otherwise changed except by a writing signed by all of the Parties.

68. Counterparts and Signatures: This Agreement may be executed in one or more counterparts, each of which for all purposes shall be deemed an original but all of which taken together shall constitute one and the same instrument. A signature delivered by fax or other electronic means shall be deemed to be, and shall have the same binding effect as, a handwritten, original signature.


IN WITNESS HEREOF, the Parties have executed this Agreement signifying their agreement to the foregoing terms.

Ralph Janvey, in his capacity as the Receiver for the Stanford Receivership Estate



Date: 02~~2~~5-16

John J. Little, in his capacity as Examiner

  
\_\_\_\_\_

Date: 02-25-16

Official Stanford Investors Committee

  
\_\_\_\_\_

By: John J. Little, Chairperson

Date: 02-25-16

\_\_\_\_\_  
Samuel Troice  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

\_\_\_\_\_  
Pam Reed  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

Horacio Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Annalisa Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Punga Punga Financial, Ltd.

\_\_\_\_\_  
Isaac Green  
Title:  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

John J. Little, in his capacity as Examiner

\_\_\_\_\_

Date: 02-\_\_-16

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-\_\_-16

Samuel Troice  
by ~~Edward C. Snyder, attorney-in-fact~~



Date: 02-25-16

Pam Reed  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

Horacio Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Annalisa Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Punga Punga Financial, Ltd.

Isaac Green  
Title:  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

John J. Little, in his capacity as Examiner

\_\_\_\_\_

Date: 02-\_\_-16

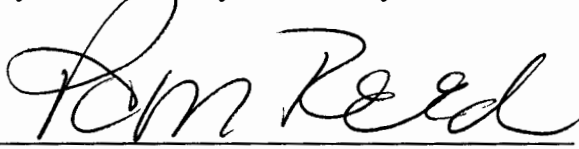
Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-\_\_-16

Samuel Troice  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16



Pam Reed  
~~by Edward C. Snyder, attorney-in-fact~~

Date: 02-25-16

Horacio Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Annalisa Mendez

\_\_\_\_\_

Date: 02-\_\_-16

Punga Punga Financial, Ltd.

Isaac Green  
Title:  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

John J. Little, in his capacity as Examiner

\_\_\_\_\_

Date: 02-\_\_-16

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: 02-\_\_-16

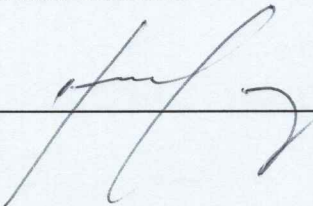
Samuel Troice  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

Pam Reed  
by Edward C. Snyder, attorney-in-fact

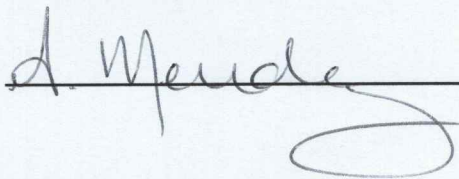
Date: 02-\_\_-16

Horacio Mendez

  
\_\_\_\_\_

Date: 02-25-16

Annalisa Mendez

  
\_\_\_\_\_

Date: 02-25-16

Punga Punga Financial, Ltd.

Isaac Green  
Title:  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16



John J. Little, in his capacity as Examiner

\_\_\_\_\_

Date: 02-\_\_-16

Official Stanford Investors Committee

\_\_\_\_\_

By: John J. Little, Chairperson

Date: 02-\_\_-16

\_\_\_\_\_

Samuel Troice  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

\_\_\_\_\_

Pam Reed  
by Edward C. Snyder, attorney-in-fact

Date: 02-\_\_-16

Horacio Mendez

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Date: 02-\_\_-16

Annalisa Mendez

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Date: 02-\_\_-16

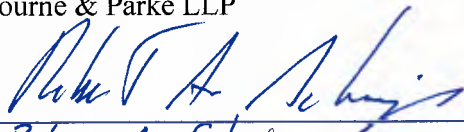
Punga Punga Financial, Ltd.

\_\_\_\_\_

Isaac Green  
Title:  
~~by Edward C. Snyder, attorney-in-fact~~

Date: 02-25-16

Chadbourne & Parke LLP



By: *Robert A. Schwinger*  
Title: *Partner & General Counsel*

Date: 02-2516

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

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

- against -

STANFORD INTERNATIONAL BANK, LTD,  
*et al.*,

Defendants.

Civil Action No. 3:09-cv-00298-N  
Judge David C. Godbey

RALPH S. JANVEY, IN HIS CAPACITY AS  
COURT-APPOINTED RECEIVER FOR THE  
STANFORD RECEIVERSHIP ESTATE, AND  
THE OFFICIAL STANFORD INVESTORS  
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE, LLP, *et al.*,

Defendants.

Civil Action No. 3:13-cv-00477-N  
Judge David C. Godbey

**NOTICE OF SETTLEMENT AND BAR ORDER PROCEEDINGS**

PLEASE TAKE NOTICE that Ralph S. Janvey, in his capacity as the Court-appointed Receiver for the Stanford Receivership Estate (the “Receiver”), the Official Stanford Investors Committee (the “Committee”), and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs,” and with the Receiver and the Committee, the

**EXHIBIT A**

“Plaintiffs”), have reached an agreement (the “Settlement Agreement”) to settle all claims asserted or that could have been asserted against Chadbourne & Parke LLP (“Chadbourne”) by the Receiver and the Committee in *Janvey v. Proskauer Rose, LLP*, No. 3:13-cv-0447-N (N.D. Tex.) (the “Receiver Litigation”), and by the Investor Plaintiffs in *Troice v. Proskauer Rose, LLP*, Case No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”).

PLEASE TAKE FURTHER NOTICE that the Plaintiffs have filed an Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees (the “Motion”), filed in *SEC v. Stanford Int’l Bank, Ltd.*, No. 3:09-cv-0298-N (N.D. Tex.) (the “SEC Action”). Copies of the Settlement Agreement, the Motion, and other supporting papers may be obtained from the Court’s docket in the SEC Action [ECF No. \_\_\_\_], and are also available on the websites of the Receiver (<http://www.stanfordfinancialreceivership.com>) and the Examiner ([www.lpf-law.com/examiner-stanford-financial-group/](http://www.lpf-law.com/examiner-stanford-financial-group/)). Copies of these documents may also be requested by email, by sending the request to [srivas@casnlaw.com](mailto:srivas@casnlaw.com); or by telephone, by calling Sandra Rivas at 210-630-4200. All capitalized terms not defined in this Notice of Settlement and Bar Order Proceedings are defined in the Settlement Agreement, attached as Exhibit 1 of the Appendix to the Motion.

PLEASE TAKE FURTHER NOTICE that the Motion requests that the Court approve the Settlement and enter a bar order permanently enjoining, among others, Interested Parties,<sup>1</sup>

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<sup>1</sup> “Interested Parties” means the Receiver; the Receivership Estate, the Committee, the members of the Committee; the Plaintiffs; the Stanford Investors; the Claimants; the Examiner; or any Person or Persons alleged by the Receiver, the Committee, or other Person or entity on behalf of the Receivership Estate to be liable to the Receivership Estate, whether or not a formal proceeding has been initiated.

including Stanford Investors,<sup>2</sup> and Claimants,<sup>3</sup> from pursuing Settled Claims,<sup>4</sup> including claims you may possess, against Chadbourne.

PLEASE TAKE FURTHER NOTICE that the settlement amount is thirty-five million U.S. dollars (\$35,000,000.00) (the “Settlement Amount”). The Settlement Amount, less any fees and costs awarded by the Court to the attorneys for Plaintiffs (the “Net Settlement Amount”), will be deposited with and distributed by the Receiver pursuant to a Distribution Plan hereafter to be approved by the Court in *SEC v. Stanford Int’l Bank, Ltd.*, No. 3:09-cv-0298-N (N.D. Tex.) (the “SEC Action”) (see subparagraph e below).

**This matter may affect your rights and you may wish to consult an attorney.**

The material terms of the Settlement Agreement are as follows:

- a) Chadbourne will pay \$35 million, which will be deposited with the Receiver as required pursuant to the Settlement Agreement;
- b) Plaintiffs will fully release the Chadbourne Released Parties<sup>5</sup> from Settled Claims, *e.g.*, claims arising from or relating to Robert Allen Stanford, the

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<sup>2</sup> “Stanford Investors” means customers of Stanford International Bank, Ltd., who, as of February 16, 2009, had funds on deposit at Stanford International Bank, Ltd., and/or were holding certificates of deposit issued by Stanford International Bank, Ltd.

<sup>3</sup> “Claimants” means any Persons who have submitted a Claim to the Receiver or to the Joint Liquidators.

<sup>4</sup> “Settled Claims” generally means any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that a Releasor ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities; (ii) any CD, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne’s relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne’s provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. “Settled Claims” specifically includes, without limitation, all claims each Releasor does not know or suspect to exist in his, her, or its favor at the time of release, which, if known by that Person, might have affected their decisions with respect to the Settlement Agreement and the Settlement. *See* Paragraph 17 of the Settlement Agreement for a complete definition of Settled Claim. [ECF No.     .]

Stanford Entities,<sup>6</sup> or any conduct by the Chadbourne Released Parties relating to Robert Allen Stanford or the Stanford Entities, with prejudice, except that the release will not extend to claims against former Chadbourne partner Thomas V. Sjoblom arising out of any work performed by Mr. Sjoblom during the time of his affiliation with Proskauer Rose LLP;

- c) The Settlement Agreement requires entry of a Rule 54(b) Final Judgment and Bar Order in the Receiver Litigation, and entry of a Final Bar Order in the SEC Action, each of which permanently enjoins, among others, Interested Parties, including all Stanford Investors and Claimants from bringing, encouraging, assisting, continuing, or prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the

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<sup>5</sup> “Chadbourne Released Parties” means Chadbourne, and all of its predecessor firms and, of each of the foregoing, all of their respective past and present subsidiaries, parents, successors and predecessors, affiliates, related entities and divisions, and all of their respective current and former partners, members, counsel, principals, participating principals, associates, managing or other agents, management personnel, officers, directors, shareholders, administrators, servants, employees, staff, consultants, advisors, attorneys, accountants, lenders, insurers and reinsurers, representatives, successors and assigns, known or unknown, in their representative capacity or individual capacity. Notwithstanding the foregoing, “Chadbourne Released Parties” shall not include any Person, other than Chadbourne, against whom, as of the Agreement Date, any of the Plaintiffs is asserting a claim or cause of action in any judicial proceeding, and also shall not include any Person who becomes employed by, related to, or affiliated with Chadbourne after the Agreement Date and whose liability, if any, arises solely out of or derives solely from their actions or omissions before becoming employed by, related to, or affiliated with Chadbourne.

<sup>6</sup> “Stanford Entities” means Robert Allen Stanford; James M. Davis; Laura Pendergest-Holt; Gilbert Lopez; Mark Kuhrt; SIB; Stanford Group Company; Stanford Capital Management, LLC; Stanford Financial Group; the Stanford Financial Bldg Inc.; the entities listed in Exhibit D to the Settlement Agreement [ECF No.     ]; any entity of any type that was owned, controlled by, or affiliated with Robert Allen Stanford, James M. Davis, Laura Pendergest-Holt, Gilbert Lopez, Mark Kuhrt, SIB, Stanford Group Company, Stanford Capital Management, LLC, Stanford Financial Group, or the Stanford Financial Bldg Inc., on or before February 16, 2009.

U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including, without limitation, contribution or indemnity claims or the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.), arising from or relating to a Settled Claim ;

- d) The Receiver will disseminate notice of the Settlement Agreement (i.e. this Notice) to Interested Parties, through one or more of the following: mail, email, international delivery, CM/ECF notification, facsimile transmission, and/or publication on the Examiner ([www.lpf-law.com/examiner-stanford-financial-group/](http://www.lpf-law.com/examiner-stanford-financial-group/)) and Receiver (<http://www.stanfordfinancialreceivership.com>) websites;
- e) The Receiver will develop and submit to the Court for approval a plan for disseminating the Settlement Amount (the "Distribution Plan");
- f) Under the Distribution Plan, once approved, the Net Settlement Amount will be distributed by the Receiver, under the supervision of the Court, to Stanford Investors who have submitted Claims that have been allowed by the Receiver;
- g) Persons who accept funds from the Settlement Amount will, upon accepting the funds, fully release the Chadbourne Released Parties from any and all Settled Claims;
- h) The Investor Litigation will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees;
- i) The Receiver Litigation will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees; and

- j) Each of the actions listed in Exhibit E to the Settlement Agreement [ECF No.       ], if not previously dismissed, will be dismissed with prejudice as to Chadbourne, with each party bearing its own costs and attorneys' fees.

Attorneys for the Committee and the Investor Plaintiffs seek a fee award based upon 25% of the Settlement Amount, pursuant to 25% contingency fee agreements with the Committee and the Investor Plaintiffs. Twenty-five percent of the net recovery from the Settlement is to be calculated but shall not exceed \$8,750,000.00.

The final hearing on the Motion is set for [\_\_\_\_\_], 2016 (the "Final Approval Hearing"). Any objection to the Settlement Agreement or its terms, the Motion, the Rule 54(b) Final Judgment and Bar Order, the Final Bar Order, or the request for approval of the Committee's and Investor Plaintiffs' attorneys' fees must be filed, in writing, with the Court in the SEC Action no later than [insert date of 21st day before Final Approval Hearing]. Any objections not filed by this date will be deemed waived and will not be considered by the Court. Those wishing to appear and to orally present their written objections at the Final Approval Hearing must include a request to so appear within their written objections.



**IN THE UNITED STATES DISTRICT COURT  
FOR THE 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-0298-N

**FINAL BAR ORDER**

Before the Court is the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs’ Attorneys’ Fees (the “Motion”) of Ralph S. Janvey, in his capacity as the Court-appointed Receiver for the Stanford Receivership Estate (the “Receiver”) and the Court-appointed Official Stanford Investors Committee (the “Committee”), as parties to this action and as the plaintiffs in *Janvey v. Proskauer Rose, LLP*, Civil Action No. 3:13-cv-00477-N (N.D. Tex.) (the “Receiver Litigation”); and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”), the plaintiffs in *Troice v. Proskauer Rose, LLP*, Civil Action No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (collectively, the Receiver, the Committee and the Investor Plaintiffs are referred to as the “Plaintiffs”). [ECF No. \_\_\_\_.] The Motion concerns a proposed settlement (the “Settlement”) among and between the Plaintiffs and Chadbourne & Parke LLP (“Chadbourne”) as one of the

defendants in the Receiver Litigation and the Investor Litigation. Plaintiffs and Chadbourne are referred to together as the “Parties.” John J. Little, the Court-appointed Examiner (the “Examiner”) signed the Settlement Agreement<sup>1</sup> as chair of the Committee, and as Examiner solely to evidence his support and approval of the Settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the Settlement, the Receiver Litigation, or the Investor Litigation.

Following notice and a hearing, and having considered the filings and heard the arguments of counsel, the Court hereby GRANTS the Motion.

## **I. INTRODUCTION**

The Investor Litigation, the Receiver Litigation, and this case all arise from a series of events leading to the collapse of Stanford International Bank, Ltd. (“SIBL”). On February 16, 2009, this Court appointed Ralph S. Janvey to be the Receiver for SIBL and related parties (the “Stanford Entities”). [ECF No. 10]. After years of diligent investigation, the Plaintiffs believe that they have identified claims against a number of third parties, including Chadbourne, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Investor Litigation, the Investor Plaintiffs assert claims against Chadbourne, and other defendants in that action, for aiding and abetting violations of the Texas Securities Act (the “TSA”); aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent supervision of former Chadbourne partner Thomas V. Sjoblom (“Sjoblom”).<sup>2</sup> In the Receiver Litigation, the Receiver

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<sup>1</sup> The “Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion [ECF No. \_\_\_].

<sup>2</sup> By Order dated March 4, 2015, the Court dismissed with prejudice the claims against Chadbourne for negligent retention/negligent supervision and for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006.

and Committee assert claims against Chadbourne, and the other defendants in that action, for professional negligence; aiding, abetting, or participation in breaches of fiduciary duties; aiding abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver's negligence claim.<sup>3</sup>

Multiparty negotiations occurred in 2014 and again in late 2015. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs, the Committee—which the Court appointed to “represent[] in this case and related matters” the “customers of SIBL who, as of February 16, 2009, had funds on deposit at SIBL and/or were holding certificates of deposit issued by SIBL (the ‘Stanford Investors’)” [ECF No. 1149]—the Receiver, and the Examiner—who the Court appointed to advocate on behalf of “investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any Defendant in this action” [ECF No. 322]—all participated in the extensive, arm's-length negotiations in 2014, before the retired Honorable Harlan Martin, and then, in December 2015, before the retired Honorable Layn R. Phillips and Gregory Lindstrom, Esq. Negotiations continued and, in February 2016, the Parties reached agreement resulting in the Settlement. For several weeks thereafter, the parties continued efforts to negotiate and document the terms of the Settlement Agreement. The parties executed the Settlement Agreement on \_\_\_\_\_, 2016.

Under the terms of the Settlement, Chadbourne will pay \$35 million (the “Settlement Amount”) to the Receivership Estate, which (less attorneys' fees and expenses) will be

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<sup>3</sup> By Order dated June 23, 2015, the Court dismissed with prejudice the claim against Chadbourne for aiding and abetting fraudulent transfers.

distributed to Stanford Investors. In return, Chadbourne seeks total peace with respect to all claims that have been, or could have been, asserted against Chadbourne, arising out of the events leading to these proceedings. Accordingly, the Settlement is conditioned on the Court's approval and entry of this Final Bar Order enjoining Interested Parties from asserting or prosecuting claims against the Chadbourne Released Parties.

On \_\_\_\_ \_\_, 2016, the Receiver and the Committee filed the Motion. [ECF No. \_\_\_\_]. The Court thereafter entered a Scheduling Order on \_\_\_\_ \_\_, 2016 [ECF No. \_\_\_\_], which, *inter alia*, authorized the Receiver to provide notice of the Settlement, established a briefing schedule on the Motion, and set the date for a hearing. On \_\_\_\_\_, 2016, the Court held the scheduled hearing. For the reasons set forth herein, the Court finds that the terms of the Settlement Agreement are adequate, fair, reasonable, and equitable, and that the Settlement should be and is hereby **APPROVED**. The Court further finds that entry of this Final Bar Order is appropriate.

## **II. ORDER**

It is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. Terms used in this Final Bar Order that are defined in the Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the Settlement Agreement (which is deemed incorporated herein by reference).

2. The Court has "broad powers and wide discretion to determine the appropriate relief in [this] equity receivership," including the authority to enter the Final Bar Order. *SEC v. Kaleta*, 530 F. App'x 360, 362 (5th Cir. 2013) (internal quotations omitted). Moreover, the Court has jurisdiction over the subject matter of this action, and the Receiver and the Committee are proper parties to seek entry of this Final Bar Order.

3. The Court finds that the methodology, form, content, and dissemination of the Notice: (i) were implemented in accordance with the requirements of the Scheduling Order; (ii) constituted the best practicable notice; (iii) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in this Final Bar Order and in the Rule 54(b) Final Judgment and Bar Order to be entered in the Receiver Litigation; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, this Final Bar Order, and the Rule 54(b) Final Judgment and Bar Order to be entered in the Receiver Litigation, and to appear at the Final Approval Hearing; (v) were reasonable and constituted due, adequate, and sufficient notice; (vi) met all applicable requirements of law, including, without limitation, the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vii) provided to all Persons a full and fair opportunity to be heard on these matters.

4. The Court finds that the Settlement, including, without limitation, the Settlement Amount, was reached following an extensive investigation of the facts and resulted from vigorous, good faith, arm's-length, mediated negotiations involving experienced and competent counsel. The Court further finds that (i) significant issues exist as to the merits and value of the claims asserted against Chadbourne by Plaintiffs and by others whose potential claims are foreclosed by this Final Bar Order; (ii) such claims contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with uncertainty regarding whether such claims would be successful; (iii) a significant risk exists that future litigation costs would dissipate receivership assets and that Plaintiffs and other persons who have submitted claims to the Receiver ("Claimants") may not ultimately prevail on their claims;

(iv) Plaintiffs and Claimants who have filed Claims with the Receiver will receive partial satisfaction of their claims from the Settlement Amount being paid pursuant to the Settlement; and (v) Chadbourne would not have agreed to the terms of the Settlement in the absence of this Final Bar Order and assurance of “total peace” with respect to all claims that have been, or could be, asserted arising from their relationship with the Stanford Entities. *See SEC v. Kaleta*, No. 4:09-3674, 2012 WL 401069, at \*4 (S.D. Tex. Feb. 7, 2012), *aff’d*, 530 F. App’x 360 (5th Cir. 2013) (approving these factors for consideration in evaluating whether a settlement and bar order are sufficient, fair, and necessary). The injunction against such claims as set forth herein is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the Settlement. *See Kaleta*, 530 F. App’x at 362 (affirming a bar order and injunction against investor claims as “ancillary relief” to a settlement in an SEC receivership proceeding). After careful consideration of the record and applicable law, the Court concludes that the Settlement is the best option for maximizing the net amount recoverable from Chadbourne for the Receivership Estate, Plaintiffs, and the Claimants.

5. Pursuant to the Settlement Agreement and upon motion by the Receiver, this Court will approve a Distribution Plan that will fairly and reasonably distribute the net proceeds of the Settlement to Stanford Investors who have Claims approved by the Receiver. The Court finds that the Receiver’s claims process and the Distribution Plan contemplated in the Settlement Agreement have been designed to ensure that all Stanford Investors have received an opportunity to pursue their Claims through the Receiver’s claims process previously approved by the Court [ECF No. 1584].

6. The Court further finds that the Parties and their counsel have at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

7. Accordingly, the Court finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of all Persons claiming an interest in, having authority over, or asserting a claim against Chadbourne, the Stanford Entities, or the Receivership Estate, including but not limited to the Plaintiffs, the Interested Parties, the Receiver, and the Committee. The Settlement, the terms of which are set forth in the Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement and this Final Bar Order.

8. Pursuant to the provisions of Paragraph 40 of the Settlement Agreement, as of the Settlement Effective Date, the Chadbourne Released Parties shall be completely released, acquitted, and forever discharged from any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that the Investor Plaintiffs; the Receiver; the Receivership Estate; the Committee; the Claimants; and the Persons, entities and interests represented by those Parties ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities; (ii) any certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have

been asserted in, or relates to the subject matter of this action, the Investor Litigation, the Receiver Litigation, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. The foregoing release, however, does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer Rose LLP (“Proskauer”). Pursuant to the provisions of Paragraph 45 of the Settlement Agreement, in the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of this Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

9. Pursuant to the provisions of Paragraph 41 of the Settlement Agreement, as of the Settlement Effective Date, the Plaintiffs Released Parties shall be completely released, acquitted, and forever discharged from all Settled Claims by Chadbourne.

10. Notwithstanding anything to the contrary in this Final Bar Order, the foregoing releases do not release the Parties’ rights and obligations under the Settlement or the Settlement Agreement or bar the Parties from enforcing or effectuating the terms of the Settlement or the Settlement Agreement. Further, the foregoing releases do not bar or release any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees, and agents.

11. The Court hereby permanently bars, restrains, and enjoins the Receiver, the Plaintiffs, the Claimants, the Interested Parties, and all other Persons or entities anywhere in the world, whether acting in concert with the foregoing or claiming by, through, or under the foregoing, or otherwise, all and individually, from directly, indirectly, or through a third party,



instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including but not limited to litigation, arbitration, or other proceeding, in any Forum, including, without limitation, any court of first instance or any appellate court (other than in an appeal from this Final Bar Order), whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way relates to, is based upon, arises from, or is connected with the Stanford Entities; this case; the Investor Litigation; the Receiver Litigation; the subject matter of this case, of the Investor Litigation, or of the Receiver Litigation; or any Settled Claim. The foregoing specifically includes, without limitation, the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.) (the "*ARCA Investments* Litigation"). The foregoing also specifically includes any claim, however denominated, seeking contribution, indemnity, damages, or other remedy where the alleged injury to such Person, entity, or Interested Party, or the claim asserted by such Person, entity, or Interested Party, is based upon such Person's, entity's, or Interested Party's liability to any Plaintiff, Claimant, or Interested Party arising out of, relating to, or based in whole or in part upon money owed, demanded, requested, offered, paid, agreed to be paid, or required to be paid to any Plaintiff, Claimant, Interested Party, or other Person or entity, whether pursuant to a demand, judgment, claim, agreement, settlement or otherwise. The foregoing bar, restraint, and

injunction does not apply to, and shall not prevent, the institution or continuation of any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Further, notwithstanding the foregoing, there shall be no bar of any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees and agents. Further, the Parties retain the right to sue for alleged breaches of the Settlement Agreement.

12. The releases and the covenants not to sue set forth in the Settlement Agreement, and the releases, bars, injunctions, and restraints set forth in this Final Bar Order, do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuits against Sjoblom, Proskauer, and P. Mauricio Alvarado related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of knowledge Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

13. Nothing in this Final Bar Order shall impair or affect or be construed to impair or affect in any way whatsoever, any right of any Person, entity, or Interested Party to: (a) claim a credit or offset, however determined or quantified, if and to the extent provided by any applicable statute, code, or rule of law, against any judgment amount, based upon the Settlement or payment of the Settlement Amount; (b) designate a "responsible third party" or "settling person" under Chapter 33 of the Texas Civil Practice and Remedies Code; or (c) take discovery under applicable rules in litigation; provided for the avoidance of doubt that nothing in this paragraph shall be interpreted to permit or authorize (x) any action or claim seeking to recover any monetary or other relief from Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct.

1058 (Feb. 26, 2014), or (y) the commencement, assertion, or continuation of any action or claim against Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including any action or claim seeking to impose any liability of any kind (including but not limited to liability for contribution, indemnification or otherwise) upon Chadbourne or any Chadbourne Released Party, including, but not limited to, the *ARCA Investments* Litigation as to Chadbourne.

14. Chadbourne and the Chadbourne Released Parties have no responsibility, obligation, or liability whatsoever with respect to the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the Settlement; the management, investment, distribution, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the Settlement, or any portion thereof; the payment or withholding of Taxes; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or the Settlement Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. No appeal, challenge, decision, or other matter concerning any subject set forth in this paragraph shall operate to terminate or cancel the Settlement, the Settlement Agreement, or this Final Bar Order.

15. Nothing in this Final Bar Order or the Settlement Agreement and no aspect of the Settlement or negotiation or mediation thereof is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability, or wrongdoing, or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims,

allegations, or defenses in the Investor Litigation, the Receiver Litigation, or any other proceeding.

16. Chadbourne is hereby ordered to deliver or cause to be delivered the Settlement Amount (\$35 million) as described in Paragraph 26 of the Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions the Settlement Agreement.

17. Without in any way affecting the finality of this Final Bar Order, the Court retains continuing and exclusive jurisdiction over the Parties for purposes of, among other things, the administration, interpretation, consummation, and enforcement of the Settlement, the Settlement Agreement, the Scheduling Order, and this Final Bar Order, including, without limitation, the injunctions, bar orders, and releases herein, and to enter orders concerning implementation of the Settlement, the Settlement Agreement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel.

18. The Court expressly finds and determines, pursuant to Federal Rule of Civil Procedure 54(b), that there is no just reason for any delay in the entry of this Final Bar Order, which is both final and appealable, and immediate entry by the Clerk of the Court is expressly directed.

19. This Final Bar Order shall be served by counsel for the Plaintiffs, via email, first class mail or international delivery service, on any person or entity that filed an objection to approval of the Settlement, the Settlement Agreement, or this Final Bar Order.

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE

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

RALPH S. JANVEY, IN HIS CAPACITY AS  
COURT-APPOINTED RECEIVER FOR THE  
STANFORD RECEIVERSHIP ESTATE, AND  
THE OFFICIAL STANFORD INVESTORS  
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE LLP,  
CHADBOURNE & PARKE LLP,  
AND THOMAS V. SJOBLUM,

Defendants.

Civil Action No. 3:13-cv-00477-N

**RULE 54(b) FINAL JUDGMENT AND BAR ORDER**

Before the Court is the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees (the "Motion") of Ralph S. Janvey, in his capacity as the Court-appointed receiver for the Stanford Receivership Estate (the "Receiver") in *SEC v. Stanford International Bank, Ltd.*, Civil Action No. 3:09-CV-0928-N (the "SEC Action"), and the Court-appointed Official Stanford Investors Committee (the "Committee"). [ECF No. \_\_.] The Motion concerns a proposed settlement (the "Settlement") among and between, on the one hand, the Receiver; the Committee; and Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative

**EXHIBIT C**

class of Stanford investors (collectively, the “Investor Plaintiffs”), as plaintiffs in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, Chadbourne & Parke LLP (“Chadbourne”), as a defendant in this action and the Investor Litigation. John J. Little, the Court-appointed Examiner (the “Examiner”) signed the Settlement Agreement<sup>1</sup> as chair of the Committee, and as Examiner solely to evidence his support and approval of the settlement and to confirm his obligations to post the Notice on his website, but is not otherwise individually a party to the Settlement, this action, or the Investor Litigation.

Following notice and a hearing, and having considered the filings and heard the arguments of counsel, the Court hereby GRANTS the Motion.

## **I. INTRODUCTION**

The SEC Action, the Investor Litigation, and this case all arise from a series of events leading to the collapse of Stanford International Bank, Ltd. (“SIBL”). On February 16, 2009, this Court appointed Ralph S. Janvey to be the Receiver for SIBL and related parties (the “Stanford Entities”). [SEC Action ECF No. 10.] After years of diligent investigation, the Plaintiffs believe that they have identified claims against a number of third parties, including Chadbourne, that Plaintiffs claim enabled the Stanford Ponzi scheme. In the Investor Litigation, the Investor Plaintiffs assert claims against Chadbourne, and other defendants in that action, for aiding and abetting violations of the Texas Securities Act (the “TSA”); aiding and abetting/participation in a fraudulent scheme; civil conspiracy; and negligent retention/negligent

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<sup>1</sup> The “Settlement Agreement” refers to the Settlement Agreement that is attached as Exhibit 1 of the Appendix to the Motion (ECF No. \_\_).

supervision of former Chadbourne partner Thomas V. Sjoblom (“Sjoblom”).<sup>2</sup> In this action, the Receiver and Committee assert claims against Chadbourne, and the other defendants in that action, for professional negligence; aiding, abetting, or participation in breaches of fiduciary duties; aiding abetting, or participation in a fraudulent scheme; aiding, abetting, or participation in fraudulent transfers; aiding, abetting, or participation in conversion; civil conspiracy; and negligent retention/negligent supervision, with the Receiver assigning to the Committee all of these claims except for the Receiver’s negligence claim.<sup>3</sup>

Multiparty negotiations occurred in 2014 and again in late 2015. In these negotiations, potential victims of the Stanford Ponzi scheme were well-represented. The Investor Plaintiffs, the Committee—which the Court appointed to “represent[] in this case and related matters” the “customers of SIBL who, as of February 16, 2009, had funds on deposit at SIBL and/or were holding certificates of deposit issued by SIBL (the ‘Stanford Investors’)” (ECF No. 1149)—the Receiver, and the Examiner—who the Court appointed to advocate on behalf of “investors in any financial products, accounts, vehicles or ventures sponsored, promoted or sold by any Defendant in this action” (ECF No. 322)—all participated in the extensive, arm’s-length negotiations in 2014, before the retired Honorable Harlan Martin, and then, in December 2015, before the retired Honorable Layn R. Phillips and Gregory Lindstrom, Esq. Negotiations continued and, in February 2016, the Parties reached agreement resulting in the Settlement. For several weeks thereafter, the parties continued efforts to negotiate and document the terms of the Settlement Agreement. The parties executed the Settlement Agreement on \_\_\_\_\_, 2016.

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<sup>2</sup> By Order dated March 4, 2015, the Court dismissed with prejudice the claims against Chadbourne for negligent retention/negligent supervision and for aiding and abetting TSA violations with respect to the alleged sale of unregistered securities and the sale of securities by unregistered dealers to the extent they are based on sales taking place prior to October 9, 2006.

<sup>3</sup> By Order dated June 23, 2015, the Court dismissed with prejudice the claim against Chadbourne for aiding and abetting fraudulent transfers.

Under the terms of the Settlement, Chadbourne will pay \$35 million (the “Settlement Amount”) to the Receivership Estate, which (less attorneys’ fees and expenses) will be distributed to Stanford Investors. In return, Chadbourne seeks total peace with respect to all claims that have been, or could have been, asserted against Chadbourne, arising out of the events leading to these proceedings. Accordingly, the Settlement is conditioned on the Court’s approval and entry of this Rule 54(b) Final Judgment and Bar Order (the “Final Judgment and Bar Order”) enjoining Interested Parties from asserting or prosecuting claims against the Chadbourne Released Parties.

On \_\_\_\_ \_\_, 2016, the Receiver and the Committee filed the Motion. [ECF No. \_\_\_\_]. The Court thereafter entered a Scheduling Order on \_\_\_\_ \_\_, 2016 [ECF No. \_\_\_\_], which, *inter alia*, authorized the Receiver to provide notice of the Settlement, established a briefing schedule on the Motion, and set the date for a hearing. On \_\_\_\_\_, 2016, the Court held the scheduled hearing. For the reasons set forth herein, the Court finds that the terms of the Settlement Agreement are adequate, fair, reasonable, and equitable, and that the Settlement should be and is hereby **APPROVED**. The Court further finds that entry of this Final Judgment and Bar Order is appropriate.

## **II. ORDER**

It is hereby **ORDERED, ADJUDGED, AND DECREED** as follows:

1. Terms used in this Final Judgment and Bar Order that are defined in the Settlement Agreement, unless expressly otherwise defined herein, have the same meaning as in the Settlement Agreement (which is deemed incorporated herein by reference).
2. The Court has “broad powers and wide discretion to determine the appropriate relief in [this] equity receivership,” including the authority to enter the Final Judgment and Bar



Order. *SEC v. Kaleta*, 530 F. App'x 360, 362 (5th Cir. 2013) (internal quotations omitted).

Moreover, the Court has jurisdiction over the subject matter of this action, and the Receiver and the Committee are proper parties to seek entry of this Final Judgment and Bar Order.

3. The Court finds that the methodology, form, content and dissemination of the Notice: (i) were implemented in accordance with the requirements of the Scheduling Order; (ii) constituted the best practicable notice; (iii) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in this Final Judgment and Bar Order and in the Final Bar Order to be entered in the SEC Action; (iv) were reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, this Final Judgment and Bar Order, and the Final Bar Order to be entered in the SEC Action, and to appear at the Final Approval Hearing; (v) were reasonable and constituted due, adequate, and sufficient notice; (vi) met all applicable requirements of law, including, without limitation, the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vii) provided to all Persons a full and fair opportunity to be heard on these matters.

4. The Court finds that the Settlement, including, without limitation, the Settlement Amount, was reached following an extensive investigation of the facts and resulted from vigorous, good-faith, arm's-length, mediated negotiations involving experienced and competent counsel. The Court further finds that (i) significant issues exist as to the merits and value of the claims asserted against Chadbourne by Plaintiffs and by others whose potential claims are foreclosed by this Final Judgment and Bar Order; (ii) such claims contain complex and novel issues of law and fact that would require a substantial amount of time and expense to litigate, with uncertainty regarding whether such claims would be successful; (iii) a significant risk exists

that future litigation costs would dissipate receivership assets and that Plaintiffs and other persons who have submitted claims to the Receiver (“Claimants”) may not ultimately prevail on their claims; (iv) Plaintiffs and Claimants who have filed Claims with the Receiver will receive partial satisfaction of their claims from the Settlement Amount being paid pursuant to the Settlement; and (v) Chadbourne would not have agreed to the terms of the Settlement in the absence of this Final Judgment and Bar Order unless it was assured of “total peace” with respect to all claims that have been, or could be, asserted arising from their relationship with the Stanford Entities. *See SEC v. Kaleta*, No. 4:09-3674, 2012 WL 401069, at \*4 (S.D. Tex. Feb. 7, 2012), *aff’d*, 530 F. App’x 360 (5th Cir. 2013) (approving these factors for consideration in evaluating whether a settlement and bar order are sufficient, fair, and necessary). The injunction against such claims as set forth herein is therefore a necessary and appropriate order ancillary to the relief obtained for victims of the Stanford Ponzi scheme pursuant to the Settlement. *See Kaleta*, 530 F. App’x at 362 (affirming a bar order and injunction against investor claims as “ancillary relief” to a settlement in an SEC receivership proceeding). After careful consideration of the record and applicable law, the Court concludes that the Settlement is the best option for maximizing the net amount recovered from Chadbourne for the Receivership Estate, Plaintiffs, and the Claimants.

5. Pursuant to the Settlement Agreement and upon motion by the Receiver in the SEC Action, this Court will approve a Distribution Plan that will fairly and reasonably distribute the net proceeds of the Settlement to Stanford Investors who have Claims approved by the Receiver. The Court finds that the Receiver’s claims process and the Distribution Plan contemplated in the Settlement Agreement have been designed to ensure that all Stanford

Investors have received an opportunity to pursue their Claims through the Receiver's claims process previously approved by the Court [ECF No. 1584].

6. The Court further finds that the Parties and their counsel have at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure.

7. Accordingly, the Court finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of all Persons claiming an interest in, having authority over, or asserting a claim against Chadbourne, the Stanford Entities, or the Receivership Estate, including but not limited to the Plaintiffs, the Interested Parties, the Receiver, and the Committee. The Settlement, the terms of which are set forth in the Settlement Agreement, is hereby fully and finally approved. The Parties are directed to implement and consummate the Settlement in accordance with the terms and provisions of the Settlement Agreement and this Final Judgment and Bar Order.

8. Pursuant to the provisions of Paragraph 40 of the Settlement Agreement, as of the Settlement Effective Date, the Chadbourne Released Parties shall be completely released, acquitted, and forever discharged from any action, cause of action, suit, liability, claim, right of action, or demand whatsoever, whether or not currently asserted, known, suspected, existing, or discoverable, and whether based on federal law, state law, foreign law, common law, or otherwise, and whether based on contract, tort, statute, law, equity or otherwise, that the Investor Plaintiffs; the Receiver; the Receivership Estate; the Committee; the Claimants; and the Persons, entities and interests represented by those Parties ever had, now has, or hereafter can, shall, or may have, directly, representatively, derivatively, or in any other capacity, for, upon, arising from, relating to, or by reason of any matter, cause, or thing whatsoever, that, in full or in part, concerns, relates to, arises out of, or is in any manner connected with (i) the Stanford Entities;

(ii) any certificate of deposit, depository account, or investment of any type with any one or more of the Stanford Entities; (iii) Chadbourne's relationship with any one or more of the Stanford Entities; (iv) Chadbourne's provision of services to or for the benefit of or on behalf of the Stanford Entities; or (v) any matter that was asserted in, could have been asserted in, or relates to the subject matter of the SEC Action, the Investor Litigation, this action, or any proceeding concerning the Stanford Entities pending or commenced in any Forum. The foregoing release, however, does not extend to claims against Sjoblom arising out of any work performed by Sjoblom during the time of his affiliation with Proskauer Rose LLP ("Proskauer"). Pursuant to the provisions of Paragraph 45 of the Settlement Agreement, in the event that any of the Plaintiffs obtain a judgment in any action against Sjoblom relating in any way to the subject matter of this Action, the Investor Litigation, or the Receiver Litigation, they agree to limit execution of the judgment against Sjoblom to recovery of any available insurance proceeds under policies naming Proskauer as an insured.

9. Pursuant to the provisions of Paragraph 41 of the Settlement Agreement, as of the Settlement Effective Date, the Plaintiffs Released Parties shall be completely released, acquitted, and forever discharged from all Settled Claims by Chadbourne.

10. Notwithstanding anything to the contrary in this Final Judgment and Bar Order, the foregoing releases do not release the Parties' rights and obligations under the Settlement or the Settlement Agreement or bar the Parties from enforcing or effectuating the terms of the Settlement or the Settlement Agreement. Further, the foregoing releases do not bar or release any claims, including but not limited to the Settled Claims, that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees, and agents.

11. The Court hereby permanently bars, restrains, and enjoins the Receiver, the Plaintiffs, the Claimants, the Interested Parties, and all other Persons or entities anywhere in the world, whether acting in concert with the foregoing or claiming by, through, or under the foregoing, or otherwise, all and individually, from directly, indirectly, or through a third party, instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, or otherwise prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, this action, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including but not limited to litigation, arbitration, or other proceeding, in any Forum, including, without limitation, any court of first instance or any appellate court (other than in an appeal from this Final Judgment and Bar Order), whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever, that in any way relates to, is based upon, arises from, or is connected with the Stanford Entities; this case; the Investor Litigation; SEC Action; the subject matter of this case, of the Investor Litigation, or of the SEC Action; or any Settled Claim. The foregoing specifically includes, without limitation, the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.) (the "*ARCA Investments* Litigation"). The foregoing also specifically includes any claim, however denominated, seeking contribution, indemnity, damages, or other remedy where the alleged injury to such Person, entity, or Interested Party, or the claim asserted by such Person, entity, or Interested Party, is based upon such Person's, entity's, or Interested Party's liability to any

Plaintiff, Claimant, or Interested Party arising out of, relating to, or based in whole or in part upon money owed, demanded, requested, offered, paid, agreed to be paid, or required to be paid to any Plaintiff, Claimant, Interested Party, or other Person or entity, whether pursuant to a demand, judgment, claim, agreement, settlement or otherwise. The foregoing bar, restraint, and injunction does not apply to, and shall not prevent, the institution or continuation of any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, against Sjoblom related to work performed by Sjoblom during the time of his affiliation with Proskauer. Further, notwithstanding the foregoing, there shall be no bar of any claims, including but not limited to the Settled Claims that Chadbourne may have against any Chadbourne Released Party, including but not limited to its insurers, reinsurers, employees and agents. Further, the Parties retain the right to sue for alleged breaches of the Settlement Agreement.

12. The releases and the covenants not to sue set forth in the Settlement Agreement, and the releases, bars, injunctions, and restraints set forth in this Final Judgment and Bar Order, do not limit in any way the evidence that Plaintiffs may offer in the continuing lawsuits against Sjoblom, Proskauer, and P. Mauricio Alvarado related to Sjoblom's work while affiliated with Proskauer, including but not limited to evidence of knowledge Sjoblom may or may not have acquired during the time period he was affiliated with Chadbourne.

13. Nothing in this Final Judgment and Bar Order shall impair or affect or be construed to impair or affect in any way whatsoever, any right of any Person, entity, or Interested Party to: (a) claim a credit or offset, however determined or quantified, if and to the extent provided by any applicable statute, code, or rule of law, against any judgment amount, based upon the Settlement or payment of the Settlement Amount; (b) designate a "responsible third party" or "settling person" under Chapter 33 of the Texas Civil Practice and Remedies Code; or

(c) take discovery under applicable rules in litigation; provided for the avoidance of doubt that nothing in this paragraph shall be interpreted to permit or authorize (x) any action or claim seeking to recover any monetary or other relief from Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), or (y) the commencement, assertion or continuation of any action or claim against Chadbourne or any Chadbourne Released Party filed after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including any action or claim seeking to impose any liability of any kind (including but not limited to liability for contribution, indemnification or otherwise) upon Chadbourne or any Chadbourne Released Party, including, but not limited to, the *ARCA Investments* Litigation as to Chadbourne.

14. Chadbourne and the Chadbourne Released Parties have no responsibility, obligation, or liability whatsoever with respect to the content of the Notice; the notice process; the Distribution Plan; the implementation of the Distribution Plan; the administration of the Settlement; the management, investment, distribution, allocation, or other administration or oversight of the Settlement Amount, any other funds paid or received in connection with the Settlement, or any portion thereof; the payment or withholding of Taxes; the determination, administration, calculation, review, or challenge of claims to the Settlement Amount, any portion of the Settlement Amount, or any other funds paid or received in connection with the Settlement or the Settlement Agreement; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs incurred in connection with any of the foregoing matters. No appeal, challenge, decision, or other matter concerning any subject set forth in this paragraph shall

operate to terminate or cancel the Settlement, the Settlement Agreement, or this Final Judgment and Bar Order.

15. Nothing in this Final Judgment and Bar Order or the Settlement Agreement and no aspect of the Settlement or negotiation or mediation thereof is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability, or wrongdoing, or of any infirmity in the claims or defenses of the Parties with regard to any of the complaints, claims, allegations, or defenses in the Investor Litigation, this action, or any other proceeding.

16. Chadbourne is hereby ordered to deliver or cause to be delivered the Settlement Amount (\$35 million) as described in Paragraph 26 of the Settlement Agreement. Further, the Parties are ordered to act in conformity with all other provisions the Settlement Agreement.

17. Without in any way affecting the finality of this Final Judgment and Bar Order, the Court retains continuing and exclusive jurisdiction over the Parties for purposes of, among other things, the administration, interpretation, consummation, and enforcement of the Settlement, the Settlement Agreement, the Scheduling Order, and this Final Judgment and Bar Order, including, without limitation, the injunctions, bar orders, and releases herein, and to enter orders concerning implementation of the Settlement, the Settlement Agreement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel.

18. The Court expressly finds and determines, pursuant to Federal Rule of Civil Procedure 54(b), that there is no just reason for any delay in the entry of this Final Judgment and Bar Order as to Chadbourne, which is both final and appealable as to Chadbourne, and immediate entry of final judgment as to Chadbourne by the Clerk of the Court is expressly directed.



19. This Final Judgment and Bar Order shall be served by counsel for the Plaintiffs, via email, first class mail or international delivery service, on any person or entity that filed an objection to approval of the Settlement, the Settlement Agreement, or this Final Judgment and Bar Order.

20. All relief as to Chadbourne not expressly granted herein, other than Plaintiffs' request for approval of Plaintiffs' attorneys' fees, which will be addressed by a separate order, is denied. This is a final Rule 54(b) judgment. The Clerk of the Court is directed to enter Judgment as to Chadbourne in conformity herewith.

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE

**Receivership Entities**

16NE Huntingdon, LLC	International Fixed Income Stanford Fund, Ltd.
20/20 Ltd.	The Island Club, LLC
Antigua Athletic Club Limited	The Islands Club, Ltd.
The Antigua Sun Limited	JS Development, LLC
Apartment Household, Inc.	Maiden Island Holdings Ltd.
Asian Village Antigua Limited	Miller Golf Company, L.L.C.
Bank of Antigua Limited	Parque Cristal Ltd.
Boardwalk Revitalization, LLC	Pelican Island Properties Limited
Buckingham Investments A.V.V.	Pershore Investments S.A.
Caribbean Aircraft Leasing (BVI) Limited	Polygon Commodities A.V.V.
Caribbean Airlines Services Limited	Porpoise Industries Limited
Caribbean Airlines Services, Inc.	Productos y Servicios Stanford, C.A.
Caribbean Star Airlines Holdings Limited	R. Allen Stanford, LLC
Caribbean Star Airlines Limited	Robust Eagle Limited
Caribbean Sun Airlines Holdings, Inc.	Sea Eagle Limited
Casuarina 20 LLC	Sea Hare Limited
Christiansted Downtown Holdings, LLC	SFG Majestic Holdings, LLC
Crayford Limited	SG Ltd.
Cuckfield Investments Limited	SGV Asesores C.A.
Datcom Resources, Inc.	SGV Ltd.
Devinhouse, Ltd.	Stanford 20*20, LLC
Deygart Holdings Limited	Stanford 20/20 Inc.
Foreign Corporate Holdings Limited	Stanford Acquisition Corporation

Guardian International Investment Services No. One, Inc.	Stanford Aerospace Limited
Guardian International Investment Services No. Three, Inc.	Stanford Agency, Ltd. [Louisiana] <sup>i</sup>
Guardian International Investment Services No. Two, Inc.	Stanford Agency, Inc. [Texas]
Guardian One, Ltd.	Stanford Agresiva S.A. de C.V.
Guardian Three, Ltd.	Stanford Aircraft, LLC
Guardian Two, Ltd.	Stanford American Samoa Holding Limited
Guiana Island Holdings Limited	Stanford Aviation 5555, LLC
Harbor Key Corp.	Stanford Aviation II, LLC
Harbor Key Corp. II	Stanford Aviation III, LLC
Idea Advertising Group, Inc.	Stanford Aviation Limited
Stanford Bank Holdings Limited	Stanford Aviation LLC
Stanford Bank, S.A. Banco Comercial	Stanford Bank (Panama), S.A. <sup>ii</sup>
Stanford Capital Management, LLC	Stanford Galleria Buildings Management, LLC
Stanford Caribbean Investments, LLC	Stanford Gallows Bay Holdings, LLC
Stanford Caribbean Regional Management Holdings, LLC	Stanford Global Advisory, LLC
Stanford Caribbean, LLC	Stanford Group (Antigua) Limited
Stanford Casa de Valores, S.A.	Stanford Group (Suisse) AG
Stanford Cobertura, S.A. de C.V.	Stanford Group Aruba, N.V.
Stanford Coins & Bullion, Inc.	Stanford Group Bolivia
The Stanford Condominium Owners' Association, Inc.	Stanford Group Casa de Valores, S.A.
Stanford Corporate Holdings International, Inc.	Stanford Group Company
Stanford Corporate Services (BVI) Limited	Stanford Group Company Limited

Stanford Corporate Services (Venezuela), C.A.	Stanford Group Holdings, Inc.
Stanford Corporate Services, Inc.	Stanford Group Mexico, S.A. de C.V.
Stanford Corporate Ventures (BVI) Limited	Stanford Group Peru, S.A., Sociedad Agente de Bolsa
Stanford Corporate Ventures, LLC	Stanford Group Venezuela Asesores de Inversion, C.A.
Stanford Crecimiento Balanceado, S.A. de C.V.	Stanford Group Venezuela, C.A.
Stanford Crecimiento, S.A. de C.V.	Stanford Holdings Venezuela, C.A.
Stanford Development Company (Grenada) Ltd.	Stanford International Bank Holdings Limited
Stanford Development Company Limited	Stanford International Bank Limited
Stanford Development Corporation	Stanford International Holdings (Panama) S.A.
Stanford Eagle, LLC	Stanford International Management Ltd.
Stanford Family Office, LLC	Stanford International Resort Holdings, LLC
The Stanford Financial Group Building, Inc.	Stanford Investment Advisory Services, Inc.
Stanford Financial Group Company	Stanford Leasing Company, Inc.
Stanford Financial Group Global Management, LLC	Stanford Management Holdings, Ltd.
Stanford Financial Group (Holdings) Limited	Stanford Real Estate Acquisition, LLC
Stanford Financial Group Limited	Stanford S.A. Comisionista de Bolsa
Stanford Financial Group Ltd.	Stanford Services Ecuador, S.A.
Stanford Financial Partners Advisors, LLC	Stanford South Shore Holdings, LLC
Stanford Financial Partners Holdings, LLC	Stanford Sports & Entertainment Holdings, LLC
Stanford Financial Partners Securities, LLC	Stanford St. Croix Marina Operations, LLC
Stanford Financial Partners, Inc.	Stanford St. Croix Resort Holdings, LLC

Stanford Fondos, S.A. de C.V.	Stanford St. Croix Security, LLC
The Stanford Galleria Buildings, LP	Stanford Trust Company
Stanford Trust Holdings Limited	Stanford Trust Company Administradora de Fondos y Fideicomisos S.A.
Stanford Venture Capital Holdings, Inc.	Stanford Trust Company Limited
The Sticky Wicket Limited	Torre Oeste Ltd.
Sun Printing & Publishing Limited	Torre Senza Nome Venezuela, C.A.
Sun Printing Limited	Trail Partners, LLC
	Two Islands One Club (Grenada) Ltd.
	Two Islands One Club Holdings Ltd.

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<sup>i</sup> Locations in brackets are included to differentiate between legal entities with the same name but different locations or other identifying information.

<sup>ii</sup> Locations in parentheses are included in the legal name of an entity or other identifying information.

**List of Other Actions**

1. *Gale v. Proskauer Rose LLP*, No. 3:12-cv-1803 (N.D. Tex.) (pending), removed from No. 2011-CI-20427 (Tex., Bexar Cnty. [285th Dist.])
2. *Green v. Proskauer Rose LLP*, No. 3:12-cv-1808 (N.D. Tex.) (pending), removed from No. 2011- 77805 (Tex., Harris Cnty. [189th Dist.])
3. *Ibarra v. Proskauer Rose LLP*, No. 3:12-cv-1805 (N.D. Tex.) (pending), removed from No. 2011-CI-20425 (Tex., Bexar Cnty. [224th Dist.])
4. *Martin v. Proskauer Rose LLP*, No. 3:12-cv-1809 (N.D. Tex.) (pending), removed from No. 2011- 77800 (Tex., Harris Cnty. [11th Dist.])
5. *Reed v. Proskauer Rose LLP*, No. 3:12-cv-1806 (N.D. Tex.) (pending), removed from No. 2011-CI-20426 (Tex., Bexar Cnty. [225th Dist.])
6. *Arista Trust v. Proskauer Rose LLP*, No. 2012-CI-02423 (Tex., Bexar Cnty. [131st Dist.]) (dismissed without prejudice for want of prosecution on July 28, 2015)
7. *Canuta Trust v. Proskauer Rose LLP*, No. 2012-CI-02422 (Tex., Bexar Cnty. [73rd Dist.]) (dismissed without prejudice for want of prosecution on March 18, 2015)
8. *CS Tecnologia, S.A. v. Proskauer Rose LLP*, No. 2012-09838 (Tex., Harris Cnty. [152d Dist.]) (dismissed without prejudice for want of prosecution on January 16, 2015)
9. *Garza v. Proskauer Rose LLP*, No. 2011-77793 (Tex., Harris Cnty. [281st Dist.]) (dismissed without prejudice as non-suited on March 12, 2014)
10. *MFR Inversiones, C.A. v. Proskauer Rose LLP*, No. 2012-09824 (Tex., Harris Cnty. [113th Dist.]) (dismissed without prejudice for want of prosecution on August 15, 2014)
11. *Rubiano v. Proskauer Rose LLP*, No. 2012-CI-02425 (Tex., Bexar Cnty. [166th Dist.]) (dismissed without prejudice for want of prosecution on May 20, 2014)
12. *Valenzuela de Jimenez v. Proskauer Rose LLP*, No. 2012-CI-02424 (Tex., Bexar Cnty. [150th Dist.]) (dismissed without prejudice for want of prosecution on December 17, 2014)

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

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

- against -

STANFORD INTERNATIONAL BANK, LTD.,  
*et al.*,

Defendants.

Civil Action No. 3:09-CV-00298-N

RALPH S. JANVEY, IN HIS CAPACITY AS  
COURT-APPOINTED RECEIVER FOR THE  
STANFORD RECEIVERSHIP ESTATE, AND  
THE OFFICIAL STANFORD INVESTORS  
COMMITTEE,

Plaintiffs,

- against -

PROSKAUER ROSE LLP,  
CHADBOURNE & PARKE LLP,  
AND THOMAS V. SJOBLOM,

Defendants.

Civil Action No. 3:13-cv-00477-N

**SCHEDULING ORDER**

This matter is before the Court on the Expedited Request for Entry of Scheduling Order and Motion to Approve Proposed Settlement with Chadbourne & Parke LLP, to Approve the Proposed Notice of Settlement with Chadbourne & Parke LLP, to Enter the Bar Order, to Enter the Rule 54(b) Final Judgment and Bar Order, and for Plaintiffs' Attorneys' Fees (the "Motion")

**EXHIBIT F**

of Ralph S. Janvey (the “Receiver”), as Receiver for the Receivership Estate in *SEC v. Stanford International Bank, Ltd.*, No. 3:09-CV-0298-N (N.D. Tex.) (the “SEC Action”), and the Official Stanford Investors Committee (the “Committee”), as a party to the SEC Action and, along with the Receiver, as a plaintiff in *Janvey v. Proskauer Rose, LLP*, No. 3:13-cv-0447-N (N.D. Tex.) (the “Receiver Litigation”). [SEC Action, ECF. No. \_\_; Receiver Litigation, ECF No. \_\_\_\_.] The Motion concerns a proposed settlement (the “Settlement”) among and between, on the one hand, the Receiver; the Committee; the Court-appointed Examiner, John J. Little (the “Examiner”);<sup>1</sup> Samuel Troice, Pam Reed, Horacio Mendez, Annalisa Mendez, and Punga Punga Financial, Ltd., individually and, in the case of Pam Reed, Samuel Troice, and Punga Punga Financial, Ltd., on behalf of a putative class of Stanford investors (collectively, the “Investor Plaintiffs”), as plaintiffs in *Troice v. Proskauer Rose, LLP*, No. 3:09-cv-01600-N (N.D. Tex.) (the “Investor Litigation”) (the Receiver, the Committee, and the Investor Plaintiffs are collectively referred to as the “Plaintiffs”); and, on the other hand, Chadbourne & Parke LLP (“Chadbourne”), as a defendant in the Receiver Litigation and the Investor Litigation. Capitalized terms not otherwise defined in this order shall have the meaning assigned to them in the settlement agreement attached to the Motion (the “Settlement Agreement”).

In the Motion, the Receiver and the Committee seek the Court’s approval of the terms of the Settlement, including entry of a bar order in the SEC Action (the “Bar Order”) and a final judgment and bar order in the Receiver Litigation (the “Judgment and Bar Order”). After reviewing the terms of the Settlement and considering the arguments presented in the Motion, the Court preliminarily approves the Settlement as adequate, fair, reasonable, and equitable.

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<sup>1</sup> The Examiner executed the Settlement Agreement to indicate his approval of the terms of the Settlement and to confirm his obligation to post Notice on his website, as required herein, but is not otherwise individually a party to the Settlement Agreement, the Receiver Action, or the Investor Litigation.



Accordingly, the Court enters this scheduling order to: (i) provide for notice of the terms of the Settlement, including the proposed Bar Order in the SEC Action and the proposed Judgment and Bar Order in the Receiver Litigation; (ii) set the deadline for filing objections to the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees; (iii) set the deadline for responding to any objection so filed; and (iv) set the date of the final approval hearing regarding the Settlement, the Bar Order in the SEC Action, the Judgment and Bar Order in the Receiver Litigation, and Plaintiffs' request for approval of Plaintiffs' attorneys' fees (the "Final Approval Hearing"), as follows:

1. Preliminary Findings on Potential Approval of the Settlement: Based upon the Court's review of the terms of the Settlement Agreement, the arguments presented in the Motion, and the Motion's accompanying appendices and exhibits, the Court preliminarily finds that the Settlement is fair, reasonable, and equitable; has no obvious deficiencies; and is the product of serious, informed, good-faith, and arm's-length negotiations. The Court, however, reserves a final ruling with respect to the terms of the Settlement until after the Final Approval Hearing referenced below in Paragraph 2.

2. Final Approval Hearing: The Final Approval Hearing will be held before the Honorable David C. Godbey of the United States District Court for the Northern District of Texas, United States Courthouse, 1100 Commerce Street, Dallas, Texas 75242, in Courtroom 1505, at \_\_: \_\_ .m. on \_\_\_\_\_, which is a date at least ninety (90) calendar days after entry of this Scheduling Order. The purposes of the Final Approval Hearing will be to: (i) determine whether the terms of the Settlement should be approved by the Court; (ii) determine whether the Bar Order attached as Exhibit B to the Settlement Agreement should be entered by the Court in the SEC Action; (iii) determine whether the Judgment and Bar Order attached as Exhibit C to the

Settlement Agreement should be entered by the Court in the Receiver Litigation; (iv) rule upon any objections to the Settlement, Bar Order, or the Judgment and Bar Order; (v) rule upon Plaintiffs' request for approval of Plaintiffs' attorneys' fees; and (vi) rule upon such other matters as the Court may deem appropriate.

3. Notice: The Court approves the form of Notice attached as Exhibit A to the Settlement Agreement and finds that the methodology, distribution, and dissemination of Notice described in the Motion: (i) constitute the best practicable notice; (ii) are reasonably calculated, under the circumstances, to apprise all Interested Parties of the Settlement, the releases therein, and the injunctions provided for in the Bar Order and Judgment and Bar Order; (iii) are reasonably calculated, under the circumstances, to apprise all Interested Parties of the right to object to the Settlement, the Bar Order, or the Judgment and Bar Order, and to appear at the Final Approval Hearing; (iv) constitute due, adequate, and sufficient notice; (v) meet all requirements of applicable law, including the Federal Rules of Civil Procedure, the United States Constitution (including Due Process), and the Rules of the Court; and (vi) will provide to all Persons a full and fair opportunity to be heard on these matters. The Court further approves the form of the publication Notice attached as Exhibit G to the Settlement Agreement. Therefore:

a. The Receiver is hereby directed, no later than twenty-one (21) calendar days after entry of this Scheduling Order, to cause the Notice in substantially the same form attached as Exhibit A to the Settlement Agreement to be sent via electronic mail, first class mail, or international delivery service to all Interested Parties; to be sent via electronic service to all counsel of record for any Person who has been or is, at the time of Notice, a party in any case included in *In re Stanford Entities Securities Litigation*, MDL No. 2099 (N.D. Tex.) (the "MDL"), the SEC Action, the Investor Litigation, or the Receiver Litigation, who are deemed to

have consented to electronic service through the Court's CM/ECF System under Local Rule CV-5.1(d); and to be sent via facsimile transmission and/or first class mail to any other counsel of record for any other Person who has been or is, at the time of service, a party in any case included in the MDL, the SEC Action, the Investor Litigation, or the Receiver Litigation.

b. The Receiver is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the notice in substantially the same form attached as Exhibit G to the Settlement Agreement to be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*.

c. The Receiver is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to be posted on the Receiver's website (<http://stanfordfinancialreceivership.com>). The Examiner is hereby directed, no later than ten (10) calendar days after entry of this Scheduling Order, to cause the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to be posted on the Examiner's website (<http://lpf-law.com/examiner-stanford-financial-group>).

d. The Receiver is hereby directed promptly to provide the Settlement Agreement, the Motion, this Scheduling Order, the Notice, and all exhibits and appendices attached to these documents, to any Person who requests such documents via email to Sandra Rivas, a paralegal at Castillo Snyder, PC, at [srivas@casnlaw.com](mailto:srivas@casnlaw.com), or via telephone by calling Sandra Rivas at 210-630-4200. The Receiver may provide such materials in the form and manner that the Receiver deems most appropriate under the circumstances of the request.

e. No less than ten days before the Final Approval Hearing, the Receiver shall cause to be filed with the Clerk of this Court written evidence of compliance with subparts (a) through (d) of this Paragraph, which may be in the form of an affidavit or declaration.

4. Objections and Appearances at the Final Approval Hearing: Any Person who wishes to object to the terms of the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees, or who wishes to appear at the Final Approval Hearing, must do so by filing an objection, in writing, with the Court in the SEC Action (3:09-CV-0298-N), by ECF or by mailing the objection to the Clerk of the United States District Court for the Northern District of Texas, 1100 Commerce Street, Dallas, Texas 75242, no later than [insert date of 21st day before Final Approval Hearing], 2016. All objections filed with the Court must:

- a. contain the name, address, telephone number, and (if applicable) an email address of the Person filing the objection;
- b. contain the name, address, telephone number, and email address of any attorney representing the Person filing the objection;
- c. be signed by the Person filing the objection, or his or her attorney;
- d. state, in detail, the basis for any objection;
- e. attach any document the Court should consider in ruling on the Settlement, the Bar Order, the Judgment and Bar Order, or Plaintiffs' request for approval of Plaintiffs' attorneys' fees; and
- f. if the Person filing the objection wishes to appear at the Final Approval Hearing, make a request to do so.

No Person will be permitted to appear at the Final Approval Hearing without filing a written objection and request to appear at the Final Approval Hearing as set forth in subparts (a) through (f) of this Paragraph. Copies of any objections filed must be served by ECF, or by email or first class mail, upon each of the following:

Harry M. Reasoner  
Vinson & Elkins LLP  
1001 Fannin Street, Suite 2500  
Houston, Texas 77002-6760  
Telephone: (713) 758-2222  
Facsimile: (713) 615-5173  
E-mail: hreasoner@velaw.com

and

William D. Sims, Jr  
Vinson & Elkins LLP  
2001 Ross Avenue, Suite 3700  
Dallas, Texas 75201-2975  
Telephone: (214) 220-7700  
Facsimile: (214) 220-7716  
Email: bsims@velaw.com

and

Daniel J. Beller  
Daniel J. Leffell  
William B. Michael  
Paul, Weiss, Rifkind, Wharton & Garrison LLP  
1285 Avenue of the Americas  
New York, New York 10019-6064  
Telephone: (212) 373-3000  
Facsimile: (212) 757-3990  
Email: dbeller@paulweiss.com  
Email: dleffell@paulweiss.com  
Email: wmichael@paulweiss.com

and

Edward C. Snyder  
Castillo Snyder, PC  
One Riverwalk Place  
700 N. St. Mary's, Suite 405  
San Antonio, Texas 78205  
Telephone: 210-630-4200  
Fax: 210-630-4210  
E-mail: [esnyder@casnlaw.com](mailto:esnyder@casnlaw.com)

and

Judith R. Blakeway  
Strasburger & Price, LLP  
2301 Broadway  
San Antonio, Texas 78215  
Telephone: (210) 250-6000  
Facsimile: (210) 250-6100  
E-mail: [judith.blakeway@strasburger.com](mailto:judith.blakeway@strasburger.com)

and

Douglas J. Buncher  
Neligan Foley LLP  
325 N. St. Paul, Suite 3600  
Dallas, Texas 75201  
Telephone: 214-840-5320  
Fax: 214-840-5301  
E-mail: [dbuncher@neliganlaw.com](mailto:dbuncher@neliganlaw.com)

and

John J. Little  
Little Pedersen Fankhauser LLP  
901 Main Street, Suite 4110  
Dallas, Texas 75202  
Telephone: 214.573.2307  
Fax: 214.573.2323  
E-mail: [jlittle@lpf-law.com](mailto:jlittle@lpf-law.com)

and

Ralph Janvey  
2100 Ross Ave  
Suite 2600  
Dallas, TX 75201  
E-mail: rjanvey@kjllp.com

and

Kevin Sadler  
Baker Botts  
1001 Page Mill Road  
Building One, Suite 200  
Palo Alto, California 94304-1007  
E-mail: kevin.sadler@bakerbotts.com

Any Person filing an objection shall be deemed to have submitted to the jurisdiction of this Court for all purposes of that objection, the Settlement, the Bar Order, and the Judgment and Bar Order. Potential objectors who do not present opposition by the time and in the manner set forth above shall be deemed to have waived the right to object (including any right to appeal) and to appear at the Final Approval Hearing and shall be forever barred from raising such objections in this action or any other action or proceeding. Persons do not need to appear at the Final Approval Hearing or take any other action to indicate their approval.

5. Responses to Objections: Any Party to the Settlement may respond to an objection filed pursuant to Paragraph 4 by filing a response in the SEC Action no later than [insert date of 7<sup>th</sup> day before the Final Approval Hearing]. To the extent any Person filing an objection cannot be served by action of the Court's CM/ECF system, a response must be served to the email and/or mailing address provided by that Person.

6. Adjustments Concerning Hearing and Deadlines: The date, time, and place for the Final Approval Hearing, and the deadlines and date requirements in this Scheduling Order, shall be subject to adjournment or change by this Court without further notice other than that

which may be posted by means of ECF in the MDL, the SEC Action, and the Receiver Litigation.

7. Retention of Jurisdiction: The Court shall retain jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

8. Entry of Injunction: If the Settlement is approved by the Court, the Court will enter the Bar Order in the SEC Action and the Judgment and Bar Order in the Receiver Litigation. If entered, each order will permanently enjoin, among others, Interested Parties, including Stanford Investors and Claimants, from bringing, encouraging, assisting, continuing, or prosecuting, against Chadbourne or any of the Chadbourne Released Parties, the Investor Litigation, the Receiver Litigation, any of the actions listed in Exhibit E to the Settlement Agreement, or any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding of any nature commenced after the issuance of the U.S. Supreme Court's decision in *Chadbourne & Parke LLP v. Troice*, 134 S. Ct. 1058 (Feb. 26, 2014), including, without limitation, contribution or indemnity claims or the claims filed against Chadbourne in *ARCA Investments v. Proskauer Rose LLP*, Civil Action No. 3:15-CV-02423-D (N.D. Tex.), arising from or relating to a Settled Claim.

9. Stay of Proceedings: The Receiver Litigation and the Investor Litigation are hereby stayed as to Chadbourne only, except to the extent necessary to give effect to the Settlement.

10. Use of Order: Under no circumstances shall this Scheduling Order be construed, deemed, or used as an admission, concession, or declaration by or against Chadbourne of any fault, wrongdoing, breach or liability. Nor shall the Order be construed, deemed, or used as an admission, concession, or declaration by or against Plaintiffs that their claims lack merit or that



the relief requested is inappropriate, improper, or unavailable, or as a waiver by any party of any defenses or claims he or she may have. Neither this Scheduling Order, nor the proposed Settlement Agreement, or any other settlement document, shall be filed, offered, received in evidence, or otherwise used in these or any other actions or proceedings or in any arbitration, except to give effect to or enforce the Settlement or the terms of this Scheduling Order.

11. Entry of This Order: This Scheduling Order shall be entered separately on the dockets both in the SEC Action and in the Receiver Litigation.

**IT IS SO ORDERED.**

Signed on \_\_\_\_\_, 2016

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DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE

**Publication Notice**

To be published once in the national edition of *The Wall Street Journal* and once in the international edition of *The New York Times*:

PLEASE TAKE NOTICE that the Court-appointed Receiver for Stanford International Bank, Ltd. (“SIB”), and certain Plaintiffs, have reached an agreement to settle all claims asserted or that could have been asserted against Chadbourne & Parke LLP relating to or in any way concerning SIB (the “Settlement Agreement”). As part of the Settlement Agreement, the Receiver and Plaintiffs have requested orders that permanently enjoin, among others, all Interested Parties, including Stanford Investors (i.e., customers of SIB, who, as of February 16, 2009, had funds on deposit at SIB and/or were holding certificates of deposit issued by SIB), from bringing any legal proceeding or cause of action arising from or relating to the Stanford Entities against the Chadbourne Released Parties.

Complete copies of the Settlement Agreement, the proposed bar orders, and settlement documents are available on the Receiver’s website <http://www.stanfordfinancialreceivership.com>. All capitalized terms not defined in this Notice are defined in the Settlement Agreement.

Interested Parties may file written objections with the United States District Court for the Northern District of Texas on or before [insert date of 21st day before Final Approval Hearing].