

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

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	Case No. 3:09-CV-0298-N
	§	
STANFORD INTERNATIONAL BANK, LTD., ET AL.,	§	
	§	
Defendants.	§	

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

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

As noted in the Receiver’s April 27, 2012 Estimated Budget Letter, the Receiver stated that he would “submit monthly reports to the Court reflecting the fees and expenses incurred by the Receiver as a result of the claims process.” [See Doc. 1583 at 4.] On June 8, 2012, the Receiver submitted his First Monthly Report Regarding Fees and Expenses Incurred as a Result of the Claims Process (the “First Monthly Report”) for the period ending May 31, 2012. [See Doc. 1618.] On July 10, 2012, the Receiver submitted his Second Monthly Report Regarding Fees and Expenses Incurred as a Result of the Claims Process (the “Second Monthly Report”) for the period ending June 30, 2012. [See Doc. 1641.] The Receiver now hereby

submits his Third Monthly Report for the period ending July 31, 2012. As of that date, **\$1,610,246.37** in professional fees and expenses were incurred as a result of the claims process.<sup>1</sup>

The fees and expenses related to the claims process that are attributable to each of the Receiver's professional firms through July 31, 2012 are as follows:

- **Gilardi & Co. LLC** — \$636,091.88 in professional fees and \$363,590.85 in expenses.<sup>2</sup>
- **FTI Consulting, Inc.** — \$442,892.40 in professional fees.<sup>3</sup>
- **Baker Botts L.L.P.** — \$167,498.00 in professional fees and \$173.24 in expenses.<sup>4</sup>

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

- The Receivership received 7,405 claims through July 27, 2012 as a result of the Court-approved claims process. Of these, 1,930 were received online; 3,749 were received through mail or delivery; 1,553 were received via electronic mail; and 173 were received via fax.
- In accordance with the Court's Bar Date Order, as of July 27, 2012, Gilardi had sent 2,580 confirmations to claimants via e-mail or mail stating that the Receivership had received their claim forms.
- Gilardi, Stanford Staff, and FTI have continued to make significant progress reconciling both CD and non-CD claims. The following statistics reflect the status of the 20,468 claims (whether CD or non-CD) received through both the prior claims process and the Court-approved claims process as of August 3, 2012:
  - 582 claims were in the beginning stages of intake processing.
  - Gilardi and Stanford Staff identified 1,429 claims that were duplicates of claims already submitted by the same claimants.

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<sup>1</sup> This amount is inclusive of the combined \$1,112,158.91 in fees and expenses detailed in the First and Second Monthly Reports. [See Doc. 1641 at 1.]

<sup>2</sup> Gilardi's totals are inclusive of its combined \$390,494.91 in fees and \$348,401.28 in expenses detailed in the First and Second Monthly Reports.

<sup>3</sup> FTI's total is inclusive of its combined \$257,316.00 in fees detailed in the First and Second Monthly Reports.

<sup>4</sup> Baker Botts's totals are inclusive of its combined \$115,842.00 in fees and \$104.72 in expenses detailed in the First and Second Monthly Reports.

- Gilardi identified 3,633 claims that appear to be deficient due to a lack of required information on the claimants' claim forms. Gilardi has begun contacting several of these claimants to obtain the necessary information prior to the issuance of a formal notice of deficiency.
- Gilardi and Stanford Staff were in the process of conducting an initial review of and determination of claim types (*i.e.*, CD claims versus non-CD claims) for 1,995 claims.
- 12,829 claims were being manually reconciled by Gilardi in the first instance and were only escalated to Stanford Staff or FTI where necessary or appropriate. As of August 3, 2012: (a) Gilardi was reconciling 3,182 CD claims; (b) Stanford Staff was reconciling 1,599 CD and non-CD claims; (c) FTI was reconciling 174 CD claims; (d) reconciliation activities regarding 7,259 claims were completed; and (e) Gilardi and FTI were appending additional claims-related data to 615 claims.
- In addition to processing claims, Gilardi, Stanford Staff, FTI, and Baker Botts continued to refine both the Receivership's claims-processing guidelines and workflow management system, as well as FTI's automated and efficient claims query.
- As discussed above, Baker Botts drafted and submitted the Second Monthly Report on July 10, 2012 and continued to monitor fees and expenses related to the claims process in order to further report to the Court.
- Through July 27, 2012, the Receivership received approximately 4,800 telephone calls (of which over 2,300 were escalated to a customer service representative) and approximately 4,400 inquiries via electronic mail.
- The Receiver's continuing social media campaign regarding the Bar Date Order resulted in over 23.8 million views by users through July 27, 2012. Moreover, there have been approximately 83,000 visitors to the claims process website; 254,000 page views; and 91,000 document downloads.

### CONCLUSION

The Receiver intends to continue providing a monthly report concerning expenses and fees incurred as a result of the claims process. If the Receiver anticipates that the total fees and expenses for the claims process will exceed his overall estimate of \$3.85 million, the Receiver will seek further guidance from the Court.

Dated: August 10, 2012

Respectfully submitted,

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

By: /s/ Kevin M. Sadler

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**ATTORNEYS FOR RECEIVER  
RALPH S. JANVEY**

**CERTIFICATE OF SERVICE**

On August 10, 2012, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Northern District of Texas, using the electronic case filing system of the court. I hereby certify that I have served the Court-appointed Examiner, all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

*/s/ Kevin M. Sadler*  
Kevin M. Sadler