

**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-00298-N

BAR ORDER AND JUDGMENT

This matter came for a hearing on August 12, 2016, upon the Parties' joint motion for final approval of settlement between, on the one hand, (i) Ralph S. Janvey, solely in his capacity as the receiver (the "Receiver") for Robert Allen Stanford and other persons and entities pursuant to the orders of this Court entered February 17, 2009, March 12, 2009, and July 19, 2010 in this action; (ii) the Official Stanford Investors Committee, as defined in the order of this Court entered August 10, 2010 in this action (the "Committee"); and (iii) Marcus A. Wide and Hugh Dickson, in their capacities as the joint liquidators of Stanford International Bank, Ltd. and Stanford Trust Company Ltd., and Marcus A. Wide and Hordley Forbes, in their capacities as the joint liquidators of Stanford Development Company, pursuant to the orders of the Eastern Caribbean Supreme Court in Antigua and Barbuda entered May 12, 2011, March 30, 2012, and October 15, 2013, (the "Antiguan Liquidators") (the Receiver, Committee, and Antiguan Liquidators are collectively referred to as "Plaintiffs"); and, on the other hand, (iv) Kroll, LLC (f/k/a Kroll Inc.) and Kroll Associates, Inc. (together, "Kroll") (Plaintiffs on the one hand, and Kroll, on the other hand, are together referred to as the "Parties," and each of those two Parties is referred to as a "Party").

Due and adequate notice of the settlement agreement between the Parties dated as of December 15, 2015 (the “Agreement”), the settlement it defines (the “Settlement”), and this Bar Order and Judgment having been given, a hearing having been held, and the Court having considered all papers filed and proceedings had herein, and otherwise being informed of the premises, and good cause appearing therefor,

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

1. Incorporation of the Agreement: This Bar Order and Judgment incorporates by reference the Agreement, including the definitions in the Agreement and the Exhibits to the Agreement. All definitions in this Bar Order and Judgment are consistent with the definitions set forth in the Agreement.

2. Jurisdiction: The Court has jurisdiction over the subject matter of this action and all Parties. For clarity, the Antiguan Liquidators shall not be deemed, as a consequence of their consent to such jurisdiction, to have consented to the jurisdiction of the courts of the United States for any other purpose.

3. Kroll Bankruptcy: The Court notes that on February 8, 2015, Kroll filed voluntary petitions for relief with the Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, commencing chapter 11 cases, which are being administered under the case caption *In re Altegrity, Inc., et al.*, No. 15-10226 (Bankr. D. Del.) (Jointly Administered), and that the Bankruptcy Court has approved Kroll’s obligations under the Agreement to the extent consistent with Kroll’s chapter 11 plan (the “Bankruptcy Court Approval Order”), meaning that, notwithstanding anything to the contrary in the Agreement, the Settlement Amount and costs of

the Settlement under the Agreement are to be paid by one or more third parties and not by Kroll or the general unsecured claims pool established under Kroll's chapter 11 plan.

4. Good Faith: The Court finds and determines that the Parties conducted extensive, good faith, arm's-length negotiations, involving experienced and competent counsel, leading to the Agreement, and that the Agreement and Settlement were made in good faith.

5. Notice: The Court finds that the methodology, distribution, and dissemination of Notice: (i) were implemented in accordance with the Scheduling Order; (ii) constituted the best practicable notice; (iii) constituted notice that was reasonably calculated, under the circumstances, to apprise all persons, entities, Authorities, and quasi-governmental persons or entities, worldwide, of any type, including, without limitation, any individuals, partnerships, corporations, estates, trusts, associations, proprietorships, organizations, or businesses, regardless of location, residence, or nationality (collectively, "Persons") of the Settlement and its effects, including the releases and injunctions provided under its terms, and all rights to object to the Agreement, the Settlement, or the Bar Order and Judgment, and to appear at the Hearing; (iv) were reasonable and constituted due, adequate, and sufficient notice; (v) met all applicable 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) provided to all Persons a full and fair opportunity to be heard on these matters.

6. Binding Effect of Agreement Upon the Parties: The Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, transferees, and assigns. However, no Party may assign any of its rights or obligations under the Agreement without the express written consent of the opposing Party.

7. Final Settlement Approval: The Court fully and finally approves the Settlement, and finds that the Settlement is, in all respects, fair, reasonable, and adequate, and in the best interests of all Persons interested in Stanford, including but not limited to any Person who has ever held a certificate of deposit, CD, depository account, or investment with Stanford (“Claimant”), the Receiver, the Antigua Liquidators, Stanford, the Committee and its members, and any SIPC trustee or other trustee whose appointment encompasses any matter related to any Stanford Person (collectively, “Interested Parties”). The Court approves the documents submitted to the Court in connection with the implementation of the Settlement. The Court 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. The Parties are directed to implement and consummate the Settlement in accordance with the terms and provisions of the Agreement, unless and until Kroll terminates the Agreement and the Settlement pursuant to Section XIV of the Agreement.

8. Parties’ Releases:

a. The releases set forth in paragraphs 61-64 of the Agreement (together, the “Release”), and the definitions in the Agreement of Settled Claims, Plaintiffs Release Parties, and Kroll Released Parties, are expressly incorporated in this Bar Order and Judgment in all respects. The Release is effective as of the Effective Date and all Settled Claims released by the Release are hereby compromised, settled, released, relinquished, discharged, and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Bar Order and Judgment upon the Effective Date.

b. Notwithstanding anything to the contrary in this Bar Order and Judgment or otherwise, the foregoing releases do not release the Parties’ rights and obligations under the Agreement or the Settlement or bar the Parties from enforcing or effectuating the Agreement or

the Settlement. Nor do the foregoing releases bar or release any claims, including but not limited to the Settled Claims, that Kroll may have against any Kroll Released Party, including but not limited to its insurers, reinsurers, employees and agents.

9. Permanent Injunction: The Court permanently bars and enjoins Plaintiffs, Claimants, any Interested Parties, and/or any Person, and all of their respective heirs, trustees, executors, administrators, agents, successors and assigns, from, directly or indirectly, or through a third party, instituting, reinstating, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, collaborating in, or otherwise prosecuting, against Kroll or any of the Kroll Released Parties, any action, lawsuit, cause of action, claim, investigation, demand, complaint, or proceeding, of any nature (including but not limited to litigation, arbitration, or any other legal proceeding, in any court, tribunal, or forum, whether its nature is federal, foreign, state, administrative, regulatory, arbitral, local, or otherwise (“Forum”)), whether individually, derivatively, on behalf of a class, or otherwise, concerning, arising from, in connection with, or related to the Settled Claims, whether in this Court, in any other Forum, or otherwise, except that there shall be no bar of any claims, including but not limited to the Settled Claims, that Kroll may have against any Kroll Released Party, including but not limited to its insurers, reinsurers, employees and agents.

10. Contribution Bar Order: The Court hereby permanently bars, enjoins, and restrains any Person from commencing, prosecuting, or asserting against Kroll or any Kroll Released Party, whether individually, derivatively, on behalf of a class, or otherwise, whether in this Court or in any other Forum or otherwise, any claim, however denominated, for contribution, indemnity, or any other claim where the injury to such Person is such Person’s liability to any Plaintiff, Claimant, or Interested Party that arises out of a judgment or settlement

obtained by any Plaintiff, Claimant, or Interested Party (or anyone else to the extent that the claim on which it obtains a judgment or settlement was owned by any Plaintiff, Claimant or Interested Party) against such Person that in any way relates to, is based upon, arises from, or is connected with Stanford, this action, *Milford Wampold et al. v. Pershing, LLC et al.*, No. C577629 (La. Dist. Ct. Baton Rouge Parish), *Numa L. Marquette et al. v. Pershing, LLC et al.*, No. C581452 (La. Dist. Ct. Baton Rouge Parish), or any Settled Claim, except that there shall be no bar of any claims, including but not limited to the Settled Claims, that Kroll may have against any Kroll Released Party, including but not limited to its insurers, reinsurers, employees and agents.

11. Judgment Reduction:

a. To the extent any Person is barred, enjoined, or restrained by paragraph 10 of this Bar Order and Judgment, such Person (the “Non-Settlor”) shall be entitled to the reduction of any verdict, judgment, or award against it on a claim concerning Stanford, in any Forum, to the extent that such Forum finds that the Non-Settlor and the Kroll Released Parties were joint tortfeasors respecting such claim. Such reduction shall be the greater of: (a) an amount that corresponds to the percentage of responsibility of the Kroll Released Parties, or (b) such other amount as may be required by law. Nothing in this Bar Order and Judgment shall impair or affect or be construed to impair or affect in any way whatsoever, any right of any Person to: (a) claim a credit or offset in any litigation against such Person, however determined or quantified, if and to the extent provided for by the foregoing sentence, 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 other litigation; provided for the

avoidance of doubt that nothing in this sentence shall be interpreted to (1) permit or authorize any claim or Settled Claim seeking to recover any monetary or other relief from the Kroll Released Parties, (2) permit or authorize the commencement, assertion or continuation of any claim or Settled Claim against the Kroll Released Parties, including any claim or Settled Claim seeking to impose any liability of any kind (including but not limited to liability for contribution, indemnification or otherwise) upon the Kroll Released Parties, or (3) impair or affect or be construed to impair or affect in any way whatsoever, any right of the Kroll Released Parties to contest discovery.

b. In no event shall the Kroll Released Parties be responsible to pay any amount to any Person based on the amount or method or absence of reduction of any verdict, judgment, or award on a claim concerning Stanford.

12. Distribution and Administration:

a. The Receiver shall submit the Distribution Plan pursuant to the Agreement for approval by this Court. The Receiver shall be solely responsible for implementing the Distribution Plan.

b. A Claimant whose claim is determined to be invalid shall have no recourse of any type whatsoever against the Parties or the Kroll Released Parties, or their agents, but may solely object to such determination before the Court.

c. The Distribution Plan is a matter separate and apart from the Settlement between the Parties, and any decision or matter concerning the Distribution Plan shall not affect the validity or finality of the Agreement, the Settlement, or this Bar Order and Judgment. Accordingly, Plaintiffs may not cancel or terminate the Agreement or the Settlement, and the

Agreement and the Settlement shall not be impugned or denied recognition or enforcement, based on anything relating to or concerning the Distribution Plan.

d. Each Claimant shall be bound by the Bar Order and Judgment, including its provisions concerning the release of and injunction against claims by Interested Parties, regardless of whether he/she/it receives, deposits, or endorses any check.

e. Kroll and the Kroll Released Parties shall not have any responsibility, obligation, or liability whatsoever with respect to the notice process (except as to payment of notice costs in the manner provided in the Settlement Agreement); the Distribution Plan; the administration of the Settlement; the investment, disbursement, allocation, or other administration or oversight of the Settlement Amount, the Net Settlement Amount, any other amount in connection with the Settlement, or any portion thereof; the payment or withholding of Taxes; the determination, administration, calculation, reviewing, or challenging of claims to the Net Settlement Amount or any other amount in connection with the Agreement; any attorneys fees, expenses, or other costs to be paid to counsel for Plaintiffs; or any losses, attorneys' fees, expenses, vendor payments, expert payments, or other costs 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, cancel, or affect the finality of the Agreement or this Bar Order and Judgment. Nothing in this paragraph 12 is intended to nor does have any impact on Kroll's rights under Section XIV of the Agreement.

13. No Admission of Fault or Wrongdoing: There are no stipulated facts between the Parties concerning the Settled Claims. The Agreement, the Settlement, the Scheduling Order, and this Bar Order and Judgment, their terms and provisions, the negotiations, proceedings, and

agreements connected to them, and all papers in support of them, and the documents and statements referred to in them:

a. are not, and shall not be described, deemed, invoked, offered, received, construed, or interpreted, as a presumption, an admission, a concession, or evidence, of any deficiency in the Settled Claims, or any wrongdoing, fault, error, negligence, violation, or liability on the part of Kroll or the Kroll Released Parties, or any deficiency concerning any defense of Kroll or the Kroll Released Parties; and

b. shall not be discoverable or admissible in any action or proceeding for any reason, whether in this Court, in any other Forum, or otherwise, other than to enforce or effectuate the Agreement, the Settlement, the Scheduling Order, or this Bar Order and Judgment, or in connection with any claims, including but not limited to the Settled Claims, that Kroll may have against any Kroll Released Party, including but not limited to its insurers, reinsurers, employees and agents.

14. Enforcement of Agreement: Nothing in this Bar Order and Judgment shall preclude any action to enforce the terms of the Agreement, the Settlement, or the Bar Order and Judgment, or any actions or claims, including but not limited to the Settled Claims, that Kroll may have against any Kroll Released Party, including but not limited to its insurers, reinsurers, employees and agents.

15. Modification of Agreement: If the Parties agree to any amendments or modifications of the Agreement that (i) are not materially inconsistent with this Bar Order and Judgment and (ii) do not materially limit the rights of Claimants under the Agreement, then the Parties are hereby authorized to agree to and adopt any such amendments or modifications without further order from the Court.

16. Stay: To the extent that they are not otherwise stayed, all matters between the Parties hereby are and shall be stayed, other than to effectuate the Agreement and the Settlement, until the Effective Date of the Agreement, or, if Kroll terminates the Agreement and the Settlement pursuant to Section XIV of the Agreement, until the expiration of thirty (30) business days after Kroll sends notice of termination to Plaintiffs.

17. Termination: If Kroll terminates the Agreement pursuant to Section XIV of the Agreement:

a. this Bar Order and Judgment, the Scheduling Order, the Agreement, and the Settlement shall be null and void and of no effect, except paragraphs 82, 89, 90, 92, 97, 99, 101-104, 106, and 110-11 of the Agreement, and any definitions in Section I of the Agreement necessary to interpret those paragraphs;

b. Kroll, subject to the Bankruptcy Court Approval Order, shall be responsible to pay the Receiver:

(i) if the amount of Plaintiffs' Share of Notice Costs that Plaintiffs actually incurred did not exceed two hundred and fifty thousand dollars (\$250,000.00), the amount necessary to make the Receiver whole for 50% of such costs, or

(ii) if the amount of Plaintiffs' Share of Notice Costs that Plaintiffs actually incurred exceeded two hundred and fifty thousand dollars (\$250,000.00), the amount necessary to make the Receiver whole for 50% of the first two hundred and fifty thousand dollars (\$250,000.00) of such costs and 100% of the portion of such costs that exceeds two hundred and fifty thousand dollars (\$250,000.00);

c. this Bar Order and Judgment, the Scheduling Order, the Antiguan Orders, the Agreement, the Settlement, and such termination shall not be deemed to prejudice any objections, arguments, or defenses that Kroll may have concerning the Settled Claims; and

d. the Bar Order and Judgment, the Scheduling Order, the Antiguan Orders, the Agreement, the Settlement, and such termination shall not be deemed to prejudice any claims that Plaintiffs may have concerning the Settled Claims.

18. Extensions of Time: Without further order of the Court, the Parties may agree to reasonable extensions of time to carry out any provisions of the Agreement.

19. Retention of Jurisdiction: Without in any way affecting the finality of this Bar Order and Judgment, the Court expressly retains continuing and exclusive jurisdiction for purposes of the administration, interpretation, consummation, and enforcement of the Agreement, the Settlement, the Scheduling Order, and this Bar Order and Judgment, including without limitation its injunctions and the Release, and to enter orders concerning implementation of the Settlement, the Distribution Plan, and any payment of attorneys' fees and expenses to Plaintiffs' counsel. Notwithstanding the foregoing, the Bankruptcy Court shall have exclusive jurisdiction over all matters related to the Bankruptcy Court Approval Order, Kroll's chapter 11 cases, and Kroll's chapter 11 plan.

20. Entry of Final Judgment: It is hereby adjudged, decreed, and ordered that Plaintiffs have a judgment against Kroll in the amount of twenty-four million dollars (\$24,000,000.00). The Court expressly finds and determines that there is no just reason for any delay in the entry of this final judgment, which is both final and appealable, and immediate entry by the Clerk of the Court is expressly directed. Any appeal from this Bar Order and Judgment or any part of it must be taken within sixty (60) days after entry of this Bar Order and Judgment,

and in compliance with the Federal Rules of Appellate Procedure. The judgment entered pursuant to this Bar Order and Judgment is subject to the Bankruptcy Court Approval Order.

SIGNED on August 30, 2016.


DAVID C. GODBEY
UNITED STATES DISTRICT JUDGE