

## SETTLEMENT AGREEMENT

**THIS SETTLEMENT AGREEMENT** (the “Agreement”) is made and entered into by and between (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”); (iii) Pam Reed, Samuel Troice, and Michoacan Trust, individually and 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 (iv) Hunton & Williams LLP (“Hunton”) (Plaintiffs, on the one hand, and Hunton, 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 S. 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 J. 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 November 15, 2012, the Receiver, the Committee, Samuel Troice, Michoacan Trust, and Sandra Dorrell filed their Original Complaint – Class Action (the “Complaint”) captioned *Janvey et al. v. Greenberg Traurig, LLP, et al.*, Case No. 3:12-cv-04641-N (N.D. Tex.) (the “Litigation”) naming Hunton as one of several defendants;

**WHEREAS**, the Complaint asserts claims against Hunton for negligence, aiding and abetting breaches of fiduciary duties, breaches of fiduciary duties, fraudulent transfer/unjust enrichment, aiding and abetting fraudulent transfers, negligent retention, aiding and abetting violations of the Texas Securities Act (“TSA”), aiding and abetting a fraudulent scheme, and civil conspiracy;

**WHEREAS**, by Orders in the Litigation dated December 17, 2014 (ECF No. 114), and February 4, 2015 (ECF No. 123), the Court granted in part and denied in part Hunton’s motions to dismiss the Complaint, dismissing with prejudice (i) the Receiver’s and Committee’s claims for aiding and abetting fraudulent transfers; (ii) the Investor Plaintiffs’ TSA claims for aiding and abetting and civil conspiracy for the sale of unregistered securities and the sale of securities by an unregistered dealer arising from sales taking place prior to February 1, 2008; (iii) the Investor Plaintiffs’ TSA claims for aiding and abetting and civil conspiracy for the sale of securities through untruth or omission arising from sales taking place prior to February 1, 2006; dismissing without prejudice the Receiver and Committee’s claims for breach of fiduciary duty; and declining to dismiss the Plaintiffs’ other claims against Hunton;

**WHEREAS**, by Order in the Litigation dated September 11, 2015 (ECF No. 146), the Court permitted the substitution of Pam Reed for Sandra Dorrell as a named plaintiff and putative class representative in the Litigation;

**WHEREAS**, Hunton 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 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 Hunton 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, and arm's-length negotiations, including participation in mediation by representatives of the Parties over a considerable period of time, including participation in two separate formal mediations, the first in 2012 with McGowan Dispute Resolution in Houston, Texas, and the second in 2016 with Phillips ADR in New York, NY, and in further discussions following the conclusion of the aforementioned mediations, leading to this Agreement;

**WHEREAS**, absent approval of this Settlement, the Litigation will likely take many more years and cost the Parties millions of dollars to litigate to final judgment and through appeals, and the outcome of all such litigation 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

**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 (a) all Parties have signed the Agreement and (b) Carlos Loumiet (“Loumiet”) and all Plaintiffs have signed **Exhibit E**, and as of the date of the last signature to the Agreement and Exhibit E (the “Agreement Date”).

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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 or the Litigation.

## **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. **“Hunton Released Parties”** means Hunton, 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. **“Hunton Released Parties”** shall include Loumiet in his individual capacity relating to alleged conduct or knowledge while employed by or affiliated with Hunton or Greenberg Traurig LLP (**“Greenberg”**). Notwithstanding the foregoing, **“Hunton Released Parties”** shall not include any Person, other than Hunton or Loumiet, 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 Hunton 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 Hunton. For the avoidance of doubt, **“Hunton Released Parties”** does not include Greenberg or Yolanda Suarez (**“Suarez”**), and it is the Parties’ intent that the Settlement shall have no impact whatsoever on the claims asserted by Plaintiffs against Greenberg and Suarez in the Litigation.

4. “Claim” means a Person’s potential or asserted right to receive funds from the Receivership Estate or the funds and assets subject to the authority of the Joint Liquidators (defined below).

5. “Claimant” means any Person who has submitted a Claim to the Receiver or to the Joint Liquidators (defined below). Where a Claim has been transferred to a third party and such transfer has been acknowledged by the Receiver or the Joint Liquidators, 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 or the Joint Liquidators have 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 as well as the Term Sheet executed by the Parties prior to 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 and the 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 SEC Action and the 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 or predecessors.

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, right of levy or attachment, 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) Hunton's relationship with any one or more of the Stanford Entities and/or any of their personnel; (iv) Hunton'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 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-Four Million Dollars (\$34,000,000.00) 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 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; and 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 of Settlement Amount**

23. Dismissal of Litigation: The Litigation shall be fully and finally resolved and concluded and considered dismissed as to Hunton by the Judgment and Bar Order being entered in the Litigation and becoming Final.

24. Delivery of Settlement Amount: Within thirty (30) days after the Settlement Effective Date, Hunton 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 and Management of Settlement Amount**

25. 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.

26. No Liability: Hunton and the Hunton 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.

Nothing in this Paragraph 26 shall alter Hunton's obligations to deliver the Settlement Amount to the Receiver pursuant to the terms of this Agreement.

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

27. **Motion**: On a date mutually acceptable to the Parties that is not more than ninety (90) 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 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, or the 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, or the 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 Hunton with a reasonable opportunity to review and comment on such motion papers.

28. 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, Hunton 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.

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

30. Motion Contents: In the motion papers referenced in Paragraph 27 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 Litigation a Judgment and Bar Order in the form attached hereto as **Exhibit C**.

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

32. 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**

33. 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 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) without material modification; 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 to all other Parties written notice of such withdrawal, within fourteen (14) days of the order or

judicial determination giving rise to the right to withdraw. For purposes of this Section VI, the Party making the election to withdraw has the sole and absolute discretion to determine whether a modification or limitation to the approvals or bar orders described in (a), (b) or (c) is material. In addition, Hunton, in its sole and absolute discretion, may, but is not required to, withdraw from this Agreement if either of the following occurs: (x) between May 22, 2017 and the date on which the Plaintiffs file the motion for approval of the Settlement referenced in Paragraph 27, one or more suits involving Stanford Investor claims amounting to \$100 million or more in alleged compensatory and/or punitive damages are filed against Hunton; or (y) between May 22, 2017 and the Settlement Effective Date, the United States District Court for the Northern District of Texas, the United States Court of Appeals for the Fifth Circuit, or the United States Supreme Court issues a ruling that a bar order, judgment and bar order, and/or release used in other litigation related to the Stanford Entities that is similar to the Bar Order and Judgment and Bar Order and releases contemplated between the Parties (such as the Bar Order and releases in the matter styled *Janvey et al. v. Willis of Colorado*, Case No. 3:13-cv-00398-N (N.D. Tex)) are invalid or unenforceable to bar claims of Stanford Investors or those who are putative class members against Hunton. Such withdrawal must be by written notice to all Parties within ten (10) days of the occurrence of the event giving rise to the right to withdraw. If Hunton elects to exercise its right to withdraw from this Settlement Agreement pursuant to (y) after the Judgment and Bar Order is entered in the Litigation but before the Judgment and Bar Order becomes Final, then the Parties agree to jointly file a motion to vacate the Judgment and Bar Order and to reinstate the Litigation, and further agree that any and all applicable statutes of limitation will have been tolled through the date written notice is given, as required by this Section VI, and for thirty (30) days thereafter. 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, shall not be admissible in any ongoing or future proceedings for any purpose whatsoever (except for the provisions of this paragraph 33, which shall survive), 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.

34. 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 33. The following paragraphs of this Agreement shall survive termination of the Agreement: 33, 34, 45 and 46.

#### **VII. Distribution Plan**

35. 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 Hunton or the Hunton 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 Hunton nor the Hunton 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.

36. 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 (I) HUNTON & WILLIAMS LLP, ITS PARTNERS, AND EMPLOYEES (WHETHER CURRENT OR PAST) AND (II) CARLOS LOUMIET, ARISING FROM OR RELATING TO STANFORD INTERNATIONAL BANK, LTD. OR ANY OF ITS RELATED ENTITIES AND ACCEPT THIS PAYMENT IN FULL SATISFACTION THEREOF. I AM NOT HEREBY RELEASING ANY CLAIMS THAT I HAVE OR MAY HAVE AGAINST GREENBERG TRAURIG, LLP ("GREENBERG"). THIS RELEASE DOES NOT AFFECT ANY SUCH CLAIMS, EVEN INCLUDING CLAIMS AGAINST GREENBERG THAT ARE BASED ON THE CONDUCT OF CARLOS LOUMIET.

37. No Responsibility: Hunton and the Hunton 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 Amount; 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 Hunton and the Hunton Released Parties from any and all such responsibility, obligation, and liability.

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

38. Release of Hunton 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 Hunton and the Hunton Released Parties.

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

40. 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 do they bar the Parties from enforcing or effectuating this Agreement or the Settlement.

41. Covenant Not to Sue: Effective as of the Agreement Date, Plaintiffs 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 Hunton 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. Effective as of the Agreement Date, Hunton covenants 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.

42. No Effect on Greenberg or Suarez Claims: The releases and covenants not to sue set forth in this Agreement do not include, and shall have no effect upon, any claims or causes of action Plaintiffs have against Greenberg or Suarez, including, but not limited to, claims or causes of action based on the conduct or knowledge of Loumiet while employed by or affiliated with Greenberg. 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 against the remaining defendants in the Litigation, Greenberg and Suarez.

**IX. Representations and Warranties**

43. No Assignment, Encumbrance, or Transfer: The Plaintiffs, other than the Receiver, represent and warrant that they are the owners of the Settled Claims that they are releasing under this Agreement 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 that they are releasing under this Agreement. The Receiver represents and warrants that he is the owner of the Settled Claims that he is releasing under this Agreement and that, other than assigning those Settled Claims against Hunton 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 that he is releasing under this Agreement. Hunton represents that it is the owner of the Settled Claims that it is releasing under this Agreement and that it 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 that it is releasing under this Agreement.

44. 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.

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

45. 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 Litigation or any other 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 Litigation, the SEC Action, or in any other proceeding, other than to enforce the terms of the Settlement and this Agreement.

**XI. Confidentiality**

46. 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) 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; (ii) Hunton shall be permitted to disclose to its partners, Carlos Loumiet, and current and potential insurers, on a confidential or attorney-client basis, the Settlement, the Agreement, its terms, the amount of the Settlement, and information about the Settlement negotiations; and (iii) a Party may disclose Confidential Information to a person or entity if the Party has obtained prior written consent from all other Parties. Notwithstanding anything else in this Agreement or otherwise, such consent may be transmitted by e-mail.

## **XII. Non-Disparagement**

47. In connection with the Settlement and this Agreement, Plaintiffs shall not make, disseminate, or publish any statement outside of Court, including a statement in the press, that would denigrate or embarrass Hunton, or that is otherwise negative or derogatory towards Hunton. Nothing in this paragraph shall prevent Plaintiffs from making any statement in Court regarding Hunton, nor shall this paragraph prevent Plaintiffs from taking any step they believe, in their sole and absolute discretion, is necessary to pursue their claims against Greenberg and Suarez. Nothing in this paragraph shall prevent the Receiver from reporting his activities to the Court, the Examiner, or the SEC, or from responding as necessary to inquiries from the Court or other governmental authorities, or from carrying out any of his duties under any order addressing the scope of the Receiver's duties, including but not limited to the Second Amended Receivership Order [SEC Action, ECF No. 1130] or other order addressing the scope of the Receiver's duties.

48. In connection with the Settlement and this Agreement, Hunton shall not make, disseminate, or publish any statement outside of Court, including a statement in the press, which would denigrate or embarrass Plaintiffs. Nothing in this paragraph shall prevent Hunton from

making any statement in Court regarding Plaintiffs, nor shall this paragraph prevent Hunton from taking any step it believes, in its sole and absolute discretion, is necessary to enforce the Settlement or this Agreement, or to address Plaintiffs' claims against Greenberg, or in response to any request by Plaintiffs or any other person for discovery from Hunton in any other litigation related to the Stanford Entities.

49. Nothing in this Agreement shall restrict (i) Plaintiffs from making statements, in Court or otherwise, concerning Loumiet, so long as those statements are unconnected to Hunton, or (ii) Loumiet from making statements, in Court or otherwise, concerning Plaintiffs.

50. A statement by any Party concerning the general merit or general lack of merit to the allegations against Hunton set forth in Plaintiffs' complaint shall not be considered a violation of this Section XII.

### **XIII. Miscellaneous**

51. 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 Hunton Released Parties on the other hand, and this Agreement, including its exhibits, shall be interpreted to effectuate this purpose.

52. 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.

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

54. 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 the advice of their respective legal counsel in negotiating and entering into the Settlement and this Agreement.

55. 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 52 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.

56. 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.”

57. 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.

58. 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 Hunton:

Hunton & Williams LLP  
Attn: General Counsel  
Robert M. Rolfe  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, VA 23219  
Telephone: (804) 788-8466  
Facsimile: (804) 343-4568  
Email: rrolfe@hunton.com

and

Jeffrey D. Colman  
Jenner & Block LLP  
353 N. Clark Street  
Chicago, IL 60654-3456  
Telephone: (312) 923-2940  
Facsimile: (312) 840-7340  
E-mail: jcolman@jenner.com

April A. Otterberg  
Jenner & Block LLP  
353 N. Clark Street  
Chicago, IL 60654-3456  
Telephone: (312) 840-8646  
Facsimile: (312) 840-8746  
E-mail: aotterberg@jenner.com

and

Richard A. Sayles  
Sayles/Werbner  
4400 Renaissance Tower  
1201 Elm Street  
Dallas, Texas 75270  
Telephone: (214) 939-8701  
Facsimile: (214) 939-8787  
Email: dsayles@swtriallaw.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

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

and

Peter D. Morgenstern  
Butzel Long, P.C.  
477 Madison Avenue, Suite 1230  
New York, New York 10022  
Telephone: 212.818.1110  
Fax: 212.898.0123  
E-mail: morgenstern@butzel.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

and

Ralph S. 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.

59. 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.

60. 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.

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

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

63. 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.

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

65. 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, including the Term Sheet signed by the Parties prior to this Agreement. 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.

66. 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 S. Janvey, in his capacity as the Receiver for the Stanford Receivership Estate

Ralph S Janvey

Date: 8/7/17

John J. Little, in his capacity as Examiner

\_\_\_\_\_

Date: \_\_\_\_\_

Official Stanford Investors Committee

By: John J. Little, Chairperson

Date: \_\_\_\_\_

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

Date: \_\_\_\_\_

amended, modified, revoked, supplemented, waived, or otherwise changed except by a writing signed by all of the Parties.

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

\_\_\_\_\_ Date: \_\_\_\_\_

John J. Little, in his capacity as Examiner

  
\_\_\_\_\_ Date: August 2, 2017

Official Stanford Investors Committee

  
\_\_\_\_\_ Date: August 2, 2017

By: John J. Little, Chairperson

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

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

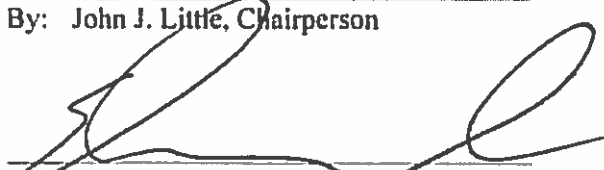
\_\_\_\_\_ Date: \_\_\_\_\_

John J. Little, in his capacity as Examiner

\_\_\_\_\_ Date: \_\_\_\_\_

Official Stanford Investors Committee

By: John J. Little, Chairperson \_\_\_\_\_ Date: \_\_\_\_\_

  
\_\_\_\_\_ Date: 8/2/17  
Samuel Troice  
by Edward C. Snyder, attorney-in-fact



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

Date: 8/2/17



Michoacan Trust  
by Edward C. Snyder, attorney-in-fact

Date: 8/2/17

Hunton & Williams LLP

By: \_\_\_\_\_  
Title:

Date: \_\_\_\_\_

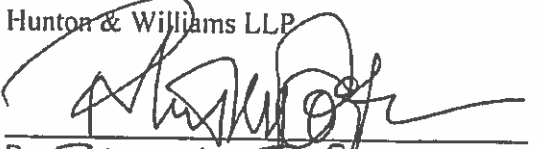


\_\_\_\_\_  
Pam Reed  
by Edward C. Snyder, attorney-in-fact

Date: \_\_\_\_\_

\_\_\_\_\_  
Michoacan Trust  
by Edward C. Snyder, attorney-in-fact

Date: \_\_\_\_\_

Hunton & Williams LLP  
  
\_\_\_\_\_

Date: 8/3/17

By: Robert M. Rolfe  
Title: Partner and General Counsel