

IN THE UNITED STATES DISTRICT COURT
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

ORDER

This Order addresses Defendant R. Allen Stanford’s motion to proceed *in forma pauperis* [3285]. Because Stanford’s appeal is not in good faith, the Court denies the motion.

This action arises out of the Ponzi scheme perpetrated by Stanford, his associates, and various entities under his control. The facts associated with Stanford’s scheme are well established, *see, e.g., Janvey v. Democratic Senatorial Campaign Comm.*, 712 F.3d 185, 188–89 (5th Cir. 2013), and are not recounted here. In May 2023, the Court approved a settlement agreement between, on the one hand, Ralph S. Janvey, in his capacity as the Court-appointed Receiver for the Stanford Receivership Estate (the “Receiver”), the Court-appointed Official Stanford Investors Committee, each of the individual plaintiffs in *Rotstain, et al. v. Trustmark National Bank, et al.*, Civil Action No. 4:22-cv-00800 (S.D. Tex.), each of the plaintiffs in *Smith, et al. v. Independent Bank, et al.*, Civil Action


No. 4-20-cv-00675 (S.D. Tex.), and on the other hand, Trustmark National Bank (“Trustmark”). Pursuant to the settlement, Trustmark agreed to pay the Receiver \$100 million for distribution to defrauded Stanford investors. Stanford now seeks to appeal the Court’s approval of the settlement agreement and entry of Final Notice and Bar Order [3278]. Notice of Appeal [3284].

Under 28 U.S.C. § 1915(a)(3), “[a]n appeal may not be taken in forma pauperis if the trial court certifies in writing that it is not taken in good faith.” A party demonstrates good faith by seeking review of a nonfrivolous issue. *United States v. Guerrero*, 870 F.3d 395, 396 (5th Cir. 2017) (citing *Howard v. King*, 707 F.2d 215, 220 (5th Cir. 1983)). Here, Stanford advances only frivolous arguments and unfounded allegations. As the Court acknowledged when it overruled his objection, Stanford does not object to the fairness or reasonableness of the settlement. Receiver’s App. 4–5, Settlement Hr’g Tr. 3:15–4:4 [3291-1]. He instead raises arguments that attack the Court’s jurisdiction and the Receivership itself — arguments the Court has rejected numerous times. *See, e.g.*, Order (Feb. 15, 2023) [3227], Order (May 10, 2018) [2731], Order (Dec. 3, 2014) [2105].¹ Indeed, the Court previously denied Stanford’s motion to intervene in this settlement, noting that “he ha[d] not shown how the proceedings would impact him or his interests.” Order 1 (Mar. 6, 2023) [3275]. The Court thus certifies, pursuant to 28 U.S.C. § 1915(a)(3),

¹ The Court previously declared Stanford a “vexatious litigant” because he has for years reasserted arguments that have “been previously litigated and squarely decided against” him. Order (May 5, 2018) 4 [2732].

that Stanford's appeal is not in good faith and denies his motion for leave to proceed *in forma pauperis*.

Signed June 5, 2023.


David C. Godbey
Chief United States District Judge