

**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**

**APPENDIX IN SUPPORT OF EXAMINER'S AND OSIC'S  
RESPONSE IN OPPOSITION TO THE RECEIVER'S APPLICATION FOR  
SUPPLEMENTAL AWARD OF PROFESSIONAL FEES AND EXPENSES**

John J. Little, Examiner, respectfully submits his Appendix in Support of the Examiner's and OSIC's Response in Opposition to the Receiver's Application for Supplemental Award of Professional Fees and Expenses (ECF Nos. 3521, 3522, 3533 and 3534). Included in this Appendix are the following:

<b><u>Ex.</u></b>	<b><u>Description</u></b>	<b><u>App. Page Nos.</u></b>
A	Examiner's and OSIC's Response in Opposition to the Receiver's Application for Supplemental Award of Attorneys' Fees and Expenses (filed November 8, 2024)(ECF No. 3434)	4
B	Appendix In Support of Examiner's and OSIC's Response in Opposition to the Receiver's Application for Supplemental Award Of Professional Fees and Expenses (filed November 8, 2024) (ECF No. 3434-1)	32

September 10, 2025

Respectfully submitted,

/s/ John J. Little

John J. Little

Tex. Bar No. 12424230

[john@johnjlittlelaw.com](mailto:john@johnjlittlelaw.com)

JOHN J. LITTLE LAW, PLLC  
8150 N. Central Expwy., 10<sup>th</sup> Floor  
Dallas, Texas 75206  
(214) 989-4180  
(214) 573-2307 [CELL]  
(214) 367-6001 [FAX]

COURT-APPOINTED EXAMINER and  
CHAIR, OFFICIAL STANFORD  
INVESTORS COMMITTEE

### **CERTIFICATE OF SERVICE**

On September 10, 2025, 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 all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

I further certify that on September 10, 2025, I served a true and correct copy of the foregoing document via United States Postal Certified Mail, Return Receipt required to the persons noticed below who are non-CM/ECF participants:

R. Allen Stanford, Pro Se  
Inmate #35017183  
Coleman II USP  
Post Office Box 1034  
Coleman, FL 33521

Certified Mail Return Receipt Req.

/s/ John J. Little

**APPENDIX IN SUPPORT OF EXAMINER'S AND OSIC'S  
RESPONSE IN OPPOSITION TO THE RECEIVER'S APPLICATION FOR  
SUPPLEMENTAL AWARD OF PROFESSIONAL FEES AND EXPENSES**

## **Exhibit A**

Examiner's and OSIC's Response in Opposition to the Receiver's  
Application for Supplemental Award of Attorneys' Fees and  
Expenses (filed November 8, 2024)(ECF No. 3434)

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**CIVIL ACTION NO. 3-09-CV-0298-N**

**EXAMINER'S AND OSIC'S  
RESPONSE IN OPPOSITION TO THE RECEIVER'S APPLICATION  
FOR SUPPLEMENTAL AWARD OF ATTORNEYS' FEES AND EXPENSES**

November 8, 2024

John J. Little  
Tex. Bar No. 12424230  
[john@johnjlittlelaw.com](mailto:john@johnjlittlelaw.com)

John J. Little Law, PLLC  
8150 N. Central Expwy., 10<sup>th</sup> Floor  
Dallas, Texas 75206  
(214) 989-4180  
(214) 573-2307 [Cell]  
(214) 367-6001 [FAX]

COURT-APPOINTED EXAMINER and  
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COMMITTEE

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**CIVIL ACTION NO. 3-09-CV-0298-N**

**EXAMINER’S AND OSIC’S  
RESPONSE IN OPPOSITION TO THE RECEIVER’S APPLICATION FOR  
SUPPLEMENTAL AWARD OF PROFESSIONAL FEES AND EXPENSES**

John J. Little, Court-Appointed Examiner (“Examiner”), and the Official Stanford Investors Committee (“OSIC”), respectfully submit this their Response, and supporting Appendix (“App.”), in Opposition to the Receiver’s Application for Supplemental Award of Professional Fees and Expenses (the “Application”), ECF No. 3423.

**SUMMARY**

This Court has often recognized that, in this Receivership, every dollar paid to the Receiver, his professionals, OSIC’s counsel, or the Examiner is a dollar that is not available for distribution to Stanford’s defrauded investors. The Application seeks authority to pay approximately \$41.87<sup>1</sup> million to the Receiver and his various professional firms, of which approximately \$20.79 million would be paid to the Receiver’s lead counsel, Baker Botts. The \$41.87 million has three components: (1) the approximately \$29.50 million that has been “held

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<sup>1</sup> The Application suggests that the total amount sought is \$41.83 million. Application at 39. The Application seeks \$39.76 million for the CPI-adjusted holdback, *id.* at 36, plus \$2.1 million for Baker Botts’ work preparing fee applications. Application at 37. Those numbers total \$41.87 million.

back” from the Receiver’s 81 fee applications filed to date; (2) approximately \$1.64 million in fees to compensate Baker Botts for preparing and submitting 77 of the Receiver’s fee applications; and (3) a CPI-based adjustment of those two amounts totaling approximately \$10.73 million.<sup>2</sup>

The Examiner and OSIC largely oppose the relief sought in the Application. That is so for the following reasons:

a. Payment of the \$41.87 million sought by the Application would result in the Receiver and his professionals being compensated with more than 100% of the fees and expenses they have billed in this matter, while Stanford’s investors are likely to recover no more than 50% of their losses. Application at 31, n.16.<sup>3</sup> Instead of adding to the already impressive amounts that have been paid to the Receiver and his professionals, that \$41.87 million could and should fund another distribution to all 18,000 of Stanford’s defrauded investor-victims.

b. The Application is largely justified by the settlements reached with the Bank defendants (TD Bank, SG Suisse, Trustmark, Independent and HSBC). What the Application ignores is that the Receiver did not prosecute the lawsuit that led to those settlements – OSIC did. While the Receiver and certain of his professionals absolutely contributed to the very favorable result achieved in that lawsuit, the fact remains that the lawsuit would not have existed – and there would have been no settlements – had OSIC not intervened in it, preserved the claims asserted in it, and prosecuted those claims for many years. Moreover, to the extent that the

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<sup>2</sup> Approximately \$10.3 million of the proposed CPI-based adjustment is based upon the holdback amount, while \$432,458.95 is based upon the claim for fees attributable to the preparation of the Receiver’s fee applications.

<sup>3</sup> To date, the Court has authorized 11 interim distributions that will result in a distribution of approximately 40.32% of investor losses. Receiver’s 24<sup>th</sup> Interim Status Report Regarding Status of Receivership, Asset Collection, and Ongoing Activities, ECF No. 3419, at 9.

recoveries from the Bank settlements support some release of the holdback amounts, that release should be modest and limited to fees and expenses that were held back with respect to work done on the Bank litigation.<sup>4</sup>

c. The Application's request that any holdback amounts paid to the Receiver and his professionals be increased by a CPI-based adjustment is wholly without merit. The Receiver and his professionals have, by definition, received between 80% and 90% of their billed fees and expenses over the course of this Receivership. The adjustment sought by the Application would result in the Receiver and his professionals receiving more than 100% of their billings. And it would do so with funds that could otherwise be distributed to Stanford's victims.

d. The Application's request that the Court approve attorneys' fees for the work Baker Botts did in preparing and submitting the Receiver's fee applications is equally without merit. It is contrary to the billing guidelines issued by the Securities & Exchange Commission ("SEC") for receivers in civil actions commenced by the SEC. Those billing guidelines make it clear that "time spent preparing fee applications, or any documentation in support thereof, may not be charged to the receivership estate."<sup>5</sup>

### **RELEVANT FACTS**

The Application recounts the history of the holdback that has been imposed upon all 81 fee applications filed by the Receiver and approved by the Court. The holdback was initially set at 20% and applied to all fees and expenses billed by the Receiver and his professionals in his 1<sup>st</sup>

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<sup>4</sup> As detailed further below, the Examiner and OSIC do not oppose releasing a portion of the holdback to the Receiver, Baker Botts and certain other professionals in recognition of the role those professionals played in achieving the Bank settlements.

<sup>5</sup> Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission, at 8 ("SEC 2008 Billing Instructions"), October 1, 2008. <http://www.sec.gov/oica/Article/billinginstructions.pdf> App. at 4; Little Declaration ¶3.

and 2<sup>nd</sup> fee applications. The holdback was increased to 35% for the Receiver's 3<sup>rd</sup> and 4<sup>th</sup> fee applications. ECF No. 994. A holdback of approximately 22% was imposed for the Receiver's 5<sup>th</sup> fee application. ECF No. 1069. Subsequently, the holdback reverted to the original 20% amount for a time, and has been subject to adjustments that first removed the holdback on out-of-pocket expenses and later reduced the holdback from 20% to 10%.<sup>6</sup>

The Application asks the Court to release the entire amount of the holdback – approximately \$29.50 million – to 44 different professional firms and individuals who have provided services to the Receiver over the course of the Receivership. Of those 44 different firms and individuals, 25 would receive less than \$25,000 if the full \$29.5 million holdback amount is released; 20 of those would receive less than \$10,000.<sup>7</sup> See Application at 36. By way of comparison, the fees held back from the Examiner's fee applications total \$39,377.83.<sup>8</sup> App. at 11, Little Declaration ¶17.

The Receiver's firm and eight of his professional firms would most benefit from the relief sought by the Application: Baker Botts, FTI Consulting, Ernst & Young, Thompson & Knight (n/k/a/ Holland & Knight), BDO, Financial Industry & Technical Services, Inc. ("FITS"), Krage & Janvey, Gilardi (n/k/a Verita), and Osler, Hoskin & Harcourt, LLP ("Osler"). *Id.* To date,

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<sup>6</sup> The SEC 2008 Billing Instructions make it clear that a receiver's fee applications may be subject to a holdback of 20% of the amount of fees and expenses in each application. App. at 4; Little Declaration ¶3.

<sup>7</sup> Those amounts don't change appreciably if the Court were to award the CPI-based adjustment sought by the Application. In that event, those 25 firms and individuals would each receive less than \$30,000, with 18 of them receiving less than \$10,000.

<sup>8</sup> Two of the Examiner's fee applications have been subject to a holdback. A 15% holdback was imposed upon the Examiner's 2<sup>nd</sup> fee application. ECF No. 994. A 2% holdback was imposed upon the Examiner's 3<sup>rd</sup> fee application. ECF No. 1069.

those nine firms *have already been paid* over \$172 million, with Baker Botts and FTI receiving approximately \$140 million of that amount, as follows:

Baker Botts	\$100,999,806.39
FTI	\$ 39,168,011.56
Ernst & Young	\$ 7,633,754.04
Thompson Knight	\$ 3,475,917.11
BDO	\$ 7,115,447.78
FITS	\$ 2,225,056.40
Krage & Janvey	\$ 4,546,575.27
Gilardi	\$ 6,164,265.04
Osler	\$ 1,409,381.44
<b>TOTAL FEES PAID</b>	\$172,738,215.03

App. at 5, Little Declaration ¶4. As these numbers make clear, the Receivership has been a strong source of business for these various firms over the years.

These nine (9) firms would receive the lion's share of the money sought in the Application:

<b>FIRM</b>	<b>Holdback Amount</b>	<b>Total Sought</b>
Baker Botts	\$14,276,415.85	\$20,786,883.19 <sup>9</sup>

<sup>9</sup> Baker Botts reported total revenue for 2023 was \$733,836,000. <http://www.law.com/law-firm-profile/?id=21&name=Baker-Botts>.

FTI	\$ 7,945,356.00	\$11,070,652.68 <sup>10</sup>
Ernst & Young	\$ 1,860,181.01	\$ 2,657,954.33 <sup>11</sup>
Thompson Knight	\$ 976,774.22	\$ 1,413,276.40
BDO	\$ 785,137.37	\$ 948,811.74 <sup>12</sup>
FITS	\$ 727,484.52	\$ 1,054,475.06
Krage & Janvey	\$ 696,902.13	\$ 931,644.56
Gilardi	\$ 600,194.80	\$ 759,677.75
Osler	\$ 455,984.08	\$ 655,547.02
<b>Totals</b>	<b>\$28,324,429.98</b>	<b>\$40,278,922.73</b>

Application at 36. It is worth noting that the Application says absolutely nothing about how the other 35 professional firms and individuals that would benefit from the relief sought contributed to the Receiver's efforts.

### GOVERNING LAW

"The award of fees in a receivership is entrusted to the discretion of the district court." *Commodity Futures Trading Comm'n v. Am. Metals Exch. Corp.*, 991 F.2d 71, 79 (3<sup>rd</sup> Cir. 1993) (citing *SEC v. Capital Counsellors, Inc.*, 512 F.2d 654, 658 (2<sup>nd</sup> Cir. 1975)). A receiver who

<sup>10</sup> FTI's reported total revenue for 2023 was \$3.5 billion. <http://www.fticonsulting.com/about/newroom/press-releases/fti-consulting-reports-record-fourth-quarter-and-full-year-2023-financial-results>.

<sup>11</sup> Ernst & Young reported global revenue of \$49.4 billion for the year ending June 2023. [http://www.ey.com/en\\_cy/newsroom/2023/09/news-release-ey-reports-record-global-revenue-results-of-just-under-us-dollars-50b](http://www.ey.com/en_cy/newsroom/2023/09/news-release-ey-reports-record-global-revenue-results-of-just-under-us-dollars-50b).

<sup>12</sup> BDO reported global revenue of \$14 billion for the fiscal year ending September 30, 2023. <http://www.bdo.com/insights/press-releases/bdo-global-announces-robuts-2023-financial-results-worldwide-revenues-top-14-billion>.

reasonably and diligently discharges his duties is entitled to be “fairly compensated for services rendered and expenses incurred.” *SEC v. Byers*, 590 F.Supp. 637, 644 (S.D.N.Y. 2008). Generally, a reasonable fee in a receivership is based “upon all circumstances surrounding the receivership.” *SEC v. W.L. Moody & Co. Bankers (Unincorporated)*, 374 F.Supp. 465, 480 (S.D. Tex. 1974), *aff’d*, 519 F.2d 1087 (5<sup>th</sup> Cir. 1975). Importantly, “fair compensation means moderate compensation, not complete compensation.” *SEC v. Harris*, No. 3:09-cv-1809-B (N.D. Tex., April 18, 2016) at 18.

### **THE COURT SHOULD PREFER THE DEFRAUDED INVESTORS OVER THE RECEIVER AND HIS PROFESSIONALS**

The Application seeks to pay the Receiver and all the Receiver’s professionals 100% of the fees and expenses they have billed over the history of the Receivership, and then considerably more by adding in a “CPI-adjustment.” If paid to the Receiver and his professionals, the \$41.87 million the Application seeks will obviously not be available for distribution to Stanford’s 18,000 victims who are participating in the Receiver’s claims & distribution process.

Those victims have been waiting over 15 years to recover their losses. Unlike the Receiver and his professionals, those victims have not already collected 80-90% of their losses – nor will they ever collect that high a percentage. Rather, through the first 10 interim distributions approved by the Court, the Stanford victims have recovered approximately 15.33% of their losses. The recently-approved 11<sup>th</sup> distribution will bring that percentage up to 40.32%,<sup>13</sup> but those funds are just now beginning to be distributed. *See* ECF No. 3430 (Receiver’s First Set of Schedules under the 11<sup>th</sup> Distribution), filed November 1, 2024. The

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<sup>13</sup> Receiver’s 24<sup>th</sup> Interim Status Report Regarding Status of Receivership, Asset Collection, and Ongoing Activities, ECF No. 3419, at 9.

\$41.87 million, if distributed to the Stanford victims, instead of the Receiver and his professionals, would increase their recovery by approximately another 1%.

The Application gives the Court a stark choice – grant the Application and bring the Receiver and his professionals up to 100% of their billings, and then some, or deny the Application and direct the Receiver to distribute the \$41.87 million to Stanford’s victims.<sup>14</sup> The Receiver and his professionals have been well compensated, on a regular basis, throughout the Receivership. Moreover, the Stanford victims will likely never recoup even 50% of their losses, but they can get closer to that number if the Court directs the Receiver to distribute the \$41.87 million to the victims.

A distribution of \$41.87 million to the Stanford investors will be far more meaningful to those investors than a distribution of the holdback amount will be to the Receiver and his professionals. On this issue, the Court should favor the investors over the professionals.

### **THE RECOVERIES TO DATE DO NOT JUSTIFY THE RELIEF SOUGHT**

The thrust of the Application is that the Receiver and his professionals have managed to generate approximately \$2 billion in net recoveries that will redound to the benefit of the Stanford investors. *See* ECF No. 3419, Receiver’s 24<sup>th</sup> Interim Report Regarding Status of Receivership, Asset Collection, and Ongoing Activities (reflecting net cash inflows of \$2.0505 billion). Those recoveries are certainly vital to Stanford’s victims, but they do not justify a wholesale release of the amounts held back from the Receiver’s billings.

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<sup>14</sup> The \$41.87 million at issue in the Application could be combined in a single distribution with the approximately \$51.9 million the Receiver recently collected from the GMAG parties, which together would increase the victims’ recovery by approximately 2%.

### **The Bank Settlements Do Not Support the Full Relief Sought**

Much of the Application focuses upon the recoveries obtained in the Bank litigation against TD Bank, SG Suisse, Trustmark, Independent and HSBC. In total, those five Banks agreed to pay \$1.602 Billion to settle that litigation. Of that amount, \$1.445 billion has been collected; the \$157 million settlement with SG Suisse is still working its way through the appellate courts but will eventually be paid without regard to the pending appeals. See Application at 18. Absent the Bank settlements, Stanford's investors would have recovered approximately 13.81% of their losses to date.<sup>15</sup>

As the Application notes, the Bank litigation, *Rotstain v. Trustmark Nat'l Bank*, Civil Action No. 3:09-cv-2384 ("*Rotstain*"), began as a putative class action filed in Harris County state court that was removed to the Southern District of Texas and transferred to this Court in late 2009. Application at 16. At no point did the Receiver make an effort to intervene in *Rotstain*, nor did the Receiver make any effort to bring his own claims against any of the Banks. After OSIC was formed, it moved to intervene in *Rotstain* in December 2011. *Rotstain*, ECF No. 96. The Court granted that motion in December 2012. *Rotstain*, ECF No. 129. The Receiver assigned his claims against the Banks to OSIC. App. at 7, Little Declaration ¶7.

OSIC engaged counsel to represent it in *Rotstain* on a contingent fee basis.<sup>16</sup> OSIC filed its Intervenor Complaint, *Rotstain*, ECF No. 133, and each of the Banks predictably filed

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<sup>15</sup> 13.81% is the total percentage distributed pursuant to the 1<sup>st</sup> through 9<sup>th</sup> Distributions. The 10<sup>th</sup> distribution, funded by the Trustmark settlement, represented a 1.52% distribution, ECF No. 3367, and the 11<sup>th</sup> distribution, funded by the settlements with TD Bank, HSBC and Independent Bank, represents a 24.99% distribution. ECF No. 3412.

<sup>16</sup> Ultimately, OSIC was represented by four law firms in *Rotstain*. Butzel Long and Friedman, Kaplan, Seiler, Adelman & Robbins were primarily responsible for the claims asserted against TD Bank, HSBC and SG Suisse. Castillo Snyder and Fishman Haygood were primarily responsible for the claims asserted against Trustmark and Independent Bank.

motions to dismiss that Complaint. *Rotstain* ECF Nos. 154 (Independent), 155 (HSBC), 157 (SG Suisse), TD Bank (159), and 162 (Trustmark). After full briefing, the Court denied the motions to dismiss for lack of personal jurisdiction filed by HSBC and SG Suisse, *Rotstain* ECF No. 194, and thereafter largely denied the Rule 12(b)(6) motions to dismiss filed by all the Bank defendants by an Order entered in April 2015. *Rotstain* ECF No. 234.<sup>17</sup>

In November 2017, the Court entered its Order denying class certification and lifted its stay as to merits discovery. *Rotstain* ECF No. 428. As a result of that decision, OSIC became the lead plaintiff in the *Rotstain* action, along with the individual plaintiffs who had filed the lawsuit. OSIC's various lawyers conducted extensive factual and expert discovery, including depositions in the United States, Canada and the United Kingdom and SG Suisse-focused discovery via the Hague Convention in Switzerland.

In May 2019, a group of Stanford investors sought to intervene in *Rotstain*. *Rotstain* ECF Nos. 492-493. OSIC responded to that motion and the Court denied it in September 2019. *Rotstain* ECF No. 562. The putative intervenors appealed the Court's decision to the 5<sup>th</sup> Circuit, which affirmed in a decision issued February 3, 2021. *Mendez v. Trustmark Nat'l Bank*, Cause No. 19-11131 (5<sup>th</sup> Cir., Feb. 3, 2021).

Baker Botts, the Receiver, and certain of the Receiver's other professionals began to play important roles in OSIC's prosecution of the *Rotstain* action in or about 2020. *See* App. at 7-8, Little Declaration, ¶¶8-9. Baker Botts helped to coordinate the efforts of OSIC's various law firms as *Rotstain* proceeded through extensive summary judgment practice, *Daubert* challenges to every expert designated by any party, a remand to the Southern District of Texas, pre-trial

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<sup>17</sup> Between 2015 and 2017, the OSIC also engaged in extensive summary judgment practice with respect to certain of its claims against SG Suisse.

proceedings, trial preparation, and settlement efforts. *Id.* at 8, ¶9. FTI assisted OSIC in data management and analysis. *Id.* at 8, ¶12. Karyl Van Tassel, the Receiver's forensic accounting expert, served as OSIC's forensic expert in *Rotstain*. *Id.* at 9, ¶13. The Receiver prepared for and gave a deposition, participated in trial preparation efforts and pretrial hearings, and participated in mediation and all settlement negotiations. *Id.* at 8, ¶11.

The Examiner and OSIC would not be opposed to a partial release of the holdback to acknowledge the roles played by Baker Botts, the Receiver, FTI and Ms. Van Tassel in achieving the Bank settlements. With respect to Baker Botts, its total fees (before holdback) in the Bank litigation were approximately \$14.98 million, and its expenses (before holdback) were approximately \$3.76 million, for a pre-holdback total of approximately \$18.74 million. App. at 8, Little Declaration, ¶10. That would suggest that Baker Botts' likely holdback amount relating to the Bank litigation is approximately \$1.87 million, but that number requires further information and refinement. *Id.* With respect to the Receiver, FTI and Ms. Van Tassel,<sup>18</sup> the Examiner and OSIC do not have sufficient information available to ascertain how much each billed in fees and expenses for their roles in the *Rotstain* action, nor to calculate what the Bank case holdback amounts would be for each of them. App. at 8-9, Little Declaration, ¶¶11-13.

The Examiner and OSIC respectfully suggest that the Court direct the Receiver, the Tassel to the recoveries realized from the Bank litigation. Examiner, OSIC and the SEC to attempt to agree upon the amounts that should be released from the holdback to recognize the contributions of the Receiver, Baker Botts, FTI and Ms. Van

Ms. Van Tassel has been associated with a number of different professional firms during the 15.5

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<sup>18</sup>

year history of the Receivership.

### Many of the Other Recoveries Cited in the Application are Attributable to OSIC

Apart from the recoveries realized through the Bank settlements, many of the other recoveries identified in the Application were the result of lawsuits brought, prosecuted and settled by OSIC, with only limited participation by the Receiver and his professionals. For example, OSIC prosecuted – on a contingent fee basis – a number of fraudulent transfer actions. Ultimately, thirteen (13) of those actions resulted in settlements of approximately \$11 million for the benefit of the Receivership Estate:

Defendant	Settlement Amount
Ben Barnes 10-cv-0527	\$2,750,000.00 <sup>19</sup>
Leland Stanford Mansion 10-cv-1002	\$ 400,000.00
Susan Stanford 10-cv-2322	\$1,813,643.15
Lena Stinson 10-cv-2586	\$ 75,000.00
Center for Strategic Int'l Studies 11-cv-00292	\$ 65,000.00
Cort & Cort 11-cv-00298	\$ 525,000.00
Castaneda 11-cv-00299	\$ 100,000.00
Lee Brown 11-cv-00301	\$ 200,000.00
Courtney Blackman 11-cv-00302	\$ 45,000.00
St. Jude 11-cv-00303	\$4,300,000.00
Le Bonheur 11-cv-00303	\$ 550,000.00
Chamberlain Hrdlicka 11-cv-01025	\$ 250,000
<b>Totals</b>	<b>\$11,073,643.15</b>

<sup>19</sup> Ultimately, \$2,550,000 of this settlement amount was collected.

App. at 9-10, Little Declaration ¶14.

More importantly, OSIC prosecuted various lawsuits against law firms, accounting firms, and insurance brokers that helped facilitate the Stanford scheme. While the Receiver was a nominal party to certain of those actions, they were prosecuted by OSIC's counsel. App. at 10, Little Declaration, ¶15. As set forth below, those actions resulted in the recovery of just over \$400 million (before the payment of attorneys' fees and expenses): ¶

<b>Defendant</b>	<b>Settlement Amount</b>
Kroll (no action filed)	\$ 24,000,000.00
BDO 11-cv-01115; 12-cv-01447	\$ 40,000,000.00
Adams & Reece 11-cv 00329; 12-cv-00495	\$ 1,000,000.00
Breazeale, Sachse & Wilson 11-cv 00329; 12-cv-00495	\$ 1,725,498.49 <sup>20</sup>
Cordell Haymon 11-cv 00329; 12-cv-00495	\$ 2,000,000.00
Lynnette Frazier 11-cv 00329; 12-cv-00495	\$ 175,000.00
Michael Contorno 11-cv 00329; 12-cv-00495	\$ 150,000.00
Antigua & Barbuda 13-cv-00760	\$ 5,500,000.00
Chadbourne & Parke, LLP 09-cv-01600; 13-cv-00477	\$ 35,000,000.00
Hunton & Williams, LLP 12-cv-04641	\$ 34,000,000.00
Greenberg Traurig, LLP 12-cv-04641	\$ 65,000,000.00
Proskauer Rose, LLP 09-cv-01600; 13-cv-00477	\$ 63,000,000.00
Willis 09-cv-01247; 09-cv-01474; 13-cv-03980	\$120,000,000.00
Bowen Miclitte & Britt 09-cv-01247; 09-cv-01474; 13-cv-03980	\$ 12,850,000.00

<sup>20</sup> The settlement amount includes a return of \$198,165.49 that was held in the defendant's escrow account.

<b>Totals</b>	<b>\$404,403,165.49</b>
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App. at 10-11, Little Declaration ¶15.

The Receiver and certain of his professionals played only limited roles in the prosecution and settlement of these actions. Most of Baker Botts' involvement related to the actions against Chadbourne Parke, LLP, Proskauer Rose, LLP, Greenberg Traurig, LLP, and Hunton & Williams, LLP, where, among other things, Baker Botts served as settlement counsel with respect to the settlements with Proskauer Rose, LLP and Greenberg Traurig, LLP. The Receiver sat for depositions in certain of the actions, Ms. Van Tassel served as OSIC's forensic expert in certain of the actions, and FTI assisted with data storage and analysis in certain of the actions. App. at 11, Little Declaration ¶16.

In summary, cases filed and prosecuted by OSIC accounted for recoveries of over \$2 billion (\$1.602 from the Bank cases, \$404 million from the cases listed above). Absent the efforts of OSIC, the recoveries in this Receivership would be considerably more modest.

#### **The Court Should Also Consider the Receiver's Less than Successful Efforts**

In assessing the merits of the Application, the Court can and should also consider those instances where the Receiver pursued litigation that did not produce any benefit for the Receivership Estate. *See SEC v. Harris*, No. 3:09-cv-1809-B (N.D. Tex., April 18, 2016) at 28-29 (considering receiver's unsuccessful prosecution of a fraudulent transfer claim in determining what fee was appropriate for the receiver). This Receivership has had a few swings and misses where there was little or no recovery for the Receivership Estate. Some examples are detailed below:

- a. The Receiver engaged in protracted litigation with Pre-War Art, Inc. d/b/a Gagosian Gallery, Inc. (the "Gallery"), and Dillon Gage Inc. of Dallas ("Dillon Gage"),

relating to Stanford's coin & bullion business. That litigation involved two lawsuits, the *Gallery* action, Civil Action No. 09-cv-0559 (where Stanford entities were defendants) and the *Dillon Gage* action, Civil Action No. 10-cv-01973 (where the Receiver was the plaintiff). The *Gallery* action was tried to a verdict in April 2014 and the Gallery was awarded a claim against Stanford Coins & Bullion, Inc. in the amount of \$2,998,630.00. Civil Action No. 09-cv-0559, ECF No. 282. The Court's judgment was affirmed by the 5<sup>th</sup> Circuit. *Id.*, ECF No. 297. The *Dillon Gage* action was tried to a verdict in July 2015 and a take nothing judgment was entered against the Receiver. Civil Action No. 09-cv-01973, ECF No. 237. That judgment was affirmed by the 5<sup>th</sup> Circuit. *Id.*, ECF No. 262.

Baker Botts billed a total of \$3,137,652.10 in fees, and \$205,009.14 in expenses, to its work on the *Gallery* action and the *Dillon Gage* action. Both of those figures are before application of the holdback.<sup>21</sup> App. at 7, Little Declaration ¶6.

b. The Receiver brought a fraudulent transfer action against the Libyan Investment Authority and the Libyan Foreign Investment Company, Civil Action No. 11-cv-01177. That action was dismissed as to the Libyan Investment Authority. Civil Action No. 11-cv-01177, ECF No. 191. Appeals to the 5<sup>th</sup> Circuit followed, and the 5<sup>th</sup> Circuit affirmed this Court's decision that it lacked jurisdiction over the Libyan Investment Authority, vacated this Court's holding that it had jurisdiction over claims against the Libyan Foreign Investment Company, and remanded the case to this Court. *Id.* ECF No. 206. On remand, the Receiver decided to dismiss the action with prejudice. *Id.* ECF Nos. 208, 209.

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<sup>21</sup> This Response focuses upon Baker Botts' billings because it is the only one of the Receiver's professionals that provides sufficient information to identify those billings that relate to these particular matters.

Baker Botts billed \$1,223,042.40 in fees and \$38,700.39 in expenses to this litigation. Both numbers are before application of the holdback. App. at 7, Little Declaration ¶6.

c. The Receiver long pursued recoveries against Wealth Management Services, Ltd. (“WMSL”) and its principal, David Nanes (“Nanes”). The Receiver sued WMSL in 2010, Civil Action No. 10-cv-00477, and obtained a summary judgment against WMSL in the total amount of approximately \$12.33 million. Civil Action No. 10-cv-00477, ECF No. 88. The Receiver then sued Nanes, Civil Action No. 15-cv-03171, seeking to collect that judgment and additional amounts. The Receiver again obtained a summary judgment; this time against Nanes in the amount of \$14,568,341.90. *Id.*, ECF No. 24. Unfortunately, the Receiver has not been able to collect even a dollar of these judgments.<sup>22</sup>

Baker Botts billed \$1,147,162.20 in fees and \$77,108.79 in expenses to the pursuit of WMSL and Nanes. Both numbers are before application of the holdback. App. at 7, Little Declaration ¶6.

d. OSIC and the Receiver originally filed a fraudulent transfer action against Peter Romero in 2011, Civil Action No. 11-cv-00297, and OSIC was responsible for prosecuting that action. After an unsuccessful mediation, the Receiver exercised his authority to assume responsibility for prosecuting the action against Romero. The action was tried to a verdict in 2015 and judgment was entered in favor of the Receiver in the total amount of \$952,976.14. Civil Action No. 11-cv-00297, ECF No. 176. The

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<sup>22</sup> Nanes has long been on the run from authorities both in the United States and abroad. He was once apprehended in Belize but managed to buy his way out of the country before U.S. and Mexican authorities could take him into custody.

Receiver also received an award of \$320,000.00 in attorneys' fees. *Id.* ECF No. 205. Romero filed a bankruptcy petition in Maryland and ultimately received a discharge of the Receiver's claim. *In re Peter Romero*, Case No. 15-23570-TJC, U.S. Bankruptcy Court, District of Maryland, ECF No. 133. The Receiver appealed, but the discharge was upheld by the District Court, *id.* ECF No. 176, and by the 4<sup>th</sup> Circuit. *Janvey v. Romero*, 817 F.3d 184 (4<sup>th</sup> Cir. 2016). The Receiver was unable to collect anything from Romero.

Baker Botts billed \$1,937,133.60 in fees and \$144,666.67 in expenses to the Romero litigation. Both numbers are before application of the holdback. App. at 7, Little Declaration ¶6.

Another swing and miss was the Receiver's 2009 effort to characterize Stanford investors as "relief defendants" in order to claw back funds from those investors, without regard to whether they were "net winners" or whether the funds being clawed back were the investors' principal. That effort was ultimately rejected by the 5<sup>th</sup> Circuit. *Janvey v. Alguire*, 2009 WL 3791623 (5<sup>th</sup> Cir. 2009). Because that effort came early in the Receivership, the fees and expenses charged by the Receiver and Baker Botts attributable to it cannot be easily parsed out of the Receiver's early fee applications.

To be clear, the Examiner and OSIC do not raise these examples as a criticism of the Receiver and his professionals, but to acknowledge that this Receivership has had its ups and downs. The Court necessarily should consider both the ups and the downs in deciding the Application. *SEC v. Harris*, No. 3:09-cv-1809-B (N.D. Tex., April 18, 2016) at 28-29

#### **THERE IS NO REASON TO AWARD AN UPWARD ADJUSTMENT**

In addition to seeking a full release of the \$29.5 million holdback amount, the Application seeks to increase that amount by 35%, to \$39,760,828.03, based upon a CPI-related

adjustment to account for the delay in payments to the Receiver and his various professionals. The Court should reject that effort in its entirety.

Over the life of this Receivership, no group has been waiting longer for payment than Stanford's victims. Those victims get no compensation for the time they have been waiting, whether CPI-related or otherwise. To suggest that over \$10 million dollars should be paid – not to Stanford's victims – but to the Receiver and his professionals to compensate them for “delay” is simply offensive.

Moreover, the case law relied upon in the Application to support this relief completely misses the point. Many of the cases relied upon in the Application are fee-shifting cases, where a prevailing party is recovering fees from a losing party:

- *Perdue v. Kenny A.*, 559 U.S. 542 (2010). *Perdue* addresses fee-shifting in a federal civil rights case; specifically, the fees that should be payable to counsel for children in the Georgia foster-care system in an action against the State of Georgia.
- *Graves v. Barnes*, 700 F.2d 220 (5<sup>th</sup> Cir. 1983). *Graves* also involves fee-shifting, this time in a voting rights case. In *Graves*, the court addresses the fees that should be paid to prevailing plaintiffs' counsel by the State of Texas.
- *Nkenglefac v. Garland*, 64 F.4<sup>th</sup> 251 (5<sup>th</sup> Cir. 2023). *Nkenglefac* is another fee-shifting case, this time under the Equal Access to Justice Act. It addresses the fees that should be paid by the U.S. government to prevailing plaintiff's counsel.
- *Soler v. G U, Inc.*, 801 F.Supp. 1056 (S.D.N.Y. 1992). *Soler* is another fee-shifting case under the Fair Labor Standards Act. It addresses the fees that should be paid to prevailing plaintiffs' counsel by the losing defendants.

- *Lopez v. Fun Eats & Drinks, LLC*, No. 18-cv-1091-X-BN (N.D. Tex., June 28, 2023). *Lopez* is another fee-shifting case that addresses the attorneys' fees that should be paid to prevailing plaintiffs' counsel by the losing defendant.

These fee-shifting cases offer no support for the upward adjustment sought in the Application. Here, the only "fee-shifting" involved would be shifting \$10 million that could be distributed to Stanford's victims to the Receiver and his professionals.

The other authorities relied upon in the Application offer little support. *In Matter of Lawler*, 807 F.2d 1207 (5<sup>th</sup> Cir. 1987), the court addressed the fees that should be payable to counsel for a receiver/trustee for services rendered over the course of almost 11 years.<sup>23</sup> Counsel had received some interim compensation, but was owed considerably more. The *Lawler* court determined that it was appropriate to compensate counsel for the delay in payment by applying counsel's present billing rates to the hours for which counsel had not been compensated. 807 F.2d at 1212. *Lawler* does not address a situation like this one, where the Receiver and his professionals have been paid between 80% and 90% of their billings throughout the life of the Receivership.

In *SEC v. W.L. Moody Co., Bankers (Unincorporated)*, 374 F.Supp. 465 (S.D. Tex. 1974), the court addressed the fees that should be paid to a receiver and his counsel at the conclusion of a fairly short-lived receivership.<sup>24</sup> Of particular note is that the receiver in *Moody* managed to pay all of the receivership's creditors *in full*, and had funds remaining on hand after

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<sup>23</sup> *Lawler* involves a receiver who was later appointed to serve as trustee in a bankruptcy proceeding. *Lawler*, 807 F.2d at 1209.

<sup>24</sup> The receivership in *Moody* lasted approximately 16 months.

doing so. 374 F.Supp. at 483. Here, Stanford's victims will be lucky if they ultimately recover close to 50% of their losses.

Put simply, there is no justification for shifting \$10 million from Stanford's victims to the Receiver and his professionals. Delay is a fact of life in any receivership, and both the Receiver and his various professionals were certainly aware that it was when they undertook their engagements.

### **NO FEES SHOULD BE AWARDED FOR PREPARING FEE APPLICATIONS**

The Application seeks an award to Baker Botts of \$2,073,469.15 for its work in assembling and filing 77 of the Receiver's 81 fee applications.<sup>25</sup> That number represents \$1,641,010.20 in fees and a CPI adjustment of \$432,458.95. The Court should deny that relief in its entirety.

The SEC 2008 Billing Instructions make clear that receivers are not entitled to payment for time spent preparing and submitting fee applications. App. at Ex. A-1, p.8. The Application does not address those Billing Instructions nor even acknowledge their existence, but they were clearly in effect at the time the Receiver was appointed. Moreover, the Receiver was and is an experienced securities lawyer and receiver and certainly had to know of these instructions at the time of his appointment.

The "opposition or acquiescence by the SEC" to a receiver's fee application will be "given great weight." *SEC v. Striker Petroleum*, No. 3:09-cv-2304-D (N.D.Tex. March 2, 2012), citing *SEC v. Byers*, 590 F.Supp.2d 637, 644 (S.D.N.Y. 2008). Here, that the SEC has long had billing instructions that do not permit receivers to bill for preparing and submitting fee

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<sup>25</sup> No fees are sought for the first four fee applications. Application at 38 n. 25.

applications should also be given “great weight.” The Court should deny the request for fees relating to fee application preparation in its entirety.

### **NO HOLDBACK AMOUNT SHOULD BE AWARDED TO CERTAIN FIRMS**

To the extent that the Court considers releasing some or all of the holdback amount on a firm-by-firm basis, there are certain firms that should not receive any holdback amount for the additional reasons set forth below.

One of those firms – Pierpont Communications, Inc. – is the public relations firm that the Court determined early on was not a necessary or appropriate expense for the Receiver to incur. Transcript of Proceedings, Civil Action No. 3:09-cv-0298-N, N.D. Tex. September 10, 2009, at 42. Pierpont should never have been engaged by the Receiver, and it certainly should not receive any additional funds from the Receivership. For that additional reason, the Examiner and OSIC would object to any further payments to Pierpont Communications, Inc.

Gilardi, n/k/a Verita, is the firm that handles the Receiver’s claims and distribution process. Both the Examiner and OSIC regularly receive complaints from Stanford investors concerning their dealings with Gilardi. Those complaints include, but are not limited to, failures to respond to telephone calls and emails, failures to follow-up on investor requests, and failures to process seemingly routine items like changes in mailing addresses, email addresses and phone number. Issues with Gilardi have also caused Baker Botts and FTI to devote time – and bill fees – to matters that ought to be wholly handled by Gilardi. The Examiner and OSIC respectfully submit that no holdback amount should be released to Gilardi.

In the early years of the Receivership, the Receiver was engaged in litigation in the United Kingdom with the Antiguan Joint Liquidators, with both the Receiver and the Joint Liquidators seeking recognition by the courts of the United Kingdom. The Antiguan Joint

Liquidators prevailed and were recognized in the United Kingdom; the Receiver was not. Two different professionals served as counsel to the Receiver in those proceedings: Stuart Isaacs and Felicity Toubé. Both were paid during their engagement pursuant to this Court's orders approving fee applications; neither has performed any services for many years. The United Kingdom litigation was, on the whole, a negative for the Receivership and Stanford's investors. Neither of these professionals is entitled to any further compensation.

**THE EXAMINER AND OSIC SUPPORT CERTAIN RELIEF  
SOUGHT BY THE APPLICATION**

As noted above, the Examiner and OSIC are not opposed to a partial release of the holdback amount – without any upward adjustments – to the Receiver, Baker Botts, FTI and Ms. Van Tassel's firm(s) to recognize their contributions to the Bank litigation and settlements. The Examiner and OSIC cannot calculate the precise amounts of such partial releases with the information available to them, but are confident that they can reach an agreement with the Receiver and the SEC as to those amounts if directed to do so.

The Application also requests that the Court eliminate the holdback from all future fee applications, beginning with the Receiver's anticipated 82<sup>nd</sup> fee application for the months of June through September 2024. Application at 2, 33. To the extent that the Court's disposition of the Application eliminates the current holdback amount – either by paying it, in whole or in part, to the Receiver's professionals or by directing that it be paid, in whole or in part, to Stanford's victims – the Examiner and OSIC are unopposed. To the extent that the Court determines that some or all of the holdback amount should remain as is, the Examiner and OSIC would urge the Court to continue to apply the holdback to future fee applications.

## CONCLUSION

In deciding the Application, the Examiner and OSIC urge the Court to favor the interests of Stanford's defrauded investors, who have waited over 15 years to recover even a fraction of their losses, over the interests of the Receiver and his professionals, all of whom have been paid regularly, and handsomely, over the course of this Receivership. The Examiner and OSIC are not opposed to a partial release of the holdback, in an amount to be determined, to recognize the contributions of the Receiver, Baker Botts, FTI and Ms. Van Tassel's firms to the resolution and settlement of the Bank litigation. The Court should direct that all other holdback funds be promptly distributed to the investors who are participating in the Receiver's claims process.

The Examiner and OSIC also are not opposed to discontinuing the holdback if the Court is inclined to now distribute the holdback amount either to the Receiver and his professionals or to the Stanford investors.

November 8, 2024

Respectfully submitted,

/s/ John J. Little  
 John J. Little  
 Tex. Bar No. 12424230  
[john@johnjlittlelaw.com](mailto:john@johnjlittlelaw.com)

JOHN J. LITTLE LAW, PLLC  
 8150 N. Central Expwy., 10<sup>th</sup> Floor  
 Dallas, Texas 75206  
 (214) 989-4180  
 (214) 573-2307 [CELL]  
 (214) 367-6001 [FAX]

COURT-APPOINTED EXAMINER and  
 CHAIR, OFFICIAL STANFORD  
 INVESTORS COMMITTEE

### **CERTIFICATE OF SERVICE**

On November 8, 2024, 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 all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

I further certify that on November 8, 2024, I served a true and correct copy of the foregoing document via United States Postal Certified Mail, Return Receipt required to the persons noticed below who are non-CM/ECF participants:

R. Allen Stanford, Pro Se  
Inmate #35017183  
Coleman II USP  
Post Office Box 1034  
Coleman, FL 33521

Certified Mail Return Receipt Req.

/s/ John J. Little

**APPENDIX IN SUPPORT OF EXAMINER'S AND OSIC'S  
RESPONSE IN OPPOSITION TO THE RECEIVER'S APPLICATION FOR  
SUPPLEMENTAL AWARD OF PROFESSIONAL FEES AND EXPENSES**

**Exhibit B**

Appendix In Support of Examiner's and OSIC's Response in  
Opposition to the Receiver's Application for Supplemental Award  
Of Professional Fees and Expenses (filed November 8, 2024)  
(ECF No. 3434-1)



November 8, 2024

Respectfully submitted,

/s/ John J. Little

John J. Little

Tex. Bar No. 12424230

[john@johnjlittlelaw.com](mailto:john@johnjlittlelaw.com)

JOHN J. LITTLE LAW, PLLC  
8150 N. Central Expwy., 10<sup>th</sup> Floor  
Dallas, Texas 75206  
(214) 989-4180  
(214) 573-2307 [CELL]  
(214) 367-6001 [FAX]

COURT-APPOINTED EXAMINER and  
CHAIR, OFFICIAL STANFORD  
INVESTORS COMMITTEE

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**APPENDIX IN SUPPORT OF EXAMINER'S AND OSIC'S  
RESPONSE IN OPPOSITION TO THE RECEIVER'S APPLICATION FOR  
SUPPLEMENTAL AWARD OF PROFESSIONAL FEES AND EXPENSES**

**Exhibit A**

Declaration of John J. Little

**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.**

§ § § § § § § § § § § § § §

**CIVIL ACTION NO. 3-09-CV-0298-N**

## DECLARATION OF JOHN J. LITTLE

1. My name is John J. Little, and I have been appointed the Examiner in the above-captioned case. I have also served as the Chair of the Official Stanford Investors Committee (“OSIC”) since its formation in August 2010. *See* ECF No. 1149.

2. I make this declaration in support of the Examiner's and OSIC's Response in Opposition to the Receiver's Application for Supplemental Award of Professional Fees and Expenses. I have personal knowledge of the facts set forth herein and know those facts to be true and correct.

3. The U.S. Securities & Exchange Commission (“SEC”) publishes billing guidelines for receivers in civil actions commenced by the SEC. Those billing guidelines are publicly available via the SEC’s website. On November 6, 2024, I downloaded a copy of “Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission,” dated October 1, 2008, from this

link on the SEC’s website: <http://www.sec.gov/oiea/Article/billinginstructions.pdf>. A true and correct copy of these Billing Instructions is attached hereto as Exhibit 1.

4. On October 4, 2024, I sent an email to the Receiver’s counsel, Kevin Sadler and Scott Powers, at Baker Botts, requesting information concerning the total amounts paid to the various firms addressed in the Receiver’s Application for Supplemental Award of Professional Fees and Expenses (the “Application”). On that same date, Scott Powers sent me a rather voluminous Excel spreadsheet detailing the amounts paid by the Receiver to each professional firm (or individual) over the life of the Receivership. From that spreadsheet, I extracted the following information concerning the nine (9) professional firms that have been paid the most money for fees and expenses over the life of the Receivership:

Baker Botts	\$100,999,806.39
FTI	\$ 39,168,011.56
Ernst & Young	\$ 7,633,754.04
Thompson Knight	\$ 3,475,917.11
BDO	\$ 7,115,447.78
Fin. Indus. Tech. Serv.	\$ 2,225,056.40
Krage & Janvey	\$ 4,546,575.27
Gilardi	\$ 6,164,265.04
Osler Hoskins & Harcourt	\$ 1,409,381.44
<b>TOTAL</b>	<b>\$172,738,215.03</b>

5. I have reviewed each of the Receiver's 81 fee applications filed in this matter and have tracked the amounts billed by the Receiver and his professionals. In particular, I have tracked the amounts billed by Baker Botts to the various billing matters it has established relating to its representation of the Receiver. Baker Botts has established approximately 70 separate billing matters, with two of those billing matters have several separate sub-matters.

6. Based upon my tracking of the amounts billed by Baker Botts, I have calculated the fees and expenses (before application of the holdback) as to certain matters, as set forth below:

Matter	Matter No.	Fees	Expenses	Total
Investor Committee	.0139 General	\$2,236,953.20	\$79,092.19	\$2,316,045.39
Investor Committee	.0139 Task 100 <sup>1</sup>	\$695,953.20	\$42,906.91	\$738,434.91
Investor Committee	.0139 Task 200	\$531,050.60	\$223,702.69	\$754,752.39
Investor Committee	.0139 Task 300	\$14,983,907.82	\$3,758,517.13	\$18,742,424.95
Broker Litigation	.0126	\$14,443,863.90	\$1,200,928.04	\$15,644,841.74
GMAG <sup>2</sup>	.0168	\$8,005,095.00	\$512,375.69	\$8,517,470.69
Claims and Distrib.	.0129 .0152 .0153	\$7,078,212.30	\$16,605.77	\$7,094,818.07

<sup>1</sup> Task 100 refers to the lawsuits against law firms. Task 200 refers to other lawsuits. Task 300 refers to the Bank lawsuit.

<sup>2</sup> The GMAG matters were further subdivided into separate tasks, but those divisions are not pertinent to the Court's resolution of the Application.

	.0154			
	.0155			
General Receivership <sup>3</sup>	.0101	\$5,692,736.00	\$490,599.55	\$6,183,335.55
Investor Litigation	.0127	\$4,796,868.60	\$163,841.67	\$4,960,710.27
Dillon Gage	.0136	\$3,137,652.10	\$205,009.14	\$3,342,661.24
Peter Romero	.0160	\$1,937,133.60	\$144,666.67	\$2,081,800.27
Mauricio Alvarado	.0147	\$1,888,266.60	\$88,850.08	
U of Miami	.0157	\$1,657,283.60	\$113,859.42	\$1,771,143.02
Patricia Maldonado	.0163	\$1,439,837.60	\$86,949.83	\$1,526,787.43
Libyan Investment	.0149	\$1,223,042.40	\$38,700.39	\$1,261,742.79
WMSL/Nanes	.0134	\$1,147,162.20	\$77,018.79	\$1,224,180.99

7. The Receiver was never a party to OSIC's litigation against the Banks (TD Bank, SG Suisse, Trustmark, HSBC and Independent). The Receiver assigned his claims against SG Private Banking (Suisse) S.A. to OSIC on or about May 21, 2012. After OSIC was permitted to intervene in the Bank litigation, the Receiver assigned his claims against TD Bank, Independent Bank, Trustmark, and HSBC to OSIC on or about February 14, 2013.

8. As noted in the above chart, Baker Botts set up a separate billing sub-matter for OSIC's litigation with the Banks. That separate billing sub-matter first appeared in a Baker Botts invoice in March 2018. Its billings with respect to that sub-

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<sup>3</sup> The General Receivership matter was only used in the Receiver's earliest fee applications.

**APPENDIX IN SUPPORT OF EXAMINER'S AND OSIC'S RESPONSE IN OPPOSITION  
TO THE RECEIVER'S APPLICATION FOR SUPPLEMENTAL AWARD OF PROFESSIONAL  
FEES AND EXPENSES**

matter were relatively modest until January 2020, when Baker Botts increased its level of participation in that litigation.

9. Baker Botts helped to coordinate the efforts of OSIC's various law firms as the Bank litigation proceeded through summary judgment practice, extensive Daubert challenges, a remand to the Southern District of Texas, pre-trial proceedings, trial preparation and settlement efforts.

10. My tracking reflects that Baker Botts billed a total of \$14,983,907.82 in fees relating to the litigation with the Banks, and \$3,758,517.13 in expenses, for a total of \$18,742,424.95. Those numbers are before application of the holdback to those amounts. Those numbers suggest that approximately \$1.87 million has been held back from Baker Botts with respect to its work on the Bank litigation, but that is only an estimate. An accurate number will require understanding which expenses were subject to the holdback and which were not.

11. The Receiver played an important part in the prosecution of the Bank litigation, including by preparing for and giving a deposition, participating in trial preparation efforts and pretrial hearings, and participating in a mediation and in all settlement negotiations. I do not have sufficient information to identify the amounts the Receiver's firm billed for its work on the Bank litigation.

12. FTI also provided important support to OSIC in connection with the Bank litigation, primarily in the areas of data management and analysis. I have not been able to accurately segregate FTI's billings with respect to the Bank litigation.

13. The Receiver's forensic accounting expert, Karyl Van Tassel, also served as OSIC's forensic accounting expert in the Bank litigation, and played an important role in the results obtained in that litigation. I do not have sufficient information to identify the amounts Ms. Van Tassel billed with respect to her work in the Bank litigation.

14. I have also tracked the recoveries realized for the Receivership from litigation primarily prosecuted by OSIC. OSIC prosecuted a large number of fraudulent transfer actions and ultimately settled thirteen (13) of those actions for a total recovery of approximately \$11 million, as follows:

<b>Defendant</b>	<b>Settlement Amount</b>
Ben Barnes 10-cv-0527	\$2,750,000.00 <sup>4</sup>
Leland Stanford Mansion 10-cv-1002	\$ 400,000.00
Susan Stanford 10-cv-2322	\$1,813,643.15
Lena Stinson 10-cv-2586	\$ 75,000.00
Center for Strategic Int'l Studies 11-cv-00292	\$ 65,000.00
Cort & Cort 11-cv-00298	\$ 525,000.00
Castaneda 11-cv-00299	\$ 100,000.00
Lee Brown 11-cv-00301	\$ 200,000.00
Courtney Blackman 11-cv-00302	\$ 45,000.00
St. Jude 11-cv-00303	\$4,300,000.00
Le Bonheur 11-cv-00303	\$ 550,000.00

<sup>4</sup> Ultimately, \$2,550,000 of this settlement amount was collected.

Chamberlain Hrdlicka 11-cv-01025	\$ 250,000
<b>Totals</b>	<b>\$11,073,643.15</b>

15. OSIC also prosecuted a number of third-party actions against law firms, accountants, insurance brokers and others. Those actions were all resolved by settlements that recovered approximately \$400 million for the Receivership (before the payment of attorneys' fees and expenses), as follows:

<b>Defendant</b>	<b>Settlement Amount</b>
Kroll (no action filed)	\$ 24,000,000.00
BDO 11-cv-01115; 12-cv-01447	\$ 40,000,000.00
Adams & Reece 11-cv 00329; 12-cv-00495	\$ 1,000,000.00
Breazeale, Sachse & Wilson 11-cv 00329; 12-cv-00495	\$ 1,725,498.49 <sup>5</sup>
Cordell Haymon 11-cv 00329; 12-cv-00495	\$ 2,000,000.00
Lynnette Frazier 11-cv 00329; 12-cv-00495	\$ 175,000.00
Michael Contorno 11-cv 00329; 12-cv-00495	\$ 150,000.00
Antigua & Barbuda 13-cv-00760	\$ 5,500,000.00
Chadbourne & Parke, LLP 09-cv-01600; 13-cv-00477	\$ 35,000,000.00
Hunton & Williams, LLP 12-cv-04641	\$ 34,000,000.00
Greenberg Traurig, LLP 12-cv-04641	\$ 65,000,000.00
Proskauer Rose, LLP 09-cv-01600; 13-cv-00477	\$ 63,000,000.00

<sup>5</sup> The settlement amount includes a return of \$198,165.49 that was held in the defendant's escrow account.

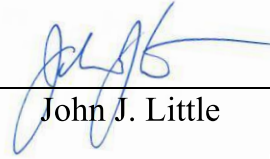
Willis 09-cv-01247; 09-cv-01474; 13-cv-03980	\$120,000,000.00
Bowen Miclitte & Britt 09-cv-01247; 09-cv-01474; 13-cv-03980	\$ 12,850,000.00
<b>Totals</b>	<b>\$404,403,165.49</b>

16. The Receiver and certain of his professionals played limited roles in the prosecution and settlement of the above-listed actions. Most of Baker Botts' involvement related to the actions against Chadbourne Parke, LLP, Proskauer Rose, LLP, Greenberg Traurig, LLP, and Hunton & Williams, LLP, where, among other things, Baker Botts served as settlement counsel with respect to the settlements with Proskauer Rose, LLP and Greenberg Traurig, LLP. The Receiver sat for depositions in certain of the actions, Ms. Van Tassel served as OSIC's forensic expert in certain of the actions, and FTI assisted with data storage and analysis in certain of the actions.

17. As Examiner, I have filed 45 fee applications two date. My fee applications have been subject to a Court-imposed holdback on two occasions. My 2<sup>nd</sup> fee application was subject to a 15% holdback, which totaled \$35,888.78. ECF No. 994. The Examiner's 3<sup>rd</sup> fee application was subject to a 2% holdback, which totaled \$3,489.05. ECF No. 1069. The total amount held back from the Examiner's fee applications to date is \$39,377.83.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 8, 2024.



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John J. Little

**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.**

**§ 87(2)(b)**

**CIVIL ACTION NO. 3-09-CV-0298-N**

## DECLARATION OF JOHN J. LITTLE

# EXHIBIT 1

Billing Instructions for Receivers in Civil Actions Commenced  
By the U.S. Securities and Exchange Commission  
October 1, 2008

**BILLING INSTRUCTIONS FOR RECEIVERS IN CIVIL ACTIONS  
COMMENCED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION**

Except where inconsistent with guidelines established by the applicable district or circuit court, the undersigned hereby represents that, if appointed receiver in a civil action commenced by the U.S. Securities and Exchange Commission (the "SEC" or the "Commission"), each application for professional fees and expenses (the "Application") submitted by the receiver, including all contractors and/or professionals retained by the receiver, will comply with these billing instructions (the "Billing Instructions"). Undersigned further represents that any deviation from the Billing Instructions will be described in writing and submitted to the SEC at least 30 days prior to the filing of the Application with the Receivership Court. Following its receipt and review of proposed applications, as described in section A.2 below, the SEC may object to deviations and charges with which it does not agree.

Undersigned acknowledges that all applications for compensation are interim and are subject to a cost benefit review and final review at the close of the receivership. At the close of the receivership, the receiver will file a final fee application, describing in detail the costs and benefits associated with all litigation and other actions pursued by the receiver during the course of the receivership.

Undersigned acknowledges that, to the extent requested by the SEC, interim fee applications may be subject to a holdback in the amount of 20% of the amount of fees and expenses for each application filed with the Court. The total amounts held back during the course of the receivership will be paid out at the discretion of the court as part of the final fee application submitted at the close of the receivership.

**A. CERTIFICATION**

1. Each Application must contain a Certification by the Applicant that:
  - (a) the Certifying Professional has read the Application;
  - (b) to the best of the Applicant's knowledge, information and belief formed after reasonable inquiry, the Application and all fees and expenses therein are true and accurate and comply with the Billing Instructions (with any exceptions specifically noted in the Certification and described in the Application);
  - (c) all fees contained in the Application are based on the rates listed in the Applicant's fee schedule attached hereto and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed;
  - (d) the Applicant has not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission); and,
  - (e) in seeking reimbursement for a service which the Applicant justifiably purchased or contracted for from a third party (such as copying, imaging, bulk mail, messenger service, overnight courier, computerized research, or title and lien searches), the Applicant requests reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor. If such services are performed by the receiver, the receiver will certify that it is not making a profit on such reimbursable service.

2. At least 30 days prior to the filing of the Application with the Court, the Applicant will provide to SEC Counsel a complete copy of the proposed Application, together with all exhibits and relevant billing information in a format to be provided by SEC staff.

**B. ATTENDANCE AT HEARING ON APPLICATION**

The Receiver or other Certifying Professional shall be present at any hearing to

consider the Application.

**C. CONTENT OF APPLICATION**

The following information must be provided in the Application:

1. Information about the Applicant and the Application.
  - (a) the time period covered by the Application;
  - (b) the date the receiver was appointed, the date of the order approving employment of the Applicant, and the date services commenced;
  - (c) the names and hourly rates of all Applicant's professionals and paraprofessionals (the "Fee Schedule"); and,
  - (d) whether the Application is interim or final, and the dates of previous orders on interim Applications along with amounts requested and the amounts allowed or disallowed, all amounts of previous payments, and amount of any allowed Applications which remain unpaid.
2. Case Status (Narrative).
  - (a) The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
  - (b) Summary of the administration of the case, including all funds received and disbursed, and when the case is expected to close;
  - (c) Summary of creditor claims proceedings, including a description of established or anticipated procedures for: (i) providing notice to known and unknown claimants; (ii) receipt and review of claims; (iii) making recommendations to court for payment or denial of claims; and, (iv) final disposition of claims. This summary should also include the status of such claims proceedings after they have been commenced;
  - (d) Description of assets in the receivership estate, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended; and,

- (e) Description of liquidated and unliquidated claims held by the receiver, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and, (ii) collecting such judgments).

3. Current and Previous Billings.

- (a) Total compensation and expenses requested and any amount(s) previously requested;
- (b) Total compensation and expenses previously awarded by the court; and,
- (c) Total hours billed and total amount of billing for each person who billed time during the period for which fees are requested.

4. Standardized Fund Accounting Report.

The SEC's Standardized Fund Accounting Report ("SFAR") submitted by the Receiver for the most recent quarter shall be attached to any fee application as "Exhibit A".

**D. TIME RECORDS REQUIRED TO SUPPORT FEE APPLICATIONS**

1. Each professional and paraprofessional must record time in increments of tenths of an hour, and must keep contemporaneous time records on a daily basis.

2. Time records must set forth in reasonable detail an appropriate narrative description of the services rendered. Without limiting the foregoing, the description should include indications of the participants in, as well as the scope, identification and purpose of the activity that is reasonable in the circumstances.

3. The Application should separately describe each business enterprise or litigation matter (i.e., "Project") for which outside professionals have been employed. For example, separate litigation matters should be set out individually in the Application as

individual Projects and each such Project should contain Activity Categories as described in Sections D.4 and D.5 below. Each Project Category should contain a narrative summary of the following information:

- (a) a description of the project, its necessity and benefit to the estate and the status of the project including pending litigation for which compensation and/or reimbursement of expenses is requested;
- (b) identification of each person providing services on the project; and
- (c) a statement of the number of hours spent and the amount of compensation requested by professionals and paraprofessionals on the project.

4. In recording time, each professional and paraprofessional may, subject to Section D.5 immediately below, describe in one entry the nature of the services rendered during that day and the aggregate time expended for that day in an "Activity Category" (as described in section D.5.a and D.5.b, below) without delineating the actual time spent on each discrete activity in an Activity Category, provided, however, single time entries of more than one hour in an Activity Category that include two or more activities must include a notation of the approximate time spent on each activity within the Activity Category.

5. Time records shall be in chronological order by Activity Category. Only one category should be used for any given activity and professionals and paraprofessionals should make their best effort to be consistent in their use of categories. This applies both within and across firms. Thus, it may be appropriate for all professionals to discuss the categories in advance and agree generally on how activities will be categorized. Every effort should be made to use the listed categories in the first instance and to coordinate the use of additional categories with other professionals in the case. Notwithstanding the above, all categories must correspond with the SEC's SFAR. The

time information reflected on the Application shall also be supplied to the SEC Counsel in an electronic format as directed by SEC staff.

(a) Legal Activities. The following categories are generally more applicable to attorneys but may be used by all professionals where appropriate.

**ASSET ANALYSIS AND RECOVERY.** Identification and review of potential assets including causes of action and non-litigation recoveries.

**ASSET DISPOSITION.** Sales, leases, abandonment and related transaction work. Where extended series of sales or other disposition of assets is contemplated, a separate category should be established for each major transaction.

**BUSINESS OPERATIONS.** Issues related to operation of an ongoing business.

**CASE ADMINISTRATION.** Coordination and compliance activities, including preparation of reports to the court, investor inquiries, etc.

**CLAIMS ADMINISTRATION AND OBJECTIONS.** Expenses in formulating, gaining approval of and administering any claims procedure.

**EMPLOYEE BENEFITS/PENSIONS.** Review issues such as severance, retention, 401K coverage and continuance of pension plan.

(b) Financial Activities. The following categories are generally more applicable to accountants and financial advisors, but may be used by all professionals where appropriate.

**ACCOUNTING/AUDITING.** Activities related to maintaining and auditing books of account, preparation of financial statements and account analysis.

**BUSINESS ANALYSIS.** Preparation and review of company business plan; development and review of strategies; preparation and review of cash flow forecasts and feasibility studies.

**CORPORATE FINANCE.** Review financial aspects of potential mergers, acquisitions and disposition of company or subsidiaries.

**DATA ANALYSIS.** Management information systems review, installation and

analysis, construction, maintenance and reporting of significant case financial data, lease rejection, claims, etc.

**STATUS REPORTS.** Preparation and review of periodic reports as may be required by the court.

**LITIGATION CONSULTING.** Providing consulting and expert witness services relating to forensic accounting; etc.

**FORENSIC ACCOUNTING.** Reconstructing books and records from past transactions and bringing accounting current; tracing and sourcing assets.

**TAX ISSUES.** Analysis of tax issues and preparation of state and federal tax returns.

**VALUATION.** Appraise or review appraisals of assets.

**E. PAYMENT OF FEES AND EXPENSES**

**1. Presentation of Fees and Expenses in Application.**

- (a) All fees and expenses must be necessary and reasonable; excessive charges will not be paid. To the extent that an Applicant seeks reimbursement of expenses, the Application shall include a categorization of such expenses along with an exhibit summarizing the total expenses for the period covered by the Application.
- (b) Charges for litigation will be paid only if the litigation is reasonably likely to produce a net economic benefit to the estate. With respect to each litigation matter, the Applicant shall certify that the Applicant determined that the action was likely to produce a net economic benefit to the estate, based on reviews of: (i) the legal theories upon which the action was based, including issues of standing; (ii) the likelihood of collection on any judgment which might be obtained; and, (iii) alternative methods of seeking the relief, such as the retention of counsel on a contingency basis. Retention of counsel on a contingency fee basis should be pursued where the Receiver (after consulting with SEC Counsel) concludes that retention of counsel under the approved fee schedule would produce a lesser economic benefit to the receivership estate. The receiver should memorialize these cost-benefit analyses, through communications with the receiver's counsel, as support for the engagement of such counsel.
- (c) Invoices and/or bills for each expense item for which reimbursement

is sought must be kept for seven (7) years after the close of the receivership. Such support shall be provided on request to the court and the SEC, and in appropriate circumstances to any party in interest provided that, where applicable, privilege or confidentiality can be preserved.

- (d) Time spent preparing fee applications, or any documentation in support thereof, may not be charged to the receivership estate.

2. Allowable and Non-Allowable Reimbursable Expenses.

- (a) Filing Fees Process Service Fees, Witness Fees and Expert Witness Fees.

Filing fees (including for necessary adversaries), process service fees, witness fees, and expert witness fees (subject to court approval of the employment of any professionals and the reasonableness of such fees) shall be allowable to the extent of the actual cost incurred by the Applicant.

- (b) Court Reporter Fees and Transcripts.

Court reporter fees and copies of transcripts shall be allowable to the extent of the actual cost incurred by the Applicant.

- (c) Lien and Title Searches.

The cost for lien and title searches (whether done in-house or by an outside vendor) is allowable to the extent of the actual cost incurred by, or invoiced to, the Applicant.

- (d) Photocopying.

Photocopying shall be allowable at a cost not to exceed \$.15 per page. The Applicant shall set forth in its fee application the total number of copies. Outside vendor photocopying charges are allowable at the actual cost invoiced to the Applicant. Necessary copies obtained from the Clerk of the Court (including certified copies) or from the approved court copy service will be permitted at the actual cost incurred by the Applicant.

The Applicant shall not reflect on the Application any copies for which the Applicant has been, or expects to be, reimbursed (eg., payment from an opposing party for document production from which the Applicant has been reimbursed).

(e) Postage, Overnight Delivered Courier/Messenger Services.

The cost of postage, overnight delivery, and outside courier/messenger services are reimbursable for the actual cost incurred, if reasonably incurred. Charges should be minimized whenever possible. For example, couriers/messengers and overnight delivery service should be used only when first-class mail is impracticable.

(f) Telephone.

Long distance telephone charges are allowable to the Applicant for the actual cost invoiced from the telephone carrier. Charges for local telephone exchange service and cellular telephone service shall not be reimbursable.

(g) Facsimile Transmission.

A charge for outgoing facsimile transmission to long distance telephone numbers are reimbursable at the lower of (a) toll charges or (b) if such amount is not readily determinable, \$1.00 per page for domestic and \$2.00 per page for international transmissions. Charges for in-coming facsimiles are not reimbursable. The Application shall state the total number of pages of the outgoing transmissions.

(h) Computerized Research.

Computerized legal research services such as Lexis and Westlaw are reimbursable to the extent of the invoiced cost from the vendor, however if such service is provided on a monthly or other periodic rate, proportional usage shall not be reimbursable.

(i) Parking.

Reimbursement for parking is allowable, including parking by a professional to attend court proceedings, depositions or case conferences, parking at the airport, and client and third party parking (including validation).

(j) Travel Expenses and Meals.

Local travel time and related expenses for destinations within a twenty (20) mile radius of the Applicant's office including mileage, taxis, etc. and meals (including staff meals) will not be reimbursed. Mileage charges for out-of-town travel (outside a twenty (20) mile radius of the Applicant's office) with one's own car are reimbursable at the lesser of the amount customarily charged clients or the amount allowed by the Internal Revenue Service for per mile deductions. For purposes of the foregoing, the Applicant's office shall be the office in which the person incurring the travel expense is located.

Long distance travel time outside a twenty (20) mile radius of the Applicant's office is reimbursable at 50% of the Applicant's regular billing rate. The reimbursement of long distance travel expenses is subject to the following limitations: (1) the Applicant shall seek and use the lowest airfare or train fare available to Applicant; (2) luxury accommodations and deluxe meals are not reimbursable; (3) personal, incidental charges such as telephone and laundry are not reimbursable unless necessary as a result of a reasonably unforeseen extended stay not due to the fault of the traveler; and (4) each out-of-pocket travel and allowable miscellaneous administrative expense exceeding \$75 requires a receipt that is to be attached to the invoice.

(k) Word Processing, Document Preparation, Data Processing, Proofreading, Secretarial and Other Staff Services.

Secretarial, library, word processing, document preparation (other than by professionals or paraprofessionals), data processing, and other staff services (exclusive of paraprofessional services), including overtime for the foregoing, are not reimbursable. Charges for proofreading for typographical or similar errors are not reimbursable whether the services are performed by a paralegal, secretary, or temporary staff.

(l) Communications with Investors.

Where appropriate, the estate should promptly create a website, and update the website as appropriate, to provide information as to the activities and condition of the estate to investors. In addition, any necessary basic communications with investors should be handled by clerical or paralegal staff (or comparatively paid staff) to the extent possible. Expenses stemming from a failure to comply with this policy will not be submitted.

Candidate for Appointment as Receiver in  
Civil Action Commenced by the  
U.S. Securities and Exchange Commission

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

\_\_\_\_\_  
[Printed Name]

[Address 1]

[Address 2]

[Address 3]

[E-Mail Address]

[Phone Number]

[Fax Number]

## EXHIBIT A

RECEIVER NAME  
ADDRESS  
CONTACT NUMBER

# STANDARDIZED FUND ACCOUNTING REPORT

CIVIL – RECEIVERSHIP FUND

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FUND NAME  
CIVIL COURT DOCKET No.

REPORTING PERIOD MM/DD/YYYY TO MM/DD/YYYY  
OR  
FINAL REPORT DATED MM/DD/YYYY

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## REPORT INSTRUCTIONS

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The Standardized Fund Accounting Report (SFAR) should be prepared for the reporting period on a cash basis which is a comprehensive basis of accounting other than generally accepted accounting principles. In cash basis accounting, revenues are recorded only when cash is received and expenses are recorded only when cash is paid. Cash basis accounting does not recognize promises to pay or expectations to receive money or services in the future. For all income and expenses, provide documentation evidencing the income received or expense incurred. Business income or assets that are not cash should be reported in the notes with documentation of their current fair market value. For cash and cash equivalents, provide the latest bank and/or investment records to the SEC. Do not file any of the above documentation with the court unless ordered.

**Line 1 – Beginning Balance:** Balance of the Fund at the beginning of the reporting period. The beginning balance may not necessarily include all amounts received in the Fund since inception unless this is the first SFAR filed.

**Line 2 – Business Income:** Amounts received by the Fund from operational income of the business assets, or other business sources.

**Line 3 – Cash and Cash Equivalents:** Include the value of bank and/or brokerage/security accounts as of the reporting period end date. Cash includes coins, currency, checks, money orders, and funds on deposit with a financial institution. Securities include U.S. government securities, municipal securities, corporate stocks, corporate bonds, and securitized debt instruments.

**Line 4 – Interest/Dividend Income:** Interest and/or dividends earned by the Fund from investments and other personal assets during the reporting period.

**Line 5 – Business Asset Liquidation:** Amounts received by the Fund as a result of selling or disposing of the assets of the business in receivership. This is separate from the income generated by the asset and reported in Line 2.

**Line 6 – Personal Asset Liquidation:** Amounts received by the Fund as a result of selling or disposing of the personal assets of individuals.

**Line 7 – Third-Party Litigation Income:** Amounts received by the Fund pursuant to third-party litigation. This should not be included in the income reported in Line 2.

**Line 8 – Miscellaneous - Other:** Amounts received from, an identified payor.

**Line 9 – Disbursements to Investors:** Amounts distributed from the Fund to harmed investors/claimants.

**Line 10 – Disbursements for Receivership Operations:**

**Line 10a – Disbursements to Receiver or Other Professionals:** Amounts paid from the Fund (both fees and costs, including travel) for Receiver services and contractual services by accountants, bookkeepers, stock brokers, realty brokers, appraisers, agents, trustees, investigators, not related to expenses under Line 10b.

**Line 10b – Business Asset and Operating Expenses:** Amounts paid from the Fund for the business property assets' maintenance and business operating expenses, taxes,

professional fees, liquidation expenses, administrative services, appraisals and valuation expenses, payment to participant, moving/storage, office furniture and equipment, delivery services, resident agent, copying costs, asset protection costs, etc. These expenses are separate and distinct from those in Line 10a.

**Line 10c – Personal Asset Expenses:** Amounts paid from the Fund for the personal property assets' maintenance and operating expenses, taxes, professional fees, liquidation expenses, administrative services, appraisals and valuation costs, payment to participant, moving/storage, office furniture and equipment, delivery services, resident agent, copying costs, asset protection costs, etc. These expenses are separate and distinct from those in Line 10a.

**Line 10d – Investment Expenses:** Amounts paid from the Fund for banking fees, Court Registry Investment System (CRIS) fees, mandated or economically necessary continuing investments, and other investment related costs.

**Line 10e – Third-Party Litigation Expenses:** Amounts paid from the Fund for attorney fees related to receivership operations and litigation expenses to recover assets to the receivership estate, including outside counsel fees and costs, travel costs, investigative services, filing fees, process servers, court reporters for depositions, etc.

**Line 10f – Tax Administrator Fees and Bonds:** Amounts paid to the Fund's tax administrator for services and/or fiduciary bonds.

**Line 10g – Federal and State Tax Expenses:** Amounts paid in federal and state taxes.

**Line 11 – Disbursements for Distribution Expenses Paid by the Fund:** This line reflects amounts paid from the Fund to administer the plan and should not include amounts reported per Line 14 below. For any disbursement claimed, you must provide the documentation evidencing the expense.

**11a – Distribution Plan Development Expenses:** All expenses related to the development of a plan of distribution which precede the order approving such plan. Include in Administrative Expenses items such as information technology services, mailing, postage, photocopying, etc.

**11b – Distribution Plan Implementation Expenses:** All expenses related to the implementation of a plan of distribution which occur following the order approving such plan. Include in Administrative Expenses items such as information technology services, mailing, postage, photocopying, etc.

**Line 12 – Disbursements to Court/Other:** Amounts paid from the Fund for

**12a – Court Registry Investment System (CRIS) or other banking fees related to the Fund.**

**12b – federal income taxes.**

**Line 13 – Ending Balance:** Compute as Total Funds Available less Total Funds Disbursed.

**Line 14 – Ending Balance of Fund – Net Assets:** Describe the structure of the Fund's ending balance (basis of the Fund's net assets):

**14a – Cash & Cash Equivalents:** Amount of the Fund consisting of cash and currency.

**14b – Investments:** Amount of the Fund that is invested.

**14c – Other Assets or Uncleared Funds:** Amount of other assets or funds that have not cleared a financial institution.

#### OTHER SUPPLEMENTAL INFORMATION

**Line 15 – Disbursements for Plan Administration Expenses Not Paid by the Fund:** This line reflects amounts paid by the defendant or other party to administer the plan and should not include amounts paid from the Fund assets as reported in Line 11.

**15a – Plan Development Expenses Not Paid by the Fund:** All expenses related to the development of a plan of distribution which precede the order approving such plan. Include in Administrative Expenses items such as information technology services, mailing, postage, photocopying, etc.

**15b – Plan Implementation Expenses Not Paid by the Fund:** All expenses related to the implementation of a plan of distribution which occur following the order approving such plan. Include in Administrative Expenses items such as information technology services, mailing, postage, photocopying, etc.

**15c – Tax Administrator Fees & Bonds Not Paid by the Fund:** Amounts paid to the Fund's tax administrator for services and/or fiduciary bonds.

**Line 16 – Disbursements to Court/Other Not Paid by the Fund:** Amounts not paid from the Fund for

**16a –** Court Registry Investment System (CRIS) or other banking fees related to the Fund.

**16b –** federal income taxes.

**Line 17 – DC & State Tax Payments:** Taxes paid by a third party which are paid to the DC government or state tax authority.

**Line 18 – No. of Claims:** This should reflect

**18a –** the number of claims received from investors during this reporting period.

**18b –** the number of claims received from investors as a result of all orders since the inception of the Fund.

**Line 19 – No. of Claimants/Investors:** This should reflect

**19a –** the number of claimants/investors receiving distributions during this reporting period.

**19b –** the number of claimant/investors receiving distributions pursuant to all orders of distribution since the inception of the Fund.

**STANDARDIZED FUND ACCOUNTING REPORT for {Name of Fund} - Cash Basis**

Receivership; Civil Court Docket No.

Reporting Period MM/DD/YYYY to MM/DD/YYYY or Final Report Dated MM/DD/YYYY

FUND ACCOUNTING (See Instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of MM/DD/YYYY):			
	<b>Increases in Fund Balance:</b>			
Line 2	Business Income			
Line 3	Cash and Securities			
Line 4	Interest/Dividend Income			
Line 5	Business Asset Liquidation			
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income			
Line 8	Miscellaneous - Other			
	<b>Total Funds Available (Lines 1 - 8):</b>			
	<b>Decreases in Fund Balance:</b>			
Line 9	Disbursements to Investors			
Line 10	Disbursements for Receivership Operations			
Line 10a	Disbursements to Receiver or Other Professionals			
Line 10b	Business Asset Expenses			
Line 10c	Personal Asset Expenses			
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	<b>Total Third-Party Litigation Expenses</b>			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments			
	<b>Total Disbursements for Receivership Operations</b>			
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator.....			
	Independent Distribution Consultant (IDC).....			
	Distribution Agent.....			
	Consultants.....			
	Legal Advisers.....			
	Tax Advisers.....			
	2. Administrative Expenses			
	3. Miscellaneous			
	<b>Total Plan Development Expenses</b>			
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator.....			
	IDC.....			
	Distribution Agent.....			
	Consultants.....			
	Legal Advisers.....			
	Tax Advisers.....			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan.....			
	Claimant Identification.....			
	Claims Processing.....			
	Web Site Maintenance/Call Center.....			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	<b>Total Plan Implementation Expenses</b>			
	<b>Total Disbursements for Distribution Expenses Paid by the Fund</b>			
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees			
Line 12b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other:</b>			
	<b>Total Funds Disbursed (Lines 9 - 11):</b>			
Line 13	Ending Balance (As of MM/DD/YYYY):			

**STANDARDIZED FUND ACCOUNTING REPORT for {Name of Fund} - Cash Basis**

Receivership; Civil Court Docket No.

Reporting Period MM/DD/YYYY to MM/DD/YYYY or Final Report Dated MM/DD/YYYY

<b>Line 14</b>	<b>Ending Balance of Fund – Net Assets:</b>			
Line 14a	Cash & Cash Equivalents			
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			
	<b>Total Ending Balance of Fund – Net Assets</b>			

OTHER SUPPLEMENTAL INFORMATION:				
		Detail	Subtotal	Grand Total
<b>Line 15</b>	<b>Report of Items NOT To Be Paid by the Fund:</b>			
	<b>Disbursements for Plan Administration Expenses Not Paid by the Fund:</b>			
Line 15a	Plan Development Expenses Not Paid by the Fund:			
	1. Fees:			
	Fund Administrator.....			
	IDC.....			
	Distribution Agent.....			
	Consultants.....			
	Legal Advisers.....			
	Tax Advisers.....			
	2. Administrative Expenses			
	3. Miscellaneous			
	<b>Total Plan Development Expenses Not Paid by the Fund</b>			
Line 15b	Plan Implementation Expenses Not Paid by the Fund:			
	1. Fees:			
	Fund Administrator.....			
	IDC.....			
	Distribution Agent.....			
	Consultants.....			
	Legal Advisers.....			
	Tax Advisers.....			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan.....			
	Claimant Identification.....			
	Claims Processing.....			
	Web Site Maintenance/Call Center.....			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. FAIR Reporting Expenses			
	<b>Total Plan Implementation Expenses Not Paid by the Fund</b>			
Line 15c	Tax Administrator Fees & Bonds Not Paid by the Fund			
	<b>Total Disbursements for Plan Administration Expenses Not Paid by the Fund</b>			
<b>Line 16</b>	<b>Disbursements to Court/Other Not Paid by the Fund:</b>			
Line 16a	Investment Expenses/CRIS Fees			
Line 16b	Federal Tax Payments			
	<b>Total Disbursements to Court/Other Not Paid by the Fund:</b>			
<b>Line 17</b>	<b>DC &amp; State Tax Payments</b>			
<b>Line 18</b>	<b>No. of Claims:</b>			
Line 18a	# of Claims Received This Reporting Period.....			
Line 18b	# of Claims Received Since Inception of Fund.....			
<b>Line 19</b>	<b>No. of Claimants/Investors:</b>			
Line 19a	# of Claimants/Investors Paid This Reporting Period.....			
Line 19b	# of Claimants/Investors Paid Since Inception of Fund.....			

Receiver:

By: \_\_\_\_\_  
(signature)\_\_\_\_\_  
(printed name)\_\_\_\_\_  
(title)

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