

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

In re	§	
	§	
Stanford International Bank, Ltd.	§	
	§	
Debtor in a Foreign Proceeding	§	Case No.: 3-09-CV-0721-N

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**APPENDIX IN SUPPORT OF RECEIVER'S RESPONSE TO THE ANTIGUAN  
LIQUIDATORS' DECEMBER 3 SUPPLEMENTAL BRIEF**

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BAKER BOTTS L.L.P.  
Kevin Sadler  
Texas Bar No. 17512450  
kevin.sadler@bakerbotts.com  
Robert I. Howell  
Texas Bar No. 10107300  
robert.howell@bakerbotts.com  
David T. Arlington  
Texas Bar No. 00790238  
david.arlington@bakerbotts.com  
1500 San Jacinto Center  
98 San Jacinto Blvd.  
Austin, Texas 78701-4039  
(512) 322-2500  
(512) 322-2501 (Facsimile)

Timothy S. Durst  
Texas Bar No. 00786924  
tim.durst@bakerbotts.com  
2001 Ross Avenue  
Dallas, Texas 75201  
(214) 953-6500  
(214) 953-6503 (Facsimile)

**ATTORNEYS FOR RECEIVER  
RALPH S. JANVEY**

Dated: December 17, 2009

Respectfully submitted,

BAKER BOTTS L.L.P.

By: /s/ Kevin M. Sadler

Kevin Sadler  
Texas Bar No. 17512450  
kevin.sadler@bakerbotts.com  
Robert I. Howell  
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robert.howell@bakerbotts.com  
David T. Arlington  
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98 San Jacinto Blvd.  
Austin, Texas 78701-4039  
(512) 322-2500  
(512) 322-2501 (Facsimile)

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Texas Bar No. 00786924  
tim.durst@bakerbotts.com  
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Dallas, Texas 75201  
(214) 953-6500  
(214) 953-6503 (Facsimile)

**ATTORNEYS FOR RECEIVER  
RALPH S. JANVEY**

**CERTIFICATE OF SERVICE**

On December 17, 2009, I electronically submitted the foregoing response with the clerk of court for the US 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).

/s/ Kevin M. Sadler

Kevin M. Sadler

# EXHIBIT A



October 9, 2007

Mr. & Mrs. Horacio Mendez  
1801 Crested Butte Dr.  
Austin, TX 78746

RE: Notification of Affiliate Referral Fees

Dear Mr. & Mrs. Mendez,

We appreciate the opportunity to serve you and thank you for your recent purchase of a Stanford International Bank Limited ("SIBL") certificate of deposit.

Stanford Group Company ("SGC") recently referred you to SIBL, our affiliate, for this purchase. As disclosed in the SIBL Disclosure Statement for U.S. Accredited Investor Certificate of Deposit Program, SGC receives a referral fee of 3% (annualized) from SIBL, and may receive additional incentive fees for Financial Advisors who refer SGC clients to SIBL. These fees are subject to change annually and are payable to SGC from SIBL. You do not pay any portion of these fees. Further, the principal and interest applicable to your certificate of deposit are not reduced.

***This is a notification only and does not require any response or action from you.***

However, if you should have any objections to the SGC's receipt of a referral or incentive fees from SIBL, please notify us in writing at the address listed below. No response by you to this notification shall be deemed by the SGC to reflect your consent to its receipt of such fees.

We appreciate your continuing confidence in the Stanford Financial Group of Companies and look forward to serving your needs in the future.

Sincerely,

Eddie Rollins  
Executive Director, Private Client Group

Stanford Group Company  
MEMBER NASD/SIPC

5051 Westheimer, 14th Floor • Houston, Texas 77056 USA  
713.964.8300 Direct • 800.958.0009 Toll Free • 713.964.8360 Fax

**Asset Detail**

*Statement of Value and Activity*

April 1, 2008 - June 30, 2008

<b>Asset Detail</b>			
<i>Description</i>	<i>Shares/Quantity</i>	<i>Current Price</i>	<i>Market Value</i>
<i>Cash &amp; Equivalents</i>			
<i>Money Market Funds</i>			
SEI Daily Income TR Treas #38 CL A	60.06	\$1.00	\$60.06
Total Cash & Equivalents			\$60.06
<i>Fixed Income</i>			
<i>Corporate Bonds</i>			
Stanford International Bank Certificate of Deposit Dated 2/8/08 @ 7.775% Due 2/11/13	100.00	\$309,146.17	\$309,146.17
Total Fixed Income			\$309,146.17
<b>Total All Assets</b>			<b>\$309,206.23</b>

If your account holds a Stanford International Bank Certificate of Deposit and you have questions on it, please contact your Stanford Group Company financial advisor.



INTRODUCING FINANCIAL INSTITUTION:  
STANFORD GROUP COMPANY  
5001 PLAZA ON THE LAKE STE 105  
AUSTIN TX 78746

TEL:(800)958-0009

MAIL TO: 000178 X1008201  
IRA FBO HORACIO MENDEZ  
PERSHING LLC AS CUSTODIAN  
1801 CRESTED BUTTE DR  
AUSTIN TX 78746-7606

CLEARING THRU:  
P E R S H I N G L L C

ONE PERSHING PLAZA  
JERSEY CITY, NEW JERSEY 07399

ACCOUNT: REDACTED RR: T05 FEBRUARY 5, 2008

DEAR INVESTOR, PLEASE BE ADVISED THAT WE HAVE DEBITED YOUR ACCOUNT TODAY  
IN THE AMOUNT OF \$300,000.00.  
REASON: FEDERAL FUNDS SENT  
HANCOCK BANK OF LOUI

WE HAVE FOLLOWED INSTRUCTIONS RECEIVED DIRECTLY FROM YOU OR YOUR FINANCIAL  
INSTITUTION. IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER, PLEASE CONTACT YOUR  
FINANCIAL INSTITUTION LISTED ABOVE.



# EXHIBIT B



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

IN RE

STANFORD INTERNATIONAL BANK, LTD.

Debtor in a Foreign Proceeding.

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK, LTD., *et al.*

Defendants.

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§

Case No.: 3-09-CV-0721-N

Case No.: 03-CV-0298-N

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**DECLARATION OF  
DAVID HENRY**

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1. My name is David (Dave) Henry. I am over the age of 18 years and am fully competent to make this Declaration. The facts set forth in this Declaration are within my personal knowledge and are true and correct to the best of my knowledge.

2. I am a Director/Producer at iFilm Productions in Houston, Texas. Prior to holding this position, from June 1994 to September 2004, I was a Producer at Cool Films in Houston, Texas, and from October 2004 to September 2008, I was a Producer at VT2 Studios Media Design & Communications in Houston, Texas. In my capacity as a Producer at Cool Films and as a Producer at VT2 Studios Media Design & Communications, I was personally involved in the shooting, direction, and editing of videotape footage and in the recording and editing of voiceovers for corporate and promotional videos and television commercials for Stanford Financial Group (SFG).

DECLARATION OF DAVID HENRY

3. I have reviewed several videotapes or copies of videotapes that I personally shot, directed, recorded, and/or edited in my capacity as a Producer at Cool Films and as a Producer at VT2 Studios Media Design & Communications.

4. Enclosed herewith as Exhibit A (TPC Houston 1st Quarter 2004) is a true and correct copy of a corporate video produced in April 2004. I filmed and directed the footage of R. Allen Stanford at 201 South Biscayne Blvd., 12th Floor, in Miami Dade County, Miami, Florida 33131.

5. Enclosed herewith as Exhibit B (TPC Houston 4th Quarter 2005) is a true and correct copy of a corporate video produced in January 2006. I filmed and directed the footage of R. Allen Stanford at 5050 Westheimer in Harris County, Houston, Texas 77056.

6. Enclosed herewith as Exhibit C (TPC Houston 2nd Quarter 2006) is a true and correct copy of a corporate video produced in July 2006. I filmed and directed the footage of R. Allen Stanford at 6075 Poplar Ave., 3rd Floor, in Shelby County, Memphis, Tennessee 38119.

7. Enclosed herewith as Exhibit D (Stanford Campaign Spots 1) is a true and correct copy of television commercials produced in November 2007. I recorded and edited the voiceovers of R. Allen Stanford for these commercials at VT2 Studios Media Design & Communications, 2401 West Belfort, Harris County, Texas 77054.

8. Enclosed herewith as Exhibit E (Stanford Campaign Spots 2) is a true and correct copy of television commercials produced in January 2007. I recorded and edited the voiceovers of R. Allen Stanford for these commercials at VT2 Studios Media Design & Communications, 2401 West Belfort, Harris County, Texas 77054.

9. Enclosed herewith as Exhibit F (2004 SFG Corporate Video) is a true and correct copy of a promotional video produced in November 2004. I filmed and directed the footage of R. Allen Stanford at 5050 Westheimer in Harris County, Houston, Texas 77056.

10. Enclosed herewith as Exhibit G (2006 SFG Corporate Video) is a true and correct copy of a corporate video produced in February 2006. I filmed and directed the footage of R. Allen Stanford at 5050 Westheimer in Harris County, Houston, Texas 77056.

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

Executed on the 1st day of December 2009.

  
David (Dave) Henry

# EXHIBIT C

STANFORD FINANCIAL RECEIVERSHIP  
 Organization Chart Support  
 Entity Ownership Structure - Alphabetical Listing  
 Last Updated 5/18/2009

Information provided is preliminary and is based on available data and subject to change. This chart is prepared in accordance with our letter of understanding dated February 19, 2009, and is not to be used for any other purpose or relied upon by third parties.

Entity Name	Organization Chart Reference	Organization Chart Color	Organization Chart Region	Corp Data Book Ref No <sup>(1)</sup>	Country of Incorporation or Country of Operation <sup>(2)</sup>	Immediate Parent	% Owned	2nd Level Parent	% Owned	3rd Level Parent	% Owned	Ultimate Parent	% Owned
16 NE Huntington, LLC	62	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
20/20 Ltd.	63	Orange	Caribbean Entity	Not Available	Unknown	R. Allen Stanford	100%					R. Allen Stanford	100%
Antigua Athletic Club Limited	1	Yellow	Antigua Entity	AAB 9.3	Antigua & Barbuda	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Apartment Household, Inc.	64	Red	United States Entity	Other US 1	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Asian Village Antigua Limited	65	Orange	Caribbean Entity	Not Available	British Virgin Islands	Crayford Limited	100%	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%
Bank of Antigua Limited	2	Yellow	Antigua Entity	AAB 11.1	Antigua & Barbuda	Stanford Bank Holdings Limited (199,990 shares) / R. Allen Stanford (10 shares)	99.995% / 0.005%	R. Allen Stanford	100%			R. Allen Stanford	100%
Boardwalk Revitalization, LLC	66	Red	United States Entity	Not Available	U.S.	Christianized Downtown Holdings, LLC	100%	Stanford St. Croix Resort Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Buckingham Investments A.V.V.	67	Orange	Caribbean Entity	A 1	Aruba	Pompeus Industries Limited	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Caribbean Aircraft Leasing (BVI) Limited	68	Orange	Caribbean Entity	BVI B	British Virgin Islands	Caribbean Star Airlines Holdings Limited	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Caribbean Airlines Services, Inc.	69	Yellow	Antigua Entity	AAB 2	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Caribbean Star Airlines Holdings Limited	70	Red	United States Entity	AAB 4	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Caribbean Sun Airlines Holdings, Inc.	71	Yellow	Antigua Entity	AAB 7	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Caribbean Sun Airlines Holdings, Inc.	72	Yellow	Antigua Entity	AAB 1.1	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Caribbean Sun Airlines Holdings, Inc.	73	Red	United States Entity	US 1	U.S.	Caribbean Sun Airlines Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Caribbean Sun Airlines Holdings, Inc.	74	Red	United States Entity	Other US 2	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Christened Downtown Holdings, LLC	74	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford St. Croix Resort Holdings, LLC	100%					R. Allen Stanford	100%
Crayford Limited	75	Pink	European Entity	Not Available	Ile of Man	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Cuckfield Investments Limited	76	Orange	Caribbean Entity	Not Available	Bahamas	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Dalton Resources, Inc.	77	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Devonhouse, Ltd.	78	Yellow	Antigua Entity	AAB 12.1(a)	Antigua & Barbuda	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Devyant Holdings Limited	79	Orange	Caribbean Entity	Not Available	British Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
Foreign Corporate Holdings Limited	80	Yellow	Antigua Entity	AAB 3	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Guardian International Investment Services No. One, Inc.	81	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Guardian International Investment Services No. Three, Inc.	82	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Guardian International Investment Services No. Two, Inc.	83	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Guardian One, Ltd.	84	Red	United States Entity	Not Available	U.S.	Guardian International Investment Services No. One, Inc.	100%					R. Allen Stanford	100%
Guardian Three, Ltd.	85	Red	United States Entity	Not Available	U.S.	Guardian International Investment Services No. Three, Inc.	100%					R. Allen Stanford	100%
Guardian Two, Ltd.	86	Red	United States Entity	Not Available	U.S.	Guardian International Investment Services No. Two, Inc.	100%					R. Allen Stanford	100%
Guiana Island Holdings Limited	87	Yellow	Antigua Entity	AAB 9.4	Antigua & Barbuda	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Harbor Key Corp.	88	Red	United States Entity	Not Available	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Harbor Key Corp. II	89	Red	United States Entity	Other US 3	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Idea Advertising Group, Inc.	90	Red	United States Entity	US 3	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
International Fixed Income Stanford Fund, Ltd.	91	Orange	Caribbean Entity	Not Available	British Virgin Islands	Stanford International Management Ltd	100%	Stanford Management Holdings, Ltd.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
JIS Development, LLC	5	Red	United States Entity	Not Available	U.S.	Stanford Venture Capital Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Malden Island Holdings Ltd.	6	Yellow	Antigua Entity	AAB 9.1	Antigua & Barbuda	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Miller Golf Company, L.L.C.	92	Red	United States Entity	Not Available	U.S.	Stanford Venture Capital Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Parque Cristal Ltd.	93	Orange	Caribbean Entity	BVI 1	British Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
Pelican Island Properties Limited	94	Yellow	Antigua Entity	Not Available	Antigua & Barbuda	Cuckfield Investments Limited	100%	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%
Pershore Investments S.A.	95	Green	Latin American Entity	Not Available	Panama	Dygart Holdings Limited	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Polygon Commodities A.V.V.	96	Orange	Caribbean Entity	A 2	Aruba	Pompeus Industries Limited	100%	R. Allen Stanford	100%			R. Allen Stanford	100%

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 Attorney Work Product  
 Privileged and Confidential



Information provided is preliminary and is based on available data and subject to change. This information is provided for informational purposes only and is not to be used for any other purpose or relied upon by third parties.

**STANFORD FINANCIAL RECEIVERSHIP**  
**Organization Chart Support**  
**Entity Ownership Structure - Alphabetical Listing**  
**Last Updated 5/18/2009**

Entity Name	Organization Chart Reference	Organization Chart Color	Organization Chart Region	Corp. Data Book Ref No.	Country of Incorporation or Country of Operation	Immediate Parent	% Owned	2nd Level Parent	% Owned	3rd Level Parent	% Owned	Ultimate Parent	% Owned
Porpoise Industries Limited	97	Yellow	Antigua Entity	AAB 4	Antigua & Barbuda	R. Allen Stanford (9,999 shares) / Dr. L. Errol Cort (1 share)	99.99% / .01%	Stanford Holdings Venezuela, C.A./9 individual shareholders	99.9999% / .00001%	Stanford Corporate Ventures (BV) Limited (9,999,999 shares)/R. Allen Stanford (1 share)	99.9999%	R. Allen Stanford	99.99%
Productos y Servicios Stanford, C.A.	7	Green	Latin American Entity	V 5	Venezuela	Stanford Bank, S.A. Banco Comercial	100%					R. Allen Stanford	99.5%
R. Allen Stanford LLC	8	Red	United States Entity	Not Available	U.S. Virgin Islands	R. Allen Stanford	100%	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Robust Eagle Limited	98	Yellow	Antigua Entity	AAB 9.1(a)	Antigua & Barbuda	Malden Island Holdings Ltd.	100%	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Sea Eagle Limited	99	Yellow	Antigua Entity	AAB 9.1(b)	Antigua & Barbuda	Malden Island Holdings Ltd.	100%	Stanford International Bank Holdings (Antigua)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Sea Hare Limited	100	Red	United States Entity	Not Available	Antigua & Barbuda	Stanford International Bank Limited (Antigua)	100%	Stanford International Bank Holdings (Antigua)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
SFG Majestic Holdings, LLC	9	Red	United States Entity	Not Available	U.S.	Stanford Venture Capital Holdings, Inc.	100%	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
SGV Ltd.	101	Orange	Caribbean Entity	BVI 2	British Virgin Islands	Stanford Financial Group Company (Florida)	100%	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
SGV Asesorias C.A.	102	Green	Latin American Entity	V 6	Venezuela	Periquito Ltd. (500 shares) / Torre C. Ltd. (500 shares)	50% / 50%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
SGV Ltd.	103	Orange	Caribbean Entity	BVI 3	British Virgin Islands	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford 20720, LLC	104	Red	United States Entity	Not Available	U.S. Virgin Islands	R. Allen Stanford LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford 2020, Inc.	105	Yellow	United States Entity	Not Available	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Acquisition Corporation	106	Yellow	United States Entity	AAB 5	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aerospace, Inc.	107	Yellow	United States Entity	AAB 5.1	Antigua & Barbuda	Stanford Group Company	100%	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Agency, Inc. (Texas)	11	Red	United States Entity	US 11.3.1	U.S.	R. Allen Stanford	100%	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Agency, Inc. (Texas)	12	Red	United States Entity	US 11.3.1	U.S.	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Agency, Inc. (Texas)	107	Green	Latin American Entity	Not Available	Mexico	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aircraft, LLC	13	Red	United States Entity	US 9.4	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford American Samoa Holding Limited	14	Red	United States Entity	AS 1	American Samoa	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aviation 5555, LLC	15	Red	United States Entity	US 9.3	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aviation II, LLC	16	Red	United States Entity	Not Available	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aviation III, LLC	17	Red	United States Entity	US 9.2	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aviation Limited	18	Yellow	Antigua Entity	AAB 6	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Aviation LLC	19	Red	United States Entity	US 9.1	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Bank (Panama), S.A.	20	Green	Latin American Entity	P 1.1	Panama	Stanford International Holdings (Panama) S.A.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Bank Holdings Limited	21	Yellow	Antigua Entity	AAB 11	Antigua & Barbuda	R. Allen Stanford	100%	Stanford Corporate Ventures (BV) Limited (9,999,999 shares) / R. Allen Stanford (1 share)	99.9999% / .00001%	R. Allen Stanford	100%	R. Allen Stanford	99.5%
Stanford Bank, S.A. Banco Comercial	22	Green	Latin American Entity	V 2.1	Venezuela	Stanford Holdings Venezuela, C.A. / 9 individual shareholders	99.5% / .05%	Stanford Corporate Ventures (BV) Limited (9,999,999 shares) / R. Allen Stanford (1 share)	99.9999% / .00001%	R. Allen Stanford	100%	R. Allen Stanford	99.5%
Stanford Capital Management, LLC	23	Red	United States Entity	Not Available	U.S.	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Caribbean Investments, LLC	24	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford International Resort Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Caribbean Regional Management Holdings, LLC	108	Red	United States Entity	Not Available	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Caribbean, LLC	109	Red	United States Entity	Not Available	Antigua & Barbuda	Stanford Caribbean Regional Management Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Casa de Valores, S.A.	25	Green	Latin American Entity	Not Available	Panama	Stanford Caribbean Regional Management Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Cobertura, S.A. de C.V. (SII)	110	Green	Latin American Entity	Not Available	Panama	Stanford International Holdings (Panama) S.A.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Coins & Bullion, Inc (Delaware)	26	Red	United States Entity	Not Available	Mexico	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	Not Available
Stanford Corporate Holdings International, Inc. (Texas)	27	Red	United States Entity	US 11.1	U.S.	Stanford Group Holdings, Inc.	100%	Stanford Financial Group Company (Florida)	99.98% / .02%	R. Allen Stanford	100%	R. Allen Stanford	Available
Stanford Corporate Services (BV) Limited	111	Orange	Caribbean Entity	BVI 6	British Virgin Islands	R. Allen Stanford	100%	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%

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 Attorney Work Product  
 Privileged and Confidential

Information provided is preliminary and is based on available data and subject to change. This information is not intended to be used for any other purpose or relied upon by third parties.

**STANFORD FINANCIAL RECEIVERSHIP**  
 Organization Chart Support  
 Entity Ownership Structure - Alphabetical Listing  
 Last Updated 5/18/2009

Entity Name	Organization Reference	Organization Chart Color	Organization Chart Region	Corp Data Book Ref No.	Country of Incorporation or Country of Operation <sup>a)</sup>	Immediate Parent	% Owned	2nd Level Parent	% Owned	3rd Level Parent	% Owned	Ultimate Parent	% Owned
Stanford Corporate Services (Venezuela), C.A.	28	Green	Latin American Entity	V 3	Venezuela	Stanford Corporate Ventures, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Corporate Services, Inc.	112	Red	United States Entity	US 5	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Corporate Ventures (BV) Limited	113	Orange	Caribbean Entity	BM15	British Virgin Islands	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Corporate Ventures, LLC	114	Red	United States Entity	US 6	Mexico	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)/David M. Nanes	99.98% / .02%	R. Allen Stanford	100%	R. Allen Stanford	Not Available
Stanford Crechimiento Balanceado, S.A. de C.V. (SIRV)	115	Green	Latin American Entity	Not Available	Mexico	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)/David M. Nanes	99.98% / .02%	R. Allen Stanford	100%	R. Allen Stanford	Not Available
Stanford Crechimiento, S.A. de C.V. (SIRV)	116	Green	Latin American Entity	Not Available	Mexico	Stanford Fondos, S.A. de C.V.	Not Available	Stanford Financial Group Company (Florida)/David M. Nanes	99.98% / .02%	R. Allen Stanford	100%	R. Allen Stanford	Not Available
Stanford Development Company (Grenada) Ltd	117	Orange	Caribbean Entity	G 1	Grenada	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Development Company Limited (Antigua)	29	Yellow	Antigua Entity	AAB 9	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Development Corporation	30	Red	United States Entity	US 7	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Eagle, LLC	118	Red	United States Entity	US 8	U.S.	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Family Office, LLC	31	Red	United States Entity	Not Available	U.S.	Stanford Group Holdings, Inc.	Not Available	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Group (Holdings) Limited	119	Orange	Caribbean Entity	CI 2	Cayman Islands	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Group Company (Florida)	32	Red	United States Entity	US 9	U.S.	R. Allen Stanford, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Group Global Management, LLC	33	Red	United States Entity	Not Available	U.S., Virgin Islands	R. Allen Stanford, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Group Limited (BVI)	34	Yellow	Antigua Entity	AAB 10	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Group Ltd. (Cayman Islands)	120	Orange	Caribbean Entity	CI 1	Cayman Islands	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Partners Advisors, LLC	121	Red	United States Entity	Not Available	U.S.	Stanford Financial Partners, Inc.	100%	Stanford Financial Partners Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Partners Holdings, LLC	122	Red	United States Entity	US 10	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Partners Securities, LLC	123	Red	United States Entity	Not Available	U.S.	Stanford Financial Partners, Inc.	100%	Stanford Financial Partners Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Financial Partners, Inc.	124	Red	United States Entity	Not Available	U.S.	Stanford Financial Partners Holdings, LLC / David M. Nanes	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	99.98%
Stanford Fondos, S.A. de C.V.	35	Green	Latin American Entity	Not Available	Mexico	Stanford Financial Partners Holdings, LLC / David M. Nanes	99.98% / .02%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	99.98%
Stanford Galleria Buildings Management, LLC	125	Red	United States Entity	US 16	U.S.	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Gallows Bay Holdings, LLC	126	Red	United States Entity	Not Available	U.S., Virgin Islands	Stanford St. Croix Resort Holdings, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Global Advisory, LLC	36	Red	United States Entity	Not Available	U.S., Virgin Islands	Stanford Financial Group Global Management, LLC	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group (Antigua) Limited	37	Yellow	Antigua Entity	AAB 7	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group (Swiss) AG	38	Pink	European Entity	S 1	Switzerland	R. Allen Stanford / 5 individual shareholders own 1 share each	95% / 5%	R. Allen Stanford	95%	R. Allen Stanford	95%	R. Allen Stanford	95%
Stanford Group Aruba, N.V.	39	Orange	Caribbean Entity	A 3	Aruba	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Bolivia	127	Green	Latin American Entity	Not Available	Bolivia	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Casa de Valeres, S.A.	40	Green	Latin American Entity	E 1	Ecuador	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Company	41	Red	United States Entity	US 11.3	U.S.	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Company Limited	128	Orange	Caribbean Entity	B 1	Bahamas	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Holdings, Inc.	42	Red	United States Entity	US 11	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Mexico, S.A. de C.V.	43	Green	Latin American Entity	M 1	Mexico	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Peru, S.A., Sociedad Agente de Bolsa	44	Green	Latin American Entity	Not Available	Peru	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Venezuela Asesores de Inversion, C.A.	45	Green	Latin American Entity	V 1	Venezuela	SG Ltd. / SOV Ltd.	50% / 50%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Group Venezuela, C.A.	129	Green	Latin American Entity	V 7	Venezuela	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Holdings Venezuela, C.A.	46	Green	Latin American Entity	V 2	Venezuela	Stanford Corporate Ventures (BV) Limited (9,999,999 shares) / R. Allen Stanford (1 share)	99.99999% / .00001%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford International Bank Holdings Limited	130	Yellow	Antigua Entity	AAB 12	Antigua & Barbuda	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford International Bank Limited (Antigua)	47	Yellow	Antigua Entity	AAB 12.1	Antigua & Barbuda	Stanford International Bank Holdings Limited	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford International Holdings (Panama) S.A.	131	Green	Latin American Entity	P 1	Panama	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford International Management Ltd	132	Orange	Caribbean Entity	Not Available	British Virgin Islands	Stanford Management Holdings, Ltd.	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford International Resort Holdings, LLC	133	Red	United States Entity	Not Available	U.S., Virgin Islands	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Investment Advisory Services, Inc.	134	Red	United States Entity	Not Available	U.S.	Stanford Financial Group Company (Florida)	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%
Stanford Leasing Company, Inc.	135	Red	United States Entity	US 12	U.S.	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%	R. Allen Stanford	100%

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 inception. This information is provided for informational purposes only and is not to be used for any other  
 purpose or relied upon by third parties.

STANFORD FINANCIAL RECEIVERSHIP  
 Ownership Chart Support  
 Entity Ownership Structure - Alphabetical Listing  
 Last Updated 5/18/2009

Entity Name	Organization Reference	Organization Chart Color	Organization Chart Region	Corp Data Book Ref No <sup>(1)</sup>	Country of Incorporation or Country of Operation <sup>(2)</sup>	Immediate Parent	% Owned	2nd Level Parent	% Owned	3rd Level Parent	% Owned	Ultimate Parent	% Owned
Stanford Management Holdings, Ltd.	136	Orange	Caribbean Entity	Not Available	British Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford Real Estate Acquisition, LLC	48	Red	United States Entity	Not Available	U.S. Virgin Islands	R. Allen Stanford, LLC	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford S.A. Comisionista de Bolsa	49	Green	Latin American Entity	Not Available	Colombia	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford Services Ecuador, S.A.	50	Green	Latin American Entity	E 3	Ecuador	R. Allen Stanford (99 shares) / Stanford Corporate Ventures, LLC (1 share)	99% / 1%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford South Shore Holdings, LLC	137	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford St. Croix Resort Holdings, LLC	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford Sports & Entertainment Holdings, LLC	138	Red	United States Entity	Not Available	U.S. Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford St. Croix Marina Operations, LLC	139	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford St. Croix Resort Holdings, LLC	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford St. Croix Resort Holdings, LLC	140	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford Financial Group Global Management, LLC	100%	R. Allen Stanford, LLC	100%	R. Allen Stanford		R. Allen Stanford	100%
Stanford St. Croix Security, LLC	141	Red	United States Entity	Not Available	U.S. Virgin Islands	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford Trust Company	51	Red	United States Entity	US 11.2	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford Trust Company Administradora de Fondos Y Fideicomisos S.A.	52	Green	Latin American Entity	E 2	Ecuador	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford Trust Company Limited	53	Yellow	Antigua Entity	Not Available	Antigua & Barbuda	Stanford Trust Holdings Limited	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Stanford Trust Holdings Limited	142	Yellow	Antigua Entity	A&B 13	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Stanford Venture Capital Holdings, Inc.	54	Red	United States Entity	US 13	U.S.	R. Allen Stanford	100%					R. Allen Stanford	100%
Sun Printing & Publishing Limited	55	Yellow	Antigua Entity	A&B 14	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
Sun Printing Limited	143	Yellow	Antigua Entity	A&B 14.1	Antigua & Barbuda	Sun Printing & Publishing Limited (9,999 shares) / DL L. Enroll Card (1 share)	99.99% / 01%	R. Allen Stanford	100%			R. Allen Stanford	99.99%
The Antigua Sun Limited	144	Yellow	Antigua Entity	A&B 14.2	Antigua & Barbuda	Stanford International Resort Holdings, LLC	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
The Island Club, LLC	56	Red	United States Entity	Not Available	U.S. Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
The Islands Club, Ltd.	57	Yellow	Antigua Entity	Not Available	Antigua & Barbuda	R. Allen Stanford	100%					R. Allen Stanford	100%
The Standard Condominium Owners' Association, Inc.	145	Red	United States Entity	US 7.1	U.S.	Stanford Development Corporation (Texas)	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
The Stanford Financial Group Building, Inc.	58	Red	United States Entity	US 11.4	U.S.	Stanford Group Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
The Stanford Galleria Buildings, LP	146	Red	United States Entity	US 15	U.S.	Stanford Galleria Buildings Management LLC (General Partner) / The Stanford Financial Group Buildings, Inc (Limited Partner)	100%	Stanford Group Holdings, Inc (Delaware)	100%	R. Allen Stanford		R. Allen Stanford	100%
The Sticky Wicket Limited	59	Yellow	Antigua Entity	A&B 9.2	Antigua & Barbuda	Stanford Development Company Limited (Antigua)	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Torre Oeste Ltd.	147	Orange	Caribbean Entity	BVI 4	British Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%
Torre Senza Nome Venezuela, C.A.	60	Green	Latin American Entity	V 4	Venezuela	Stanford Corporate Services (BVI) Limited (199,999 shares) / R. Allen Stanford (1 share)	99.9995% / .0005%	R. Allen Stanford	100%			R. Allen Stanford	100%
Trail Partners, LLC	61	Red	United States Entity	Not Available	U.S.	Stanford Venture Capital Holdings, Inc.	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Two Islands One Club (Grenada) Ltd	148	Green	Latin American Entity	G 2	Grenada	Two Islands One Club Holdings Ltd	100%	R. Allen Stanford	100%			R. Allen Stanford	100%
Two Islands One Club Holdings Ltd	149	Orange	Caribbean Entity	BVI 7	British Virgin Islands	R. Allen Stanford	100%					R. Allen Stanford	100%

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# EXHIBIT D

**N J Hamilton Smith**  
**1st Affidavit**  
**Applicant**  
**21 April 2009**  
**Exhibit "NJHS1"**

**13338**  
**No. of 2009**

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

IN THE MATTER of STANFORD INTERNATIONAL BANK LIMITED (IN LIQUIDATION)

AND

IN THE MATTER of THE CROSS-BORDER INSOLVENCY REGULATIONS 2006

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**AFFIDAVIT OF NIGEL JOHN  
HAMILTON-SMITH**

---

I, **Nigel John Hamilton-Smith**, of Torrington House, 47 Holywell Hill, St Albans, Hertfordshire, make oath and say as follows:

1. I am a licensed insolvency practitioner and partner at the company Vantis Business Recovery Services ("**Vantis**") of the above address. I and my colleague, Peter Nicholas Wastell, have been appointed as joint liquidators of Stanford International Bank Limited ("**SIB**") pursuant to an order of the High Court of Antigua and Barbuda dated 15 April 2009. An original certified copy of the decision commencing the liquidation proceedings of SIB in Antigua and appointing Mr Wastell and myself as joint liquidators of SIB is exhibited at pages 1 to 11 of "NJHS1" (the "**Order**").
2. In our capacity as foreign representatives of SIB, Mr Wastell and I and now seek recognition of the Antiguan liquidation proceedings in England and Wales and the further relief sought in the application, pursuant to the Cross-Border Insolvency Regulations 2006.
3. I make this affidavit in support of that application and am authorised by Mr Wastell to make it on his behalf. Save as otherwise appears, the facts and matters stated herein are within my own personal knowledge, having been acquired by me in my capacity as one of the Receivers, and now one of the liquidators, to SIB. Where such facts and matters are not within my own

personal knowledge, the source of my information and belief is set out herein and I believe such facts and matters to be true.

4. There is now shown to me marked Exhibit "NJHS1", which contains the documents I have referred to in this affidavit. References to page numbers in this affidavit are references to pages in that Exhibit.

**Events leading to the liquidation of SIB in Antigua**

5. Prior to the liquidation of SIB mentioned above, Mr Wastell and I were appointed by the Supervisor of International Banks and Trust Corporations of the Financial Services Regulatory Commission ("FSRC") pursuant to the provisions of the International Business Corporation Act Cap. 222 of the Laws of Antigua and Barbuda (the "Act") as the Receiver-Managers ("Receivers") of SIB and of Stanford Trust Company Limited ("STC") on 19 February 2009 (see appointment document exhibited at page 12). Our appointment as Receivers was subsequently ratified by the High Court of Justice in Antigua and Barbuda on 26 February 2009 (see copy of court order exhibited at pages 13 to 18).
6. I refer to the report dated 16 March 2009 (filed on 18 March 2009) prepared by the Receivers pursuant to the Order of 26 February, which is exhibited at pages 19 to 30 (the "Report").
7. The Report sets out in detail the operations undertaken by SIB in Antigua, the actions which we had taken as Receivers since our appointment, including the work undertaken to put in place arrangements for communicating with the investors in SIB and to identify the assets held by SIB (cash, investment and non-investment assets). The Report also sets out the reasons why we considered that there was an urgent need for liquidation proceedings to be commenced in Antigua in relation to SIB.
8. In addition to the information contained in the Report, the Receivers have ensured that the 27,992 existing clients of SIB have been kept informed of developments by way of press releases, websites, re-opening the telephone lines at the headquarters in Antigua, setting up an email address to respond to enquiries, producing statements of accounts for each investor and holding twice daily meetings with customers who arrive in person at the bank in Antigua. To date the Receivers have handled 13,500 investor enquiries and processed more than 3,000 change of address forms.
9. The Receivers have also sent a team of accountants and IT specialists to SIB's representative office in Canada to dismiss staff, deal with legal issues in conjunction with local legal representatives, sell the assets and image and safeguard the IT equipment. As part of this

process, the Receivers were recognised in the Canadian Superior Court for the District of Montreal, which granted them the power to take custody and control over SIB assets in Canada.

10. Our information technology advisors have made significant progress in developing an on-line claims management system that will be used to process claims from various creditors of SIB. The on-line system will allow us to issue all creditors a unique registration number and will provide various security checks relating to, among others, account numbers, passwords and digital signatures. At the same time, we have preserved all physical records to allow for necessary cross-checking to prevent fraudulent claims.
11. In the circumstances, pursuant to its powers under section 300 of the Act, the FSRC filed a petition for the liquidation of SIB in the High Court in Antigua on 25 March 2009. I refer to a copy of that re-filed petition at pages 31 to 37 and the supporting evidence at pages 87 to 177. After a hearing from 6-9 and 14-15 April 2009, SIB was placed into liquidation on 15 April 2009.
12. I am advised by Antiguan Counsel that the liquidation of SIB constitutes collective proceedings for the reasons set out below.
13. I refer to paragraph 2 of the Order which provides that Mr Wastell and I are appointed liquidators with all of the powers and duties of a liquidator as contained in the Act or any other legislation related thereto and with the further powers, duties and responsibilities as conferred by the Order. I refer to the powers provided by the Order, in particular paragraphs 4-7, which refer to the liquidators' powers of collection and realisation of assets for the general benefit of the creditors.
14. I further refer to the extract provisions of the Act at pages 38 to 53 which set out the liquidators' powers under the relevant Antiguan legislation.
15. For the reasons set out above, I am advised by the law firm acting for the liquidators, CMS Cameron McKenna LLP that the liquidation of SIB is a "foreign proceeding" within the meaning of Article 2(i) of the UNCITRAL Model Law on Cross-Border Insolvency (the "**Model Law**") and that my and Mr Wastell's appointment as liquidators constitutes us as "foreign representatives" of SIB within the meaning of Article 2(j) of the Model Law.
16. At paragraph 21 of the Order, the liquidators are empowered to apply for orders recognising our appointment in any other jurisdiction. I am advised by CMS Cameron McKenna LLP that the *Re Rajapakse* note on recognition applications issued by Registrar Nicholls on 28 November 2006 provides that if a foreign court has made an order permitting the foreign representative to issue a recognition application, such as is in paragraphs 21 and 22 of the Order, I am required to

state whether an appeal has been made against that order and if not, the time limits within which an appeal may be made. I am not aware of any such appeal and am advised by Antiguan Counsel that the relevant time limit for appealing against such an order is 6 weeks.

17. I should mention, for completeness, that a different winding-up petition in relation to SIB and an application for the appointment of provisional liquidators was filed in the High Court of Antigua and Barbuda on 9 March 2009 by a Mr Fundora, a creditor of SIB. Further details are set out in my affidavit for the Antiguan Court dated 25 March 2009 at paragraphs 25 to 33 (exhibited at pages 87 to 177). The Antiguan Court dismissed Mr Fundora's application for provisional liquidation on 23 March 2009 and adjourned and consolidated the hearing of the full winding-up petitions filed by Mr Fundora and the FSRC to 6 April 2009.
18. On 1 April 2009, Mr Ralph Janvey, the US Receiver, also filed an application in the Antiguan High Court requesting that both petitions for the winding up of SIB be struck out, or, alternatively, if a winding up order was made, that Mr Janvey be appointed as liquidator of SIB.
19. After hearing the case and the arguments for and against liquidation over five days, the judge decided that the petition of Mr Fundora was unsuccessful and that Mr Janvey's application had no merit. The FSRC's petition was granted and Peter Nicholas Wastell and I were appointed as joint liquidators.

#### **Steps taken in US in relation to SIB**

20. I refer in paragraph 18 above to Mr Ralph Janvey. As mentioned in the Receivers' report to the Antiguan Court and in my affidavit in support of the liquidation application, on Monday 16 February 2009, Mr Ralph Janvey was appointed as receiver over SIB and all other Stanford group companies pursuant to an order of the United States District Court in Dallas (the "**US Receiver**"). A copy of that order (and the subsequently amended order of 12 March 2009) is exhibited at pages 54 to 76). Under the terms of this order, the court in Dallas purported to assume exclusive jurisdiction over, and to take possession of the assets of, SIB as well as Stanford Group Company, Stanford Capital Management LLC, Mr R. Allen Stanford, Mr James M. Davis and Ms Laura Pendergest-Holt (the "**US Defendants**").
21. On the same date, the same US court issued a temporary restraining order, an order freezing assets, an order requiring an accounting, an order requiring preservation of documents, and an order authorising expedited discovery (exhibited at pages 77 to 86) against the US Defendants.
22. I am advised by CMS Cameron McKenna LLP and Jones Day, my legal advisers in the US, that the appointment of the US Receiver is not the appointment of a "foreign representative" within the meaning of Article 2(j) of the Model Law as the receivership is not a "foreign proceeding"



within the meaning of Article 2(i) of the Model Law. This is on the basis that a US receivership, and in particular the receivership over SIB as ordered by the US District Court for the Northern District of Texas, is not a “foreign proceeding” within the meaning of that legislative provision, in that it is not “a collective judicial or administrative proceeding in a foreign State, including an interim proceeding, pursuant to a law relating to insolvency in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation”.

#### **Conflicting duties of the US Receiver and the Antiguan liquidators**

23. The terms of the order by which the US Receiver was appointed require Mr Janvey, *inter alia*, to:

*“maintain full control of the Receivership Estate [defined as the assets and records of the US defendants]”* (paragraph 5(a) of the order dated 16 February 2009, exhibited at pages 54 to 64),

and to

*“collect, marshal, and take custody, control, and possession of all the funds, accounts, mail and other assets of, or in the possession or under the control of, the Receivership Estate”* (paragraph 5(c) of the order dated 16 February 2009, exhibited at pages 54 to 64).

24. There is clear potential for a conflict between the terms of the US order and the terms of the order under which my colleague, Peter Nicholas Wastell, and I were appointed as liquidators, which requires us to:

*“take possession of, gather in and realise all the present and future assets and property of the Bank”* (paragraph 4 of the Antiguan court order, exhibited at pages 1 to 11).

I refer below to the steps we have taken in order to try to co-operate with the US Receiver.

#### **Relationship with the US Receiver**

25. Since our appointment as Receivers, my colleague Mr Wastell and I have been attempting to reach an agreement with the US Receiver, to establish a protocol to be put in place so as to enable co-operation between the US Receiver and us.
26. In an attempt to reach agreement, we have been in correspondence with the US Receiver through our respective lawyers. A copy of this exchange of correspondence is attached at pages

177 to 218E. As can be seen, we have attempted to co-operate with the US Receiver in order to ensure that there is no duplication of work and that the best result for creditors is obtained and, as part of that effort, have provided details of the work we have undertaken. The US Receiver, however, has been unwilling to reciprocate with any information, and has provided no grounds for not doing so, despite our requests.

27. A meeting in Miami between the US Receiver, the Securities and Exchange Commission (“SEC”) and us was scheduled for 1 April 2009. At that meeting, some progress was made, in that areas of potential co-operation were identified, but as the meeting was held on a “without prejudice” basis, I will not deal with it further here.
28. On 9 March 2009, the US Receiver was represented in an oral application to the Antiguan High Court at which I was present. The application centred on the US Receiver seeking to establish the primacy of the US receivership over the Receiver's own receivership proceedings in Antigua. At this hearing, no papers were submitted to the Court but the Judge gave a deadline of 1 April 2009 for papers to be filed and said that directions would be given on 3 April 2009.
29. On 27 March 2009, Mr Janvey made an application in the Antiguan High Court to postpone the hearing of his application for the Court to recognise the primacy of the US receivership from 3 April to 24 April. This step was taken after correspondence between Counsel for Mr Janvey and my own legal representatives, which resulted in me providing my consent to the postponement of that hearing.
30. At the hearing on 3 April, when Mr Janvey's application for an adjournment was heard, the Antiguan High Court said that Mr Janvey did not have locus to make the application and gave Mr Janvey the option of either withdrawing his application, or, having a costs order made against him. Mr Janvey chose to withdraw both his application for adjournment and his application to have the primacy of the US receivership recognised.
31. At pages 219 to 243 is a copy of the original pleading filed by the SEC in the District Court of the Northern District of Texas, Dallas Division.

#### **Foreign proceedings**

32. The matters referred to in paragraphs 17 to 19 above, were commenced in relation to SIB in the High Court in Antigua and were resolved with the appointment of Peter Wastell and me as joint liquidators.
33. We have also instigated Chapter 15 recognition proceedings in the U.S and intend to issue a similar recognition application in Canada and Switzerland in the near future. I am not aware of

any other insolvency proceedings having been commenced against SIB anywhere else in the world, although regulators have become involved in the running of other Stanford entities in Panama, Mexico, Peru, Colombia and Venezuela. I am not aware of any requests to the English court for assistance pursuant to S.426 of the Insolvency Act 1986.

**Steps taken to preserve assets held on behalf of SIB in the UK**

34. To date we have been in contact with roughly 70 entities which are said to hold cash, bonds, equities and other investments on behalf of SIB. We have serious concerns that the value of those investments will be significantly lower than the value attributed to them.
35. Of those institutions, six are based in the UK. SIB's records show that they either held accounts for SIB or carried out investment management of SIB portfolios. From the information supplied by three of the UK institutions that responded to letters sent by my English lawyers, CMS Cameron McKenna LLP, it appears that they hold assets belonging to SIB to the value of £4,029,685.07 in the UK.
36. One other of the financial institutions, Credit Suisse, has refused to provide details of accounts held in the name of SIB without a recognition order and an order granting the further relief sought herewith from the English Court (see page 261). From SIB's records, Credit Suisse appears to be holding the sterling equivalent of £117,325,636.53 worth of assets on behalf of SIB. Since Credit Suisse has refused to disclose any information on these accounts, I do not know whether those assets are based in the UK. In particular, I refer to a letter from Pershing LLC dated 12 March 2009 at page 262, which states that Pershing has a number of accounts in the name of SIB, which were opened on its books by Credit Suisse (Europe) Limited, to whom they say they provided securities, clearing and settlement services.
37. Although the three institutions which have responded positively provided the information sought from them, they refused to provide assurances that they would honour instructions from us, if we did not obtain recognition in this jurisdiction of the powers granted to us by the Antiguan court. Examples of the correspondence sent to institutions based in the UK and their responses are exhibited at pages 244 to 260.
38. The fifth UK institution contacted about investments held on behalf of SIB was Lehman Brothers Inc. ("LBI"). As has been well publicised, this bank is going through an insolvency process of its own, and as yet we have not received any information from LBI on the assets that they held on behalf of SIB.
39. On 27 March 2009, the SEC made an application to the High Court in London for a freezing injunction over the assets of the US Defendants (which include SIB) that are based in the UK.



This application was granted by Jack J the same day with a return date of 6 April 2009 and a copy of that order is attached at pages 263 to 270.

40. On being provided with a copy of the order by Nabarro LLP, the SEC's solicitors, I became concerned that the order seemed to include at paragraph 12 an exception to the freezing order that allowed the US Receiver to repatriate assets in the UK back to the US with the consent of the SEC. Given the conflicting powers given to the US Receiver and the powers granted to me by the Antigua Court, it was necessary for me to ensure that the US Receiver was not able to utilise this exception to bring into his control assets that I too was obliged to collect. After negotiating with Nabarro LLP, CMS Cameron McKenna LLP, acting on behalf of the FSRC, negotiated an agreement whereby the SEC would not provide its consent to any repatriation before the return date on 6 April. The SEC also agreed that on the return date it would apply to remove paragraph 12 from its own order so that there would be no requirement for a further application for a freezing order in the English Court regarding the same assets.
41. At the return date on 6 April, Stadlen J refused to remove paragraph 12 because of concerns that the order would, without it, conflict with the terms of the order appointing the US Receiver. Instead Stadlen J ordered that notice should be given to CMS Cameron McKenna LLP if any repatriation was envisaged. As Stadlen J gave no indication of the timeframe for such notice, it was suggested by David Wolfson QC representing the SEC, that a period of 24 hours notice should be given to CMS Cameron McKenna LLP and that Nabarro LLP would provide a new draft of the order to reflect that.
42. We were not able to agree a variation to the order with Nabarro LLP so were forced to make an application to Stadlen J for the order as sealed to be amended to include the requirement that CMS Cameron McKenna LLP be provided with two business days notice of any payment of funds to the US. The application was granted and a copy of the amended order is exhibited at pages 271 to 272. The next return date for the freezing injunction is 27 April 2009 and the SEC have filed an application notice for the extension of that injunction.
43. The SEC (on whose application the US Receiver was appointed) acknowledged that there is a dispute that needs to be resolved by an appropriate court in this jurisdiction as to how the assets in this jurisdiction should be dealt with.

#### **EC Insolvency Regulation**

44. For the reasons set out below, I do not believe that the EC Insolvency Regulation (No. 1346/2000) applies in this instance as SIB's centre of main interests is not located in the European Union.

**Centre of Main Interests**

45. For the reasons set out below, I believe that SIB's centre of main interests is located in Antigua on the basis that it conducted the administration of its interests from Antigua and that this was ascertainable by third parties dealing with the bank:
- 45.1 SIB was incorporated in Antigua on 7 December 1990, as Guardian International Bank Limited. It then changed its name on 20 December 1994 to Stanford International Bank Limited (the certificates of incorporation and change of name are exhibited at pages 273 to 274);
- 45.2 The registered address of SIB is Cort & Cort, 44 Church Street, P.O. Box 2010, St John's, Antigua and SIB's headquarters are at No. 11 Pavilion Drive, St John's, Antigua. The SIB headquarters and corporate offices are in a 30,000 square foot Georgian-style building sitting atop a hill outside Antigua Airport, which is occupied entirely by SIB's staff. SIB's only other office is a sales office in Montreal, Canada;
- 45.3 In close proximity to the headquarters, and all built by Sir Allen Stanford, the sole shareholder of SIB's ultimate parent company, are the Bank of Antigua, the Pavilion Restaurant (with a 9,000 bottle wine cellar valued in excess of \$4 million), the 5,000-seat Stanford Cricket Ground, the Antigua Athletic Club, a state-of-the-art health and fitness centre, and the Sticky Wicket, a bar and restaurant;
- 45.4 In addition to being the sole shareholder of SIB's ultimate parent company, Mr Stanford owned Antigua's largest newspaper, the Antigua Sun, headed the Bank of Antigua, was formerly the largest private employer in Antigua, sponsored Antigua Sail Week and was in the midst of developing a marina, shopping and entertainment complex near Antigua Airport when the SIB scandal broke. Stanford held dual U.S. Antiguan citizenship and resided in Antigua for more than 20 years. He was even knighted by the government of Antigua;
- 45.5 SIB was licensed and regulated in Antigua by the FSRC under the Act. SIB's banking licence is exhibited at pages 275 to 276. SIB was required to submit quarterly reports to the FSRC containing the details set out in the Report at pages 19 to 30;
- 45.6 In terms of the amounts deposited with SIB, approximately 19.46% came from Antiguan creditors (including Stanford Trust Company Limited);
- 45.7 SIB owns both directly and indirectly substantial property interests in Antigua including the freehold property of 1000 Airport Boulevard, Coolidge, St John's, Antigua, which is occupied by the Bank of Antigua. Additionally, other than the office equipment for the office in Montreal, all of SIB's non-investment assets are located in Antigua;

45.8 With respect to investment assets, and while much remains to be determined, such assets appear to have been invested throughout the world, although by far the largest financial institutional holdings appear to be in Switzerland and real property investments appear to be limited to Pelican and Guiana Islands, which are part of Antigua.

45.9 The vast majority of SIB's employees were employed at its headquarters at No. 11 Pavilion Drive, St John's, Antigua. Out of 93 employees, 88 worked in Antigua (with the other five located in Montreal, Canada) and they conducted the following operations from there in relation to its clients:

**Client acceptance procedures and account openings**

- SIB had a team of employees who received and processed the paperwork sent in by financial advisers for the opening of accounts, ran anti-money laundering, compliance procedures and know-your-client checks, set up the client accounts and corresponded with the new client.
- All the account opening information and account literature given to clients indicated that SIB was based in Antigua and provided that enquiries be directed to the phone number of SIB in Antigua. Examples of these documents are exhibited at pages 277 to 453. US citizens who bought CDs had to sign up to a Subscription Agreement for the US Accredited Investor Certificate of Deposit Program, which included a clause (at page 285) that said:

*"You understand that this Subscription Agreement shall be construed in accordance with and governed exclusively by the laws of Antigua and Barbuda and you consent to the exclusive jurisdiction of the courts in Antigua and Barbuda in relation to any action or any proceeding arising under this Subscription Agreement".*

- In the Disclosure Statement to the US Program that investors had to sign up to, at page 306 of, it refers to the Subscription Agreement and states:

*"...you will agree that your and our rights and obligations with respect to the CD Deposits will be governed by the laws of Antigua and Barbuda and that the courts of Antigua and Barbuda will have exclusive jurisdiction over any dispute relating to the CD Deposit."*

The first sentence of the Disclosure Statement also provided that:

*"[t]his Disclosure Statement was prepared and is being furnished by Stanford International Bank Ltd...a bank chartered in Antigua and Barbuda..."*

The same document later includes a lengthy description of Antigua and Barbuda, including its geography, system of government, legal system and financial regulatory system.

- The Terms of Deposit, applicable to all investors, also set out in the opening paragraphs (at page 291) that:

*"Your deposit is...subject to the applicable laws and regulations of Antigua and Barbuda, West Indies."*

- Finally, in the General Terms and Conditions for all accounts set up with SIB by citizens of any country, it is clearly set out (at page 327) that:

*"These terms and conditions shall be interpreted in accordance with the laws of Antigua and Barbuda, W.I. For any action or proceeding which the Bank or the Depositor may commence in connection with the account or with any operation or transaction involving payment to or from the account, the Depositor irrevocably submits to the jurisdiction of the courts of Antigua and Barbuda W.I. and to the fullest extent permitted by law, waives any and all immunity that it or any of its property, may have under any applicable law, as well as waiving any claim that such courts would be an inconvenient forum. Jurisdiction for all legal proceedings shall be in Antigua..."*

#### **Receipt of client investments**

- SIB's accounting department would log the payment of monies into SIB and keep detailed records of those payments across a number of different bank accounts held by SIB at several international banks.

#### **Payments to clients including interest payments and capital redemptions**

- Payment of interest to relevant clients occurred monthly and was in many cases undertaken via a Swift Bank Payment system from SIB's Antiguan premises, as were capital redemptions when clients withdrew their money.



**Preparation and issue of client statements**

- Each month SIB's client services department and the accounting department would compile a statement for each customer stating the balance of their deposit and the accrued interest, which was sent out via post.

**Client file management**

- Comprehensive files were kept solely at SIB in Antigua for each client with contact addresses, phone numbers, emails, passwords for those who had access to their accounts online and client directions, and these were updated in line with client instructions over time.

**Operational accounting functions**

- When a client wished to change his/her deposit account, provide any payment instructions, request private banking facilities or change his/her personal details, they would contact SIB in Antigua to give those instructions.

**Private banking functions**

- Customers could opt to have SIB conduct various activities on their behalf, such as paying monthly mortgage payments, credit card bills, school fees or any other payment required from the account and this was carried out by SIB's employees in Antigua based on instructions given directly to SIB in Antigua.

**Customer loans**

- The Bank allowed customers to loan money, although only up to a limit of 80% of their deposit with the Bank. The provision and conduct of these loans was managed and approved from SIB in Antigua.

**Management of Tier 1 investments (being the cash assets of SIB)**

- SIB held accounts at seven different banks based in the US, Canada, UK, Panama and Antigua and the operation of these accounts and the instructions for the movement of monies was managed from SIB's headquarters in Antigua.

**Statements from financial institutions**

- The financial institutions that were holding monies on behalf of SIB were instructed to send the paper copy monthly financial statements for the accounts in the name of SIB

to SIB at the Bank's headquarters at No. 11 Pavilion Drive, Antigua. These were filed in cabinets in the basement of those headquarters in Antigua.

**Investment payments**

- SIB's employees in Antigua would transfer money from the accounts held with SIB to other Stanford companies for the purposes of investments and would even make some investment payments directly themselves.

46. Based on the above factors, it seems overwhelmingly likely that, if asked, customers (who form by far the largest constituency of SIB's creditors and who, I am advised, are the most important third parties for the purposes of stating where SIB is ascertainable by third parties) would have expressed the view that the main centre of operations of SIB was in Antigua, not least because all account documentation and paperwork that they received from the moment they expressed an interest in depositing funds with SIB made this clear. For many customers, the location of SIB outside their jurisdiction, and specifically in Antigua, was one of the main attractions of investing in or through SIB because of the historically unstable nature of their own country's economy and banking system. Many customers visited SIB headquarters in Antigua before investing their money, the same place that many investors visited when the news of the US Court's freezing order became known, as mentioned on the second page of the Report exhibited at pages 19 to 30.
47. The only direct function that SIB carried on outside Antigua was through a sales office based in Montreal. This office was not entitled to take deposits and its sole purpose was to promote SIB to investors who then would deposit money directly with SIB.
48. SIB relied on management agreements with third parties or Stanford group companies to operate the bulk of two of the arms of its business:

(a) Attracting Customers

This was undertaken by a team of financial advisers who were either independent or operated at branches of various Stanford group companies (such as Stanford Group (Venezuela)) in North, South and Central America. These people were not employees of SIB but operated individually under management agreements with SIB, or were employed by other Stanford companies which had management agreements with SIB.

## (b) Investing the Bank's Assets

The investment of deposits was managed from Houston by James Davis and Allen Stanford (Chief Financial Officer and Chairman of SIB respectively), partly on their own, and partly through funds deposited with Stanford Group Company, a broker-dealer company regulated by FINRA and the SEC in the US, and other group companies ultimately owned by Allen Stanford. As mentioned above, Mr Stanford was an Antiguan (as well as U.S.) citizen and spent substantial amounts of time in Antigua, where he had bought property and owned a large private marina where he moored his private yacht and often stayed while on the island. Both Mr Stanford and Mr Davis spent time each year on the island, including for a number of board meetings, though Mr Stanford spent substantially more time in the country than Mr Davis did.

**The US Receiver's position on COMI**

49. The US Receiver disagrees with this assessment and contends that SIB's COMI is in the US. He has set out his arguments in an affidavit submitted to the Antiguan High Court on 1 April 2009, which is exhibited at pages 454 to 484 and which refers to SIB by an alternative acronym, "SIBL". Although a number of the US Receiver's arguments are points for legal submission, I set out my preliminary view or comments below:

49.1 *"SIBL was ultimately owned and controlled by a single shareholder, Allen Stanford, a United States citizen."* (paragraph 29a of the US Receiver's affidavit of 1 April 2009, page 466).

I am informed by CMS Cameron McKenna LLP that the nationality and place of residence of a shareholder are not factors that are relevant to COMI under English law. However, it is worth repeating the information set out above that Mr Stanford was a full citizen of Antigua and had been knighted by the Government of Antigua and Barbuda.

49.2 *"SIBL was one of many legal entities...which together comprised a single global financial services network owned and controlled by Allen Stanford from the United States"* (paragraph 29b, page 467).

I do not accept that SIB's business was part of a single global financial services network. SIB is a Bank, with its own business and customers. Its customers have a relationship with the Bank and not with a "single financial services network". In addition, the nationality and domicile of Mr Stanford are not relevant.

49.3 “...Allen Stanford used SIBL – and indeed the other entities that comprised his global empire – as instruments for perpetrating a massive fraud” (paragraph 29c, page 467).

The role of SIB in the alleged fraud has not yet been established and I am advised that it does not affect its COMI.

49.4 “...Jim Davis and Laura Pendergest-Holt, alleged accomplices of Allen Stanford, are also U.S. citizens and performed their roles principally from the U.S.” (paragraph 29d, page 467).

As above, the nationality of these individuals is not relevant. Whilst it does appear that Mr Stanford, Mr Davis and Ms Pendergest-Holt, as Chairman, Chief Financial Officer and Chief Investment Officer respectively, made most of the strategic decisions in relation to SIB (including the Tier 2 and Tier 3 investments) and conducted the alleged fraud, the operational decisions and day-to-day running of the Bank were conducted from Antigua led by Juan Rodriguez-Tolentino, the President of the Bank.

49.5 “...Stanford, Davis and Holt...are [therefore] subject to the U.S. Court’s jurisdiction.” (paragraph 29e, page 467).

The fact that each of the above is subject to the US Court’s jurisdiction individually has no bearing on the COMI of SIB.

49.6 “...more U.S. citizens than Antiguan investors invested in or made deposits in SIBL...” (paragraph 29f, page 467).

This statement needs further explanation. In fact, only 15% of SIB’s depositors were citizens of the US. The rest of SIB’s clients were based in 113 different countries around the world, with the top 10 countries by value of deposits and number being:

Country of Depositor	Number of clients	% of total clients	Amount US\$	% of total deposits
United States of America	4,380	15.66%	1,574,389,287	21.85%
Venezuela	10,432	37.29%	1,511,898,916	20.98%
Antigua and Barbuda	4,011	14.34%	1,402,094,191	19.46%
Mexico	3,865	13.82%	932,241,682	12.94%
Canada	224	0.80%	308,349,645	4.28%
Haiti	412	1.47%	219,667,759	3.05%
Peru	553	1.98%	120,767,660	1.68%



Colombia	580	2.07%	110,245,322	1.53%
Panama	171	0.61%	89,540,559	1.24%
British Virgin Islands	132	0.47%	84,632,344	1.17%
TOTALS	24,760	88.51%	6,353,827,370	88.18%

49.7 *“Most of the sales activities of SIBL occurred outside Antigua. Much, indeed probably most, of that activity occurred in or from the U.S.”* (paragraph 29h, page 468).

SIB’s sales activities did not occur mostly in the US. The financial advisers who sold certificates of deposits for SIB were based all over the world, and in particular in countries in South and Central America. These sales “staff” in every jurisdiction other than Canada were not employees of SIB but were independent contractors.

49.8 *“The assets of SIBL are located principally in jurisdictions other than Antigua and Barbuda...”* (paragraph 29k, page 469).

There are assets of SIB located all over the world, including substantial and valuable land holdings in Antigua.

49.9 *“Administrative and other support for the operations of SIBL was located in the U.S. and managed out of the Houston, Texas office...”* (paragraph 29o, page 469).

SIB was principally run in Antigua with a few support functions provided by other group companies in the US. However, the Antiguan head office had its own accounts department, its own human resources department, its own IT department which was supplemented by another Stanford entity in Antigua, its own payroll department and it ran SIB’s operating software (which was upgraded in 2008 with a US\$3 million investment) from Antigua.

49.10 *“The entire Stanford operation was a single operation”* (paragraph 29p, page 469).

This is not true. SIB was a part of the Stanford group but was a separate legal entity. The products which it offered were the only way that investors could directly invest in a Stanford product. Whilst there were other operations providing financial advice, brokering services and general wealth management, SIB was the central banking institution in the Stanford empire and stood clearly apart from the rest of the group. Investors in SIB were well informed of its location, where it was operated from and that their investments would be subject to the laws and jurisdiction of Antigua and Barbuda. The full effect of this would be that those investors would

understand that in the situation of the insolvency of SIB, the laws of Antigua would apply to its liquidation.

- 49.11 *“Stanford marketing materials emphasized not just SIBL but the entire global Stanford family of companies, which was headquartered in the USA...”* (paragraph 29q, page 470).

It is true that the generic Stanford group marketing materials did not just emphasize or promote SIB, but also the various companies that were spread around the world. However, it certainly did not promote an impression of the group being headquartered in the US, but rather it provided updates on the Stanford operations in South America, Central America and Europe, as well as its activities in the US. Also, this group marketing material should be compared with the specific SIB investor information and account opening contracts (exhibited at pages 281 to 453) which made very clear that SIB was the product provider for certificates of deposit, that it was based in and run from Antigua, that queries should be directed to a phone number at SIB in Antigua, and that their account operation would be subject to the laws of Antigua.

- 49.12 *“...the only connection to Antigua...is that SIBL was incorporated in Antigua.”* (paragraph 30, page 470).

As can be seen above, this is a misrepresentation of the facts.

#### **Reasons for application for recognition in England and Wales**

50. As mentioned in paragraph 10 of my affidavit for the Antiguan Court dated 25 March 2009 and the Report, in our capacity as Receivers, Mr Wastell and I wrote to a number of financial institutions and entities, where it appeared from SIB's records that SIB held deposits or other investments, seeking information as to the balances held. Examples of the correspondence sent to institutions based in the UK and their responses are exhibited at pages 244 to 260.
51. As mentioned above, there are six financial institutions based in the UK where SIB's records showed that accounts were held or which carried out investment management of SIB portfolios. Of these financial institutions, three have confirmed the balances held (but have advised that no monies will be released without a court order or agreement of the US Receiver) and one financial institution, Credit Suisse, has refused to provide details of the accounts held without a recognition order and an order granting the further relief sought being obtained from the English Court (page 261).
52. As already stated above, from the information supplied by the three institutions, it appears that assets belonging to SIB to at least the sterling value of £4,029,685.07 are located in the UK, so that that is the minimum value of the assets of SIB in England and Wales in respect of which the

relief in the application under Article 21 of the Model Law is sought. This figure does not take into account any assets held by Credit Suisse. From SIB's records, Credit Suisse in London appears to be holding the sterling equivalent of £117,325,636.53 worth of assets on behalf of SIB.

53. In terms of depositors with SIB, I understand from SIB's records that there are approximately 219 depositors resident in the UK who hold certificates of deposit totalling \$56,413,898.46.
54. In light of the correspondence from the financial institutions and the freezing injunction obtained by the SEC, we consider that the recognition of the liquidation of SIB in the UK is necessary for Mr Wastell and I, as liquidators, to be able to safeguard and gather in assets held in the UK so that these can ultimately be made available to SIB's creditors. For this reason, in our application, we are not only seeking recognition of the liquidation of SIB but also further relief to enable us, as liquidators, to take control of SIB's assets in the UK, and realise the same for the benefit of the general body of creditors of SIB. Once the liquidators are recognised, it is anticipated that the financial institutions holding assets within this jurisdiction will disclose information concerning those assets without the need of further order of this court, particularly if the realisation of the assets is entrusted to the liquidators under paragraph 1(e) of Article 21 of the Model Law.
55. In our application, we are also seeking further relief (under paragraph 2 of Article 21 of the Model Law) for the Court to entrust to us as liquidators the distribution of all of SIB's assets located in Great Britain in due course, as has been ordered by the Antiguan High Court. It is not our intention to commence separate insolvency proceedings in this jurisdiction. The cost of doing so is unlikely to be justified given the limited scope of the assets within this jurisdiction, so far as we are currently aware. Moreover, with the benefit of recognition under the Cross-Border Insolvency Regulations 2006, I believe that we will be able to preserve and realise the assets, for the benefit of all creditors, more efficiently than by commencing separate insolvency proceedings here. To the best of my knowledge and belief, the interests of SIB's creditors will be adequately protected by the legislation in Antigua and Barbuda governing the liquidators' powers in this regard. In particular, the treatment of customer claims will be conducted on a *pari passu* basis and the priority of payment will be in accordance with s.289 of the Act and clause 7 of the Order.

#### **Reasons for urgency**


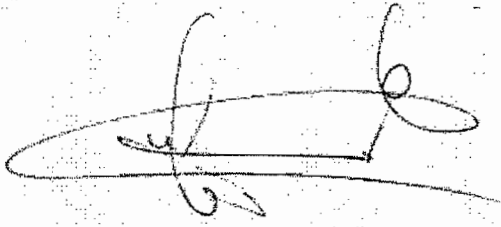
56. The allegations against Sir Allen Stanford, the founder of the Stanford group, are that he has been involved in fraudulent activity for many years, apparently involving the misappropriation of SIB customer deposits. Although SIB kept records of its credit balances with the various

banks and financial institutions, it seems (from those that have responded) that in several cases the balance held is far lower than SIB's records indicate. For example, in relation to the balances confirmed by HSBC, these are substantially less than the amounts identified from SIB's records as being held by HSBC and we need to obtain such information so that we can conduct an immediate tracing exercise and take the necessary steps to recover such amounts. Given the position taken by certain of the UK based financial institutions as to providing information without an order of the English court or releasing assets without such an order, the Liquidators consider it imperative to obtain recognition as a matter of urgency, so that they have the necessary standing to conduct immediate investigations to determine the source of the discrepancies and, where necessary, to trace the missing monies.

57. It is crucial that the issue of which office-holder should be entitled to take custody of the assets in this jurisdiction should be dealt with by the English Court as soon as possible. There are currently two different officers from two different jurisdictions appointed over SIB with no guidance as to which of them has primacy. In addition to causing confusion and distress for the creditors of SIB based both in the UK and elsewhere around the world, it also creates a continued delay for both office-holders in properly administering SIB's estate. Assets will remain frozen and no actions can be taken for moving forward the asset recovery and realisation process, or else claims handling, or ultimately distribution to creditors until this is resolved.
58. For the reasons set out in paragraph 22 above, I do not believe that I am required to serve this application on the US Receiver or that anyone other than SIB is required to be served. I am not aware of any person who has been appointed as administrative receiver of SIB or as a receiver or manager of SIB's property in England and Wales, nor any qualifying floating chargeholder who is or may be entitled to appoint an administrator under Schedule B1 to the Insolvency Act 1986 nor do I believe that SIB is of interest to the Financial Services Authority ("FSA") so that it would not be required to be served with the application. Since Mr Wastell and I are the Liquidators of SIB, I respectfully submit that the requirement to serve SIB be dispensed with.
59. Given that he contends that he has an interest in the assets within this jurisdiction, notwithstanding that I have been advised that he is not entitled to be served with this application as the US Receivership is not a "collective proceeding", I intend to give notice of the Application to the US Receiver, Mr Janvey.
60. I respectfully submit that a recognition order should, therefore, be made as a matter of urgency.



Sworn by NIGEL JOHN HAMILTON-SMITH )  
at )  
this 21<sup>st</sup> day of April 2009 )  
Before me )  
a Solicitor /Commissioner for Oaths )

  
**CHARLESWORTH O.D. BROWN**  
**ATTORNEY-AT-LAW & NOTARY PUBLIC**  
**ARTICHA & BARRUDA**

(22727182.01)

# EXHIBIT E

**From:** Carreno, Eddie M.  
**Sent:** Tuesday, March 18, 2008 9:12 PM  
**To:** SGC-Miami-FC; SGC-Miami Assistants  
**Cc:** Chaisson, Scott S.; King, Elizabeth  
**Subject:** SIB Portfolio / Market Environment Conference Call

Please be advised that we are currently working on getting a conference call scheduled with Laura and her group in Memphis to discuss the current market environment and what she and her team are doing in regards to positioning the SIB portfolio during this turbulent time. As of now, it looks like the call will take place on Thursday, some time in the morning, but that has yet to be confirmed. We will follow up with you tomorrow with the specific details of the call. You will have an opportunity to ask Laura and her team questions, so please be prepared.

Kind Regards,

**Eddie M. Carreño, CFP®**

Director

Portfolio Strategist

*Stanford Group Company*

*201 South Biscayne Boulevard | 21st Floor | Miami, FL 33131*

*Direct: 305.347.9146 | Main: 305.579.0909 | Fax: 305.579.0155 | Toll Free: 800.736.0114*

*Email: [ecarreno@stanfordeagle.com](mailto:ecarreno@stanfordeagle.com)*

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**From:** Thigpen, Scot A.  
**Sent:** Thursday, March 27, 2008 8:15 PM  
**To:** Clement, Neal John  
**Subject:** RE: Stanford CD  
Please send me your CD so I can show it to some prospects

Scot Thigpen, CPA/PFS, CFP®  
*Vice President, Financial Advisor*

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**Stanford Group Company**  
1400 Meadowbrook Road, 1st Floor  
Jackson, MS 39211

Voice: 601.364.7300  
Fax: 601.364.7307  
Cell: 601.842.2606

[www.stanfordfinancial.com](http://www.stanfordfinancial.com)

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**From:** Clement, Neal John  
**Sent:** Thursday, March 27, 2008 3:07 PM  
**To:** Thigpen, Scot A.  
**Subject:** RE: Stanford CD

Scot,

I never talk about the SIB portfolio to any of my clients. I mention that the portfolio is managed by a large number of managers with large minimums (50M and more). I sell the CD just like a AAA bond. I never use the word guarantee or anything close to that. I tell them a fixed rate of a certain amount. I let them know that the bank has been around for almost twenty-two years and has never missed an interest payment and is fully backed by a multi-billion dollar company (Stanford). I show them my personal certificate with the fixed rate and yield and it does the selling for me. I also show them my personal monthly statements. I think most of them want to know how common it is to a U. S. Domestic CD or investment in the states rather than the portfolio backing it. If I have a client that has to see the portfolio, the SIB is not for them!!!! This investment isn't meant to compete with a U.S. CD, it is meant to give a fixed rate to a client as an alternative to a low yield on munis or some other investment in the market that might be yielding less.

Neal Clement  
Vice President, Financial Advisor

Stanford Group Company  
110 E. Main Street  
1st Floor  
Tupelo, MS 38804

662-841-0254 Main  
888-841-0254 Toll Free  
662-842-0254 Fax

[nclement@stanfordeagle.com](mailto:nclement@stanfordeagle.com)

---

**From:** Thigpen, Scot A.  
**Sent:** Thursday, March 27, 2008 2:49 PM  
**To:** Clement, Neal John  
**Subject:** RE: Stanford CD

Neal,

Accredited Investors are pretty savvy investors lots of times. How do you show them these available CD rates and not have the info about the investment performance of the portfolio that you can discuss with them. If the CD is backed by the portfolio, seems like we could show the portfolio returns. Nobody ever needs to see a report on FDIC insurance because the perception of that strength is already there. How do we get assurance that this portfolio / product is guaranteed and only have a "I have been told it is a strong portfolio" rationale to share. Make sense?

This is an incredible time to be sharing this with accredited investors but it just seems that we need to be well equipped for the presentation.

HELP!!!!

Scot

Scot Thigpen, CPA/PFS, CFP®  
*Vice President, Financial Advisor*

---

**Stanford Group Company**  
1400 Meadowbrook Road, 1st Floor  
Jackson, MS 39211

Voice: 601.364.7300  
Fax: 601.364.7307  
Cell: 601.842.2606

[www.stanfordfinancial.com](http://www.stanfordfinancial.com)

---

**From:** Clement, Neal John  
**Sent:** Thursday, March 27, 2008 2:40 PM  
**To:** Thigpen, Scot A.  
**Subject:** RE: Stanford CD

Laura has that info because she manages the global managers who are in charge of the portfolio at the bank. There are about 17 to 19 managers in the U.S. and abroad. Doug has a lot of this because he was in on the meeting with Laura back at the end of Dec. 07 in Memphis. Also, I think Chris was there too. The managers have targeted performance vs. trying to make as much money for the bank as they can in any one good year. The money at the bank is more diversified than any portfolio that Stanford offers. They target 11 to 13% a year vs. other managers making as much as they can.

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Vice President, Financial Advisor

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1st Floor  
Tupelo, MS 38804

662-841-0254 Main  
888-841-0254 Toll Free  
662-842-0254 Fax

nclement@stanfordeagle.com

---

**From:** Thigpen, Scot A.  
**Sent:** Thursday, March 27, 2008 2:21 PM  
**To:** Clement, Neal John  
**Subject:** RE: Stanford CD

Neal,

- 1) How did you get that
- 2) How do that do it?
- 3) What info can be shared with prospects?

Thanks Neal,

Scot

Scot Thigpen, CPA/PFS, CFP®  
*Vice President, Financial Advisor*

---

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**From:** Clement, Neal John  
**Sent:** Thursday, March 27, 2008 2:18 PM  
**To:** Thigpen, Scot A.  
**Subject:** RE: Stanford CD

All I can tell you is what Laura has told me in the past week. She said that the safest investment Stanford has right now if you are looking for interest is the SIB. It is barely positive for the YTD performance..5 to 1% up.

Neal Clement  
Vice President, Financial Advisor

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1st Floor  
Tupelo, MS 38804

662-841-0254 Main  
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662-842-0254 Fax

nclement@stanfordeagle.com

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**From:** Thigpen, Scot A.  
**Sent:** Thursday, March 27, 2008 2:15 PM  
**To:** Clement, Neal John; Holliday, John M.  
**Subject:** Stanford CD

Neal and John Mark,

I have been searching to see if there is a way to find out how the CD portfolio is doing in these difficult markets. If it is holding up as well as it supposedly done in the past, then we have a good story to tell prospective clients.

It is difficult to find "presentable facts" to show how unique this product is and to show how we are able to provide positive returns even in light of horrible market conditions.

Where, if anywhere do you get info on this?

Scot

Scot Thigpen, CPA/PFS, CFP®  
*Vice President, Financial Advisor*

---

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# **EXHIBIT F**



**From:** Skelton, Angie  
**Sent:** Monday, June 18, 2007 7:44 PM  
**To:** Rathgeb, Martin; Staley, Jack  
**Cc:** Weeden, Ken; Pendergest, Laura  
**Subject:** RE: SIB's Quarterly Update "Market Recap & Update"  
Jack and Martin,

We have wonderful news for you both! As you know, the Q1 2007 SIBL Quarterly Report was released earlier today in English. Beginning with this issue, we will start producing these in German as well. Per your email below, we will order 1,000 of these to be printed. Until I hear otherwise, Memphis will foot the cost for the translation and printing of these, and we will have them shipped from our Houston mailroom directly to the Zurich office. To whose attention would it be best for me to send these each quarter?

Angie

---

**From:** Rathgeb, Martin  
**Sent:** Wednesday, May 16, 2007 1:17 AM  
**To:** Skelton, Angie  
**Subject:** RE: SIB's Quarterly Update "Market Recap & Update"

Dear Angie

Thanks for coming back on this. Based on feedback from FA's, we estimate that for the start 1000 pieces would do. Needless to say that we would monitor this and correct up or down if necessary.

Take care,

Martin

---

**From:** Skelton, Angie  
**Sent:** Donnerstag, 10. Mai 2007 17:46  
**To:** Rathgeb, Martin  
**Cc:** Pendergest, Laura; Weeden, Ken  
**Subject:** RE: SIB's Quarterly Update "Market Recap & Update"

Martin,

We have a quote back from our translation company for translating into German the SIBL Quarterly, and we are in the final stages of getting this quarter's English SIBL Quarterly completed – no new publications have gone out recently. Can you tell me how many you would like to have printed in German each quarter? This way we can get final numbers on publication costs.

Thanks in advance.

Angie Skelton  
Editor/Financial Research Analyst  
Phone: 901-537-1634  
Facsimile: 901-537-1635

---

**From:** Rathgeb, Martin  
**Sent:** Thursday, May 10, 2007 8:32 AM  
**To:** Skelton, Angie  
**Subject:** FW: SIB's Quarterly Update "Market Recap & Update"

Hi Angie

Yet again we've had a local FA-meeting in Zurich and guess what....  
Most of them insist that they must have something in german in order to succeed. Any news on this?

Your input is greatly appreciated.

Thanks & regards,

Martin

**From:** Hornsby, Sarah  
**Sent:** Tuesday, July 29, 2008 3:28 PM  
**To:** Angelle, Tiffany; Duplantis, David  
**Cc:** Mills, Hank; Congdon, Laura A.  
**Subject:** RE: Q2 SIBL Quarterly Update, English Version  
David,

Just FYI. Grady asked that we hold off on mailing these until we get the Mid Year Review statements from the Bank and then mail everything together. I have the printouts you faxed over to Rhonda for approval so once we receive the mid year review, we can attach a printout to what you already sent and give to Grady for approval.

**Sarah E. Hornsby**  
(225) 381 - 0510

---

**From:** Angelle, Tiffany  
**Sent:** Monday, July 28, 2008 8:37 AM  
**To:** Duplantis, David  
**Cc:** Mills, Hank; Hornsby, Sarah; Congdon, Laura A.  
**Subject:** FW: Q2 SIBL Quarterly Update, English Version

We need to send these via email to the people who get them by email; and get the list approved for the ones who receive by mail, so they are ready to go once the update (hard copy) comes in.

Thanks!

---

**From:** Global Research  
**Sent:** Monday, July 28, 2008 8:26 AM  
**To:** Memphis Report Distribution  
**Subject:** Q2 SIBL Quarterly Update, English Version

# EXHIBIT G

**From:** Alvarado, Mauricio  
**Sent:** Tuesday, August 01, 2006 10:34 PM  
**To:** Alvarado, Mauricio; Suarez, Yolanda; Rodriguez-Tolentino, Juan  
**Subject:** RE: FSRC Antigua

**Attachments:** FSRC Response to ECCB letter of 7-11-06.doc

FYI, I am attaching the final version of the letter. Thanks for all your input.

Mauricio

---

**From:** Alvarado, Mauricio  
**Sent:** Tuesday, August 01, 2006 3:03 PM  
**To:** Alvarado, Mauricio; Suarez, Yolanda; Rodriguez-Tolentino, Juan  
**Subject:** RE: FSRC Antigua

I am attaching the latest version of the document containing some further changes that I have incorporated. Please let me know what you think. Thanks

Mauricio

---

**From:** Alvarado, Mauricio  
**Sent:** Tuesday, August 01, 2006 10:28 AM  
**To:** Alvarado, Mauricio; Suarez, Yolanda; Rodriguez-Tolentino, Juan  
**Subject:** RE: Attached Image

Juan,

Have you had a chance to review documents per my e-mail below? Any input?

Thanks.

Mauricio

---

**From:** Alvarado, Mauricio  
**Sent:** Monday, July 31, 2006 5:08 PM  
**To:** Suarez, Yolanda; Rodriguez-Tolentino, Juan  
**Subject:** FW: Attached Image

Juan and Yolanda,

Per our conversation earlier, please see document attached and my proposed draft response. Please let me know what you think. I would appreciate your response ASAP as I am supposed to provide our proposed draft later tonight. Thanks.

Mauricio.

Thanks



Mauricio

August \_\_, 2006

Mr. Niguel Streete, Director  
Bank Supervision Department  
Eastern Caribbean Central Bank  
P.O. Box 89  
Basseterre, St. Kitts, West Indies

Dear Mr. Streete,

We are in receipt of your letter dated July 11, 2006, in which you request certain information regarding affiliates of Bank of Antigua Limited (BOA) that are supervised by the Financial Services Regulatory Commission (FSRC), including organizational structure and percentage of ownership of significant shareholders.

There are two affiliates of BOA that are supervised by the FSRC -- Stanford International Bank Limited (SIB) and Stanford Trust Company Limited (STCL), both incorporated under the International Business Corporations Act.

SIB is 100% owned by Stanford International Bank Holdings Limited, of which R. Allen Stanford is sole shareholder.

The Officers of SIB are:	Chairman of the Board	R. Allen Stanford
	President	Juan Rodriguez-Tolentino
	Chairman Emeritus	James A. Stanford
	Secretary/Treasurer	Kenneth C. Allen
	Chief Financial Officer	James M. Davis

The Directors of SIB are:	R. Allen Stanford
	James A. Stanford
	James M. Davis
	O.Y. Goswick
	Kenneth C. Allen
	Robert S. Winter
	Sir Courtney N. Blackman

STCL is 100% owned by Stanford Trust Holdings Limited, of which R. Allen Stanford is sole shareholder.

The Officers of STCL are:	President	Anthony D'Aniello
	Treasurer	Gordon Edwards

The Directors of STCL are: Kenneth C. Allen  
Kenny Byron  
Sir Courtney N. Blackman  
Anthony D'Aniello  
Yolanda M. Suarez

While we recognize that consolidated supervision is the current trend under Basel I & II, such consolidation will be applicable to those financial institutions operating under a common corporate structure, which is not the case here. BOA, STCL and SIB are stand-alone institutions established for non-related purposes under different laws. We do not believe that consolidated supervision is appropriate in this case, as BOA, STCL and SIB are legally not under the same corporate umbrella. They operate under distinctively different platforms, corporate and management structures, and serve an entirely different client base. Whereas, BOA, under your supervision, is a commercial bank serving a local clientele, SIB and STCL are not commercial banks and serve only an international clientele.

For your further information, the IBC Act provides protective measures for international banks such as SIB and international trust companies such as STCL. Specifically, Section 316(4) of the IBC Act enables the FSRC to take all necessary actions to ensure the integrity of the International Business Corporations sector. Furthermore, the applicable legislation provides all international banks and international trust companies operating under the IBC Act with higher standards of confidentiality protections than those applicable to local commercial banks.

Nonetheless, we are supportive and in agreement with the need for effective supervision of affiliated companies of financial institutions. We, however, believe your agency should place reliance in the results of our continued monitoring and examination of entities under our supervision.

Yours truly,

Leroy King

# **EXHIBIT H**

From: Palmliden, Fred  
Sent: Friday, August 10, 2007 6:46 PM  
To: Weeden, Ken; Pendergest, Laura  
Subject: RE: sub prime

One thing that I would point out is the fact that the 18% number is only applicable to the equity allocation piece. For the accounts that we monitor, we also have close to an 18% allocation to financials. However, the allocation to financials relative to all asset classes is less than 5% for the accounts that we monitor.

Thanks, Fred.

Frédéric A. Palmliden  
Investment Strategist / Western Europe  
Stanford Financial Group  
Memphis, TN  
(901) 537-1633

-----Original Message-----

From: Weeden, Ken  
Sent: Friday, August 10, 2007 12:35 PM  
To: Palmliden, Fred  
Subject: FW: sub prime

Fyi see below my comments forward to Laura. Thanks for looking and do you think we should ponder any further?

-----Original Message-----

From: Weeden, Ken  
Sent: Friday, August 10, 2007 12:34 PM  
To: Pendergest, Laura  
Subject: FW: sub prime

Fred and the team gave this a look from Tier 2 perspective and this is what we have come up with so far. Note that we are at 18% in Financials for 2 quarter SIB overall figures per Mr. Davis as of this morning figures he provided to Angie.

Thx

ken

-----Original Message-----

From: Palmliden, Fred  
Sent: Friday, August 10, 2007 12:28 PM  
To: Weeden, Ken  
Cc: Collinsworth, Mark; McGee, Wade; Adams, John; Beem, Matthew; Bishop, David; Clayton, Mitch; Davis, Zack; Haley, Jimmie; Randall, Elizabeth; Sheppard, Heather; Shi, Jen; Skelton, Angie; Yu, Tao  
Subject: RE: sub prime

Ken,

From the data that is available to us, less than 5% of the SIB accounts is invested in financial services. Most large financial companies have some exposure to sub-prime through a fund, etc. However, the sub-prime exposure to these financial companies is very small. As far as I know, we do not hold a company that specializes in sub-prime loans.

Another positive point is the fact that some accounts have actually benefited from the sub-prime crisis. For example, according to Mark, GLG (22.5 million), a hedge fund within the CS account, has been shorting the sub prime market since November of last year.



Fred.

Frédéric A. Palmliden  
Investment Strategist / Western Europe  
Stanford Financial Group  
Memphis, TN  
(901) 537-1633

-----Original Message-----

From: Weeden, Ken  
Sent: Friday, August 10, 2007 10:36 AM  
To: Palmliden, Fred  
Subject: Fw: sub prime

Give me your best idea on what our comment should regarding tier 2 Thx

----- Original Message -----

From: Pendergest, Laura  
To: Weeden, Ken  
Sent: Fri Aug 10 10:03:29 2007  
Subject: Fw: sub prime

----- Original Message -----

From: Rodriguez-Tolentino, Juan  
To: Pendergest, Laura  
Cc: Davis, James  
Sent: Fri Aug 10 09:28:48 2007  
Subject: FW: sub prime

Please confirm you are not answering these directly. Also, can we please get a statement to put out there early today. We are getting showered by these!

Regards,

JRT

---

From: Bensing, Lori  
Sent: Friday, August 10, 2007 10:20 AM  
To: Rodriguez-Tolentino, Juan  
Subject: FW: sub prime

Juan - do you know this answer?

I am getting a lot of questions on it.

---

From: Schaufele, Lou  
Sent: Friday, August 10, 2007 8:29 AM  
To: Pendergest, Laura  
Cc: Bensing, Lori  
Subject: sub prime

Hope all is well with you. I understand you will be leaving the banks of the Mississippi going to the Alps. Sounds exciting!! Can you let me know what if any exposure the SIB portfolio has to the sub prime or liquidity crisis that is currently on going. I think it would be helpful to the entire sales force to have this information as quickly as possible. Again thanks.

LS

Lou Schaufele

Managing Director

Stanford Group Company

214 220 3012

# EXHIBIT I

**N J Hamilton Smith**  
**2nd Affidavit**  
**Applicant**  
**15 May 2009**  
**Exhibit "NJHS2"**

**IN THE HIGH COURT OF JUSTICE**

**Nos. 13338 and 13959 of 2009**

**CHANCERY DIVISION**

**COMPANIES COURT**

**IN THE MATTER of STANFORD INTERNATIONAL BANK LIMITED (in liquidation in Antigua & Barbuda)**

**AND IN THE MATTER of THE CROSS-BORDER INSOLVENCY REGULATIONS 2006**

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**SECOND AFFIDAVIT  
OF NIGEL JOHN  
HAMILTON-SMITH**

---

I, **Nigel John Hamilton-Smith**, of Torrington House, 47 Holywell Hill, St Albans, Hertfordshire, make oath and say as follows:

1. I make this, my second affidavit, in support of my application for recognition of the Antiguan liquidation proceedings, as a foreign main proceeding, in respect of Stanford International Bank Limited ("**SIB**" or "**the Bank**") which was issued on 21 April 2009. I refer to my previous affidavit filed in support of that application, also dated 21 April 2009.
2. This affidavit is also filed in response to the application issued by Mr Janvey, the receiver appointed over SIB and other Stanford group entities by a US Court on 16 February 2009, on 8 May 2009, together with the affidavits filed in support of that application. Mr Janvey seeks recognition of his status as a foreign representative in relation to all of the Stanford group companies, including SIB.
3. Further to the directions given by Mr Justice Henderson on 30 April 2009, the two applications are to be heard together.

4. I am authorised by Mr Wastell, my joint liquidator, to make this affidavit on his behalf. Save as otherwise appears, the facts and matters stated herein are within my own personal knowledge, having been acquired by me in my capacity as one of the Receivers, and now one of the liquidators, of SIB. Where such facts and matters are not within my own personal knowledge, the source of my information and belief is set out herein and I believe such facts and matters to be true.
5. As part of my investigations I have interviewed or spoken to Juan Rodriguez-Tolentino – President, Miguel Pacheco – Senior Vice President, Sascha Mercer – Senior Protocol Officer, Beverly Jacobs – Vice President Client Support, Eugene Kipper- Vice President Operations, Omari Osbourne – Finance Manager, and Jennifer Roman – Human Resources Manager, who have provided me with significant information about SIB’s business and operations which supplements that which I have derived from SIB’s documents. Where I make reference to having been informed of matters by employees of the Bank, unless specified otherwise, it is those employees that I am referring to. I have retained the services of some of these individuals and other key staff members who worked at the Bank in order to assist me in my investigations of SIB and to assist in the claims handling process which is being developed. I attach at page 1 a chart showing who these people are and what their previous job titles were.
6. I have also interviewed former employees of Stanford Trust Company (“STC”) which was a Stanford group company offering trust services to clients. I am one of the joint receivers of STC. They have provided me with further information about the business and operations of STC and its relationship with SIB.
7. There is now shown to me marked Exhibit “NJHS2”, which contains the documents I refer to in this affidavit. References to page numbers in this affidavit are references to pages in that Exhibit.

**A Structure of this Affidavit**

8. I am advised that there are two principal matters requiring the Court’s decision in connection with my, and Mr Janvey’s applications, in relation to SIB: first, whether the US Receivership is a “foreign proceeding” for the purposes of the Cross Border Insolvency Regulations and, secondly, whether the centre of main interest (“COMI”) of SIB is Antigua or the United States of America (the “US”).
9. The principal focus of this affidavit is the second issue, COMI, and I respond to the evidence of Mr Janvey, and Mr Van Tassel, on that issue in Section B below. There are certain other points in Mr Janvey’s affidavit to which it is necessary to respond, and I do so in Section C below. In



relation to the first of the principal issues, whether the US Receivership is a “foreign proceeding”, I refer to the affidavit of Daniel Glosband.

**B Centre of Main Interest of SIB**

10. Mr Janvey deals with the COMI of SIB at paragraphs 55 and 56 of his affidavit. I respond to those paragraphs (except to the extent that the response consists of legal submissions) in this section of my affidavit.

**(1) SIB was just one part of a large fraudulent empire**

11. It is suggested in paragraph 55 that the COMI of SIB should be assessed on the basis of all the Stanford group companies because “...they were all a single entity used to perpetrate a fraud...” Whilst I also consider that SIB has been engaged in a fraud on its customers, I take issue with the assertion that the companies in the Stanford group were in fact a single entity, at least so far as SIB is concerned. I am advised that the fact that SIB was probably complicit in a fraud involving also many other companies in the Stanford group is not a reason to treat SIB and all the Stanford group companies as a single entity for the purposes of establishing its COMI. I will deal with each of the sub-paragraphs of paragraph 55 in turn:

- (a) I do not dispute that the findings of the US Receiver to date are consistent with the SEC’s allegation that SIB and other Stanford group companies were involved in a massive “Ponzi” scheme. My own findings to date are also consistent with that allegation.
- (b) I agree that Allen Stanford was the sole owner, directly or indirectly, of more than 100 separate entities, including SIB and STC. According to the organisational chart at RSJ10, of these companies, 40 were US entities, 38 were Antiguan entities, 28 were other Caribbean entities and 25 were Latin American entities. At pages 2-3, I have prepared a table listing the 38 Antiguan entities within the Stanford group, specifying whether they have day to day operations and whether they have employees in Antigua. Whilst I do not dispute that Allen Stanford and a small group of confidantes appear to have exerted overall control over all the entities in the group, I take issue with the suggestion that he, and his confidantes, “controlled and directed” the operations of SIB from the United States. So far as the marketing of CDs were concerned:
  - (i) CDs were sold all over the world;

- (ii) as I indicated in my first affidavit (paragraph 49.6) of the total worldwide sales (as at the date of the receivership of SIB) 15.66% by number and 21.85% by value were sold to investors in the United States, 37.29% by number and 20.98% by value were sold to investors in Venezuela; 21.22% by number and 25.89% by value were to investors in Mexico, Canada, Haiti, Peru, Colombia, Panama and the BVI;
- (iii) Financial advisers working for Stanford entities in Antigua, Aruba, Canada, Colombia, Ecuador, Mexico, Panama, Peru, Switzerland, and Venezuela, as well as in the US, marketed the CDs to investors and introduced those investors to SIB for the opening of accounts. There was also a number of independent financial advisers located in, inter alia, Canada, Peru and Panama (I attach a selection of pages from an example referral agreement with such an independent financial services provider at pages 4-5). All of the financial advisers marketed the CDs but none had authority to contract on behalf of SIB.
- (iv) CDs were sold to investors by SIB directly from its headquarters in Antigua. SIB did have customers who came directly to the Bank in Antigua to purchase CDs, but the majority of its business was introduced to it by the financial advisers who were working under management agreements for various Stanford group companies in the jurisdictions listed above. Once a customer expressed that he wanted to invest in SIB, the paperwork would be completed by the financial advisers and sent to SIB for further checks to be carried out. The financial advisers and their clients would then wait to see whether SIB would approve their applications for the opening of an account.
- (c) I agree that Antiguan law does not permit SIB or STC to accept deposits from Antiguans.
- (d) Investors paying monies to SIB by cheque were instructed to send those cheques to SIB's offices in Antigua, not directly to one of its relationship banks. I agree that otherwise investors were required to transfer money, on purchasing CDs, either to Canada (the Toronto-Dominion Bank) or the United Kingdom (HSBC Bank PLC). No customer was directed to send money in any form directly to the US.
- (e) The Bank of Houston account was the account to which funds were sent for the purpose of investing monies deposited with SIB. The monies moved out of this

account were therefore paid into portfolios to be managed by international banking institutions or to other group companies for onward investment in equities, debt or other investments. SIB also had an account at the Bank of Antigua, which was used for, amongst other things, dealing with credit card payments on behalf of clients, issuing bank drafts in settlement to vendors, settling outstanding invoices to vendors and paying various local taxes. Mr Janvey states that only a “small percentage” of SIB funds were in the Antiguan account, but at the date of receivership, of all the tier 1 investments (of which the Bank of Antigua account was a part), the Antiguan account held \$10 million, or 22% of tier 1 assets.

- (f) I agree.
- (g) I agree.
- (h) Whilst it is true that SIB utilised the services of employees of other Stanford entities (in particular sales staff located in the many jurisdictions where sales of CDs were made) I believe, based on my own investigations of SIB since my appointment, that Mr Janvey overstates the importance of other Stanford group companies in the US to the operations of SIB. I expand on this when responding to specific points made later in Mr Janvey’s affidavit.
- (i) The actions of the FSRC and the SEC in regulating SIB and investigating reports about SIB’s actions are not something that I can, or feel it appropriate to, comment on at this stage.

**(2) The COMI of SIB was in the United States**

12. I deal with each of the sub-paragraphs of paragraph 56 under the separate side-headings below. (The side headings are for convenience only and do not purport to summarise all of the points made by Mr Janvey in the relevant sub-paragraph).

**(a) SIB was controlled by Allen Stanford, a US citizen**

13. I am advised that the citizenship of Mr Stanford and his place of residence are not relevant to establishing where the COMI of SIB is located. I should add, however, that Mr Stanford was a citizen of both the US and Antigua and had residences (and spent time) in both jurisdictions.

**(b) SIB was part of a single global financial services network**

14. I believe that Mr Janvey underplays the significance of SIB as a freestanding corporate entity with its own business, assets and creditors. It had many thousands of investors, for whom it was the only Stanford entity in which they could directly invest.

**(c) SIB's central role in the fraud perpetrated by the Stanford group**

15. My investigations undertaken as receiver, and now liquidator, of SIB support the points made in this sub-paragraph.

**(d) Allen Stanford's "accomplices" are also US citizens**

16. I am advised that this is not relevant to the COMI of SIB.

**(e) Allen Stanford and his associates have made appearances in the US court**

17. Similarly, I am advised that this is not relevant to the COMI of SIB.

**(f) The entire operation was a single economic unit & SIB relied heavily on the work of the other US local entities and employees of the Stanford enterprise**

18. I disagree that the Stanford group was a "*single economic unit*" as Mr Janvey contends. The Stanford Financial Group ("SFG") was not a legal entity but merely a concept. Customers did not contract with SFG, but with one or other of the companies in the group.

19. There was a clear distinction – particularly so far as customers were concerned – between SIB and other principal group companies such as Stanford Group Company ("SGC"). SGC (a US company) provided broker-dealer services, whilst SIB provided international deposit banking facilities. I note that Mr Janvey's principal ground for wishing to consolidate the group (or for treating it as a single economic unit) is the evidence of fraud, and not because the different companies, their assets or liabilities were, or are, in fact inseparable or indistinguishable from each other.

20. The other point made in this paragraph by Mr Janvey is that SIB relied heavily on the work of "other US located entities and employees of the Stanford enterprise". He makes similar points elsewhere in his affidavit, in particular at sub-paragraphs r, v and x. My response to these points is as follows:

- (i) As an offshore bank, offering international private banking facilities, it is inevitable that SIB relied on a network of financial advisors located

throughout the countries in which it sought to attract investors. My investigations have shown that the vast majority of the financial advisors were retained by one or other of the Stanford group companies located in the jurisdictions in which investors were sought. For example, therefore, Mexican advisors sought to attract, and dealt with, investors in Mexico, and were employed by Stanford Group Mexico SA de CV, and Venezuelan advisors sought to attract, and dealt with, investors in Venezuela, and were employed by Stanford Group Venezuela CA. In the same way, investors in the US were sought and dealt with by financial advisors in the US employed by SGC. I exhibit at pages 6-11 an example of a “referral agreement” with a financial advisor, in this case with a financial advisor in Colombia. This agreement clearly identifies SIB as located in Antigua, and gives its Antiguan address for all communications. It is expressly governed by Antiguan law. The agreement is typical of all referral agreements entered into by SIB outside the US and the provisions as to the Bank’s address and the governing law being Antiguan would usually apply.

- (ii) It was the financial advisors’ responsibility to meet with clients and complete account opening documentation. That documentation was then sent to the manager in the relevant country who, having reviewed it, would then forward it to SIB in Antigua for approval. All client applications were reviewed in Antigua, firstly, by the Antiguan client accounts team and secondly, for the purposes of credit and money laundering checks. More than 85% of files related to investors from outside the United States (since more than 85% of investors were from jurisdictions other than the US).
- (iii) It is true that SIB delegated significant investment decision-making to Stanford entities in the US. Mr Janvey exhibits (RSJ32, pages 36-39, 40-44 & 48-49) consulting and advisory service agreements in relation to investment portfolios with SGC and Stanford Global Advisory LLC (a US Virgin Islands company) (“SGA”). SGA contracted with SIB in August 2008, when it supposedly began providing the above services. Prior to August 2008, those same consulting and advisory services in relation to investment portfolios were provided to SIB by Stanford Financial Group Global Management LLC (“SFGGML”), a company incorporated in the US Virgin Islands. Up to the end of July 2008, SFGGML was paid \$99.2 million for those investment services. From August 2008, SGA was paid



\$42.2 million for its services and for the whole year, SGC was paid \$14.4 million for its advice. These sums were paid even though it appears that such decisions were taken principally by Allen Stanford and/or Jim Davis and/or Laura Pendergest-Holt.

- (iv) Mr Janvey also exhibits marketing and management support agreements between SIB and SFGGML (RSJ32, p.7-10 & 11-13), as well as a similar agreement with Stanford Financial Group Company (“SFGC”), a US company, from 2002 (p.45-47). The last of these chronologically is that dated 1 January 2008 (RSJ32, p.7-9). This purports to provide for wide-ranging “corporate direction, governance, marketing, branding” services, including “advice and monitoring of accounting, auditing, branding, compliance, human resources, information technology, legal, marketing, risk and insurance, treasury and related functions...”. SFGGML was paid \$21.1 million in 2008 for the supposed provision of these support services. SFGC was not paid any fees in 2008, presumably because the contract with SFGGML had replaced it. SIB also entered into a Management Support Agreement in September 2008 with Stanford Caribbean Limited (“SCL”) (which I attach at pages 12-15) to provide “corporate direction, governance and other services” to SIB. For the last four months of 2008 it was paid \$1.4 million.
- (v) From my investigations of the records of SIB, and from my conversations with former staff of SIB, apart from the production of brochures and other marketing materials (which were produced externally, not in Antigua) and the provision of valuations of tier 2 & 3 investments, which came from the US, the remainder of the “services” purportedly offered by SFGGML were carried out within Antigua at SIB itself. For example, SIB in Antigua had its own accounts, human resources and IT departments, reporting to heads of department in Antigua, and its accounts were prepared and audited in Antigua by C. A. S. Hewlett & Co of St John’s, Antigua. I have specifically been told by the employees of SIB who I have interviewed and been assisted by thus far that no substantial management services (in terms of IT, human resources, accounting or the running of the business) were provided to SIB from persons outside Antigua. I have found nothing in SIB’s books and records (or elsewhere) to suggest that their information is other than correct.



- (vi) Contrary to what Mr Janvey says in sub-paragraph (r), the Antiguan headquarters of SIB were more than an “*an administrative, bookkeeping and operational centre*”. Since the inception of my receivership I have not needed to resort to any group company in the US for the continued operation of the IT system, for the running of account statements for every customer to the date of the receivership or for the establishment of a claims management system. We have also managed to process over 4,500 change-of-address forms from Antigua to enable me to correspond with clients. The most important IT banking software for the operation of the Bank, Terminos, was also based in Antigua.
- (vii) SFGGML was paid for the administrative services it purported to provide, as set out in paragraph 18(iv) above. However, I am informed by members of the staff at the Bank that personnel from Stanford entities in the USVI (presumably SFGGML) only provided SIB with ad hoc legal advice, occasional commentary on the quarterly management reports and it ran a group wide purchasing department which was recharged to the various Stanford companies as appropriate. Apart from this ad hoc assistance, SFGGML, SFGC and SCL had no other involvement in running the day to day operations of SIB, and did not provide services worth (combined) \$22.5 million. Moreover, none of the members of the Bank’s staff I have spoken to is aware of SCL having provided any services to SIB.
- (viii) In sub-paragraph (v), Mr Janvey compares the amount (said to be \$268 million) which SIB paid in 2008 to other Stanford entities, predominantly in the US, and the \$3 million SIB paid in 2008 in staff salaries. Payment of monies to other Stanford entities was split between payments for referrals of business and payments for management functions/investment advice, which I have referred to above. The amount for the former in 2008 was \$158,000,000 and was paid to a number of different companies for customer referrals from around the world. SGC was paid \$95 million for referrals in 2008, which was to cover the commission of SGC offices in North, Central and South America. The management/investment fees came to a total of \$178 million and I have set out above how this amount was paid. It appears from my investigations that the \$22.5 million that was actually paid to SFGGML and SCL was a substantial overpayment given the lack of tangible

services provided to SIB and the fact that most of these services were carried out in-house at SIB.

**(h),(i)&(j) Number and value of investors from US**

21. Mr Janvey notes that more US citizens than Antiguan investors invested or made deposits in SIB and that the aggregate deposits made by US depositors exceeded the aggregate deposits in SIB made by Antiguan investors.
22. I have already explained that as an offshore international bank prohibited from accepting deposits from Antiguan investors, SIB's investors were necessarily principally located in other jurisdictions. Moreover, I have also pointed out that only 15.66% (by number) of investors in SIB were from the United States, and only 21.85% (by value) of deposits came from the US.
23. I did not claim in my first affidavit that 19.46% of depositors were Antiguan but instead informed the Court at paragraph 45.6 of my previous affidavit that this figure included depositors who had invested through STC, which is an Antiguan registered company. None of the settlors of the trusts of which STC was trustee was a citizen of the US, though beneficiaries under the trusts could be.

**(k) Virtually all decisions concerning SIB were made in the US or otherwise outside Antigua and Barbuda**

24. Whilst it may well be true that many decisions at a strategic level were taken by Mr Stanford and Mr Davis (for example as to the nature of the products to be offered by SIB), the implementation of those strategic decisions was undertaken to a large extent within Antigua.
25. So far as Mr Stanford himself is concerned, according to the former staff of SIB in Antigua, Mr Stanford was a regular visitor to Antigua, spending several days a month there. I am also aware from staff at the Bank that he travelled extensively between the US, St Croix, Antigua and Europe.

**(l) Most sales activity occurred outside Antigua**

26. I have dealt above with the fact that sales of CDs was undertaken using the services of a network of financial advisors, employed by local Stanford group companies in the various jurisdictions in which they operated. They were based in Antigua, Aruba, Canada, Colombia, Ecuador, Mexico, Panama, Peru, Switzerland, USA and Venezuela.
27. While it is true that only certain "high-rollers" were flown to Antigua for personal meetings at the Bank (my investigations of the company records show that there were 240 such clients who

visited the Bank in 2007 and 123 in 2008), I disagree that there was no other personal contact available for investors with employees of SIB in Antigua. SIB, through its employees in Antigua, did have direct contact with large numbers of customers through the client services department in Antigua, which I have worked with since my appointment. I have made enquiries of the client services team and Melinda Fletcher who was, and still is, the principal receptionist at the Bank's premises. Ms Fletcher told me that on average 30 calls a day were received from clients of the Bank. Given that the vast majority of SIB's customers were on fixed term deposits and rarely had reason to contact the Bank to enquire about their account, and each customer also had a financial adviser, this number is not insignificant. Beverley Jacobs has confirmed to me that the credit card services provided to 3,500 customers were managed directly from Antigua through the bill payments department. The private banking service used by several hundred customers was also operated in Antigua. These services meant that customers could request that employees of the Bank pay bills, mortgages, credit cards on their behalf and set up standing orders for them. I have met and made enquiries of the employees at the Bank who carried out these services. In addition to this, the employees in Antigua organised and sent out account statements to customers each month/quarter, other than to those customers on "hold mail". Following my appointment as Receiver, I was able to utilise the Bank's systems in Antigua to send out final account statements to customers to inform them of their closing balances at the inception of the receivership.

28. Much of the SIB marketing material also listed a telephone number for SIB, which was the Bank's phone number in Antigua where potential clients could call and make enquiries. I have been informed by former employees that calls from investors or potential investors were put through to the client services department. Instructions were not accepted verbally over the telephone for security reasons and any clients or potential clients who attempted to do so were informed that they had to send their instructions in writing.
29. SIB's marketing materials did indeed refer to the other aspects of the Stanford group, but they did not "emphasize that SIB was part of the larger Stanford group of companies, which was founded in Texas and headquartered in Houston". The independence of SIB and its location offshore in Antigua has always been made clear. The marketing materials referred to the group as comprising "independent financial services companies" (emphasis added) (exhibited at page 13 of KVT7, though due to the poor quality of that page I exhibit it again at page 16). In addition, according to the financial advisers who I have spoken to, SIB's financial advisers were not trained to emphasize that the investments were handled by a team in the US, as Mr Janvey asserts. In the marketing material that Mr Janvey exhibited, it states that "Our investment

teams...are comprised of seasoned investment managers located throughout the world" (emphasis added) (exhibited at page 8 of KVT 7).

30. I agree that the financial advisers collected from customers all of the account opening information required to set up an account. However, financial advisers could not open accounts or accept deposits themselves. All the information had to be sent to SIB in Antigua for approval first. Unlike Mr Janvey, I am aware of examples where SIB rejected applications from customers introduced through financial advisers, after carrying out checks of its own. This information was provided to me by Beverley Jacobs of the Bank and I attach at pages 17-19 an example of such a rejected application. The checks were thorough and independent, including running search programmes against the US Office of Foreign Asset Control and other international institutions running status enquiries.
- (m) SIB held itself out to creditors, borrowers and other obligees, as having its location in the United States**
31. Mr Janvey bases this assertion on certain contracts entered into by SIB, and related documents, in connection with investments that it was making in the US (exhibited at RSJ30). The most that these documents show is that SIB gave its contracting counterparties a correspondence address in the US. They do not support the assertion that it held itself out as being located in the US. For example:
- (i) The first contract exhibited (at page 2 of RSJ30) identifies on the first page that SIB is "an Antiguan banking corporation", and the reference to an address in Memphis on page 3 of RSJ30 is for service of notices;
  - (ii) The agreements at pages 31-37, 45-46 and 56-57 of RSJ30, and the UCC financing statement at page 38 of RSJ30, make it clear that the address within the US is a "care of" address, being the address of a different Stanford entity;
  - (iii) In relation to the contract at pages 31-37 of RSJ30, I attach further pages of that contract (which Mr Janvey has not exhibited) (see pages 20-23), which specify at page 20 that SIB is "*a company organised under the laws of Antigua and Barbuda*" and, in relation to a schedule showing each party's percentage of shares at page 22, that SIB's address is No.11 Pavilion Drive, St John's, Antigua;

- (iv) The various promissory notes at pages 4-7 of RSJ30 between Rob Westfall, Inc and SIB are provided without any context and presumably have a similar contractual relationship behind them to the contract at page 2 of RSJ30, which is not included in the affidavit;
- (v) All the contracts between pages 8-30 of RSJ30 are between SIB and another Stanford group company which would have been aware that SIB was an Antiguan based bank – it was the main institution in the Stanford empire;
- (vi) The certificate of foreign status at page 51 of RSJ30 similarly contrasts SIB's permanent address in Antigua with a "mailing address" in the United States.

32. As against this, the vast majority of SIB's contracts were with its customers (roughly 27,000 immediately prior to its collapse). These contracts strongly suggest that SIB was headquartered, and third parties would consider it to be headquartered, in Antigua:

- (i) The Stanford International Private Banking marketing brochure (exhibited at pages 12-26 of KVT7), on its first page (page 15 of KVT7) states, "Stanford International Bank Ltd conducts business with the world from its headquarters in Antigua".
- (ii) The Stanford International Bank Ltd 20 Year Investment Philosophy brochure (exhibited at pages 1-11 of KVT7) shows on its second page (page 4 of KVT7) a picture of the SIB offices in Antigua and states, "SIB Headquarters, Antigua".
- (iii) All of the evidence I provided in paragraph 45.9 (*Client acceptance procedures and account openings*) of my first affidavit from the Terms and Conditions and other documents that investors received when opening an account with SIB also indicate that SIB's customers, and other third parties, would have viewed SIB as being an Antiguan company, not a US company.
- (iv) SIB's standard form contracts with its customers are governed by Antiguan law and contain a jurisdiction clause giving exclusive jurisdiction to the Antiguan courts to resolve disputes arising under the contracts. I refer to paragraph 45.9 of my first affidavit which sets out this clause in full.



- (v) SIB's assets are primarily held outside Antigua, which is consistent with the operations of an offshore bank. When customers invest in a bank in the British Virgin Islands or a hedge fund in the Cayman Islands, they do not expect that all of their money will be invested specifically in that jurisdiction, and the same applies to Antigua.

33. I exhibit at page 24 a copy of a standard form of CD. This clearly identifies SIB as being located in Antigua, and states that it is executed in Antigua.

34. Further, all bank statements and investment portfolios issued to SIB were addressed and sent to Antigua. The banks and financial institutions providing them, which are very conscious of their "know your client" obligations, obviously considered their customer (SIB) to be an Antiguan company.

**(n),(o)&(p) The assets of SIB are located principally in jurisdictions other than Antigua and Barbuda**

35. It is true that SIB invested the funds it received from customers in many jurisdictions around the world. SIB recorded its investments in three tiers, which I deal with separately below.

36. Tier 1 covered cash balances held by SIB and the cash balance analysis as at 18 February 2009 and the location of those assets is as follows:

Country	Bank(s)	Balance US\$ million	% of total balance
Canada	Toronto Dominion	19	41%
Antigua	Bank of Antigua	10	22%
United States	Trustmark Bank of Houston Comerica	9	20%
United Kingdom	HSBC Bank Plc	5	11%
Panama	HSBC Bank Panama SA	3	6%
	<b>TOTALS</b>	<b>46</b>	<b>100%</b>

37. Tier 2 covered funds under investment with international financial institutions. As at the inception of the receivership, the values of those investments were as follows, though it should be noted that some institutions have refused to provide current balances and are thus not represented in this table:

Country	Bank / Institution	Balance US\$ million	% of total balance
Switzerland	SG Private Banking		



	Banque Franck Galland RBS Coutts Bank Julius Baer	117	50%
United Kingdom	Credit Suisse Marex	105	45%
United States	Barclays Wealth Charles Schwab Northern Trust	12	5%
	<b>TOTALS</b>	<b>234</b>	<b>100%</b>

38. The third tier of investments was in private equity, land holdings and shareholder loans. These can be broken down as follows:

- (i) Equity and loan advances to corporations – as per Mr Janvey’s and Mr Van Tassel’s evidence at KVT4, the value of the monies invested or loaned to companies by SIB, as at 30 June 2008 was US\$295 million. The majority of this sum relates to US corporations and funds.
- (ii) The property assets for SIB in tier 3, excluding the Bank of Antigua property, comprised 2 holdings of land, both of which were in Antigua:
  - Guiana Island and associated lands, which was acquired for a cost of US\$63 million; and
  - Pelican Island, which was purchased for US\$17 million.
- (iii) Mr Janvey refers to a shareholder loan of US\$1.6 billion that had been made to Mr Stanford, which accords with my own enquiries. We have identified that, as of 31 July 2008, Allen Stanford had invested over US\$510 million by way of capital in various Antiguan companies including:
  - Stanford Development Company Ltd (property company)
  - Sticky Wicket Ltd (restaurant)
  - Sun Publishing Limited (newspaper publisher and printer)
  - Maiden Islands Holdings Ltd (property company)
  - Stanford Aviation Ltd (private air charter)
  - The Islands Clubs Ltd (property company)
  - Stanford Financial Group Ltd (financial services)

- Antigua Athletic Club Ltd (health club)

39. In addition, as of 31 July 2008, Mr Stanford had invested a further US\$25 million by way of capital in Bank of Antigua, Stanford Trust Company Ltd and Stanford Group (Antigua) Limited.
40. As I have set out above, there are substantial property interests in the name of SIB in Antigua. There are also significant land holdings in the name of other Stanford companies in Antigua, though as the only source of income in the Stanford group, other than through management fees, was SIB, I consider this land was bought with SIB monies and that SIB has a claim for the return of this land for the benefit of its creditors.
41. The government of Antigua has not, as asserted by Mr Janvey, expropriated land owned by SIB (or indeed other Stanford companies), although it has passed legislation enabling it to do so. I am informed by members of the government that the intention behind this step was to ensure that the land could not be seized arbitrarily by interested parties or be sold before a proper structure had been put in place. Contrary to what Mr Janvey says about there being no compensation, the government is obliged under the Land Acquisition Act cap.233 to pay a market rate compensation for any land seized. I attach at pages 25-26 the statutory provision which so provides.

**(q) Investments resulted from sales outside Antigua (principally in the US)**

42. I have already dealt with the jurisdictions in which SIB's customers were located. I disagree with the statement that the investors were principally located in the US. As I indicate above, approximately 78% (by value) and approximately 85% (by number) of investments in SIB came from outside the US. Customer account relationships were principally with the financial advisers. Each customer had a financial adviser in his own jurisdiction and, as 85% of customers were from outside the US, their corresponding financial advisers were also outside the US.
43. The purchase of CDs by customers resulted in the injection of funds into SIB, and clients were instructed to pay their money into various banks located around the world, none of which was in the US. The banks were in Canada and England, and US\$ cheques were directed to be sent to SIB in Antigua, which were forwarded onto Bank of Houston to be cashed. The other normal operating accounts of SIB were also located in the US, Antigua and Panama.
44. So far as redemptions are concerned, at the time of the maturity of a CD or upon a withdrawal by a client, in accordance with the terms of a CD, the client would notify SIB (in Antigua) in

writing of their desire to withdraw funds. The instruction was processed by the client transaction team which produced Swift payment transfers from Antigua for the Toronto Dominion bank account in Canada or the HSBC account in England, and upon being checked by a supervisor, these instructions were issued to the bank in question.

**(r) Administrative and other support for the operations of SIB was located in the US.**

45. I have dealt with these allegations above (see in particular paragraph 20 above). In summary, Mr Janvey overstates the importance of other Stanford entities in the operations of SIB, underplays the significance of the Antiguan staff to the operations of SIB, and in connection with the sales operation, ignores the fact that the financial advisors in the US spent the majority of their time selling brokerage accounts in SGC rather than CDs in SIB, which is borne out by the percentage of SIB customers situated in the US.

**(s)&(t) Stanford marketing emphasised the entire global Stanford family of companies**

46. It is true that some of the marketing materials provided to clients was about the Stanford group of companies, but I dispute that it was such as to cause investors to believe that SIB was itself based, or otherwise had its “centre of main interests”, in the United States. Much of the marketing materials made clear that investors were investing in SIB in Antigua. I refer to the marketing materials Mr Janvey and Mr Van Tassel have exhibited at KVT7 (on which I provide comments at paragraph 32 above) and also to the Terms and Conditions, the Terms of Deposit and the Disclosure Statement I referred to in paragraph 45.9 of my first affidavit.

47. The terms and conditions were, as Mr Janvey says, in a separate document to the application form that people had to sign in order to open an account with SIB. However, the application form includes the following wording beneath the signature block:

*“We hereby confirm that (i) the above given information is correct and we hereby acknowledge receipt of a copy of the Bank’s General Terms and Conditions and agree with the contents thereof...”*

At the bottom of the page the address of SIB is clearly stated as being in Antigua and the telephone and fax numbers are the numbers of SIB in Antigua. When investing monies in SIB, investors were likely to read the terms and conditions relating to the account given that the lowest permissible level of investment was set at US\$50,000 for US investors and US\$10,000 for investors elsewhere.

48. I have also been informed by a financial adviser in Venezuela that each customer was taken through the terms and conditions for the account line by line before completing the account opening forms. He indicated that it was always made clear to customers that SIB was an Antiguan bank. In certain jurisdictions, especially Venezuela, I am informed that it was considered an advantage that the Bank was offshore because it ensured greater confidentiality, which was important due to the risk of kidnapping and government investigations into holding money in US dollars.

**(u) SIB incorporated in Antigua**

49. For the many reasons set out in my first affidavit and in this affidavit I disagree that the only real connection between SIB and Antigua is that it was incorporated there. So far as SIB's premises are concerned, it is true that the building is rented, as Mr Janvey rightly asserts. However, SIB paid US\$6 million as part of the consideration for obtaining a short-term lease. Given this very high advance rental payment, I intend to bring a claim for SIB's equitable ownership of that building in due course. SIB also owns its former premises at No. 1000 Airport Boulevard at Pavilion Drive, St John's, Antigua which is occupied by the Bank of Antigua and comprises roughly 15,000 square feet of office space on 3 acres of land.

**(v)&(w) Operational decisions not made in Antigua**

50. I have dealt with much of the matters in these sub-paragraphs elsewhere (see, in particular, paragraphs 20 and 45 above).

51. Juan Rodriguez-Tolentino, the President of SIB, worked full time in Antigua. He attended board meetings, some of which were in Antigua, though most were held by telephone. He hosted an annual visit by the investment committee to the Bank in Antigua. He also dealt with important investors as Mr Janvey sets out. These people were not "*typical SIB investors*", but it would be unusual for a bank president to deal with typical customers. There were also a substantial number of such clients or potential clients who visited the Bank. The day-to-day management of the Bank, including its relationships with its 27,000 customers, was conducted by SIB employees in Antigua. I attach at page 27 a structure chart which shows all of the different employees of SIB, the departments and the job titles of each employee. As can be seen, the senior levels of management included the President, Juan Rodriguez-Tolentino, the Senior Vice President, Miguel Pacheco, the Vice President of Operations, Eugene Kipper, the Vice President of Client Support, Beverley Jacobs, the Human Resources Manager, Jennifer Roman, the Finance Manager, Omari Osbourne, the Internal Auditor, Trevor Bailey and Compliance Officer, Lisa-Ann Christian and the Quality Control Supervisor, Eloise Matthew.



Each of these employees worked from SIB's premises in Antigua and all but two of them are Antiguan citizens.

52. I have been informed by Mr Rodriguez-Tolentino that he had been trying to change his pay structure for some time but it had not been processed. He was unable to explain why his salary was paid by a different group company.

**(x) SIB's employees in Antigua**

53. I have dealt with most of the points made in this paragraph at paragraph 20, 45 and 51 above. In addition to the points I make above:

(i) The employees in Antigua, contrary to Mr Janvey's understanding, corresponded with every customer by sending them monthly/quarterly account statements and CD confirmations. I am informed by Beverley Jacobs, Jennifer Roman and Omari Osbourne that they reported only to either the Vice President or President of SIB in Antigua.

(ii) As set out above, I am informed by Beverley Jacobs that the second level of customer checks carried out in Antigua was crucial to the opening of new accounts and those checks were diligently carried out; it was not an automatic rubber stamping process.

(iii) The roles of the employees at SIB can be seen from the structure chart exhibited at page 27.

**(y) Payments of interest and capital redemptions made from accounts outside Antigua**

54. It is true that the banks used by SIB for the purposes of receiving cash from, and making payments to, customers were its accounts with Toronto-Dominion Bank in Canada and HSBC in England. However, when redemption requests were made to financial advisers by SIB's customers, the requests were then forwarded to SIB in Antigua for processing. Instructions for the Swift payments were given from Antigua.

**(z) Copies of client files were maintained in the originating branch offices of the Stanford entities**

55. So far as I am aware, each originating branch would retain only the files of customers investing through that branch. If Mr Janvey is correct in asserting that client data was "*available by computer to Stanford offices in Houston and Montreal*", this would be a criminal offence in Antigua if it related to customer specific information. Under Antiguan law it is an offence for

anyone to make available client specific information and if this information had been uploaded onto networks that were accessible outside Antigua then it would be a breach of that legislation.

**(aa) Accounting functions of SIB were a branch and function of the accounting and auditing functions of the Stanford groups**

56. SIB had its own accounts department that operated independently on the SIB accounts, although it had some interaction with other group companies as well. Each month, the management accounts were drawn up by the accounts team in Antigua. The only input from other parts of the group came directly from Mr Davis who provided the figures for the tier 2 and tier 3 investments.

57. I am told by Omari Osbourne, SIB's Finance Manager, that the auditing of SIB was also carried out in Antigua and employees from the Antiguan auditors would spend several weeks at the Bank's headquarters in Antigua each year to carry out their review. This was normally held during late January to early February each year. After all the major transactions had been included in the financial reporting system, all the necessary supporting schedules were prepared for review – firstly, by the internal audit team, and secondly, by the external auditors (C.A.S. Hewlett & Co). The audit team normally comprised a minimum of 6 persons who would visit SIB over a period of two weeks to review the supporting schedules, which were normally prepared by the Accounting Manager. In addition to the supporting schedules to the financials, each team was provided with a draft copy of the financials (Balance Sheet, Income Statement and Cashflow), trial balance and any other supporting documentation as evidence of the figures reported in the financials and supporting schedules. Of the persons reviewing the documentation, they were normally split into groups of 2 and they reviewed one section at a time. Any matters arising from their review were normally discussed for clarification or rectification. When all major issues had been resolved or discussed, each member of the team would affix their initials to the supporting schedules as evidence of their review. In some cases, minor changes to the schedules were left for the Accounting Manager to correct, after which, the file was copied and forwarded to C.A.S. Hewlett & Co where they would perform their own review. The C.A.S. Hewlett & Co review would take another 3 to 5 weeks to complete. During this time, any questions or issues arising would be addressed by way of providing additional documentation or verbal answers depending on the matter raised. Upon completion of their review, C.A.S. Hewlett & Co would issue their report and the figures would then be available for publishing, etc. The process was dealt with exclusively in Antigua.

**(bb) Loans made by SIB were minimal**



58. At the time SIB went into receivership, \$100.4 million was outstanding in respect of loans granted by SIB to its customers, advanced against the CD balances held on their behalf. It is true that borrowers were not permitted to borrow more than 80% of the sums on deposit. It is not true that Mr Stanford or Mr Davis had any involvement in agreeing loans. Beverley Jacobs informs me that loan requests were sent to SIB in Antigua, where they were assessed and approved; there was no recourse to the US.

59. I disagree with the figures in sub-paragraph (bb)(ii). From my review of the accounts at the Bank, it is clear that as at the date of my appointment as SIB's receiver, there was \$100.4 million in loans outstanding. Of this, \$6.9 million was owed by US citizens, representing 6.88% of the total.

**(cc) Bank statements**

60. Irrespective of where duplicate bank statements may have been sent, each of the banking and financial institutions around the world, including in the United States, sent the official statements to Antigua, no doubt in recognition of the fact that the headquarters of SIB were in Antigua.

**(dd) Private banking**

61. The private banking activities offered to clients and carried out in Antigua cannot credibly be portrayed as insignificant. "Private banking" was not undertaken for all customers. Those that chose it were dealt with in Antigua, as set out in my first affidavit. Several hundred customers chose this service and the staff in Antigua were more than capable of carrying out the duties that this entailed, set out above. The other customers of SIB also received a high level of service, but, given that the majority of them were on fixed term deposits, their requirements were not such that they needed regular contact with the Bank.

62. Mr Janvey's paragraph 57 concludes that SIB's COMI is in the US. Based on the evidence set out in my earlier affidavit and above, which shows that all of the important documents and relationships point to SIB's day to day operations being carried out in Antigua, where customers would understand it to be and where 95% of its employees were based, I do not accept his conclusion.

63. In paragraphs 58-59 Mr Janvey deals with the COMI of STC. Whilst I am one of the joint receivers of STC appointed in Antigua, that company is not as yet in liquidation (although it is my intention to cause it to be put into liquidation in due course). So far as I am aware there are no assets of STC in this jurisdiction, and I do not therefore believe there is any need to seek

recognition of any foreign proceedings (assuming, contrary to my contention, that there are at present any “foreign proceedings” either in the United States or in Antigua within the meaning of the Cross Border Insolvency Regulations). Were it necessary to do so, however, I refute the suggestion that the COMI of STC is in the United States.

**Mr Karyl Van Tassel’s affidavit**

64. I do not intend to deal specifically with all of Mr Van Tassel’s evidence in this affidavit as the majority of the points that he makes are covered above, as his arguments and general evidence to support those arguments mirrors Mr Janvey’s affidavit very closely. References to paragraphs in Mr Van Tassel’s evidence will be preceded by “KVTp”.
65. In KVTp11(b) Mr Van Tassel makes various assertions about sales to US citizens and the actions of brokers in the US. It is worth restating that only 15% of SIB customers were from the US and financial advisers in the US would not have dealt with investors from outside the US.
66. Mr Van Tassel states in KVTp18 that tier 1 was managed from Houston. In fact, SIB employees have informed me that they would manage the monies being paid into the accounts under tier 1 and would have a continued involvement in the management of those accounts until those monies were transferred for the purposes of onward investment in tier 2 or 3.
67. It is not true that most of the sales force for SIB CDs was in the US, as Mr Van Tassel states at KVTp31. Of all the brokers in the US, the majority worked on brokerage accounts, not SIB products, and this is supported by the percentage of investors who were located in the US. Also, regardless of the delivery addresses for STC trusts that Mr Van Tassel lists at KVTp37, I am informed by Grace Solomon, Finance Manager, Cicely Samuel, Filing Supervisor and Allison Briggs, Filing Manager (all former employees of STC) that STC also did not accept customers who were citizens of the US.
68. Mr Van Tassel contests at KVTp34 that SIB would “log the payment of monies into SIB”. I have been informed by Omari Osbourne (the Finance Manager) that SIB employees did in fact carry out this task and would then provide daily details of the movements in and out of the accounts to other group companies for the purpose of onward investment and to ensure that the accounts remained in funds for redemption requests.
69. As regards KVTp38 and the location of STC customers, records indicate that STC had 3,087 customers with investments in the Stanford group, although not all of those investments were in SIB. SIB records show that it had 4,002 customers in Antigua, of who up to 3,087 could have

invested through STC. It therefore appears that at least 915 people resident in or originally from Antigua invested in SIB. It appears that the vast majority of these people are expatriates resident in Antigua.

### **Offshore Banking**

70. At paragraph KVTp46, Mr Van Tassel refutes my previous statement that customers were attracted to SIB because it was outside their own jurisdiction and was based specifically in Antigua, as an offshore bank. Mr Van Tassel states that “this is not correct” and lists factors from some of the marketing materials as the real reasons why people wanted to invest in SIB. One of the other reasons in the same materials at page 10 of KVT7 that Mr Van Tassel failed to quote is:

*“We are domiciled in a low tax jurisdiction, allowing us to reinvest more of our profit into the Bank’s retained earnings, which has provided us a strong capital base from which to grow”.*

One of Mr Janvey’s arguments is that SIB’s COMI was actually in the US because its customers were led to believe that they were investing in a company that was based in the US. There are numerous references (set out above) to SIB being located in Antigua in the literature. One of the reasons for investing in SIB was also that it was offshore in a “low tax jurisdiction”. I understand that the US is not a low tax jurisdiction and could not be confused with one.

### **C MISCELLANEOUS MATTERS RAISED IN MR JANVEY’S AFFIDAVIT**

#### **(1) US Court’s receivership order**

71. At paragraph 20, Mr Janvey refers to the petition that I have filed in the US Court for Chapter 15 recognition and to the application for the lifting of the injunction preventing any third party from filing any bankruptcy proceeding given by Judge Godbey on 12 March 2009. Mr Janvey states that the intention of these applications appears to be to:

*“...transfer control, from the US court to the Antiguan court, of the winding up of SIB and the distribution of its assets to claimants.”*

To clarify, the purpose of this application is to seek recognition of the Antiguan liquidation as a main proceeding. I fully appreciate, given the manner in which Mr Stanford and his associates appear to have dealt with the assets of SIB and the other Stanford group companies incorporated in the US, that it is essential for there to be co-operation between the appropriate officeholders in Antigua and in the US. A first step in such co-operation is for the Antiguan liquidation to be

recognised in the US. To enable me to make that application, it was necessary to seek to lift the injunction obtained by Mr Janvey on 12 March 2009 preventing any party other than him from instigating bankruptcy proceedings in the US Courts. As the applications before this Court make perfectly clear, Mr Janvey and I do not agree as to which of the Antiguan liquidation and the US Receivership is the “main” SIB proceeding. I fully accept that my belief is that the assets of SIB worldwide should be repatriated to Antigua and distributed to SIB’s creditors in the liquidation, and that my applications in this Court and in the US are designed to assist me to achieve that objective.

72. In the same paragraph, Mr Janvey says that the US Court is:

*“...the only court in the world to have jurisdiction over all the relevant defendants and entities.”*

Whether or not Mr Janvey’s view is correct, the central question which arises on the applications before this Court is which of the office holders (Mr Janvey or me) should be entrusted with the distribution of SIB’s assets in this jurisdiction. SIB operated in its own right and is a legal entity distinct from the other Stanford entities. I have not seen any evidence to suggest that its assets are so commingled with the assets of any other Stanford entity or entities that they cannot be identified, gathered in and distributed amongst SIB’s creditors.

**(2) Other foreign proceedings**

**(a) The Antiguan Receivership**

73. At paragraph 23, Mr Janvey suggests that my description of his first application before the Antiguan Court was “inaccurate”. I do not accept that allegation. I was present at the hearing of 9 March 2009 (Mr Janvey was not) and Mr Janvey’s application for time to file papers in the Antiguan Court did indeed centre on his intention to seek *“to establish the primacy of the US receivership over”* the Antiguan receivership.

**(2) Other foreign proceedings**

**(b) The Antiguan Liquidation**

74. At paragraphs 24, 25 and 26, Mr Janvey makes reference to the winding up petition of Mr Fundora and the lack of notice that he received. I was not involved in Mr Fundora’s petition and am not able to comment on its substance or whether notice was given to Mr Janvey.

75. On 25 March 2009, the FSRC filed a separate petition for the winding up of SIB, as set out at paragraph 11 of my previous affidavit, which I supported. At paragraph 27, Mr Janvey says that



he was “...surprised and disappointed...in light of the US Receivership Application...” not to have been given any notice of that petition by me. The Court should be aware that:

- (a) First, I did not file the petition (it was the FSRC’s petition) and it was not, therefore, my choice whether to give notice of it to Mr Janvey.
- (b) Second, the US Receivership Application had not resulted in Mr Janvey “filing” any documents in the Antiguan Court. Despite making an oral application for permission to serve papers on 9 March 2009 (for which he gave me no notice), Mr Janvey had made no filing in Antigua which would have given rise to an entitlement to be given notice of the FSRC’s petition.

- 76. In paragraph 31 Mr Janvey states that I was wrong in my recollections of the hearing on 3 April 2009. This is incorrect. Mr Janvey’s application was to postpone making an application for recognition which was due to have been made by 1 April 2009. The judge, in telling Mr Janvey to withdraw his application, was not just referring to the postponement application – this would have left Mr Janvey with no date by which to file his receivership application. In making his decision, the judge was passing judgement on Mr Janvey’s ability to make an application for the recognition of the supremacy of his receivership i.e., he did not have locus to do so.
- 77. Mr Janvey refers at paragraphs 32 and 33 to an application that he made for recognition of his receivership as an “interested party” and, alternatively, as a defendant to the petitions. This application was dismissed, as Mr Janvey states and, contrary to what he says, the judge dealt with his argument to be joined as a defendant verbally at the hearing.
- 78. In paragraph 35 Mr Janvey states that the court did not afford him the opportunity to deal with the worldwide effect of his receivership order that was contested by the judge. Again, this was dealt with in verbal argument in the Court and submissions on the point were made by Mr Janvey’s counsel, after which the judge’s opinion remained unchanged.
- 79. In paragraphs 33b and 35 Mr Janvey notes that one of the grounds why the Antiguan court dismissed his application, was that the US Court order did not extend to Antigua. He goes on to quote the extra-territorial section of his appointment document to show why it should have been deemed to do so. However, Mr Janvey misunderstands the grounds that Harris J set out in paragraphs 41-44 of his judgement (see RSJ16A), which are that the US order by itself has no automatic standing in Antigua and the appropriate channels must be followed in order to have an order recognised.

80. Mr Janvey goes on to say in the same paragraph that he sought permission orally to make an application for recognition, which was granted, and yet he did not make that application despite having over 3 weeks to do so. Instead he sought to postpone his application and this was denied. Mr Janvey had ample opportunity to gain a status in Antigua which would have allowed him to be heard before the Courts but he did not take the opportunity to do so. In paragraph 36 Mr Janvey states that the Antiguan Court reached its conclusion to appoint me as liquidator of SIB without considering or hearing his recognition application. As I state above, other than seeking leave to do so, Mr Janvey never made a receivership recognition application and so the Court was not in a position to consider it.

81. In paragraph 42 Mr Janvey criticises the Antiguan Court for not considering certain “central” issues now before the English Court. Taking his points in turn:

- (a) The Court did not consider whether Mr Janvey should be recognised as the representative of SIB because he did not make an application for such recognition;
- (b) The Court did not consider the COMI of SIB because Antigua is not party to the Model Law and there is no such concept in Antiguan law; and
- (c) For the same reason, there is no concept of main or non main proceedings in Antigua.

**(2) Other foreign proceedings**

**(c) The Canadian Proceeding**

82. Mr Janvey in paragraph 43 states that the “Antiguan Liquidators had...obtained...recognition”. This is not true. Mr Janvey is in fact referring to my application for recognition of my *receivership* in paragraph 43. He also states that he was not provided with notice of my application for recognition of my receivership. I was advised by my Canadian counsel, Ogilvy Renault, that under the terms of the Canadian Bankruptcy and Insolvency Act (“BIA”), it was not necessary to provide such notice. The purpose of seeking recognition of the receivership in Canada was to ensure that I was in a position to protect SIB’s assets located there. The application to court did not mention that a receiver had been appointed in the US, although it did mention the existence of the SEC’s freezing injunction over SIB. Again, I was advised by my Canadian counsel that this was compliant with the BIA. I am informed by Julie Himo, a partner at Ogilvy Renault, that at the time of the application, effort was made to take the judge through all aspects of the motion in support of the application and the draft order in order to ensure that the BIA was fully complied with.



83. Since my receivership was recognised in Canada, SIB has moved into liquidation in Antigua. I have therefore filed a new application for the recognition of my liquidation in the Canadian courts and Mr Janvey was given full details of that application.

84. Mr Janvey, in the same paragraph 43, alleges that I acted improperly with regard to the computer servers that were utilised at SIB's offices in Montreal. This is not so, as I explain below:

- Shortly after my appointment, it came to my attention that the rent on the Canadian office of SIB was very shortly due to be paid. Realising that the employees in Canada could no longer continue to work given the effect of the SEC freezing order over the Stanford entities and the news circulating about SIB in the worldwide press, I arranged for members of my team to visit the Canadian office, accompanied by IT specialists.
- During this visit, we arranged for the staff to be sent home and for the fixtures and fittings to be valued with a view to selling the contents of the office. We were aware that there was a possibility that the landlord may change the locks on the property, or seek to distrain against SIB's property, including the computers, given the non-payment of rent. In light of this, we were concerned about leaving confidential information concerning SIB's affairs on the computers in the offices.
- Given that the office would be vacated, I instructed the IT specialists to preserve the information on the computer servers in the office by imaging them to a criminal evidential standard. This is standard practice in an insolvency situation as the computers must have the contents of their servers preserved before the information is deleted in advance of a sale of the computers.
- The images of the servers were then removed from the premises and returned to Antigua where they were secured. The deleted servers used in the Canadian office were left at the premises. Each of these steps was done in conjunction with Canadian legal advice from Ogilvy Renault. I informed Mr Janvey of my intention to carry out this plan on 26 February 2009 in a report I provided to him and he raised no objection at that stage.

**(3) Steps taken by me in relation to SIB and the Stanford entities**

85. Mr Janvey claims at paragraph 48 that he is unsure whether the statement of balances of customers, that I and my colleagues have fixed, is correct "*since many numbers generated by SIB seem to be incorrect*". As justification for this Mr Janvey refers to comments I made in

Court in Antigua regarding the inaccuracy of investment figures. This confuses two different sets of figures, the first being the "value" of investments, which were largely in the control of Mr Stanford and Mr Davis and therefore liable to manipulation, and the second being the standing balances on deposit accounts. The latter is a matter of fact, not valuation, and can be established accurately. I therefore consider that the account balances we have confirmed to investors are correct.

Sworn by NIGEL JOHN HAMILTON-SMITH )

at )

this day of May 2009 )

Before me )

a Solicitor /Commissioner for Oaths )

**N J Hamilton-Smith  
2nd Affidavit  
Applicant  
15 May 2009  
Exhibit "NJHS2"**

**No. 13338 and 13959 of 2009**

**IN THE HIGH COURT OF JUSTICE**

**CHANCERY DIVISION**

**COMPANIES COURT**

**IN THE MATTER OF STANFORD  
INTERNATIONAL BANK LIMITED (IN  
LIQUIDATION)**

**AND**

**IN THE MATTER of THE CROSS-BORDER  
INSOLVENCY REGULATIONS 2006**

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**SECOND AFFIDAVIT OF  
NIGEL JOHN HAMILTON SMITH**

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CMS Cameron McKenna LLP  
Mitre House  
160 Aldersgate Street  
London EC1A 4DD  
T +44(020) 7367 3000  
F +44(020) 7367 2000  
Ref: DAHE/RF/RWH/101248.00023

# EXHIBIT J

From: Stanford, Allen  
Sent: Monday, October 08, 2007 4:23 PM  
To: Hubener, Doug  
Subject: Re: USVI Report - Weekly

Doug does this include yesterday and today (Oct 7 and 8) as 2 days in the VI for the 130 total? Also from here forward send to me only with a cc to no one else the days in the VI update on a daily 7 day a week report as follows.

(1).... "VI days 130 as of today".....

(2).... "plus 10 day US mainland credit to VI days" .....to get a total so today for example if the 130 is correct it would be plus 10 day credit for.... "140 days total in the VI".

(3)....43 days needed in VI to comply 84 days remaining in 2007"

Send me 1-2-3 as per the lines in quotes above every day Mon - Sun no cc. Thanks  
RAS

----- Original Message -----  
From: Hubener, Doug  
To: Stanford, Allen  
Cc: Walker, Kye; Stack, Joan  
Sent: Mon Oct 08 09:31:48 2007  
Subject: USVI Report - Weekly

Mr. Stanford,

The following summarizes your presence in the USVI and USA. (Including today 10/8/07))

(Substantiating records are maintained in SGR and the attached provides the daily detail.)

PRESENCE SUMMARY

Date of Report

10/08/2007

Days in USVI:

130



TODAY

10/08/2007

Days in Mainland USA:

103

Days Remaining to comply:

53

2007 Days remaining

84

Remaining Days Available In USA:

-13

From: Stanford, Allen  
Sent: Monday, December 31, 2007 11:36 PM  
To: Hubener, Doug  
Subject: Re: USVI Report- Daily

Happy New Year! RAS

----- Original Message -----

From: Hubener, Doug  
To: Stanford, Allen  
Sent: Mon Dec 31 17:22:24 2007  
Subject: USVI Report- Daily

Mr. Stanford,

- 1- VI days 189 as of today.
- 2- Plus 8 days US mainland credit for 197 VI days.
- 3- 0 days needed to comply (includes credit) with NO days remaining.

Happy New Year  
Thanx  
Doug

From: Stanford, Allen  
Sent: Tuesday, December 30, 2008 4:36 PM  
To: Hubener, Doug  
Subject: Re: USVI Report

Keep the record but no longer necessary to send for 08. RAS

----- Original Message -----  
From: Hubener, Doug  
To: Stanford, Allen  
Sent: Tue Dec 30 10:30:10 2008  
Subject: USVI Report

Mr. Stanford,

- 1- VI days: 190 as of today.
- 2- USA days: 82 as of today.
- 3- 0 USVI needed to comply with 1 days remaining.

Thanx

Doug