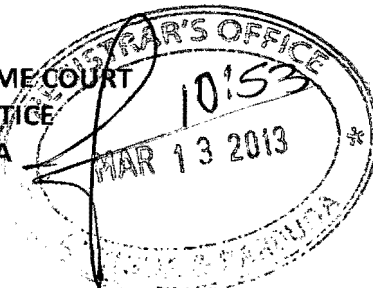


1. Applicant
2. Marcus Wide
3. 11<sup>th</sup> Affidavit
4. Exhibit MAW-12
5. Sworn: 12 March, 2013
6. Filed: [ ] March, 2013

**THE EASTERN CARIBBEAN SUPREME COURT  
IN THE HIGH COURT OF JUSTICE  
ANTIGUA AND BARBUDA**



**Claim No. ANUHCV 2009/0149**

**In the Matter of Stanford International Bank Limited (In Liquidation)**

**-and-**

**In the Matter of the International Business Corporations Act, Cap 222 of the  
Laws of Antigua and Barbuda**

**-and-**

**In the Matter of an Application for the Approval of the Proposed Settlement  
Agreement**

**MARCUS A. WIDE AND HUGH DICKSON AS JOINT LIQUIDATORS OF STANFORD  
INTERNATIONAL BANK LIMITED (IN LIQUIDATION)**

**Applicants**

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**ELEVENTH AFFIDAVIT OF MARCUS WIDE**

**[in support of the Joint Liquidators' Application seeking approval of the Settlement  
Agreement and Cross Border Protocol entered into by the Joint Liquidators, US  
Receiver, the US Securities and Exchange Commission, the Official Stanford Investor's  
Committee, the US Department of Justice and the US Court Appointed Examiner John  
J. Little]**

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I, **MARCUS WIDE** of Grant Thornton (British Virgin Islands) Ltd, 171 Main Street, The  
Barracks, 2<sup>nd</sup> Floor, PO Box 4259, Road Town, Tortola, British Virgin Islands, VG 1110  
being duly sworn, **MAKE OATH and SAY** as follows:

## **Introduction**

1. I am the same Marcus Wide who has previously sworn 10 Affidavits in these liquidation proceedings.
2. I am the Managing Director of Grant Thornton (British Virgin Islands) Ltd ("Grant Thornton"). On 12 May 2011 and by Order of Michel J. (the "Appointment Order"), I was appointed, together with my colleague, Hugh Dickson, as one of the new Joint Liquidators over the Estate of Stanford International Bank Limited ("SIB" or the "Estate") (together, the "Joint Liquidators") replacing Messrs Hamilton-Smith and Wastell of FRP Advisory, and formerly, Vantis PLC (the "Former Joint Liquidators").
3. I believe that the facts stated in this Affidavit are true and, save where the contrary indicates, the facts are based upon my personal knowledge. Where the matters I set out below are not within my knowledge, I identify the source of my information and I believe the same to be true to the best of my knowledge and belief.
4. There is now produced and shown to me a bundle of documents marked "**MAW-12**" containing documents to which I refer in this my Eleventh Affidavit. References to page numbers in this Affidavit are to pages referred to in the said bundle.

## **Purpose of this Affidavit**

5. I swear this Affidavit in support of an Application brought by the Joint Liquidators, on behalf of SIB, seeking the following relief, namely that: -

- a. this matter be dealt with on an urgent basis and, in any event, on or before 15 April 2013, to allow for sufficient time for the Joint Liquidators to obtain Court approval of certain aspects of the Agreement from the Central Criminal Court of England & Wales before the Agreement meets its drop-dead date of 15 May 2013;
- b. the terms of the Settlement Agreement and Cross-Border Protocol dated as of 8 March 2013 (the "Agreement") between the Joint Liquidators, the United States Securities and Exchange Commission (the "SEC"), the United States Department of Justice (the "DOJ"), the United States Receiver, Ralph Janvey (the "Receiver"), the United States Examiner, John Little (the "Examiner") and the Official Stanford Investor's Committee ("OSIC") (together the "Settlement Parties") be approved by this Honourable Court;
- c. that this Honourable Court defer supervision over, and authorization of, the distribution of the approximately US\$80 million of funds currently frozen in the United Kingdom and the portion of the Swiss assets to be distributed to the Joint Liquidators by the DOJ, to the Central Criminal Court of England & Wales; and
- d. the costs of this Application be costs in the Liquidation.

### **Background to the Agreement**

- 6. In or about September 2012 the Joint Liquidators entered into negotiations with the DOJ, the SEC, the Receiver, the Examiner and OSIC with the aim of agreeing between them a coordinated global strategy dealing with, among other things, the following matters:

- i. the harmonisation of the Antigua and US Estates' creditor claims intake, processing and adjudication systems;
  - ii. the harmonisation of a cross-border litigation strategy to facilitate cooperation and coordination of efforts with respect to litigation, recovery and monetization of assets;
  - iii. the facilitation for sharing of information;
  - iv. the termination of competing legal claims as to the assets frozen in Canada, Switzerland, and the United Kingdom; and
  - v. the release and distribution to SIB depositors (otherwise known as creditor victims) approximately US\$300 million currently frozen (in aggregate) in Canada, Switzerland and the UK through the SIB Antigua Liquidation and the US Receivership.
7. The negotiations have taken place over several months in Washington, D.C., Texas, and Miami, Florida, and have resulted in an Agreement which has now been executed by all the parties. A copy of the executed Agreement dated as of 8 March 2013 is exhibited at pages 1 – 75 of MAW-12.

#### **Summary of the Agreement**

8. The salient terms of the Agreement are as follows:
- i. The Agreement sets out the division of some of the litigation between the Estates, as well as the coordination as to other litigation, and a mechanism to divide the assets emanating from that litigation between the Estates. (see Article III of the Agreement). This will lead to a reduction in costs as the Estates will now be cooperating and the pool of funds that will be distributed to the creditor victims thus will be maximized as regards the

coordinated litigation and those lawsuits over which there will no longer be competing litigation.

- ii. Information, not otherwise restricted, held by the Settlement Parties will be shared including unrestricted access to discovery materials, source documents and pleadings (consistent with the performance and exercise of the Joint Liquidators' functions and duties under the International Business Corporations Act Cap 222 of Antigua and Barbuda (the "Act") including under section 244 (1)(a) of the Act, which concerns the disclosure of information relating to the business affairs of a banking corporation's customer) (see Article IV of the Agreement). The parties also will cooperate in obtaining and facilitating the gathering of discovery needed by any other party and the Joint Liquidators will be given reasonable access to conduct discovery in the United States. All material confidential in nature shall be maintained as such by any and all receiving parties. This will greatly assist the Joint Liquidators in developing claims against the various parties they have already or wished to commence proceedings against to recoup funds for the creditor victims.
- iii. The funds currently frozen in London, Switzerland and Canada, totalling approximately \$300 million, will be divided between the two estates to be distributed to the creditor victims as follows:
  - a. The Canadian funds will be allocated to the Receiver;
  - b. The UK funds will be allocated to the Joint Liquidators; and
  - c. The Swiss funds will be allocated to the Receiver and the Joint Liquidators in a ratio of 2.2:1 (see Article VIII, see also Articles V, VI and VII of the Agreement).

- iv. The Agreement provides for a total sum of \$36 million to be used to fund litigation and administrative expenses associated with the Antiguan liquidation of SIB, to be held and distributed under the supervision of the Central Criminal Court in London. An initial sum of \$18 million of the UK funds is to be distributed into an account held in the name of the Joint Liquidators immediately upon entry of an order relating to the Agreement by the Central Criminal Court in London. The Agreement provides that the further \$18 million will be held back and released over time in proportion to the availability of funds from Switzerland becoming available for distribution to creditor victims (See Article VIII of the Agreement).
- v. The Agreement provides for coordination to take place between the Joint Liquidators and the Receivers of the claims and distribution process (see Article II of the Agreement). This will ensure that claims filed with one estate before the Receiver's claims bar date will be included in the claims process of the other estate, that claims filed in the Antiguan liquidation after that date be considered for inclusion in the Receiver's claims process, and that the Joint Liquidators and the Receiver will work together to ensure that all creditor victims receive the same approximate percentage of their loss. It is expected that this will achieve efficiencies & savings in the claims process and minimise the burden on creditor victims.
- vi. The Agreement ensures that competing legal claims as to the frozen funds in Canada, Switzerland and the United Kingdom will be terminated ensuring a speedier distribution of assets held in these jurisdictions to creditor victims and savings in costs (see Articles V, VI and VII).

- 9. I believe that the Agreement is in the best interests of the creditor victims for the reasons set forth above as well as the following:

- funds will be released to the Joint Liquidators from the frozen funds in the UK and Switzerland to pay a significant dividend to the creditor victims in the near future;
- funds will be made available to the SIB estate to facilitate the prosecution of lawsuits against third parties that are believed to result in substantial recoveries for the benefit of creditor victims;
- litigation between the Joint Liquidators and the Receiver will cease in various jurisdictions, which will reduce the costs of the estate and clearly be to the benefit of the creditor victims;
- coordination of the claims and distribution process will ensure fair distributions for all creditor victims; and
- the allowance of access to documents currently held by both the Receiver and OSIC by the Joint Liquidators will assist the Joint Liquidators in bringing the various claims they wish to bring further value into the SIB Estate.

## **Urgency**

10. This application for approval of the Agreement is urgent. Section 1.4 of the Agreement states that approval must be obtained from all relevant courts by 15 May 2013. If approval is not obtained by 15<sup>th</sup> May 2013 or an extension is not agreed by all the parties then the agreement will be cancelled. I believe for the reasons set out above at paragraph 9 that the approval of this Agreement is critical to the viability of SIB to continue its on-going efforts to obtain value for the creditor victims. For these reasons in accordance with paragraph 22 of the Appointment Order, the Joint Liquidators certify that this is an urgent application and should be dealt with at the first available opportunity. Additionally, **I believe that this Honourable Court needs to dispose of the instant Application by no**

later than 15 April 2013. The Joint Liquidators need an estimated 30-day period to move the Central Criminal Court in London to grant an order in the terms agreed by the Settlement Parties and marked Exhibit “H” to the Settlement Agreement. Such approvals must be obtained in sequence – (a) Antiguan first, and (b) UK second. Thus, Antiguan Court approval is of immediate urgency.

**Supervision of \$18 million of Funds Frozen in London and the portion of Swiss funds to be released to the Joint Liquidators by the DOJ**

11. As required by and to comply with section 5.1 and 5.4 of the Agreement, the Joint Liquidators also seek an order from this Honourable Court, with regard to the funds frozen in London, that this Honourable Court defer supervision of these funds to the Central Criminal Court in London. In addition section 8.3 of the Agreement states that the portion of the Swiss assets to be released by the DOJ to the Joint Liquidators should also be transferred to the distribution account in London to be supervised by the Central Criminal Court in London. These provisions have been included at the request of the U.S. parties to the Agreement and form a key part of the Agreement. In these circumstances I respectfully request that this Honourable Court defer supervision of these funds to the Central Criminal Court in London.

**Conclusion**

12. For the reasons set out herein, the Joint Liquidators respectively seek an Order in the terms of the draft Order attached to the Notice of Application. The Joint Liquidators firmly believe that the entering into the Agreement is in the best interests of the Estate and SIB’s creditors.



