

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

Claim No. ANJHCV2009/

In the Matter of Stanford International Bank Ltd.

And

In the Matter of Stanford Trust Company Ltd.

And

In the Matter of the International Business Corporations Act, 1982, CAP:222  
of the Laws of Antigua and Barbuda

And

In the Matter of an Application for the Appointment of a Receiver-Manager of  
Stanford International Bank Limited and Stanford Trust Company Ltd.

BETWEEN:

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant / Claimant

And

STANFORD INTERNATIONAL BANK LTD.  
STANFORD TRUST COMPANY LTD.

Respondents / Defendant

EXHIBIT CERTIFICATE

Copy of exhibit marked "PAA4" referred to in paragraph 7 of the Affidavit of Urgency

*Myrle R. Reynolds*  
Counsel for the Applicant  
ANTIGUA AND BARBUDA

Financial Services  
Regulatory Commission  
Banking Department

12/02/08

Stanford Trust Company Limited

Unaudited Financial Statements

December 31, 2008



## STANFORD TRUST COMPANY LIMITED

STATEMENT OF CONDITION (Unaudited)  
Expressed in United States Dollars

	December 2003	%	December 2007	%
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 13,345,005	41%	\$ 12,126,292	42%
Accounts Receivable	3,202,650	12%	2,165,565	8%
Due from Related Companies	2,747,841	10%	1,935,448	7%
Prepaid Expenses and Deposits	168,266	1%	160,027	0%
Total Current Assets	17,463,762	64%	16,387,332	57%
Investments	9,218,264	34%	11,635,007	40%
Leasehold Improvements, Furniture and Equipment	1,101,394	4%	1,091,335	4%
Less Accumulated Depreciation	(585,789)	2%	(400,512)	1%
Net Fixed Assets	515,605	3%	690,823	4%
Work in Progress	268,682	1%	186,261	1%
<b>TOTAL ASSETS</b>	<b>\$ 27,462,912</b>	<b>100%</b>	<b>\$ 28,389,523</b>	<b>100%</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>				
Accounts Payable	\$ 275,868	1%	\$ 47,957	0%
Accrued Liabilities	546,441	2%	692,664	2%
Due To Related Companies	1,323,047	5%	550,467	2%
Unearned Revenue	45,500	0%	-	0%
<b>TOTAL LIABILITIES</b>	<b>2,140,856</b>	<b>8%</b>	<b>1,317,108</b>	<b>5%</b>
<b>SHAREHOLDER'S EQUITY</b>				
Capital Stock	500,000	2%	500,000	2%
Contributed Capital	5,983,983	22%	5,983,983	21%
Retained Earnings - Prior Year	21,038,432	77%	14,760,171	51%
Current Year Profit	(2,200,359)	8%	6,278,261	22%
<b>TOTAL SHAREHOLDER'S EQUITY</b>	<b>25,322,056</b>	<b>92%</b>	<b>27,522,415</b>	<b>95%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 27,462,912</b>	<b>100%</b>	<b>\$ 28,389,523</b>	<b>100%</b>

Approved by:

Kenny Byron  
Director

## STANFORD TRUST COMPANY LIMITED

REVENUE STATEMENT (Unaudited)  
Expressed in United States Dollars

	Quarter Ended December 2008	YTD December 2008
Revenues		
Less: Direct Costs	\$ 4,702,422	18,246,940.00
	(409,365)	(917,268.00)
<b>NET OPERATING INCOME</b>	<b>4,293,057</b>	<b>17,399,672.00</b>
Other Income	535,769	1,519,165.00
<b>TOTAL NET OPERATING INCOME AND OTHER INCOME</b>	<b>\$ 4,828,826</b>	<b>18,918,837.00</b>
<b>EXPENSES</b>		
Salaries and wages	\$ 2,133,212	8,687,981.00
Rent	423,508	1,619,311.00
Travel and entertainment	113,610	468,114.00
Office supplies	28,566	181,954.00
Depreciation	49,773	198,454.00
Licenses and fees	38,549	77,786.00
Postage	64,054	201,333.00
Utilities	66,702	329,525.00
Advertising	34,396	59,483.00
Repairs and maintenance	36,220	119,853.00
Professional fees	47,764	151,294.00
Insurance	16,238	74,906.00
Training and education	884	23,000.00
Finance fees	3,011	13,202.00
Contributions and donations	31,632	50,850.00
Dues and subscriptions	2,575	19,992.00
Security	2,435	10,628.00
Property taxes	3,901	16,313.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$3,097,290</b>	<b>12,254,468.00</b>
<b>OTHER EXPENSES</b>		
Management support fee	586,592	2,266,367.00
Global Marketing Expenses	243,408	973,633.00
Loss on Disposal	6,635	6,835.00
Investment Loss	5,337,023	5,618,193.00
<b>TOTAL OTHER EXPENSES</b>	<b>6,152,858</b>	<b>8,865,028.00</b>
<b>NET INCOME</b>	<b>\$ (4,422,320)</b>	<b>(2,200,359.00)</b>

IN THE HIGH COURT OF JUSTICE

Cause No. AUCV2007

In the Matter of Stanford International Bank Limited,

And

In the Matter of Stanford Trust Company Limited,

And

In the Matter of the International Business Corporations Act, 1992, CAP 222  
of the Laws of Antigua and Barbuda

And

In the Matter of an Application for the Appointment of a Receiver-Manager of Stanford  
International Bank Limited and Stanford Trust Company Limited

BETWEEN

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant

And

STANFORD INTERNATIONAL BANK LIMITED  
STANFORD TRUST COMPANY LIMITED

Respondents

AFFIDAVIT OF PAUL A. ASHE  
IN SUPPORT OF APPLICATION

CHARLES WORTH O. CROWN

Attorney at Law

4<sup>th</sup> Affidavit  
Applicant  
8 June 2009  
Exhibit "NJHS6"

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 and Barbuda)

AND

IN THE MATTER OF THE CROSS-BORDER INSOLVENCY REGULATIONS 2006

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EXHIBIT "NJHS6"

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This is the Exhibit referred to as "NJHS6" in the Affidavit of

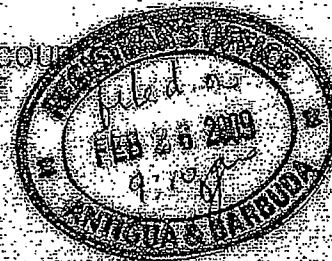
NIGEL JOHN HAMILTON-SMITH sworn this 8<sup>th</sup> day of June 2009

Before me

  
A Solicitor / Commissioner for Oaths  
**COMMISSIONER FOR OATH**  
**ANTIGUA & BARBUDA**



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



Claim No. ANUHCV20097

In the Matter of Stanford International Bank Limited

And

In the Matter of Stanford Trust Company Limited

And

In the Matter of the International Business Corporations Act, 1982, CAP 222  
of the Laws of Antigua and Barbuda

And

In the Matter of an Application for the Appointment of a Receiver-Manager of Stanford  
International Bank Limited and Stanford Trust Company Limited

BETWEEN

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant

And

STANFORD INTERNATIONAL BANK LIMITED  
STANFORD TRUST COMPANY LIMITED

Respondents

AFFIDAVIT OF PETER NICHOLAS WASTELL  
IN SUPPORT OF APPLICATION

I, PETER NICHOLAS WASTELL of Torrington House, 47 Hollywell Hill, St Albans,  
Hertfordshire, England, Licensed Insolvency Practitioner, make oath and say as  
follows:

1. I swear this Affidavit on behalf of the Applicant in support of the Application filed  
herewith for, inter alia, the appointment Mr. Nigel Hamilton-Smith also a Licensed  
Insolvency Practitioner, and myself as Joint Receivers-Managers of the  
Respondents.

2. Save where it otherwise appears, the contents of this affidavit are true to the best of my knowledge, information and belief. I have informed Mr. Hamilton-Smith of all the matters to which I swear and he has informed me that he also believes the same to be true.
3. I have been practicing as a licenced Insolvency Practitioner in the accounting firm Vantis Business Recovery Services ("Vantis") of Torrington House, 47 Holywell Hill, St. Albans, Hertfordshire, England since 1999. A copy of my practicing certificate is exhibited hereto and marked "PW1".
4. I am not disqualified to be appointed as a Receiver-Manager under section 213 as I am neither a body corporate nor an undischarged bankrupt.
5. On the 19<sup>th</sup> February, 2009 Mr. Nigel Hamilton-Smith and I were appointed as joint Receiver-Managers for the Respondents by the Supervisor of International Banks and Trust Corporations pursuant to the provisions of the International Business Corporation Act, Cap. 222 of the Laws of Antigua and Barbuda (the Act) upon the terms and with all powers, duties and liabilities conferred and imposed by the Act. A copy of the instrument of appointment is exhibited hereto and marked "PW2".
6. By agreement between the Applicant on the one hand and Mr. Hamilton-Smith and me on the other, the rates for our professional services on a time costs basis were agreed. A copy of the schedule of rates is hereto exhibited and marked "PW3".
7. Since my appointment I have attended a meeting with the Managers of the Respondents and have had the opportunity to examine their preliminary financial records. I have observed the likelihood that the assets of both Respondents/Defendants will shortly be less than the aggregate of their liabilities.
8. During the period immediately before the appointment of Mr. Nigel Hamilton-Smith and I, there was a continuing run on the First Respondent which we are attempting to control.
9. From my examination of the records it is evident that the Second Respondent keeps the majority of its deposit and accounts with the First Respondent. Accordingly, I anticipate that the effect of the run on the First Respondent will shortly cause the Second Respondent to be in an unsustainable financial position. I understand that the number of claims made to the Applicant since our appointment would confirm this.



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

Claim No. ANUHCY2009/

In the Matter of Stanford International Bank Ltd.

-And-

In the Matter of Stanford Trust Company Ltd.

-And-

In the Matter of the International Business Corporations Act, 1982, CAP 222  
of the Laws of Antigua and Barbuda

-And-

In the Matter of an Application for the Appointment of a Receiver-Manager of  
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BETWEEN:

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant / Claimant

-And-

STANFORD INTERNATIONAL BANK LTD.  
STANFORD TRUST COMPANY LTD.

Respondents / Defendant

EXHIBIT CERTIFICATE

Copy of exhibit marked "PWJ" referred to in paragraph 5 of the Affidavit

*Stephen Thomas*  
COURT CLERK  
ANTIGUA AND BARBUDA

outlook. Copies of the management accounts of the corporations for the year ended 31 December, 2008 are exhibited hereto as a bundle and marked "PW4".

10. The Applicant is desirous of having Nigel Hamilton-Smith and me appointed as Joint Receivers – Managers by the Court. I support the Application and undertake that if the application is granted I will act and discharge my duties in accordance with the orders and directions of the Court and pursuant to the Act.

11. In the circumstances, I humbly request that this Honourable Court grant the Applicant's application as prayed.

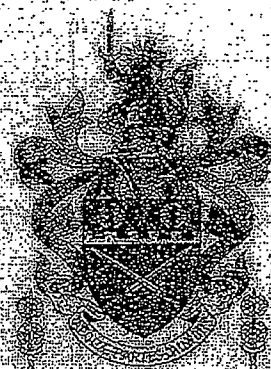
Sworn at the High Court of Justice  
Parliament Drive, St. John's, Antigua  
this 25<sup>th</sup> day of February, 2009 in the  
presence of:

*John Hamilton-Smith*  
COMMISSIONER FOR OATHS  
ANTIGUA & BARBUDA



CP17

## INSOLVENCY PRACTITIONERS ASSOCIATION



This is to Certify that

**Peter Nicholas Wastell**

is authorised by this Association to

act as an insolvency practitioner as

defined in Section 383 of the Insolvency Act 1986

and as defined in The Insolvency (Northern Ireland) Order 1989

This authorisation shall take effect

1st January 2009

31st December 2009

For the INSOLVENCY PRACTITIONERS ASSOCIATION

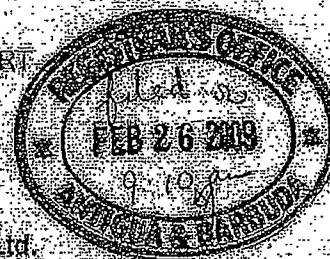
Chief Executive

Company

Secretary



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



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BETWEEN:

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant / Claimant

And

STANFORD INTERNATIONAL BANK LTD.

STANFORD TRUST COMPANY LTD.

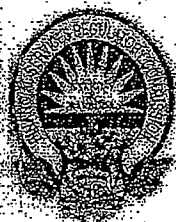
Respondents / Defendant

EXHIBIT CERTIFICATE

Copy of Exhibit marked "PW2" referred to in paragraph 4 of the Affidavit.

\_\_\_\_\_  
COMMISSIONER FOR OATH

ANTIGUA & BARBUDA



## FINANCIAL SERVICES REGULATORY COMMISSION

International Business Corporations Act, Cap. 222  
 APPOINTMENT OF JOINT RECEIVERS-MANAGERS  
 Stanford International Bank Ltd (SIBL)  
 And  
 Stanford Trust Company Ltd (STCL)

I, PAUL A. ASHE, Supervisor of International Banks and Trust Corporations of the FINANCIAL SERVICES REGULATORY COMMISSION (the Commission) a statutory body, established under the International Business Corporation Act, Cap. 222 of the Laws of Antigua and Barbuda as amended (the Act) of Old Parham Road, St. John's Antigua, being the APPROPRIATE OFFICIAL responsible for control and regulation of corporations established under the Act in pursuance of the power conferred on me under Section 287 of the Act, DO NOW APPOINT PETER WASTELL and NIGEL HAMILTON SMITH both of Vantis Business Recovery Services of Torrington House, 47 Hollowell, St. Albans, Hertfordshire, England, to be JOINT RECEIVERS-MANAGERS of all the undertaking, property and assets of the Stanford International Bank Ltd (SIBL) and Stanford Trust Corporation Ltd (STCL) upon the terms and with all the powers, duties and liabilities conferred and imposed by the Act or by any other law PROVIDED ALWAYS AND WITHOUT PREJUDICE TO THE FOREGOING

1. The Receiver-Managers shall be deemed to agents of SIBL and STCL and SIBL and STCL shall be responsible for the remuneration acts and details.
2. The Receiver-Managers shall have the duties and powers previously vested and discharged by the directors of the SIBL and STCL.
3. The Receiver-Managers may exercise, perform and discharge their statutory powers, duties and liabilities independently of the other or jointly according to law.

Dated the 19<sup>th</sup> day of February, 2009.

Signed by PAUL A. ASHE



PW3

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

Claim No. ANUHCv2009/

In the Matter of Stanford International Bank Ltd.

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-And-

STANFORD INTERNATIONAL BANK LTD.

STANFORD TRUST COMPANY LTD.

Respondents / Defendant

EXHIBIT CERTIFICATE

Copy of exhibit marked 'PW3' referred to in paragraph 6 of the Affidavit

*Alfred Reynolds*  
COMMISSIONER FOR CARB  
ANTIGUA AND BARBUDA



## Vantis - Standard Hourly Rates

Grade	US\$	£
Partner	658	450
Associate Partner	508	350
Senior Manager	435	300
Manager	359	275
Assistant Manager	263	250
Supervisor	226	225
Senior Administrator	200	200
Administrator	254	175
Support & Cashiering	174	120

Rate \$1.45/£1

"PD4"

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

Claim No. ANUHCv2009

In the Matter of Stanford International Bank Ltd.

-And-

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-And-

STANFORD INTERNATIONAL BANK LTD.  
STANFORD TRUST COMPANY LTD.

Respondents / Defendant

EXHIBIT CERTIFICATE

Copy of exhibit marked "PW4" referred to in paragraph 9 of the Affidavit.

*Alfreda Thompson*  
COMMISSIONER FOR BATH  
ANTIGUA & BARBUDA



# STANFORD INTERNATIONAL BANK LIMITED

2008 ANNUAL REPORT

## BALANCE SHEET

(Expressed in United States dollars)

Year ended 31 December 2008

## NOTE

## ASSETS

11	Cash and Balances with Other Banks
12	Financial Assets at Fair Value
13	Loans and Advances to Clients
14	Property and Equipment
15	Other Assets
	<b>TOTAL ASSETS</b>

## LIABILITIES AND SHAREHOLDER'S EQUITY

16	Deposits from Clients (see Figure 5)
17	Other Liabilities and Provisions
	<b>TOTAL LIABILITIES</b>

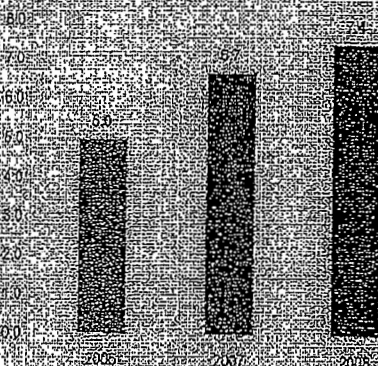
18	Share Capital
18	Share Premium
19	Retained Earnings (see Figure 6)
	<b>TOTAL SHAREHOLDER'S EQUITY (see Figure 6)</b>

## TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY

Figures on pages 26 to 28 are an integral part of the financial statements.

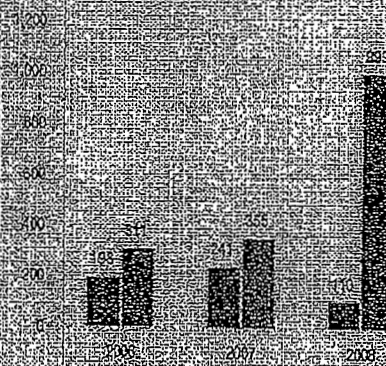
## Figure 5: DEPOSITS FROM CLIENTS

Dollars in Billions



## Figure 6: EARNINGS AND EQUITY

Dollars in millions



	2007	2008
Cash and Balances with Other Banks	\$ 627,822,488	\$ 627,822,488
Financial Assets at Fair Value	6,347,651,574	6,347,651,574
Loans and Advances to Clients	69,732,600	69,732,600
Property and Equipment	6,910,718	6,910,718
Other Assets	5,785,477	5,785,477
<b>TOTAL ASSETS</b>	<b>\$ 7,057,882,713</b>	<b>\$ 7,057,882,713</b>
Deposits from Clients (see Figure 5)	\$ 6,689,964,303	\$ 6,689,964,303
Other Liabilities and Provisions	1,995,649	1,995,649
<b>TOTAL LIABILITIES</b>	<b>\$ 6,702,960,652</b>	<b>\$ 6,702,960,652</b>
Share Capital	10,000,000	10,000,000
Share Premium	103,500,000	103,500,000
Retained Earnings (see Figure 6)	241,421,761	241,421,761
<b>TOTAL SHAREHOLDER'S EQUITY (see Figure 6)</b>	<b>\$ 354,921,761</b>	<b>\$ 354,921,761</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>\$ 7,057,882,713</b>	<b>\$ 7,057,882,713</b>

24 Retained Earnings in Shareholder's Equity



## STANFORD INTERNATIONAL BANK LIMITED

2008 ANNUAL REPORT

## INCOME STATEMENT

(Expressed in United States Dollars)

Year Ended 31 October 2008

## NOTE

## OPERATING INCOME

## 5. NET INVESTMENT INCOME

Interest Income

Interest Expense

## 6. NET INTEREST INCOME/(EXPENSE)

Fee Income

Fees Expense

## 7. NET FEE INCOME/(EXPENSE)

## 8. Other Income

## TOTAL OPERATING INCOME (see Figure 3)

## OPERATING EXPENSES

## 9. Personnel Expenses

## 10. General and Administrative Expenses

## 14. Depreciation of Property and Equipment

## TOTAL OPERATING EXPENSES

## OPERATING PROFIT (see Figure 4)

For notes on pages 24 to 45, please refer to part of the financial statements.

Figure 3. OPERATING INCOME

Dollars in millions

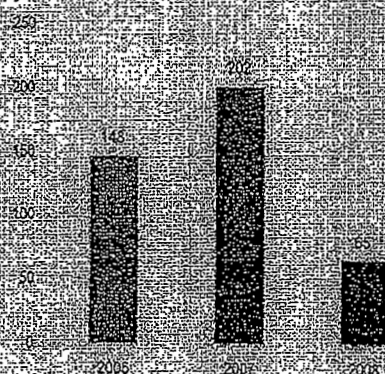
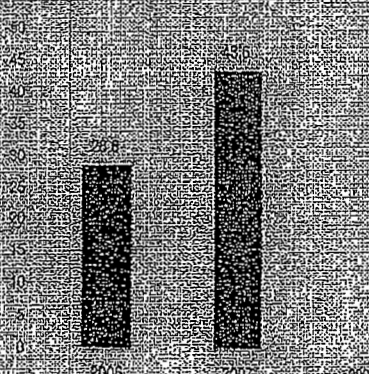


Figure 4. OPERATING PROFIT

Dollars in millions



## STANFORD INTERNATIONAL BANK LIMITED

2008 ANNUAL REPORT

## STATEMENT OF CASH FLOWS

(Expressed in United States dollars)

Year Ended 31 December 2008

NOTE

## CASH FLOWS FROM OPERATING ACTIVITIES

- 5 Investment Income  
6 Interest Received  
6 Interest Paid  
7 Fees Received  
8 Other Income

Cash Payments to Employees and Suppliers

Cash flows from Operating Profits

Changes in Operating Assets and Liabilities

- 12 Net Increase in Financial Instruments at Fair Value  
13 Net Increase in Loans and Advances to Clients  
15 Net Increase in Other Assets  
16 Net Increase in Deposits from Clients  
17 Net Increase in Other Liabilities

Net Cash Flows from Operating Activities

## CASH FLOWS FROM INVESTING ACTIVITIES

- 12 Purchase of Property and Equipment  
14 Proceeds from Sale of Property and Equipment

Net Cash Used in Investing Activities

## CASH FLOWS FROM FINANCING ACTIVITIES

- 18 Contribution to Share Premium Account

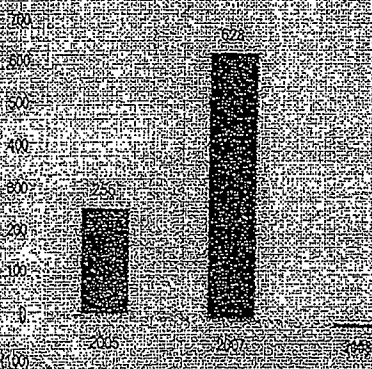
Net Cash Flows from Financing Activities

- 1 Net Increase (or Decrease) in Cash and Cash Equivalents

CASH AND EQUIVALENTS AT BEGINNING OF YEAR

- 11 CASH AND EQUIVALENTS AT END OF YEAR

The notes on pages 23 to 40 are an integral part of these financial statements.

Figure 7: CASH AND EQUIVALENTS  
(Dollars in millions)

	2008	2007
Investment Income	\$ 510,632,496	\$ 641,775,996
Interest Received	197,652,777	164,841,300
Interest Paid	(1,453,242,295)	(427,992,743)
Fees Received	12,852,036	3,030,799
Other Income	51,022,129	(29,771,473)
Cash Payments to Employees and Suppliers	(1,252,282,150)	(907,814,478)
Cash flows from Operating Profits	\$ (124,936,207)	\$ 44,971,349
Changes in Operating Assets and Liabilities		
Net Increase in Financial Instruments at Fair Value	(1,317,059,305)	(1,411,980,477)
Net Increase in Loans and Advances to Clients	(182,536,635)	75,106,127
Net Increase in Other Assets	324,511	2,812,318
Net Increase in Deposits from Clients	24,566,661	1,692,880,327
Net Increase in Other Liabilities	3,908,586	10,953,885
Net Cash Flows from Operating Activities	\$ (1,417,540,531)	\$ 508,144,066
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(2,166,833)	(3,760,283)
Proceeds from Sale of Property and Equipment	1,879,639	5,1366
Net Cash Used in Investing Activities	\$ (287,199)	\$ (3,208,919)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contribution to Share Premium Account	776,000,000	0
Net Cash Flows from Financing Activities	\$ 776,000,000	\$ 0
Net Increase (or Decrease) in Cash and Cash Equivalents	(641,827,730)	304,935,147
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	\$ 527,822,483	\$ 222,887,336
CASH AND EQUIVALENTS AT END OF YEAR	\$ (114,005,047)	\$ 527,822,483



## STANFORD INTERNATIONAL BANK LIMITED

2008 ANNUAL REPORT

## STATEMENT OF CHANGES IN EQUITY

(Expressed in United States dollars)

	Share Capital	Share Premium	Retained Earnings	Total Shareholders' Equity
At December 31, 2006	\$ 10,000,000	\$ 103,500,000	\$ 197,803,197	\$ 211,303,197
Additional Contributions	0	0	0	0
Net Income for the Year	0	0	43,618,564	43,618,564
At December 31, 2007	\$ 10,000,000	\$ 103,500,000	\$ 241,421,761	\$ 254,921,761
Additional Contributions	0	775,000,000	0	775,000,000
Net Income for the Year	0	0	(151,846,545)	(151,846,545)
At December 31, 2008	\$ 10,000,000	\$ 875,500,000	\$ 109,575,212	\$ 995,075,212

The notes on pages 28 to 39 are an integral part of these financial statements.



Financial Services  
Regulatory Commission  
Banking Department

12/02/07 *[Signature]*

**Stanford Trust Company Limited**  
**Unaudited Financial Statements**  
**December 31, 2008**

## STANFORD TRUST COMPANY LIMITED

REVENUE STATEMENT (Unaudited)  
Expressed in United States Dollars

	Quarter Ended December 2008	YTD December 2008
Revenues		
Less: Direct Costs	\$ 4,702,422	18,348,940.00
	(409,363)	(947,268.00)
<b>NET OPERATING INCOME</b>	<b>4,293,057</b>	<b>17,399,672.00</b>
Other income	535,769	1,519,465.00
<b>TOTAL NET OPERATING INCOME AND OTHER INCOME</b>	<b>\$ 4,828,826</b>	<b>18,919,137.00</b>
<b>EXPENSES</b>		
Salaries and Wages	\$ 2,453,212	8,687,984.00
Rent	423,508	1,519,311.00
Travel and entertainment	113,616	406,114.00
Office supplies	28,566	181,954.00
Depreciation	49,773	198,154.00
Licenses and fees	38,649	77,706.00
Postage	64,054	201,353.00
Utilities	66,702	329,525.00
Advertising	34,296	59,433.00
Repairs and maintenance	36,240	119,853.00
Professional fees	47,764	151,294.00
Insurance	16,233	74,986.00
Training and education	884	23,000.00
Finance fees	3,011	13,252.00
Contributions and donations	21,632	60,869.00
Dues and subscriptions	9,575	19,992.00
Security	2,485	10,628.00
Property taxes	3,901	16,813.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$3,897,290</b>	<b>12,254,468.00</b>
<b>OTHER EXPENSES</b>		
Management support fee	566,592	2,266,567.00
Global Marketing Expenses	243,408	973,633.00
Loss on Disposal	6,335	6,335.00
Investment Loss	5,337,021	5,618,093.00
<b>TOTAL OTHER EXPENSES</b>	<b>6,153,356</b>	<b>8,864,628.00</b>
<b>NET INCOME</b>	<b>\$ (4,422,320)</b>	<b>(2,208,359.00)</b>



## STANFORD TRUST COMPANY LIMITED

STATEMENT OF CONDITION (Unaudited)  
Expressed in United States Dollars

	December 2008	%	December 2007	%
<b>ASSETS</b>				
Cash and cash equivalents	\$ 11,345,005	41%	\$ 12,126,292	42%
Accounts receivable	3,202,630	12%	2,169,565	8%
Due from Related Companies	2,747,341	10%	1,935,448	7%
Prepaid Expenses and Deposits	166,235	1%	100,027	0%
Total Current Assets	17,461,211	64%	16,331,332	57%
Investments	9,218,264	34%	11,655,007	40%
Leasehold Improvements, Furniture and Equipment Less Accumulated Depreciation	1,101,344 (586,709)	4% 2%	1,091,435 (400,512)	4% 1%
Net Fixed Assets	514,635	2%	690,923	2%
Work in Progress	268,082	1%	186,261	1%
<b>TOTAL ASSETS</b>	<b>\$ 27,462,912</b>	<b>100%</b>	<b>\$ 28,859,523</b>	<b>100%</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>				
Accounts Payable	\$ 225,268	1%	\$ 42,957	0%
Accrued Liabilities	549,441	2%	693,664	2%
Due To Related Companies	1,225,047	5%	580,487	2%
Unearned Revenue	45,500	0%	-	0%
<b>TOTAL LIABILITIES</b>	<b>2,045,256</b>	<b>7%</b>	<b>1,317,108</b>	<b>5%</b>
<b>SHAREHOLDER'S EQUITY</b>				
Capital Stock	500,000	2%	500,000	2%
Contributed capital	5,983,983	22%	5,983,983	21%
Retained Earnings - Prior Year	21,028,432	77%	14,750,274	51%
Current Year Profit	(2,209,559)	8%	6,278,261	22%
<b>TOTAL SHAREHOLDER'S EQUITY</b>	<b>25,322,656</b>	<b>93%</b>	<b>27,522,415</b>	<b>95%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 27,462,912</b>	<b>100%</b>	<b>\$ 28,859,523</b>	<b>100%</b>

Approved by:

  
 Kenny Byron  
 Director

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

Claim No. ANUHCv2009/

In the Matter of Stanford International Bank Limited

And

In the Matter of Stanford Trust Company Limited

And

In the Matter of the International Business Corporations Act, 1982, CAP 222  
of the Laws of Antigua and Barbuda

And

In the Matter of an Application for the Appointment of a Receiver-Manager of Stanford  
International Bank Limited and Stanford Trust Company Limited

BETWEEN

THE FINANCIAL SERVICES REGULATORY COMMISSION

Applicant

And

STANFORD INTERNATIONAL BANK LIMITED  
STANFORD TRUST COMPANY LIMITED

Respondents

AFFIDAVIT OF PETER NICHOLAS WASTELL  
IN SUPPORT OF APPLICATION

CHARLES WORTH O. D. BROWN

Attorney-at-Law



# TAB 5

N J Hamilton Smith  
 5<sup>th</sup> Affidavit  
 Applicant  
 July 2009  
 Exhibits "NJHS5" & "NJHS6"

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 and Barbuda)

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

---

FIFTH 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 affidavit in connection with the directions consequent upon judgment in this  
 application (to be handed down on 3 July 2009). In particular, I make it with reference to the  
 use which the Liquidators should be entitled to make of the assets in this jurisdiction in the  
 event that Mr Janvey is entitled to pursue an appeal.
2. 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 liquidator of SIB. Where such matters are not  
 within my own personal knowledge, the source of my information and belief is set out herein  
 and I believe such matters to be true.
3. I believe that the Court is already aware that SIB is a respondent both to a freezing order  
 (obtained by the SEC) and a restraint order (obtained by the SFO) which, inter alia, prevent its  
 assets in Great Britain from being remitted out of the jurisdiction. In light of the judgment in

(22781346.03)



this application, the Liquidators will be seeking as soon as possible (whether by agreement or pursuant to an application) to vary both the freezing order and the restraint order to enable them to administer, realise and ultimately distribute the UK assets.

#### *Nature of SIB's assets*

##### *Land in Antigua*

4. SIB has various direct and indirect real property interests in Antigua. SIB is the registered proprietor of four parcels of land in Antigua, three freeholds and one leasehold, although it appears that SIB's leasehold interest may be subject to dispute. By far the most valuable of the directly held interests is the freehold interest in land at Barnes Hill & Coolidge comprising some 3.14 acres, which is the site of the Head Office of the Bank of Antigua. There is now shown to me marked Exhibit "NJHSS" a true copy of excerpts of the valuation of this land which was undertaken on my instructions on 3 June 2009. It will be noted that this gives an indicative market value of EC \$21,437,065 (or approximately £5,000,000).
5. In addition, there are a number of substantial property holdings in Antigua owned by companies of which SIB is the ultimate shareholder. Although the liquidators have not yet been able to value these various interests, based on certain historic acquisition cost information available from SIB's records, it is the Liquidators' view that they will collectively achieve a net realisation of in excess of US\$ 50,000,000 (or approximately £31,000,000).
6. There are no financial charges or mortgages outstanding on the properties referred to in paragraphs 4 and 5 above. However, pursuant to compulsory purchase legislation, the Government of Antigua and Barbuda has given notice of its intention to acquire all of the above property (and additional property interests in companies forming part of the Stanford Group of Companies) although further steps would have to be taken by the Government before any compulsory acquisition proceeds. I do not consider it at all likely that the Government of Antigua will proceed with any purchase relating to SIB's interests but even if it does, it is required to pay over a 'fair value' to the Liquidators, so that the interests of SIB's creditors will be protected.

##### *Assets in other jurisdictions*

7. In addition to the land assets in Antigua, SIB has assets in Switzerland, Canada and the US. To enable these assets to be collected, the Liquidators are seeking recognition of the liquidation order in each of these jurisdictions. As in the UK, however, Mr Jarvey has opposed my

applications for recognition in each of these jurisdictions and is seeking orders allowing him to take control of the assets instead.

8. Thus far, only the UK Court has heard the Liquidators' recognition application and made a determination. Applications in the other jurisdictions are pending and I hope that decisions will be made later this year. It may be, however, that as in the UK, appeals are made which delay this process.

#### *Litigation claims*

9. SIB also has claims against various third parties, both relating to the misappropriation of its assets prior to its insolvency and contractual disputes. By way of example, the Bank of Antigua held a credit balance for SIB on the date of its receivership of circa US\$9m. Requests to draw down on this account have been refused by the Bank of Antigua on the basis that it has contingent claims against SIB which it wishes to set-off. SIB does not accept that the entire credit balance may be set off and legal proceedings appear likely.

#### *Funding of the liquidation*

10. In addition to Liquidators' remuneration, which I have not yet drawn, I am incurring ongoing expenses and disbursements in the running of the liquidation, (such as salaries, security costs, telephone charges and other sundry items). I also wish to commence advertising for creditor claims and sending a circular to creditors, which will incur further costs.
11. Although I have been prepared to fund costs up until this point, I am not in a position to do so indefinitely and, in fact, there will very shortly come a time when I can no longer afford to do so. I have already reduced head-count to the point where we only employ the minimum team necessary to deal with creditor enquiries and issues in a timely manner and I do not believe that there are any other costs which can be pared back further without significantly impacting the liquidation of SIB.
12. There is now shown to me marked Exhibit "NJHS6", an outline cashflow forecast of the operational costs of the liquidation of SIB for the next 6 months together with the anticipated costs of advertising for claims and sending circulars to the 27,000 creditors. Based on this forecast, I estimate that the costs of the liquidation over this period will be in the region of US\$1,658,000.
13. I am concerned to ensure that the liquid assets belonging to SIB in this jurisdiction are at least available for the purposes of funding the ongoing essential costs of the liquidation in Antigua

(which I have referred to above), and seek the Court's direction on this point. I also seek the Court's direction that the Liquidators' costs occasioned by the application for the Recognition order are payable out of the UK assets.

14. If necessary, the Liquidators are prepared to undertake to abide by any subsequent order this Court may make for the remittance back to this jurisdiction, to the extent of the net funds realised by the Liquidators from the disposal of assets in Antigua or elsewhere.

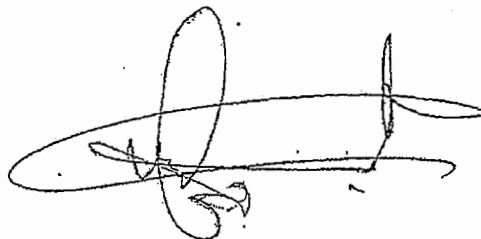
Sworn by NIGEL JOHN HAMILTON-SMITH )

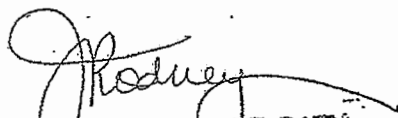
at *High Court* )

this *2nd* day of July 2009 )

Before me )

a Solicitor / Commissioner for Oaths )



  
COMMISSIONER FOR OATH  
ANTIGUA & BARBUDA



N J Hamilton-Smith  
5th Affidavit  
Applicant  
July 2009  
Exhibit "NJHS5"

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

---

FIFTH AFFIDAVIT OF  
NIGEL JOHN HAMILTON SMITH

---

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F +44(020) 7367 2000  
Ref: RWH/101248.00023

N J Hamilton Smith  
5<sup>th</sup> Affidavit  
Applicant  
July 2009  
Exhibits "NJHS5" & "NJHS6"

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 and Barbuda)

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

---

EXHIBIT "NJHS5"

---

This is the Exhibit referred to as "NJHS5" in the Affidavit of

NIGEL JOHN HAMILTON-SMITH sworn this 8<sup>th</sup> day of July 2009

Before me

  
A solicitor of the Supreme Court  
COMMISSIONER FOR OATH  
ANTIGUA & BARBUDA

Associated  
Engineers  
Partnership

*\*Consulting Civil & Structural Engineers \*Planners*

*\* Real Estate Appraisers \* Project Managers and Contractors*

P.O. Box 2612, St. John's Antigua Tel: 1-268-562-4846 /Fax: 562-4847

E-MAIL [waynemartinep@gmail.com](mailto:waynemartinep@gmail.com) & [martinw@capivw.ag](mailto:martinw@capivw.ag)

**VALUATION REPORT ON PROPERTY  
LOCATED ON**

Airport Road



**DATE OF INSPECTION**

3<sup>rd</sup> June, 2009

**FOR**

Nigel Hamilton-Smith c/o Sarah Cook

**BY**

**ASSOCIATED ENGINEERS PARTNERSHIP**

Wayne Alberto Martin





Associated  
Engineers  
Partnership

VALUATION REPORT OF PROPERTY REGISTERED AS BLOCK # 41 2094A  
PARCEL # 383, LOCATED AT 1000 AIRPORT BOULEVARD  
COOLIDGE ST JOHNS ANTIGUA

## 1.0 VALUATION SUMMARY

*Pg 1*



Associated  
Engineers  
Partnership

VALUATION REPORT OF PROPERTY REGISTERED AS BLOCK # 41 2094A  
PARCEL # 383, LOCATED AT 1000 AIRPORT BOULEVARD  
COOLIDGE ST. JOHN'S ANTIGUA

3<sup>rd</sup> June, 2009

Mr Nigel Hamilton-Smith  
c/o Sarah Cook  
Stanford International Bank  
1000 Airport Boulevard  
Coolidge, St. John's  
Antigua

Valuation Report on property registered as Block # 41 2094A, Parcel  
# 383 - Located at 1000 Airport Boulevard Coolidge St. John's, Antigua

1.0 VALUATION SUMMARY

- 1.1 In my opinion, the current Market Value of the land, buildings and amenities (replacement cost approach), registered as Barnes Hill & Coolidge, Block # 41 2094A, Parcel # 383 is in the region of EC\$21,437,065.00 (TWENTY ONE MILLION FOUR HUNDRED AND THIRTY SEVEN THOUSAND AND SIXTY FIVE EASTERN CARIBBEAN DOLLARS)
- 1.2 In my opinion, the current Market Value rental rate of the property building (derived using income capitalization approach), for the buildings located on land registered as Barnes Hill & Coolidge, Block # 41 2094A, Parcel # 383 is in the region of EC\$11.45/sqft or EC\$147,361.00 per month (ONE HUNDRED AND FORTY SEVEN THOUSAND THREE HUNDRED AND SIXTY ONE EASTERN CARIBBEAN DOLLARS)
- 1.3 These opinions of value are subject to the limiting conditions and property details enclosed in this report

*Wayne A. Martin*  
Appraiser  
for Associated Engineers Partnership

Associated Engineers Partnership  
P.O. Box 2612  
Ryan's Building (2nd Floor)  
High Street, St. John's, Antigua  
Tel: (268) 562-4346 Fax: (268) 562-4847

Pg 2

Member of Antigua and Barbuda Association of Professional Engineers (ABAPE)  
Member of the American Society of Professional Appraisers (ASPA)  
Professional Residential Real Estate Appraisers (PRRA)  
Associate Member of Appraisal Institute

3



Associated  
Engineers  
Partnership

VALUATION REPORT OF PROPERTY REGISTERED AS BLOCK # 41 2094A  
PARCEL # 383, LOCATED AT 1000 AIRPORT BOULEVARD  
COOLIDGE ST JOHNS ANTIGUA

### Certification

I certify that, to the best of my knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimated, the attainment result, or the occurrence of a subsequent event.

My analysis, opinion, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

I have made a personal inspection of the property that is the subject of this report.

*Wayne A. Martin*  
Wayne A. Martin  
Civil and Structural Engineer  
Real Estate Appraiser

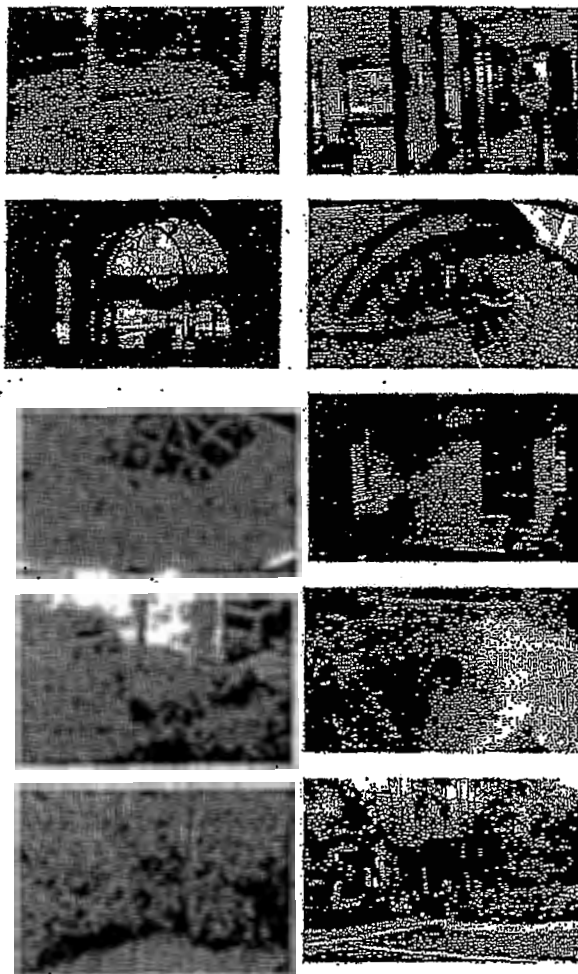
Associated Engineers Partnership  
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High Street, St. John's, Antigua  
Tel: (268) 562-4846 Fax: (268) 562-4847





Associated  
Engineers  
Partnership

VALUATION REPORT OF PROPERTY REGISTERED AS BLOCK # 41 2094A  
PARCEL # 383, LOCATED AT 1000 AIRPORT BOULEVARD  
COOLIDGE ST JOHNS ANTIGUA



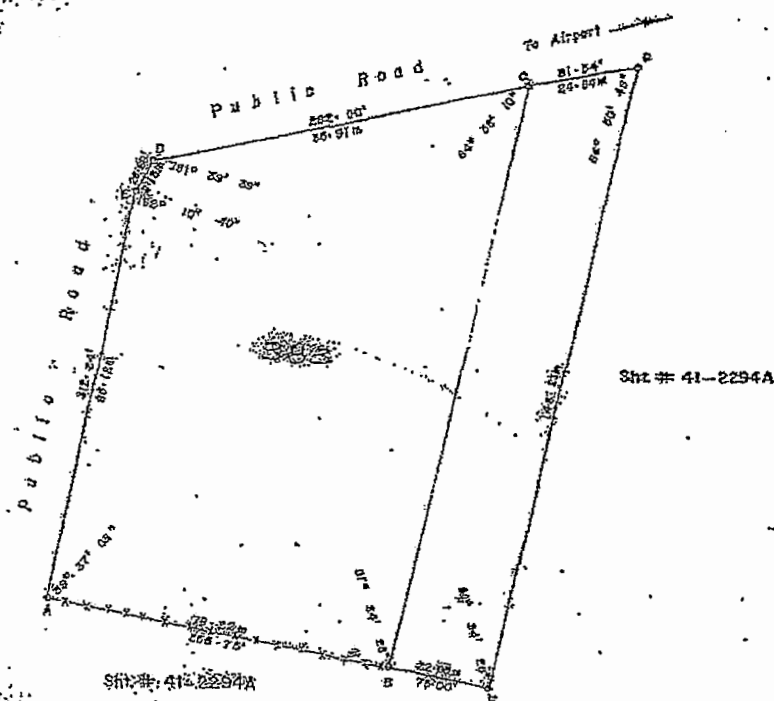
Pg 24

5

Sheet No 41-2094A Combination of Parcel No 289 & 290

FF/62/1  
(COOLIDGE)

Bank of America, Limited



Survey No 41-2294A Area 2.14 Acres

LEGEND

Wm. F. F.

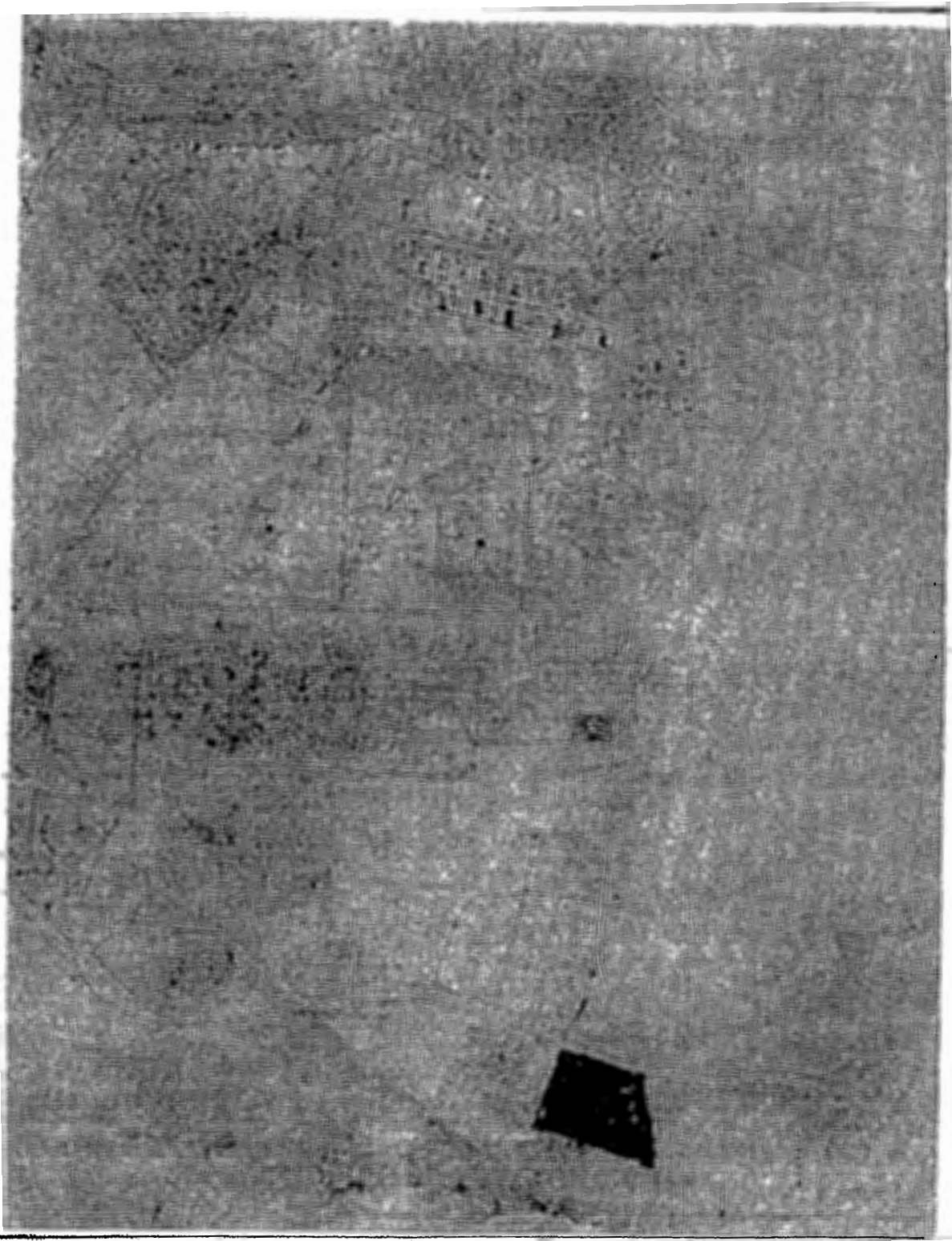
Survey

Area

Signed By: Felix Farquhar L.S.

Approved: [Signature]

L





N J Hamilton Smith  
5<sup>th</sup> Affidavit  
Applicant  
July 2009  
Exhibits "NJHS5" & "NJHS6"

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 and Barbuda)

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

---

EXHIBIT "NJHS6"

---

This is the Exhibit referred to as "NJHS6" in the Affidavit of

NIGEL JOHN HAMILTON-SMITH sworn this            day of July 2009

Before me

A solicitor of the Supreme Court

*Stanford International Bank Limited (In Liquidation) ("SIBL")**Operational costs for 6 months*

(All amounts are expressed in United States Dollars - '\$')

**>Summary:**

The cash requirement to fund the current level of operations at SIBL, excluding Liquidator fees and legal costs, total \$1,658,000 for a six month period. A breakdown of this figure is provided in the analysis below.

**>Operational Cost Analysis:**

Detail	Per Month US\$ 000's
Payroll	51
I.C.T Support	7
Security, building maintenance and storage	18
Telephone/Internet usage	20
Electric	15
Water	6
Postage	20
Paper/Stationery/Ink/Photocopier Maintenance	2
Sundries	7
Accommodation	20
<b>Total cost per month</b>	<b>166</b>

Total operational cost for 6 months is \$996,000 (\$166 x 6).

**>Other:**

Please note that the above Operational Costs do not take into consideration any of the following costs:

Detail	US\$ 000's
Worldwide advertising for creditor claims	80
Mass circular to creditors using post & courier as appropriate	150
Payroll Tax - Months of March till June, plus additional 6 months	134
<b>Total other costs</b>	<b>364</b>

Ransom Payments	US\$ 000's
Telephone Provider	68
Water Provider	80
Electricity Provider	150
<b>Total other costs</b>	<b>298</b>