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

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	**CIVIL ACTION NO. 3-09-CV-0298-N**
	§	
STANFORD INTERNATIONAL BANK, LTD., et al.,	§	
	§	
Defendants,	§	

RESPONSE AND OBJECTION OF THE COURT-APPOINTED EXAMINER AND OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

John J. Little, the Court-appointed Examiner (the "Examiner"), and the Official Stanford Investors Committee (the "Committee"), respectfully submit this Response in opposition to the Motion of the so-called "KLS Stanford Victims" to Intervene and for Appointment to the Official Stanford Investor Committee [Doc. No. 1393] (the "Motion"). This Response is further supported by the Appendix filed herewith by the Examiner and the Committee. The Examiner and the Committee also incorporate herein the responses to the Motion filed by Ralph S. Janvey, as Receiver (the "Receiver") and by the United States Securities and Exchange Commission (the "SEC").

SUMMARY OF THE RESPONSE

The Motion to Intervene filed by the KLS Stanford Victims should be denied. While styled as a Motion to Intervene (and for the appointment of four additional Stanford investors to the Committee), the Motion is little more than an attempt by one lawyer – Gaytri Kachroo

("Kachroo") – to belatedly insert herself into these proceedings, principally in order to influence defrauded Stanford investors to hire her firm to sue the United States government, but also in an effort to circumvent prior orders of this Court which established and govern the conduct of the Committee.

Appointing certain of Kachroo's self-anointed ("representative") clients to lead roles in these two-and-a-half-year-old proceedings as members of an already established and functioning committee that is governed by non-appealable final orders of this Court would be detrimental to other Stanford victims and unfair to those who previously were denied intervention or a seat on the seven-member court-appointed Committee. Significantly, despite her complaints about the conduct of these cases and her public criticisms of the roles played by various parties, including the Receiver, the Committee and the Examiner, to date Kachroo and her clients have had *no* role in these cases, filed no pleading, interposed no objection to any motion or action filed with the Court, or commenced *any* lawsuit aimed at enhancing or obtaining recoveries for Stanford victims.

The Motion should be denied for at least each of the following reasons (any one of which would alone support denial):

A. This Court has uniformly denied all of the numerous previous requests (during this two-and-a-half-year old case) by individual Stanford investors, and groups of investors, to intervene, and instead determined to appoint the Examiner and the Committee to represent the interests of investors in these proceedings, all through carefully crafted orders entered after notice and an opportunity to be heard by Movants and all other Stanford investors and their representatives. Neither Kachroo nor any member of the KLS Group (nor any other Stanford investor for that matter) filed any objections to, or appeals from, any of the relevant orders about

which she now belatedly complains, but all of which became final and non-appealable long ago. In fact, no investors filed objections to entry of *any* of the orders which established the Committee, entrusted it with broad powers to investigate and prosecute claims on behalf of investors and the Receivership estates, and named the Examiner;

B. Even considering Kachroo's request for appointment of her firm's clients to the Committee would be premature and inappropriate unless this Court were to reverse its previous practice and grant her intervention motion;

C. Granting the Motion and/or other motions to intervene at this stage of the proceedings would create chaos, delay and increase the costs of administering these cases;

D. The requested intervention would be futile because the alleged and limited grounds for which the intervention is purportedly sought have either been addressed already, or would be unaffected by the requested intervention;

E. The putative intervenors, all of whom appear to be Stanford investors, are already fully and adequately represented in these proceedings; and

F. The requested intervention is untimely.

THE COMMITTEE, RECEIVER AND ASSET RECOVERY EFFORTS

On or about September 11, 2009, a large group of domestic and international Stanford victims, represented by Morgenstern & Blue, LLC ("M&B") filed a motion with this Court seeking to convert this case from a receivership to a bankruptcy proceeding. Following extensive briefing and a hearing before this Court, on or about August 10, 2010, this Court approved the appointment of the Committee to represent all Stanford investors as a compromise developed by the moving parties, the Examiner, Receiver, and the SEC. The Committee was

empowered with broad duties and responsibilities – much like a creditors' committee in a Chapter 11 bankruptcy case – to investigate potential claims on behalf of investors and the Receivership estates, and to be heard in connection with most issues relating to the conduct and administration of these cases, except, significantly, issues relating to fees and fee applications, which was left to the supervision of the Examiner.

In contrast to Kachroo and her group, the Committee and its seven victim and attorney members, have since been actively involved in these cases on a daily basis, taking concrete and aggressive steps to identify and prosecute legal claims aimed at maximizing and accelerating recoveries for *all* Stanford investors and creditors. The Committee holds weekly conference calls, communicates with each other on a daily basis, and pursuant to this Court's Order, meets formally with the Receiver and his professionals, in person, on at least a monthly basis. The Committee has been provided access to a multitude of non-public information made available to it by a variety of sources, including the Receiver and his professionals, government agencies and representatives, and it works, where possible, to cooperate with the Receiver and his professionals to jointly investigate, identify and prosecute claims on behalf of investors and the Receivership estates, and to most effectively administer these complex cases. The Committee interacts with dozens of government officials, agencies and staff and actively continues to investigate additional claims and causes of action for the benefit of Stanford creditors/investors. The Committee and its members have been responsible for obtaining major Congressional hearings on the Stanford matter, and has met on numerous occasions with senior officials of the United States Government.

The Committee and its members have commenced, either individually or together with the Receiver, dozens of lawsuits against financial institutions, professionals, recipients of

fraudulent transfers, and others, aimed at recovering billions of dollars for Stanford's victims. These efforts and investigations are active and ongoing and the Committee anticipates filing numerous additional actions in the future seeking substantial recoveries for Stanford investors. Upon information and belief, Kachroo has not commenced a *single* lawsuit to date and has taken *no* steps to recover Stanford assets, other than to embark on a massive client solicitation campaign (even publically stating she needed 300 Stanford investors to "sign up" by mid-January 2011 and 2,000 clients signed up by early-February 2011, *see* Q12 on FAQ Kachroo). Appendix at p. 59.

The foregoing statements should not be misconstrued as an endorsement of all the actions taken during the Receivership process or suggest that the Committee or its members are not carefully scrutinizing those actions. To the contrary, the Committee is deeply frustrated and disappointed with the substantial cost and progress of these cases and is working diligently to ensure that this receivership proceeds swiftly and efficiently, seeking to accelerate the process where possible. But the Committee recognizes—as Kachroo apparently does not—the complex nature of the many Stanford cases, the interaction of these cases with the ongoing criminal proceedings involving Allen Stanford and his compatriots, the international aspects of these cases, the impact of court-imposed discovery stays, and the unfortunate impact and cost of the protracted litigation between the competing receivers in the U.S. and in Antigua. The Committee has endeavored to assure that these cases are run as expeditiously and economically as possible. While the Committee has had differences of opinion with the Receiver, it has attempted to resolve such issues and disputes on a consensual and cooperative basis, and has been largely able to work cooperatively with the Receiver and his legal and financial professionals.

WHO ARE THE PROPOSED INTERVENORS?

Movants are identified as Catherine Burnell ("Kate"),[1] Ursula Mesa, Marcelo Avila-Orejuela, and Steven Graham. Each of the Movants appears to be represented by attorney Kachroo.

Movants

The Motion alleges that Kate is a British citizen residing in Antigua who created and manages a blog (Stanford's Forgotten Victims) for what appears to be a small group of Stanford investor/victims.[2] A review of Kate's blog reflects that she has devoted substantial energy over the past eight (8) months to the promotion of Kachroo and her efforts to solicit Stanford investor/victims as her clients, particularly for the purpose of suing the SEC. Kate first posted an item concerning Kachroo on December 15, 2010. That item was Kachroo's initial effort to solicit Stanford investor/victims to sign up with her law firm for the purpose of suing the SEC under the Federal Tort Claims Act ("FTCA").[3]

During 2011, Kate has posted 40 entries on her blog in 2011 (through July 19) that specifically relate to Kachroo's effort to solicit Stanford investor/victims as her clients (and Kate's active promotion of that effort) – including a remarkable 31 out of 45 posts in January 2011 *alone* that were part of Kate's "campaign" to get Stanford investors to retain Kachroo to pursue an FTCA class action lawsuit against the U.S. Government.[4] Kate has been publicly critical of this Court, the Committee as a whole, individual members of the Committee, the Committee's litigation initiatives undertaken on behalf of Stanford victims, including lawsuits

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[1] The Motion spells Kate's first name with both a K and a C. Doc. 1393 at 1, 6. Kate's blog includes entries spelling her first name with a C, so this Response does likewise.

[2] Ms. Burnell's blog may be accessed at http://stanfordsforgottenvictims.blogspot.com/. It is relevant to note that Stanford International Bank was not authorized to market its main product, CDs, to Antiguans.

[3] As of July 19, 2011, this post could be accessed at http://stanfordsforgottenvictims.blogspot.com/2010/12/kachroo-legal-services-statement-to.html

[4] Links to Kate's December and January blog posts relating to Kachroo are included in the Appendix at p. 5-7.

brought against the Government of Antigua (seeking billions in damages), and other Committee actions. Significantly, Kate actively sought membership on the Committee at the time of its formation, but was not selected.

Movant Ursula Mesa is alleged to be a United States citizen, originally from Peru, who resides in Florida. The Motion alleges that Ms. Mesa's family lost over $2 million to Stanford's scheme and that she individually lost approximately $100,000.

Movant Marcelo Avila-Orejuela is alleged to be a citizen, and former ambassador of Ecuador, who lost something less than $200,000 to Stanford's scheme.

Movant Steven Graham is a United States citizen residing in Louisiana, less than 100 miles from current Committee member, Dr. John Wade. It is alleged that he lost $1.7 million in the Stanford fraud. It is also alleged that he is "active" in the Stanford Victims Coalition ("SVC"), whose director and founder, Ms. Angela Shaw Kogutt, serves on the Committee.[5]

Movants' Counsel

Each of the Movants is represented by Kachroo who, prior to 2009, purported to be a corporate transactional lawyer focusing on representing corporate clients in business transactions between the United States and India. For purposes of soliciting clients for the Stanford case, Kachroo has advertised that she "*has never lost a case.*" It is worth noting that Kachroo appears in only one reported federal court decision published on Westlaw, *In re Starback Inc.*, 2010 WL 3927504 (Bk. Mass. 2010), in which a bankruptcy court deemed her ineligible to receive compensation and denied her fee application.

[5] The Motion does not give any hint as to what Mr. Graham does with respect to the SVC to support the allegation that he is "active" in that group's efforts on behalf of Stanford victims. He is a registered member of the SVC.

The Motion alleges that Movants are "representatives for investors with over 500 Stanford accounts" and defined Movants as the "KLS Stanford Victims", i.e., Kachroo's group of Stanford investor clients. Neither the Motion nor the Declaration submitted by Kachroo to support the Motion identifies the actual number of individual investors that she claims to represent, the dollar amounts at issue, and whether or not any of the Movants have a conflict with the Receivership estate (i.e. whether they were recipients of other investors' funds in the form of fictitious interest payments or redemption payments)[6]

Kachroo is a lawyer licensed to practice in Massachusetts, *see* Doc. No. 1395-1, who maintains an office in Cambridge, Massachusetts, and is the principal of a law firm bearing the name Kachroo Legal Services, P.C. *Id.* For at least the last eight (8) months, Kachroo has waged a very aggressive public campaign[7] to solicit clients, and to collect upfront payments from Stanford's victims, primarily for the purpose of suing the United States government for the SEC's negligent actions in the Stanford case.

Kachroo's massive solicitation campaign, however, has not been limited to seeking retention by Stanford's defrauded victims for the purposes of suing the SEC. Her campaign has thus far proceeded in three phases, as set forth below.

While initially, Kachroo began soliciting Stanford investor/victims to engage her (and pay her upfront fees) to prepare and file administrative FTCA claims with the SEC in anticipation of her eventually filing a class action lawsuit. The various items posted on Kate's blog during December 2010 and January 2011 were all a part of Kachroo's SEC lawsuit

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[6] Stanford CD investors almost always had multiple Stanford accounts, since each account represented a separate CD, such that it is highly likely that Kachroo represents significantly fewer than five hundred actual investors. As just an example, Committee member Ed Snyder represents some 450 investors who between them hold some 1,202 CD accounts. See Appendix at p. 28.

[7] That campaign has been assisted to a large extent by Kate's blog and the solicitation efforts of several other Stanford investor/victims.

solicitation campaign; some prepared and issued by Kachroo, others by Kate or other Stanford investors who have also solicited clients for Kachroo. The terms upon which Kachroo proposed to represent Stanford investors with respect to these FTCA claims required an initial cash payment from each client, plus a contingent fee agreement as to any recovery, as follows:

- For clients who invested under $100,000 with Stanford, the cash payment was $500.00, plus a contingent fee of 15% of any recovery, plus reasonable expenses (not to exceed 20% of the fee);
- For clients who invested between $100,000 and $1 million with Stanford, the cash payment was $1,000.00, plus a contingent fee of 15% of any recovery, plus reasonable expenses (not to exceed 20% of the fee); and
- For clients who invested over $1,000,000 with Stanford, the cash payment was $1,500.00, plus a contingent fee of 15% of any recovery, plus reasonable expenses (not to exceed 20% of the fee).

See Appendix at p. 61-74 (Kachroo's proposed engagement letter and related solicitation materials).

The accuracy of the solicitation materials issued by Kachroo is suspect, at best. In a document titled "*Frequently Asked Questions about the Federal Tort Claims Act*,"[8] Kachroo suggests that Stanford investors might recover under the FTCA from the U.S. Government for "*tortious injuries*" including medical costs, loss of consortium, and "the financial loss you suffered if you lost your home or other possessions."[9] Kachroo has told investors that she will recover such "individualized" type damages via a putative class action lawsuit against the SEC.

Kachroo's and Movant Kate's very public marketing campaign to "sign up" Stanford's defrauded victims had a stated goal of signing up 2,000 clients in order for Kachroo to justify

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[8] Appendix at p. 56-59.

[9] Without debating the merits of an FTCA claim based upon the actions (or inactions) of the SEC relative to Stanford, neither the Committee nor the Examiner is aware of any authority for the proposition that an investor asserting such a claim could ever recover for medical expenses, loss of consortium, or the loss of a home, through a class action lawsuit.

filing the lawsuit her engagement letter specifically obligated her to file regardless of the number of clients who engaged her services. Insert statement about how many clients she needed. Kachroo's efforts to get those 2,000 victim clients was also targeted at the Committee members. In a December 23, 2010 email to the Committee, Kachroo insinuated the Committee members had an obligation—and even a liability—to refer Stanford investors to her firm so they could retain her to sue the SEC on their behalf. "This being said there is another issue while investors and their attorneys ponder whether to preserve their rights - that is liability....However, all investors and especially clients should be advised of upcoming deadlines as they may incur liability for not providing such information when they are aware of it." Appendix at p. 46.

Kachroo's solicitation materials warned investors that the FTCA administrative claims she was proposing to file with the SEC needed to be submitted by February 16, 2011. When that date passed, she began the second phase of her solicitation campaign. On or about April 26, 2011, Kachroo issued a new statement to the Stanford investor community claiming that her "research" had unearthed the "***possibility of recovering over $3 billion worth of assets***" and announcing her willingness "***to commence such action as may be necessary to recover those funds on behalf of all of my clients***." Upon information and belief, Kachroo has never identified the source of this purported $3 billion of assets that remain unknown to the other parties to these cases or commenced any action to recover these purported assets. The clear implication from such statements was that Kachroo, and only Kachroo, knows where and how to recover $3 billion in assets and intended to distribute these "assets" only to Kachroo's clients. As was the case with her solicitation of FTCA clients, the statement also included a separate fee arrangement that would apply to any clients who signed up with her, as follows:

- For clients who invested under $250,000 with Stanford, the cash payment was $500.00, plus a contingent fee of 10% of any recovery (or a 30% fee with no initial payment);
- For clients who invested between $250,000 and $500,000 with Stanford, the cash payment was $1,000.00, plus a contingent fee of 10% of any recovery (or a 30% fee with no initial payment);
- For clients who invested between $500,000 and $1 million with Stanford, the cash payment was $2,000.00, plus a contingent fee of 10% of any recovery;
- For clients who invested between $1 million and $2 million with Stanford, the cash payment was $5,000.00, plus a contingent fee of 10% of any recovery;
- For clients who invested between $2 million and $3 million with Stanford, the cash payment was $10,000.00, plus a contingent fee of 10% of any recovery;
- For clients who invested between $3 million and $4 million with Stanford, the cash payment was $15,000.00, plus a contingent fee of 10% of any recovery; and
- For clients who invested over $4 million with Stanford, the cash payment was at least $20,000.00, plus a contingent fee of 10% of any recovery.

Appendix at p. 71-72. Ultimately, Kachroo dubbed the efforts she was willing to make to recover the $3 billion in assets she had "found" (for those who engaged her on the terms set forth above) "Stanford Further Action" ("SFA").

This second round of SFA solicitations is troublesome as it implies that Kachroo has somehow located $3 billion in recoverable assets that are unknown to the Receiver (and hence to this Court) and to the Antiguan Liquidators. To date, there has been no suggestion in either proceeding that recoverable assets are available at that level. More troublesome still is the suggestion made to the Stanford investor community that Kachroo can somehow bring an action to recover these "newly discovered" assets for the *sole benefit* of her clients, and apparently without the supervision of this Court (or the Antiguan court).

In fact, Kachroo's repeated statements to investors that she had discovered $3 billion in assets prompted the Receiver to issue a Subpoena to Kachroo on June 29, 2011 requesting that she produce all documents related to or referencing any such assets. Kachroo's deadline to respond to the Receiver's Subpoena came and went and she has failed to respond with any information that suggests that she has found assets of any kind—much less assets worth $3 billion.

The SEC's issuance of its recent decision directing the Securities Investor Protection Corporation ("SIPC") to commence a liquidation proceeding relating to Stanford Group Company triggered a third round of client solicitations by Kachroo. On June 16, 2011, Kachroo issued a statement claiming some role in helping to secure the SEC's decision and assuring her clients that – "for those who have signed up for Stanford Further Actions (SFA) and for those who continue to do so" – her firm "will determine and push for your eligibility" for SIPC coverage. Appendix at p. 73. That same statement was posted by Movant Kate on her blog on June 17, along with Kate's own commentary urging "all victims to make contact with Kachroo Legal Services to establish whether or not you may be eligible for coverage." Appendix at p. 21.

As noted above, to date, Kachroo has not filed a single Stanford-related lawsuit. Yet, nothing has precluded her from seeking leave to do so. Rather, it appears Kachroo's primary activity and interest in connection with the Stanford cases has been the solicitation of clients and their money. It is also clear that Movant Kate has devoted substantial energy, via her website, to the promotion of Kachroo and her firm and Kachroo's Stanford client solicitation efforts.

Such activities do not demonstrate that these Movants should be granted leave to intervene; at best, they demonstrate that the *real* purpose of this Motion is to enable Kachroo to

improve her position and gain some personal pecuniary benefit. This is NOT a basis for intervention.

ARGUMENT AND AUTHORITIES

Movants contend that they should be permitted to intervene either as of right, pursuant to Fed. R. Civ. P. 24(a)(2), or permissively, pursuant to Fed. R. Civ P. 24(b). While Movants correctly articulate the showing they must make under *Edwards v. City of Houston*, 78 F.3d 983, 999 (5th Cir. 1996),[10] to intervene as of right under Rule 24(a)(2), they fall short on at least two of the four required elements and should therefore be denied authority to intervene.[11]

A. Movants Are Already Fully Represented in this Matter

This Court, like others before it, has already recognized in this case that intervention is inappropriate if the putative intervenors are adequately represented by the parties already before the Court. Order dated April 20, 2009 [Doc. No. 321]. The interests of the Movants are no different from the interests of all other Stanford investor/victims – they seek recovery of their stolen investments, or as much of their lost investments as possible, and they would like the process to be completed as quickly and efficiently as the system will allow. The Movants differ from the thousands of other Stanford investors (many of whose representatives have already been denied the right to formally intervene) solely because they have retained an attorney who now, belatedly seeks to upend the very Committee that has worked tirelessly for investors. This is not a basis for intervention – mandatory or permissive.

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[10] Under *Edwards*, an intervenor as of right must demonstrate (1) that the motion to intervene is timely, (2) that the applicant has an interest in the property or transaction which is the subject of the action, (3) that the applicant is so situated that the disposition of the action may, as a practical matter, impair or impede his ability to protect that interest, and (4) that the applicant's interest is inadequately represented.

[11] The putative intervenors certainly have an interest in the property or transaction that is at issue in this matter.

The interests of these Movants are adequately represented by four different parties to this litigation – the SEC, the Receiver, the Examiner, and perhaps most importantly, the Committee. This Court already has concluded that the SEC provides adequate representation for any interests these Movants (or similarly situated Stanford investor/victims) may have. Doc. 321 at 4. Similarly, the Court already has concluded that the Receiver adequately represents the interest of these Movants and any other similarly situated Stanford investor/victims. *Id.*

In addition, the interests of these Movants, and all other Stanford investor/victims, are represented by the Examiner, appointed by Order of this Court on April 20, 2009, and expressly charged with informing the Court as to matters that would be helpful to the Court in considering the interests of the Stanford investors. Doc. 322 at 1. Movants offer no argument, and no evidence, to suggest that the Examiner is not discharging the obligations imposed on him by the Court. As this Court has observed, a "party seeking to intervene in an action bears the burden of establishing the inadequate representation requirement of Rule 24 [citation omitted]." Doc. 321 at 4. There is absolutely nothing in the Motion, nor in the supporting materials, that even addresses the work of the Examiner, nor that suggests the Examiner cannot or does not adequately represent the interests of these Movants.

Finally, on August 10, 2010, this Court entered an Order creating the Committee and charged it with representing the interests of Stanford investors. Doc. 1149. The members of the Committee were chosen by the agreement of the moving parties at that time (certain Stanford investors), the SEC, the Receiver and the Examiner, so that they would represent the broadest possible spectrum of Stanford investors. The designation of Committee members was accomplished precisely as contemplated and mandated by this Court's order and announced to the Court on January 10, 2011, and no one, including the Movants, filed an objection to the

procedure for determining Committee members or to the actual choice of Committee members.

In addition to the Examiner, the Committee members include the following:

- Angela Shaw Kogutt is the founder and director of the Stanford Victims Coalition ("SVC"). The SVC is a nonprofit corporation registered in the state of Texas. At present, is has more than 4,000 registered members (all Stanford victims) in 38 states in the U.S. and in 50 countries throughout the world.

- Dr. John Wade is a member of the SVC, a U.S. citizen, and a resident of Louisiana. Dr. Wade represents all investors, and is particularly representative of the investors who purchased SIB CDs through Stanford's offices in Louisiana and through the Stanford Trust Company.

- Jaime Pinto Tabini, an attorney practicing in Peru who represents several hundred Stanford investors who are citizens of Peru, Ecuador and other South American countries.

- Peter Morgenstern, an attorney practicing in New York (who filed the original motion that led to the formation of the Committee), who represents approximately 700 investors from numerous different countries, holding approximately $327 million in CD claims.

- Ed Snyder, an attorney practicing in San Antonio, Texas, who represents approximately 500 predominately Mexican Stanford investors holding approximately $250 million in CD claims.

- Ed Valdespino, an attorney practicing in San Antonio whose firm (Strasburger & Price, LLP) represents approximately 2,000 predominately Venezuelan, Mexican and other Latin American Stanford investors holding approximately $500 million in CD claims.

Apart from complaints about the Committee's failure to object to the Receiver's fee applications (which, as discussed, is not the Committee's task in any event), the Movants offer no evidence or argument as to why the existing members of the Committee are inadequate to represent their interests or the interests of all Stanford victims or cite to any provision of any order which would require or even authorize the appointment of four additional Committee members. Previous requests by other investors were rejected as the Committee has been fairly and properly constituted.

B. Intervention Would be Futile and Will Not Address the Movants' Complaints

The Motion to Intervene is really a series of complaints about certain aspects of the conduct of this Receivership to date and the uniformly shared disappointment with the pace and amounts of recoveries achieved to date. But the fact of the matter is that ***none*** *of the enumerated complaints would be addressed or ameliorated by permitting the proposed intervention.*

The Motion also assumes that the Receiver will apply for, and be awarded, the fees that have been held back by the Court from each of the Receiver's fee applications. That is an assumption that only the Movants are willing to make; the Court has expressly reserved ruling on any objections to the Receiver's fees and will take up an application for some or all of the fees subject to the holdback at an appropriate time.

Second, the Motion attacks the Committee for failing to object to the Receiver's several fee applications. This argument reflects a fundamental misunderstanding of this proceeding, and reflects an apparent failure to even read the text of the Order appointing the Committee. The Movants ignore the express provisions of the Order creating the Committee, through which this Court expressly directed the Committee that it should ***not*** **"lodge separate responses or objections to the Receiver's future fee applications."** Doc. No. 1149 at 5, ¶4. That task was expressly left to (and has been diligently performed by) the Examiner.

This argument also ignores the calendar and the chronology of the Committee's appointment. The Committee was appointed in August 2010. By that time, the Receiver had already filed seven (7) interim fee applications, pursuant to which he sought payment of just over $55 million in fees and as to which he received payment of just under $42 million in fees, with $13 million subject to this Court's holdback. Those numbers represent **85% of the fees** incurred through the Receiver's recently-filed 12th interim fee application. The Committee could not have

objected to those fees, even had it been authorized to do so, *because it did not even exist at the time these applications were considered.*

Third, the Motion alleges that "the attorneys" serving on the Committee have "merely negotiated fees for themselves," and attacks the agreement entered into between the Receiver, the Committee and certain law firms authorizing the Committee to pursue litigation for the benefit of the Receivership estate. To the contrary, the agreement about which the Movants now complain was ratified by this Court on Motion (duly noticed to Movants and all other Stanford investors and not objected to by her or anyone else) and approved by final Order entered on February 25, 2011. The Motion simply ignores the fact of this Court's final Order and consideration and approval of the arrangement reached between and among the Receiver, the Examiner, the SEC and the Committee. *See* Doc. No. 1267. This Order is not appealable and is final. Also, while it is certainly true that five members of the Committee are practicing lawyers, only three of those members (Messrs. Morgenstern, Snyder and Valdespino) are involved in the prosecution of lawsuits on behalf of the estates (together with the very able and qualified law firm Neligan Foley LLP). Mr. John Little, the Court-appointed Examiner, receives compensation in this matter only upon application to, and approval by, the Court. His fees have been, and remain, subject to objection by any party to this proceeding, and there is no relationship between his fees and the amounts recovered (or not recovered) in the lawsuits being pursued by the Committee. Mr. Jaime Pinto is an attorney licensed in Peru, but he has not entered into any contingent fee arrangements with respect to litigation being prosecuted by the Committee. In fact, as is true of all members of the Committee, Mr. Pinto receives no compensation for his service on the Committee at all. Contrary to the argument made in the Motion, the majority of the Committee (Ms. Kogutt, Mr. Wade, Mr. Pinto and Mr. Little) have

no direct financial interest in the outcome of the lawsuits that are being pursued by the Committee.

The Committee's role is to investigate and pursue litigation that will benefit the Receivership Estate and the Stanford investor victims. Since its creation, the Committee, and the individual law firms serving on the Committee (together with additional associated counsel), have been involved in the investigation, filing and litigation of dozens of fraudulent transfer and class action lawsuits seeking billions of dollars in recoveries, and have also provided briefing to this Court on the crucial issue of SLUSA. To date none of the lawyers involved in these litigation efforts have received any contingency fee payments for their work on these cases or for their substantial work on other, non-litigation related Committee matters, but continue to diligently pursue all such recoveries.

C. The Motion is Untimely

Whether seeking intervention as of right, or by permission, a motion to intervene must be timely filed. This Motion is not – rather, it is little more than an effort to belatedly challenge actions taken by the Receiver, the Examiner, the Committee and even the Court.

The Movants' primary complaint, and seemingly the only basis for intervention, concerns the fees that have been charged by and paid to the Receiver and his professionals. Movants appear to suggest that it was not until they received the Receiver's 12th interim fee application (Doc. Nos. 1383 and 1384, filed June 28, 2011) that they reached the conclusion that they needed to intervene because of the Receiver's professional fees and expenses. That argument cannot withstand scrutiny.

Movants make no effort to explain why it has taken them two full years to seek to intervene to address the Receiver's professional fees, nor do they explain how the Receiver's

latest fee application purportedly "opened their eyes" and suddenly made their intervention timely.

Movants also point to the materials filed by the Receiver on February 22, 2011, as being the triggering event that led them to argue that the Receiver has not created any benefit for the Estate.[12] The Movants' reliance on those materials demonstrates that they haven't been paying much attention to the Stanford case. The argument being made now by the Movants could have been made by these Movants (or others) based upon the Receiver's prior status reports, which were filed over two years ago (on April 23, 2009, Doc. No. 336) and over one year ago (on July 1, 2010, Doc. Nos. 1117, 1118) respectively.

As of July 1, 2010, this Court had approved the Receiver's first six interim fee applications, and ordered that approximately $12.4 million be held back and addressed at a later date. Thus, these Movants (or others) could have argued over a year ago, using the same flawed logic they apply here, that the Receiver had generated a "net benefit" of only $1.5 million.

To the extent that this Motion is based upon the Receiver's fees, or his alleged "net recovery" for the Estate, it is untimely. The complaints on that issue made here could have been made over a year ago.

A secondary complaint made by the Movants is that the Investors Committee has entered into contingent fee agreements with certain lawyers and law firms that are represented on the Committee. The proposal to enter into those agreements was on file with this Court and publicly available since January 2011, Doc. No. 1207, and has been known both to the Movants and their counsel since that time. Kachroo met with the Committee in Dallas, Texas, on December 10, 2010 as its invitation. During that meeting, the Committee discussed its efforts to negotiate an

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[12] Intervenors rely upon the Receiver's Second Interim Status Report, Doc. Nos. 1236 and 1237.

agreement with the Receiver pursuant to which the Committee would be authorized to prosecute litigation on behalf of the estates and to do so using counsel retained on a contingent fee basis. Appendix at p. 8. That agreement was subsequently finalized and filed; ***neither the Movants nor their counsel objected to the proposal when it was filed***, and it was approved by this Court by its now non-appealable Order dated February 25, 2011 (Doc. No. 1267). Movants should not now be permitted to intervene to attack an Order that memorialized and approved an agreement that was filed with and approved by the Court many months ago and pursuant to which able counsel has been operating. The Movants had an opportunity to object at an appropriate time but chose not to.

Based upon all of the foregoing, the undersigned respectfully requests that this Court deny the Motion in its entirety and grant such other and further relief as it considers just and proper.

Respectfully submitted,

/s/ John J. Little
John J. Little
Tex. Bar No. 12424230

LITTLE PEDERSEN FANKHAUSER, LLP
901 Main Street, Suite 4110
Dallas, Texas 75202
(214) 573-2300
(214) 573-2323 [FAX]

AS EXAMINER AND ON
BEHALF OF THE OFFICIAL
STANFORD INVESTORS COMMITTEE
AS ITS CHAIRPERSON

CERTIFICATE OF SERVICE

On July 28, 2011, I electronically submitted the foregoing document with the clerk of the court of the U.S. District Court, Northern District of Texas, using the electronic case filing system of the court. I hereby certify that I have served all counsel and/or pro se parties of record electronically or by another manner authorized by Federal Rule of Civil Procedure 5(b)(2).

/s/ Edward F. Valdespino
Edward F. Valdespino

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

SECURITIES AND EXCHANGE COMMISSION,	§	
	§	
Plaintiff,	§	
	§	
v.	§	**CIVIL ACTION NO. 3-09-CV -0298-N**
	§	
STANFORD INTERNATIONAL BANK, LTD., et al.,	§	
	§	
Defendants,	§	

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

John J. Little, the Court-appointed Examiner, and the Official Stanford Investors Committee, respectfully submits this Appendix in support of their Response in opposition to the KLS Stanford Victims' Motion to Intervene and for Appointment to the Official Stanford Investor Committee [Doc. No. 1939].

Included in this Appendix are the following:

Ex.	Description	App. Page Nos.
A.	Declaration of John J. Little	4-22
B.	Declaration of Peter D. Morgenstern	24-25
C.	Declaration of Edward C. Snyder	27-28
D.	Declaration of Edward F. Valdespino	30-31
E.	Declaration of Angela Shaw Kogutt	33-54
F.	Kachroo Legal Services, P.C.: Frequently Asked Questions	56-59
G.	Kachroo Legal Services, P.C.: Proposed Engagement Letter and Related Solicitation Materials	61-74
H.	Kachroo Legal Services, P.C.: Statements from Dr. Kachroo	76-83

Respectfully submitted,

/s/ John J. Little
John J. Little
Tex. Bar No. 12424230

LITTLE PEDERSEN FANKHAUSER, LLP
901 Main Street, Suite 4110
Dallas, Texas 75202
(214) 573-2300
(214) 573-2323 [FAX]

EXAMINER

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/s/ Edward F. Valdespino
Edward F. Valdespino

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT A

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

SECURITIES AND EXCHANGE COMMISSION,	§	
Plaintiff,	§	
v.	§	**CIVIL ACTION NO. 3-09-CV 0298-N**
STANFORD INTERNATIONAL BANK, LTD., *et al.*,	§	
Defendants.	§	

DECLARATION OF JOHN J. LITTLE

1. My name is John J. Little, and I have been appointed the Examiner in the above-captioned case. I have 28 years experience in civil litigation matters. I am executing this Declaration in support of the Response filed by the Examiner and the Official Stanford Investors' Committee (the "Committee") to the KLS Stanford Victims' Motion to Intervene and for Appointment to the Official Stanford Investors Committee (Doc. No. 1393)("Motion to Intervene").

2. On July 18 and 19, 2011, I performed an extensive review of the blog (Stanford's Forgotten Victims) maintained by Catherine Burnell ("Kate"), one of the movants in the Motion to Intervene. Ms. Burnell's blog may be accessed at:

http://stanfordsforgottenvictims.blogspot.com/.

3. The first entry on Kate's blog relating to Gaytri Kachroo ("Kachroo") was posted on December 15, 2010, and was promptly followed by three more entries (one more on December 15 and two on December 18). All four entries urged Stanford investor/victims to retain Kachroo and her law firm for the purpose of filing administrative claims against the SEC

pursuant to the Federal Tort Claims Act ("FTCA"). These four (4) entries may be accessed at the following links:

December 15, 2010
http://stanfordsforgottenvictims.blogspot.com/2010/12/stanford-investors-to-sue-sec.html

December 15, 2010
http://stanfordsforgottenvictims.blogspot.com/2010/12/stanford-investors-to-sue-sec-important.html

December 18, 2010
http://stanfordsforgottenvictims.blogspot.com/2010/12/kachroo-legal-services-in-media.html

December 18, 2010
http://stanfordsforgottenvictims.blogspot.com/2010/12/kacheroo-letter-to-colleagues.html

4. During January 2011, there were a total of 45 entries posted to Kate's blog. Of those, 31 entries related to Kate's "campaign" to urge Stanford investor/victims to execute Kachroo's engagement letter and to retain her firm with respect to the pursuit of FTCA claims against the SEC. Kate's 31 blog entries relating to Kachroo can be accessed at the following links:

January 1, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-investors-must-file-sec.html

January 3, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/kachroo-legal-services-engagement_03.html

January 3, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/latest-news-on-claim-against-sec.html

January 4, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/information-for-those-considering.html

January 4, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/administrative-claims-registration.html

January 7, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/kachroo-legal-services-press-release.html

January 10, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/attorney-inundated-with-claims-from_10.html

January 10, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/be-careful-who-you-send-money-to.html

January 12, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/statement-from-kachroo-legal-services.html

January 12, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-investors-face-dilemma.html

January 12, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/only-3-days-left-for-international.html

January 14, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-latin-american-investors-speak.html

January 15, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-bank-ftca-claim-campaign-faces.html

January 16, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/only-one-month-for-stanford-investors.html

January 17, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/are-certain-advisors-of-stanford-bank_17.html

January 18, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-investors-from-mexico-colombia.html

January 19, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/unfair-competition-between-attorneys-in.html

January 20, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/questionable-advice-from-stanford.html

January 21, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/more-questionable-advice-from-covisal.html

January 22, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/snow-storms-in-new-england-hamper.html

January 22, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/stanford-financial-group-investors-from.html

January 23, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/to-stanford-bank-investors-waiting-for.html

January 24, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/investors-sue-government.html

January 25, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/frequently-asked-questions-from.html

January 26, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/deadline-for-stanford-investors-less.html

January 26, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/less-than-three-weeks-before-deadline.html

January 26, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/angry-investors-threaten-suit.html

January 27, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/open-letter-to-stanford-investors.html

January 29, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/deadline-for-stanford-investors-less_29.html

January 29, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/only-two-weeks-now-before-deadline-for_29.html

January 31, 2011
http://stanfordsforgottenvictims.blogspot.com/2011/01/last-chance-to-submit-claims-against.html

5. I have attached hereto as Exhibits the following posts that I obtained from Kate's blog on July 19, 2011:

Exhibit 1: Post titled "Stanford Investors Get Fleeced Again" dated July 24, 2009;

Exhibit 2: Post titled "Lawyer wants 34% of Money Recovered in Stanford Case," dated August 15, 2009;

Exhibit 3: Post titled "Unfair Competition Between Attorneys in the Stanford Bank Scandal?" dated January 19, 2011; and

Exhibit 4: Post titled "Press Release from the Office of Gaytri Kachroo," dated June 17, 2011

5. I have met Kachroo, the attorney for the Movants, on one occasion. She attended a meeting with the Committee in my offices on December 10, 2010. Among the items discussed at that meeting was the agreement that was then being negotiated between the Receiver and the Committee pursuant to which the Committee would seek the authority to prosecute litigation for the benefit of the Receivership estate and to do so using attorneys retained on a contingent fee basis.

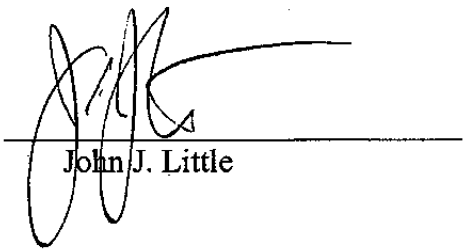
6. With respect to the Movants' complaints about the Receiver's fee application, it is important to note that the Order creating the Committee (Doc. No. 1149) expressly prohibited the Committee from filing responses or objections to the Receiver's fee applications. That task, pursuant to the Order, was left to me in my role as Examiner.

7. As Examiner, I have devoted substantial time and attention to the tasks of reviewing the Receiver's fee applications and budgeting materials, commenting upon, questioning, and criticizing those materials, and conferring at great length with the Receiver, his professionals and the SEC concerning the Receiver's fee applications. I have set forth below the hours expended on this particular task (as set forth in my last three fee applications:

June 1 through September 30, 2010	52.00 hours	$23,400
October 1, 2010 through January 31, 2011	27.50 hours	$12,375
February 1 through May 31, 2011	72.50 hours	$32,625

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

Executed on July 19, 2011.



John J. Little

DECLARATION OF JOHN J. LITTLE

Exhibit 1

Stanford's Forgotten Victims

This Blog is Dedicated to fighting for the recovery of the Billions of Dollars belonging to the thousands of International Investors who are affected by the alleged fraud of Stanford Financial Group and Stanford International Bank in Antigua.

LATEST NEWS ON STANFORD

Allen Stanford | HollandSentinel.com - Allen Stanford, 89 | powered by Google

FRIDAY, JULY 24, 2009

Stanford investors get fleeced again

It's bad enough being a victim of a Ponzi scheme. But it's rubbing salt in the wound when the court-appointed receiver charged with cleaning up the mess makes things worse for investors fleeced in the scam.

Yet that's just what the receiver appears to be doing in the case of R. Allen Stanford, who has been accused of running a $7 billion Ponzi scheme.

In an unusual turn of events, the receiver, Ralph Janvey, again finds himself doing battle with the Securities and Exchange Commission, which recommended the Dallas attorney's appointment back in February. A month ago, the SEC opposed a $20 million fee application that Janvey had submitted, saying the receiver's compensation request was excessive.

Now the SEC is asking the Texas federal court judge who approved Janvey's appointment to strip the Dallas attorney of the power to bring so-called "clawback" lawsuits against innocent investors. The SEC contends the lawsuits are unnecessarily punitive and not supported by either "logic or law."

A clawback suit is a favorite remedy of receivers in fraud cases to recapture earlier payouts to investors who may have either had some knowledge of the scam, or received preferential treatment from the Ponzi ringleader.

Janvey, who didn't return a phone call, already has filed a number of clawback suits against former Stanford brokers, contending that they benefited financially by selling Stanford's high-yielding certificates of deposit that prosecutors say were bogus.

The SEC says it has no problem with those lawsuits, but it is drawing the line at actions that target investors who simply had the good fortune of cashing in some of their Stanford CDs early.

Worst of all, it's not even clear the investor suits will bring in enough money to justify the effort. A court-appointed examiner in the Stanford case says it appears that Janvey is willing "to expend $2 in attorneys' and accountants' fees chasing a recovery of only $1."

Cleaning up the Texas-sized mess Stanford created with his offshore

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There have been past allegations made by the Stanford Victims Coalition (SVC) that submitting administrative claims under the Federal Tort C...

New International Forum for Stanford's Victims Established

A new International forum has been established for Stanford's Victims. To register and join the forum follow this link: http://svg.creatufo...

What and who does SIPC cover?

I do not know how correct the statements here are, but I picked this information off a Spanish blog where someone has been putting questions...

Stanford International Bank Limited (In Liquidation) - Notice to Creditors/(Noticia a los a Acreedores)

English Version Marcus Wide and Hugh Dickson of Grant Thornton Appointed New World-Wide Liquidators of Stanford International Bank Limited...

bank in tiny Antigua shouldn't be about generating hefty fees for the receiver and his team.

The SEC should do more than simply seek to limit Janvey's powers. It's time to remove him from the case and get a new receiver. (Editing by Martin Langfield)

Posted by Kate at 7:01 PM

Labels: Leroy King Stanford International Bank FSRC SEC, Ralph Janvey

0 comments:

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Comment as: Select profile...

Post Comment Preview

Links to this post

Create a Link

Newer Post Home Older Post

Subscribe to: Post Comments (Atom)

Stanford International Victims Group Press Release
SIVG Press Release

USEFUL LINKS RELATING TO STANFORD

Kachroo Legal Services

Stanford International Victims Forum

Victimas de Stanford

ABOUT ME

Kate

A victim of Allen Stanfords massive International Fraud. I am dedicated to bringing justice to all the International victims who have been abandoned and ignored by their Governments. I dedicate my remaining time to helping the poor suffering animals of Antigua. My dream of opening a free animal hospital stolen from me by Allen Stanford. I now rely on the charity of others to help me rescue the starving animals and provide medical treatment and find loving homes for as many as I can rescue. Read about my dream of a free animal clinic on Antigua at the botom of the page.

View my complete profile

HALL OF SHAME.

HSBC - Refused to disclose to clients where money destined for Stanford International Bank in Antigua was actually sent without a court order.

Barclays - Failed in their duty of care to identify the sort code identified with Stanford International Bank Swift Code was in fact an HSBC sort code.

Baroness Kinnock - Ignored letters from Stanford victims asking her to invoke the treaty between the UK and Antigua that protected investors.

David Cameron - To busy to even acknowledge letters from Stanfords Victims pleading for justice.

Mark Garnier M.P. for Wyre Forest - Also to busy to acknowledge letters from Stanford's Victims pleading for justice.

STANFORD VICTIMS SPEAK

DECLARATION OF JOHN J. LITTLE

Exhibit 2

Stanford's Forgotten Victims

This Blog is Dedicated to fighting for the recovery of the Billions of Dollars belonging to the thousands of International Investors who are affected by the alleged fraud of Stanford Financial Group and Stanford International Bank in Antigua.

LATEST NEWS ON STANFORD

SATURDAY, AUGUST 15, 2009

Lawyer wants 34% of money recovered in Stanford case

The attorney supposed to clean up what the government says was Texas businessman R. Allen Stanford's multibillion-dollar Ponzi scheme is managing to anger just about every party involved in the case. The Securities and Exchange Commission and other stakeholders in the complicated and far-flung case say Dallas attorney Ralph Janvey, appointed by the court to track down billions of missing dollars, has instead become a rogue receiver who refuses to cooperate with the SEC.

"You know everyone in the courtroom is angry with you," said U.S. Judge David Godbey at a recent court hearing.

Stanford's attorneys say Janvey is "exceeding his authority." And John Little, the court-appointed examiner who represents the interests of jilted investors, said they feel Janvey's actions have been shocking and outrageous.

The latest flash point has been Janvey's demands for more than $27 million in fees for himself and the team of lawyers and consultants he hired to take over Stanford's business empire and track down the missing billions. The giant paycheck would come from the same pot of money he is amassing that is supposed to be divided among Stanford's allegedly defrauded investors.

The SEC has accused Stanford and some of his top company officials of running a $7 billion scheme by promising inflated returns to more than 20,000 investors on certificates of deposit at his bank in Antigua. Instead of investing the money, Stanford, who faces additional criminal charges in Houston, paid off old investors with deposits from new investors, according to the government.

Godbey has not ruled on Janvey's mid-May request for nearly $20 million, covering work through April 12. Nor has he ruled on Janvey's request last week for another $7.6 million to cover work for a seven-week period from mid-April to the end of May.

Janvey wants to pay himself and the more than 100 lawyers and consultants he has hired to work the case. But his requested share of the pie is 34% of the $81.1 million of cash on hand the receiver has under his control in a bank account, according to court records. While investors will be fortunate to get back just pennies on the dollar, the

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There have been past allegations made by the Stanford Victims Coalition (SVC) that submitting administrative claims under the Federal Tort C...

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English Version Marcus Wide and Hugh Dickson of Grant Thornton Appointed New World-Wide Liquidators of Stanford International Bank Limited...

attorneys could walk away with millions.

Janvey is requesting nearly $800,000 in fees and expenses for his law firm. The bill also covers nearly $8.9 million in fees and expenses for the advisory firm FTI Consulting, and about $8.4 million for the law firm Baker Botts.

The SEC is fighting Janvey's bill, telling the judge it would be "inappropriate" to pay him the $1.1 million a week he asked for in a filing last week.

The agency complained that Janvey is employing too many high-priced lawyers, including nine partners at Baker Botts and six financial consultants from FTI Consulting who were charging at least $500 an hour. SEC lawyers also took issue with a bill from FTI charging $280 an hour for photocopying and creating shipping labels and binders.

Peter Henning, a professor at Wayne State University's law school and former SEC attorney, said Janvey is in a difficult spot because "these are not cheap cases."

"But there is a concern that it for firms becomes free billing," Henning said.

Securities experts say the relationship between receivers and the SEC is typically more cooperative than contentious. But the friction in this case led the agency, which recommended Janvey for appointment, to try to get a court order stripping him of some of his authority, a motion which was denied.

SEC lawyers acknowledged that they were unable to recall ever before trying to rein in a receiver.

"It is very unusual for there to be this level of conflict between the receiver and the SEC," said Kelly Crawford, a securities lawyer who four times has been a court-appointed receiver. "The SEC remains a watchdog for investors even after the receiver appointment, and if the SEC believes he is not acting in the best interests of investors by charging exorbitant fees ... they are going to step in."

SEC officials declined to publicly discuss their displeasure with Janvey. Rose Romero, the agency's regional director in Fort Worth, said only that the SEC's job is to "look out for the interests of the investors. As with all cases, we are aggressively carrying out this mission in the Stanford case."

For his part, Janvey replied in court papers that "skilled professional services are inherently costly." He said he and the firms he hired are working at a 20-percent discount.

At a recent court hearing, he said this was the first time in his career that he has been in a dispute with the SEC. He also pointed out that he does work for the SEC, but answers to the court.

Janvey's lawyer did not return a message left by the Associated Press. Through his PR firm, for which the receiver requested $165,000 in fees and expenses, Janvey pointed to court documents in which SEC attorney Kevin Edmundson discussed an inability to work out areas of disagreement, but added that "We still want the receiver. We still support the receiver."

One of the impasses is over whether Janvey is targeting innocent investors by going after their original investments in CDs at Stanford's bank in Antigua, as the SEC believes. Janvey has filed lawsuits for $925 million that he is trying to recover from 650 investors and former financial advisers — a move known as a "clawback." The SEC said many of those investors are innocent victims.

Janvey said he is trying to increase the pot of money and make everyone share equally in the losses.

But securities lawyers and the SEC say such a tactic victimizes investors a second time. Last month, Godbey ruled against Janvey, who has taken the issue of whether he can claw back principal to a federal appeals court. Experts in securities law said Janvey's strategy is unusual and unfair.

"To go after principal is just enlarging the number of victims unnecessarily and unwisely," Crawford said.

In addition to the civil case against Stanford in Dallas, he and four executives of his now defunct Stanford Financial Group are accused of orchestrating the massive Ponzi scheme in a criminal indictment in Houston. Investigators said Stanford secretly diverted more than $1.6 billion in investor funds as personal loans to himself.

Stanford and executives Laura Pendergest-Holt, Gilberto Lopez and Mark Kuhrt pleaded not guilty to various criminal charges in Houston, including wire and mail fraud, in a 21-count indictment issued June 18. The three Stanford executives are free on bond while Stanford himself remains jailed in the Houston area.

James Davis, ex-chief financial officer for Stanford's business empire, has been cooperating with prosecutors and is free on bond.

Posted by Kate at 7:37 AM

Labels: $27 million, 43%, allen Stanford, godbey, lawyer. dick deguerin, Leroy King Stanford International Bank FSRC SEC, Ralph Janvey, rogue receiver

0 comments:

THE STANFORD SERIES

The fractal Stanford
As Stanford allegations fly, the SEC investigates...
Sir Allen's Antigua, or the curious case of Stanford International Bank
US MARSHALS SEEN ENTERING HOUSTON OFFICE OF STANFORD FINANCIAL GROUP - REUTERS EYEWITNESS
ROBERT STANFORD ACCUSED OF 'MASSIVE FRAUD' BY SEC
Arise, Sir Allen...lest we assume the worst
The full SEC complaint against Stanford
Stanford scandal in pictures
It's just not cricket
Have you seen this bank?
Where in the world is Sir Allen?
What does the 'F' stand for in FINRA?
Stanford's mysterious billions
Stanford's AIM foray
A Freudian slip?
Sir Allen Stanford, you've been served
But which passport will he surrender?
SIB and Stanford Trust Company Limited put into receivership
Eastern Caribbean Central Bank "takes control" of the Bank of Antigua
The Stanford campaign donations: pay 'em back, not forward
Clients of Allen, by the numbers
This land is our land, Antigua government to say
Antigua government moves closer to seizing Stanford properties
From "investment fraud" to "massive Ponzi scheme"
New details on alleged "massive Ponzi scheme"

DECLARATION OF JOHN J. LITTLE

Exhibit 3

Stanford's Forgotten Victims

This Blog is Dedicated to fighting for the recovery of the Billions of Dollars belonging to the thousands of International Investors who are affected by the alleged fraud of Stanford Financial Group and Stanford International Bank in Antigua.

LATEST NEWS ON STANFORD

Allen Stanford | Bloomberg - Securities Fund to Decide in September on Stanford Investors

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WEDNESDAY, JANUARY 19, 2011

UNFAIR COMPETITION BETWEEN ATTORNEYS IN THE STANFORD BANK SCANDAL?

Over the last few weeks there have been quite a number of unfounded rumors spread by some less than scrupulous investors, and it appears, at least one of their attorneys too, against our team members and our attorney. Amongst the unfounded rumors are that some members of the team were accused of accepting illegal referral fees and other commissions. So offended was our attorney, Dr Kachroo, she had the good grace to issue a denial and denouncement of the practice, and invited the other Stanford attorneys to do the same. So far none have accepted. There has also been unwarranted criticism of our attorney's qualifications and experience, which amounts no less than five law degrees, a Harvard doctorate, and never having lost a case in her 23 year career. Could any of the other Stanford attorneys with comparable qualifications and experience please stand up and be counted?

One comment we saw this week, from one of the other Stanford attorneys, went like this:

"..Carefully consider any proposal, especially if a lawyer is asking for money upfront....and also carefully consider that lawyer's professional experience....there is a big difference between FILING a lawsuit and winning one.... I hope you are considering these issues"

A very valid comment, very worthy of consideration, in particular with regard to how it may equally apply to some of the other Stanford attorneys, who have collected considerable upfront fees, to have thus far only filed lawsuits that appear to be going nowhere fast, and managed to duck 'the big one.'

The Stanford Examiner, who chairs the Investors Committee, on which four such attorneys sit, last week put in his two cents and finally issued one of his rare statements. He painted an unnecessarily dull picture of the likelihood of success of FTCA claims against the SEC; but then he is appointed by the same Judge who appointed the Stanford Receiver, at the request of the SEC, so there's no surprise then.

The same Examiner also referred to the fact he knew of only one attorney bringing such claims (ours), but stopped short of naming her, and has still not added her firm's details to his Counsel Roster. The Investors Committee that he chairs has waited until the very last

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I do not know how correct the statements here are, but I picked this information off a Spanish blog where someone has been putting questions...

Stanford International Bank Limited (In Liquidation) - Notice to Creditors/(Noticia a los a Acreedores)

English Version Marcus Wide and Hugh Dickson of Grant Thornton Appointed New World-Wide Liquidators of Stanford International Bank Limited...

possible opportunity to advise investors they have this option, and what if we had not taken this initiative? Would the Statute of Limitations have been allowed to slip quietly by?

Some of the investors and their attorneys who sit on the Investors Committee, insisted our attorney attend a grilling by the Committee, in Dallas not so long ago, and initially offered to pass on our attorneys details and proposal as being in the best interests of their own clients, but have since desperately sought to understand our attorneys arguments, have become very protective, and are now offering their own services to their clients, but are apparently not willing to subsequently litigate if any of their claims are rejected, or ineligible.

The deadline for FTCA claims against the US Securities and Exchange Commission is approaching fast. This is a real possibility for a full recovery of losses due to the negligence of the SEC in not spotting the fraud perpetuated by Allen Stanford from his Stanford International Bank, a part of the former Stanford Financial Group, and is open to all Stanford investors, irrespective of nationality or place of residence. The SEC were aware for 13 years that Stanford was likely operating a Ponzi scheme, and had they acted sooner instead of watching porn all day, many thousands of investors would have been spared the loss of their life savings.

Please contact your attorney without delay, or the attorney hired by the Stanford International investors: Kachroo Legal Services, Cambridge, Mass., who already has considerable experience of submitting FTCA claims for the Madoff investors, and is also willing to litigate against the SEC should it become necessary.

Email:info@kachroolegal.com

Posted by Kate at 8:12 AM

Labels: attorneys, competition, FTCA Claims, Kachroo Legal Services, KLS, ponzi, sec, Stanford, Stanford Development Company, stanford financial group, Stanfords Forgotten Victims

0 comments:

Stanford International Victims Group Press Release
SIVG Press Release

USEFUL LINKS RELATING TO STANFORD

Kachroo Legal Services

Stanford International Victims Forum

Victimas de Stanford

ABOUT ME

Kate

A victim of Allen Stanfords massive International Fraud. I am dedicated to bringing justice to all the International victims who have been abandoned and ignored by their Governments. I dedicate my remaining time to helping the poor suffering animals of Antigua. My dream of opening a free animal hospital stolen from me by Allen Stanford. I now rely on the charity of others to help me rescue the starving animals and provide medical treatment and find loving homes for as many as I can rescue. Read about my dream of a free animal clinic on Antigua at the botom of the page.

View my complete profile

HALL OF SHAME.

HSBC - Refused to disclose to clients where money destined for Stanford International Bank in Antigua was actually sent without a court order.

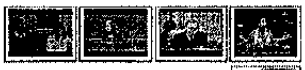
Barclays - Failed in their duty of care to identify the sort code identified with Stanford International Bank Swift Code was in fact an HSBC sort code.

Baroness Kinnock - Ignored letters from Stanford victims asking her to invoke the treaty between the UK and Antigua that protected investors.

David Cameron - To busy to even acknowledge letters from Stanfords Victims pleading for justice.

Mark Garnier M.P. for Wyre Forest - Also to busy to acknowledge letters from Stanford's Victims pleading for justice.

STANFORD VICTIMS SPEAK



DECLARATION OF JOHN J. LITTLE

Exhibit 4

Stanford's Forgotten Victims

This blog is Dedicated to fighting for the recovery of the Billions of Dollars belonging to the thousands of International Investors who are affected by the alleged fraud of Stanford Financial Group and Stanford International Bank in Antigua.

LATEST NEWS ON STANFORD

Allen Stanford | Bloomberg - Securities Fund to Decide in September on Stanford Investors

powered by Google

FRIDAY, JUNE 17, 2011

Press Release from the Office of Gaytri Kachroo

Here is the latest information from the office of Gaytri Kachroo with regard to the news concerning SIPC. It is worth remembering that Kachroo Legal Services are the only attorneys that have SIPC experience – of any of the attorneys out there – because of their vast experience in the Madoff case.

I would urge all victims to make contact with Kachroo Legal Services to establish whether or not you may be eligible for coverage under this latest proposal Ms Kachroo and her staff will be able to help you and answer your questions. WE have a new fight on our hands now because the remaining victims who are not eligible under this new proposal now have to make sure that either SIPC is restricted to only being allowed access to SGC assets to recover advance (and there are no assets in SGC) or, if SIPC are determined to go after everything including the land in Antigua, money in Switzerland and the UK (and from what I am hearing this is going to be their strategy), then each and every victim has to be included under SIPC.

My own opinion is that the American Committee will be giving themselves a pat on the back and congratulating themselves on a job well done. From my own standpoint as the proposal stands at the moment they have sold most of us down the river and it will cost the majority of victims dearly. The next step is pushing for coverage for all victims and with this in mind the first thing you need to determine is if you are going to be eligible for SIPC. We then have to start protecting all of our assets except SGC and making sure that SIPC does not take what little we have.

As with our registration of interest against the SEC, we need the help and support of Gaytri to make sure SIPC either includes all victims in this latest proposal or they are restricted to only being able to claim against SGC. **This is going to be a tough battle to have us all included, and we all need to be united in this.**

Regards, Kate.

Here is a part-copy of the latest from KLS:

Dear KLS Stanford Client:

TOTAL PAGEVIEWS

6 5 5 4 3

Visitors

US	7,358	GB	338
VE	2,196	CA	297
CO	529	SV	193
MX	526	BO	155
AN	428	CH	151
AG	380	AI	116

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POPULAR POSTS

TO STANFORD BANK INVESTORS WAITING FOR SIPC COVERAGE

There have been past allegations made by the Stanford Victims Coalition (SVC) that submitting administrative claims under the Federal Tort C...

New International Forum for Stanford's Victims Established

A new International forum has been established for Stanford's Victims. To register and join the forum follow this link: http://svg.creatufo...

Stanford International Bank Limited (In Liquidation) - Notice to Creditors/(Noticia a los a Acreedores)

English Version Marcus Wide and Hugh Dickson of Grant Thornton Appointed New World-Wide Liquidators of Stanford International Bank Limited...

What and who does SIPC cover?

I do not know how correct the statements here are, but I picked this information off a Spanish blog where someone has been putting questions...

The SEC determination on the SIPC issue was released yesterday. SIPC coverage was determined to apply to all SGC customers!!!

We believe that the SVC has in large part played a key role in this positive outcome and we are very pleased that many of you will have full or partial recovery of the amounts you have deposited (less any withdrawals of income or principal from those deposits). Please note we sent our letter to the Chairman this week in support of SIPC coverage. We have also made our support known through several meetings in the past few weeks to those in positions of power over this outcome. Senator Vitter's ultimatum in the 11th hour to hold up Commission nominations until this determination was successful obviously helped to push this determination through! He has now dropped this roadblock. As you may know, I met with Sen. Vitter's office two weeks ago.

Eligibility: Many of you are up in the air about eligibility and the process given your connection through advisors with SGC, or STC. We will determine and push for your eligibility, as well as complete the claim forms for you so that you receive appropriate payment in a timely manner - for those who have signed up for Stanford Further Actions (SFA) and for those who continue to do so. Please note that SIPC will recover these monies from the liquidation in Antigua and Texas. KLS will play a key role in the recovery of assets in those jurisdictions and will keep you informed as part of the SFA package for which you have signed up.

Posted by Kate at 5:26 PM

Labels: Antigua, Eligibility, Fraud, Gaytri, Grant Thornton, Kachroo, KLS, ponzi, Ralph Janvey, sec, sipc, Stanford, Stanfords Forgotten Victims, vitter

1 comments:

Anonymous said...

Was it fair for Dr. Kachroo to be involved in the process to get SIPC for the minority of her clients? What about the many others who she apparently worked against?

June 19, 2011 8:00 AM

Post a Comment

Stanford International Victims Group Press Release
SIVG Press Release

USEFUL LINKS RELATING TO STANFORD

Kachroo Legal Services

Stanford International Victims Forum

Victimas de Stanford

ABOUT ME

Kate

A victim of Allen Stanfords massive International Fraud. I am dedicated to bringing justice to all the international victims who have been abandoned and ignored by their Governments. I dedicate my remaining time to helping the poor suffering animals of Antigua. My dream of opening a free animal hospital stolen from me by Allen Stanford. I now rely on the charity of others to help me rescue the starving animals and provide medical treatment and find loving homes for as many as I can rescue. Read about my dream of a free animal clinic on Antigua at the botom of the page.

View my complete profile

HALL OF SHAME.

HSBC - Refused to disclose to clients where money destined for Stanford International Bank in Antigua was actually sent without a court order.

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STANFORD VICTIMS SPEAK

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT B

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

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. STANFORD INTERNATIONAL BANK, LTD, *et al.*, Defendants.	§ § § § § § § § § §	Case No. 3-09-CV-0298-N

DECLARATION OF PETER D. MORGENSTERN

1. My name is Peter D. Morgenstern, and I am an attorney duly admitted to practice law in the State of New York. I have also been admitted to practice *pro hac vice* in the State of Texas since 2009 in connection with these cases. I am currently a member of Morgenstern & Blue, LLC, counsel of record to a number of Stanford investors.* I have practiced in the area of civil litigation for 28 years. I have handled hundreds of cases in state and federal courts throughout the United States, primarily in New York and Florida.

2. I am presently a member of The Official Stanford Investors' Committee, and was instrumental in its establishment, and also serve as putative class counsel in several Stanford-related class-action lawsuits.

3. This Declaration is filed in support of the Response filed by the Examiner and the Official Stanford Investors' Committee in opposition to the KLS Stanford

* However, I anticipate that I will shortly be filing papers with this Court substituting my new firm, Butzel Long, PC, as attorneys for the clients I represent in the various Stanford matters with which I am involved.

Victims' Motion to Intervene and for Appointment to the Official Stanford Investors Committee [Doc. No. 1393] ("Motion to Intervene").

4. I currently represent approximately 749 investors or groups of investors in these proceedings through attorney-client agreements. These clients are predominately from the countries of Mexico, Venezuela, Colombia, and Peru, as well as the United States and a number of other countries. The losses sustained by these clients exceeds $330,000,000.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Signed on this the 28th day of July, 2011.

PETER D. MORGENSTERN

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT C

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

SECURITIES AND EXCHANGE COMMISSION,	§	
Plaintiff,	§	
v.	§	**CIVIL ACTION NO. 3-09-CV 0298-N**
STANFORD INTERNATIONAL BANK, LTD., *et al.*,	§	
Defendants.	§	

DECLARATION OF EDWARD C. SNYDER

1. My name is Edward C. Snyder, and I am an attorney licensed to practice law in the State of Texas since 1994, when I graduated from the University of Texas School of Law. I have 17 years experience in civil litigation matters, primarily in the area of complex commercial, securities and international litigation. I have been involved in numerous class action litigations, either as lead counsel or second chair counsel, since 1998, including having been certified as lead class counsel on two (2) occasions in the Northern District of Texas in 2007 in two separate lawsuits stemming from the collapse and SEC take-over of an offshore securities fraud scheme targeting foreign (primarily Mexican) investors that were litigated and settled before Judge Barbara Lynn and Magistrate Jeff Kaplan and which involved Ralph Janvey as Receiver (the "Sharp Capital" case). The Stanford matter is the fourth Texas-based offshore securities fraud case I have been involved in within the last 10 years.

2. I am presently a member of the Official Stanford Investors' Committee, and also serve as counsel in the following Stanford-related investor class actions: (1) *Troice v. Willis*, C.A. No. 3:09-cv-01274; (2) *Troice v. Proskauer Rose*, C.A. No. 3:09-cv-01600; (3) *Mendez v. Pershing,*

C.A. No. 3:11-cv-00314; (4) *Wilkinson v. BDO*, C.A. No. 3:11-cv-01115; and (5) *Mendez v. Adams & Reese*, C.A. No. 3:11-cv-00329.

3. I am executing this Declaration in support of the Response filed by the Examiner and the Official Stanford Investors' Committee (the "Committee") to the KLS Stanford Victims' Motion to Intervene and for Appointment to the Official Stanford Investors Committee (Doc. No. 1393)("Motion to Intervene").

4. I currently represent some 430 Stanford investors or groups of investors (typically families) in these proceedings through attorney-client agreements, the majority of which agreements were executed in 2009. The 430 investors that I represent hold between them 1,202 separate CD accounts. I have one client (a family from Mexico) that holds 19 separate Stanford CD accounts. Roughly 90% or 95% of my Stanford investor clients reside in Mexico or are of Mexican nationality; the remainder are U.S. investors and one or two are from Venezuela. The losses sustained by my group of clients amounts to over **$253 million**."

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

Executed on July 27, 2011.

Edward C. Snyder

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT D

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

SECURITIES AND EXCHANGE COMMISSION,	§	
Plaintiff,	§	
v.	§	
STANFORD INTERNATIONAL BANK, LTD, *et al.*,	§	Case No. 3-09-CV-0298-N
Defendants.	§	

DECLARATION OF EDWARD F. VALDESPINO

1. My name is Edward F. Valdespino and I am an attorney licensed to practice law in the State of Texas since 1987. I am a partner at Strasburger & Price LLP, which was established in 1939. I have practiced in the area of civil litigation for 23 years. I have handled hundreds of cases as lead trial counsel in state and federal courts throughout Texas.

2. I am presently a member of The Official Stanford Investors' Committee, and also serve as putative class counsel in several Stanford-related class action lawsuits.

3. This Declaration is filed in support of The Response filed by The Examiner and The Official Stanford Investors' Committee in opposition to the KLS Stanford Victims' Motion to Intervene and for Appointment to the Official Stanford Investors Committee [Doc. No. 1393] ("Motion to Intervene").

4. I currently represent approximately 2,337 investors or groups of investors in these proceedings through attorney-client agreements. The clients are from the countries of Mexico, Venezuela, Colombia, Peru, Costa Rica, The Dominican Republic,

Ecuador and Spain. The losses sustained by these clients amounts to approximately $518,660,000.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Signed on this the 28th day of July, 2011.

EDWARD F. VALDESPINO

538645.1/SPSA/23632/0101/072811

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT E

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

SECURITIES AND EXCHANGE COMMISSION,	§	
Plaintiff,	§	
v.	§	**CIVIL ACTION NO. 3-09-CV 0298-N**
STANFORD INTERNATIONAL BANK, LTD., *et al.*,	§	
Defendants.	§	

DECLARATION OF ANGELA SHAW KOGUTT

1. My name is Angela Shaw Kogutt. I am over the age of twenty-one and competent to make this Declaration. I am executing this Declaration in support of the Response filed by the Examiner and the Official Stanford Investors Committee (the "Committee") to the KLS Stanford Victims' Motion to Intervene and for Appointment to the Official Stanford Investors Committee (Doc. No. 1393)("Motion to Intervene").

2. I have been a member of the Official Stanford Investors Committee since its inception on August 10, 2010. I am also the founder and director of the Stanford Victims Coalition ("SVC"). The SVC is a nonprofit corporation registered in the state of Texas. At present, the SVC has more than 4,000 registered members (all Stanford CD investor victims) in 38 states in the U.S. and in 50 countries throughout the world.

3. On or about November 17, 2010, Stanford Financial Group ("Stanford") whistleblowers Mark Tidwell and Charlie Rawl and I participated in a conference call with attorney Gaytri Kachroo to discuss her proposal for filing a Federal Tort Claims Act ("FTCA") lawsuit against the U.S. Securities and Exchange Commission ("SEC") on behalf of Stanford investors. On the

call, Kachroo admitted to having very little knowledge of the Stanford Ponzi scheme and most of the call was spent explaining the history of the case to her. Despite being only superficially aware of the case, Kachroo stated she felt there was great potential for a class-action suit against the SEC for Stanford victims. She stated that her experience in filing a lawsuit against the SEC for the victims of the Madoff fraud (which to date has not been successful) put her in an ideal position to file a similar suit for Stanford investors. I asked Kachroo what her legal theory was for overcoming the SEC's sovereign immunity, which seemed to be a significant legal hurdle according to other attorneys I had previously spoken to about this type of lawsuit. She said the SEC does not have blanket immunity and that she intended to research the case to determine the most optimal theory.

4. On or about December 2, 2010, Kachroo emailed Charlie Rawl asking him for my email address so that she could send me a representation agreement. She then sent me a representation letter. I replied asking for a follow-up phone call so I could learn more about the legal theory on which Kachroo proposed to sue the SEC on behalf of Stanford investors.

5. On or about December 6, 2010, I asked Kachroo if she would come to the Stanford Investors Committee meeting in Dallas on December 10, 2010 to present her proposal to file a class-action lawsuit against the SEC on behalf of Stanford investors.

6. At the Stanford Investors Committee meeting, the Committee members asked Kachroo directly how she intended to overcome the discretionary function exemption under the FTCA in order to successfully sue the SEC. Kachroo stated generally that she felt the SEC did not follow its mandate to thoroughly investigate information it was aware of, and that violations of specific mandates are not discretionary. She stated she was still researching the case to determine her specific cause of action, but emphasized the need for all investors to file administrative claims

with the SEC prior to the 2-year statute of limitations expiring on February 16, 2011. She indicated she would like to work with the Committee to get claims filed for as many Stanford investors as possible by February 16, 2011. The Committee was quite dissatisfied with Kachroo's explanation and what it considered to be her evasiveness in disclosing a concrete legal theory to support the course of action she was advocating.

8. On December 22, 2010, Kachroo emailed a proposed representation agreement for the clients of the attorneys serving on the Committee. I replied again asking again if she could explain her legal theory for which she proposed filing the FTCA lawsuit against the SEC. I explained I did not feel comfortable recommending her legal representation until I had more information about the lawsuit she intended to file. Kachroo responded to my email in a very threatening tone, telling me I had a liability to refer SVC members to her so that she could file their administrative claims with the SEC by February 16, 2011. I responded to Kachroo again explaining that if I had an actual proposal that would justify a referral of her legal services, I could consider making a recommendation to SVC members. Kachroo responded telling me she could not share information with me that other investors were paying her for, but that I had a fiduciary duty to SVC members to make them aware of her plan.

9. The Committee and its members determined unanimously they were not in a position to recommend Kachroo to any Stanford investor.

10. I attach hereto as Exhibit "1" true and correct copies of e-mails I received from Kachroo and other supporting documents.

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

Executed on July 28, 2011.

Angela Shaw Kogutt

DECLARATION OF ANGELA SHAW KOGUTT

EXHIBIT 1

From: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Date: December 2, 2010 9:52:34 AM CST
To: Charlie Rawl <charlie@xenithgroup.com>
Cc: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Subject: Stanford Engagement letter

Dear Mr. Rawl:

Please provide Angie Kogutt's contact information as we are working on the engagement letter in the Stanford matter and need at least one set of client documents so that we'll know how we're going to craft the claim.

Thank you.

Best,

On behalf of Dr. Gaytri Kachroo
Janice A. Espinal
Executive Assistant
KLS – Kachroo Legal Services
219 Concord Avenue
Cambridge, MA 02138
Office: 617.864.0755
Fax: 617.864.1125

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From: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Date: December 2, 2010 10:54: 40 AM CST
To: anngeewest@yahoo.com
Cc: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Subject: Stanford Engagement letter

Dear Ms. Kogutt:

Attached please find the engagement letter for the Stanford victims.

Thank you.

Best,

On behalf of Dr. Gaytri Kachroo
Janice A. Espinal
Executive Assistant
KLS – Kachroo Legal Services
219 Concord Avenue
Cambridge, MA 02138

Office: 617.864.0755
Fax: 617.864.1125

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From: Gaytri Kachroo <gkachroo@kachroolegal.com>
Date: December 2, 2010 5:16: 44 PM CST
To: anngeewest@yahoo.com
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Stanford Engagement letter

Dear Angie:

Thank you. I will review and then we should set up a time to speak and also to meet. Also, please review the engagement letter and let me know if you have questions or comments. We will have a list of documents needed from each investor within a week which we will also send along to you.

Best,
Gaytri

Dr. Gaytri D. Kachroo
PRINCIPAL
KLS-Kachroo Legal Services, P.C.
219 Concord Ave.
Cambridge, MA 02138
Direct: 1-617-864-0755
Facsimile: 1-617-864-1125
Mobile: 774-232-2865
http://www.kachroolegal.com

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From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: December 6, 2010 12:23:31 PM CST
To: anngeewest@yahoo.com; "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>

Subject: Stanford Engagement letter

Angie:

I look forward to speaking about the engagement letter this afternoon. I won't be able to review all of this before our call this afternoon. I understand that you head the U.S. investors' coalition unless I am mistaken. We should discuss more specifically the issues relating to the American investors and also to the extent possible see what issues may be conflicting (if any) with international investors.

Best,
Gaytri

Dr. Gaytri D. Kachroo
PRINCIPAL
KLS-Kachroo Legal Services, P.C.
219 Concord Ave.
Cambridge, MA 02138
Direct: 1-617-864-0755
Facsimile: 1-617-864-1125
Mobile: 774-232-2865
http://www.kachroolegal.com

From: Angie Kogutt [mailto:anngeewest@yahoo.com]
Sent: Tuesday, December 07, 2010 3:08 AM
To: Kachroo Legal, Executive Assistant
Cc: gkachroo@kachroolegal.com
Subject: Re: Stanford victims engagement letter

Janice,

We are all set for a meeting in Dallas on Friday, Dec. 10 at 3 p.m. with the Stanford Investors Committee. If a flight schedule puts Dr. Kachroo a bit earlier or later than 3, that will be fine - just let me know so I can keep our agenda keeper informed. The meeting will be held in downtown Dallas at the offices of Little Pedersen Frankhauser at 901 Main Street, Suite 4110. A cab ride to downtown is about 25 minutes from the DFW airport and I can provide a trip back to the airport after our meeting - unless Dr. Kachroo would like to stay afterward and discuss the case with myself and another victim who will be at the meeting. Please let me know if any other information is needed.

My cell phone number is 972-672-1512 in case there are any delays or what not.

Some brief information about the Stanford Investors Committee can be found at:
http://www.lpf-law.com/UserFiles/File/2010%20Docs/Final%20Release%20_English_%20083110%20_2_.pdf

Thanks,

Angie Kogutt
Director and Founder
Stanford Victims Coalition

See the victims and hear their stories at www.stanfordvictimscoalition.blogspot.com

---

From: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Date: December 7, 2010 5:32 PM CST
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Subject: Stanford Engagement letter

Dear Ms. Kogutt:

Is there any possibility of you handling Dr. Kachroo's travel arrangements as we are extremely tied up with this SEC matter.

Thank you.

Best,

On behalf of Dr. Gaytri Kachroo
Janice A. Espinal
Executive Assistant
KLS – Kachroo Legal Services
219 Concord Avenue
Cambridge, MA 02138
Office: 617.864.0755
Fax: 617.864.1125

From: Angie Kogutt [mailto:anngeewest@yahoo.com]
Date: December 8, 2010 10:03 AM CST
To: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Cc: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Subject: Stanford Engagement letter

Janice,

I am not in a position to arrange for Dr. Kachroo's travel plans to come to Dallas to meet with the court-ordered Stanford Investors Committee.

I believe it would be beneficial for Dr. Kachroo to personally meet with the Committee whose lawyers are at the heart of all Stanford-related litigation and represent thousands of Stanford investors, but if we need to handle by phone, I understand and can suggest that to the committee. Please let me know.

Thank you.

Angela Shaw Kogutt
Director and Founder
Stanford Victims Coalition

See the victims and hear their stories at www.stanfordvictimscoalition.blogspot.com

---

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: December 8, 2010 10:09 AM CST
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Stanford Engagement letter

Angie:

I have already made the arrangements for travel yesterday... Janice was not informed. I am coming in on Friday morning around 11:30 am Dallas time. I will be staying over (it was the cheapest way to do the trip) at the downtown Dallas Hyatt Regency. I hope the venue is close by.

Best,

Gaytri

Dr. Gaytri D. Kachroo
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219 Concord Ave.
Cambridge, MA 02138
Direct: 1-617-864-0755
Facsimile: 1-617-864-1125
Mobile: 774-232-2865
http://www.kachroolegal.com

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: December 13, 2010 3:45 PM CST
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Stanford Engagement letter

Dear Angie:

Thank you for arranging the meeting with the investors' committee. I think in all it was beneficial to meet in person with the committee members and will follow up with them individually. If we are to file thousands of SEC claims, we must begin immediately. We have commenced our research so that we will have a memo to you and the investors' committee in short order as to the causes of action and exact information needed so investors can directly contact us to move forward with their claims.

Please let me know your thoughts.

Best,
Gaytri

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From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Wed., December 15, 2010 2:36:07 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Announcement of SEC Suit – URGENT

Dear Angie:

Thanks... I enjoyed meeting you and the other attorneys around the table and the examiner.

Yes, several groups (representing a substantial number of investors into Stanford as well as individual investors) have now approached me about filing the SEC claims to preserve the right to sue the SEC in a timely fashion, including yourself. As I explained to you and the investor committee, if the claims are not filed by Feb. 16 (to be on the safe side) investors will not be eligibility to sue the SEC under the FTCA. Each claim is fairly time consuming and filing thousands will be almost impossible in the timeline if we started today. What is more, it will probably be unlikely any of this work will begin for another week or so and if investors do not sign on, it will not get done. There is a good deal of liability (for me) to not commence this preservation of rights process immediately, given the various discussions I have had with yourself and others. There may be liability with regard to individual

investors if some amount of publicity advising them of their rights is not commenced right away also, especially from group leaders that are looking after their interests and have some fiduciary obligation to them.

I am sensitive to the work and efforts directed at securing a legislative remedy through SIPC money, but there are a few things to keep in mind on this issue... SIPC money would cover only some $1.8 billion of the $7.4 billion loss under Stanford. This is a small portion of the loss and the majority of Stanford investors may not be eligible if and when any amount of that $1.8 billion is secured through the government. Further any SIPC coverage would not be for the entirety of the investment as there is a low ceiling on such claims' coverage.

Any lawsuit against the SEC will likely not be filed for another year and so there is a good deal of time to research the causes of action and get that lawsuit right... however these claims are NOT a lawsuit, they are a claim to preserve rights in the event Stanford investors decide to pursue a lawsuit and as such may well be used as leverage in your discussions with the government also.

As for other law firms, there may be the possibility of using local counsel as well... however at this early stage there is ample time to discuss the matter with qualified local counsel.

Please give me a call to discuss further so that we have some agreement on a strategy forward. I do agree with you a united front is the best way to do this... and I know how hard you have worked to represent the interests of so many investors and I would like to be on the same page.

Best wishes,
Gaytri

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From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Wed., December 15, 2010 4:17 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Announcement of SEC Suit – URGENT

Dear Angie:

I had not read the blog to which you provided the link. I have just reviewed it and there are a number of misstatements and inconsistencies that I will immediately ask the blog poster to remove and/or change.

Best,
Gaytri

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http://www.kachroolegal.com

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Wed., December 15, 2010 4: 52 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: Announcement of SEC Suit – URGENT

Angie:

Thank you... this is helpful. I think there should be a game plan to protect and preserve all investors right to sue the SEC by filing claims in a timely fashion without in any way jeopardizing this very real possibility for SIPC recovery. I am happy to discuss and figure out a solution. I have written to this group to let me revise any public disclosures on a 'suit' against the SEC, which I keep maintaining this is not... it is a preservation of rights claim in the event investors decide to take that course. I have also urged and gotten them to refrain from any media publicity on this matter at this time, and until it makes sense to do so.

I will keep you posted.

Best,
Gaytri

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Mobile: 774-232-2865
http://www.kachroolegal.com

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Wed., December 22, 2010 1: 24:37 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]; david.cibrian@strasburger.com; jpinto@lss.com.pe; john little <jlittle@lpf-law.com>... more
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: SEC Claims

3 Files Stanford - Acuerdo de Compromiso Stanford Litigation Nuevo - final pdf.pdf (118KB); Stanford Litigation engagement letter (2) (Autosaved) - final pdf.pdf (116KB); stanford -investors defrauded by the Stanford Ponzi Scheme - summary- final pdf.pdf (292KB)

Dear Angela, David and Jaime:

Pursuant to our discussions in Dallas, I am attaching herewith a short summary of issues for prospective claimants against the SEC from the deep roster of Stanford investors with whom you are familiar and/or represent. It is imperative that investors know they must file claims prior to the Feb. 16 deadline in order to preserve their rights to file action against the U.S. government for its negligence in this case. I know that there are many other litigations that are ongoing that may result in further compensation/recovery for investors and this preservation of rights and any ensuing action will not deter such recovery. Moreover, all investors may file these administrative claims and participate in the action if their claims are filed.

Given the short timeline, information through you and others will be important to get the message out to timely proceed in this matter. I trust you will forward this information to the other members of the investor committee I had the privilege to meet.

Please note also, that I support all of your work and efforts in other quarters including legislative and other efforts to obtain SIPC or other recovery for investors. As such, I have made clear to others to focus on the claims process to preserve rights to an action at this point in time.

I look forward to working with you on this matter and continuing our discussions.

Best wishes,
Gaytri

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From: Angie Kogutt [mailto:anngeewest@yahoo.com]
Date: Wed., December 22, 2010 1: 33 PM
To:; 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>; "<david.cibrian@strasburger.com>" <david.cibrian@strasburger.com>; "<jpinto@lss.com.pe>" <jpinto@lss.com.pe>; "Kachroo Legal; Executive Assistant" <ExecutiveAssistant@kachroolegal.com>; john little <jlittle@lpf-law.com>... more
Subject: Re: SEC Claims

Dr. Kachroo,

Along the lines of what we discussed at length at the Stanford Investors Committee meeting a few weeks ago, I have received numerous emails asking what your proposed plan of action is to cause the SEC to waive its immunity under the FTCA. While the SEC's negligence in this case is indisputable, what is not clear is how/if we can bypass

the discretionary function exemption that provides what appears to most lawyers I speak with to be absolute immunity. Logically, the realistic potential for a successful FTCA lawsuit will be a primary factor for Stanford victims to consider in their decision to retain your firm - or any firm for that matter. While I may have a personal opinion on this issue that we have discussed, I am not a lawyer and do not give legal advice to SVC members, nor do I wish to misrepresent your intentions with this case. Please let me know how you are responding to this issue and if you anything prepared that you can share that addresses this.

I've copied the other committee members on this email as this is a very important issue I believe we should openly discuss as a group -- if you are so obliged.

Sincerely,

Angie Shaw Kogutt
Director and Founder
Stanford Victims Coalition

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Thurs., December 23, 2010 2:08 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]; david.cibrian@strasburger.com; jpinto@lss.com.pe; john little <jlittle@lpf-law.com>; Peter Morgenstern <PMorgenstern@mfbnyc.com>; Ed V. <Edward.Valdespino@strasburger.com>...
Cc: "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>
Subject: SEC Claims

Angie:

Thank you. You raise a very good issue and we are still researching and drafting the memo as to basis. However, it is not the practice of lawyers generally to do a large amount of work and hand it over to clients prior to engagement, or to other lawyers for that matter. Although I have been very willing to expend time, energy and money of my own on behalf of Stanford investors who appear to be very interested in at least preserving their rights to sue the SEC if it appears opportune and pay something for that service, I can understand that others would like more assurance that this is doable. I have tried to provide such assurance informally but will not feel comfortable providing a full memo of the same without engagement; especially as others are paying for the service from which you seek to benefit or would be benefitting.

You should also understand that it is unwise to send out a writing in a litigation of this importance that could easily fall into the wrong hands. The paranoia of wikileaks abounds.

There is no question that this is a difficult case and I will not be able to guarantee outcome... that however, does not mean we should not try. I also suspect we are in a better position to come out with the argument and complaint with the best possibility of success, simply because we have looked into the FTCA as it applies to the SEC for longer and with more resources within and without the government in this current environment. I have already provided you with that background.

This being said there is another issue while investors and their attorneys ponder whether to preserve their rights - that is liability. You may not want to take the step of preserving your rights because you are convinced that the case is futile and that is your prerogative. However, all investors and especially clients should be advised of upcoming deadlines as they may incur liability for not providing such information when they are aware of it. I was approached by you only a few weeks ago; as such time is of the essence and I simply cannot afford now not to deal

with those that are sending in payment and signing up to preserve their rights in the potential action which they must do by Feb. 18, 2010.

Again, I am very happy to speak with prospective claimants and all of the attorneys on this list informally and over the phone to review the preliminary basis and provide further guidance on the status of our research. I know we only cursorily touched upon this in our discussions in person.

Happy Holidays and Merry Christmas to all!!

Best,
Gaytri

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From: Peter Morgenstern [mailto:PMorgenstern@mfbnyc.com]
Sent: Thursday, December 23, 2010 3:03 PM
To: gkachroo@kachroolegal.com; anngeewest@yahoo.com
Cc: david.cibrian@strasburger.com; jpinto@lss.com.pe; ExecutiveAssistant@kachroolegal.com; jlittle@lpf-law.com; Edward.Valdespino@strasburger.com; JWadevet@aol.com
Subject: Re: SEC claims

Gaytri---i don't think anyone is asking for you to do free legal work for them but I think it is a fair question what your views are about the sovereign immunity question before we recommend to our clients or to the investor community that they retain you to pursue this path. If you are unwilling to, that is your prerogative

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Thu, December 23, 2010 3:08:06 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com]; Peter Morgenstern <PMorgenstern@mfbnyc.com>;
Cc: david.cibrian@strasburger.com; jpinto@lss.com.pe; john little <jlittle@lpf-law.com>; "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>; Ed V. <Edward.Valdespino@strasburger.com>...
Subject: RE: SEC Claims

Peter:

Sorry for any confusion on my part - absolutely willing to do that! I will be back to you on this next week. Happy Holidays in the interim!

Best,
Gaytri

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From: Angie Kogutt <anngeewest@yahoo.com>
To: Gaytri Kachroo <gkachroo@kachroolegal.com>
Cc: david.cibrian@strasburger.com; jpinto@lss.com.pe; "Kachroo Legal, Executive Assistant" <ExecutiveAssistant@kachroolegal.com>; john little <jlittle@lpf-law.com>; Peter Morgenstern <PMorgenstern@mfbnyc.com>; Ed V. <Edward.Valdespino@strasburger.com>; John wade <JWadevet@aol.com>
Sent: Fri, December 24, 2010 12:16:10 AM
Subject: Re: SEC claims

Gaytri,

My request for more information about how you anticipate overcoming the discretionary function exemption in a potential suit against the SEC is not "seeking to benefit from what others are paying for," and I certainly hope that is not your interpretation of my request or the intention of anyone serving on the Investors Commitee. You mentioned liability in your response and the information I was asking for was an attempt to minimize just that.

While I agree we should -- and will -- alert investors of their need to file administrative claims, that is an entirely separate issue from recommending your services to help them file those claims by the deadline. My inquiry was simply an effort to provide others with as much information as possible in order for them to feel comfortable in their decision to retain your services beyond filing administrative claims, which seems fairly straightforward in the SF-95 claim form. It is certainly a bit misleading to recommend to investors they need to file their administrative claims without warning them those claims are pointless without the subsequent filing of a hard-hitting legal complaint citing the reasons the discretionary function exemption does not apply to the SEC's negligent acts in the Stanford case.

What I was asking for is needed to justify what will be perceived as an endorsement of your services -- and with that, the implied potential for a successful lawsuit that bypasses the SEC's immunity. I'm sure you would agree from a legal perspective that a professional recommendation or referal carries with it an implied endorsement and belief that your ideas for a legal cause of action are valid and realistic. We cannot make that determination when we do not know what your ideas are for a cause of action -- and that is what I have been asking for.

Please keep in mind my perspective on this issue, along with the others serving on the Committee, is the result of being immersed in this case for almost 2 years. The idea of suing the SEC, along with all the challenges that brings, is not a new one to this group. The depth of knowledge this Committee has in so many aspects of this case -- most of which in some way relate back to the SEC's negligence -- is the most valuable resource anyone who sues the SEC could ever have and we are not seeking to capitalize on your previous experience or benefit from your area of expertise in any way. If anything, you are in a position to capitalize on *our* experience and knowledge -- and we are not opposed to that assuming you have a cause of action that addresses the immunity issue Dr. Wade and I have spent most of the last 2 years working toward -- from asking our political supporters to ask for the SEC OIG investigations, to pushing for further Congressional inquiries, to meeting with the SEC, talking to former SEC employees, whistleblowers, etc. We have done all of that with the intention of getting enough evidence to get past the discretionary exemption--*if* that is possible. So please keep in mind that we are now at a place where we've talked to so many experts and reviewed so many of the legal opinions out there, that the only differentiating aspect for whom we retain or endorse comes down to "How do you propose we get past the SEC's immunity?"

I think it is safe to say I know more about the SEC's history in this case than anyone outside the SEC -- and maybe inside the SEC -- most of which is not published and has been ascertained through this group's involvement in the case from various perspectives for the last two years. No one is seeking to benefit from your work without paying you.

Angie

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Wed, December 29, 2010 6:24:40 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com];
Subject: RE: SEC Claims

Angie:

Please provide a time when we may speak tomorrow morning? As indicated in my response, I have been speaking with many US and foreign investors into Stanford just like you (not out of any solicited inquiry... but to respond to inquiries I have received in this matter from them). I have taken the time to speak with them individually to explain what position I may adopt given the case that my law firm and I are still in the process of reviewing and our process for filing of these claims, which I have indicated would be delayed in deference to your SIPC efforts. I think it will be important to coordinate this effort and we should speak further about this also.

You and I have spoken somewhat about this matter and I have taken the time to come down to Dallas to meet with you and investor committee members in person as well to speak at length about myself and the possibility of taking on this representation generally and even about some of the specific concerns around a workable theory. I have also received some news from D.C. that may be informative to you on your SIPC efforts.

If you have further questions, as you do appear to have... please let me know what time may be convenient for you tomorrow, as I will be in the office during this end of the year rush. I will similarly make myself available to speak with each investor committee member individually to answer any specific questions they may have.

I hope you enjoyed a restful holiday weekend!

Best,
Gaytri

Dr. Gaytri D. Kachroo
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From: Angie Kogutt <anngeewest@yahoo.com>
Date: Tue, 4 Jan 2011 3:41 PM
To: Gaytri Kachroo<gkachroo@kachroolegal.com>
Subject: Fw: International Press Release: INVERSIONISTAS DE STANFORD SE ENFRENTAN A LA FECHA LIMITE PARA RADICAR RECLAMOS

Dr. Kachroo,

One of the Committee lawyers just sent these press releases to me. I feel this reflects very poorly on our image and any announcement of a lawsuit against the US government is subject to major backlash by US taxpayers who stand to foot the bill. This is not a wise strategy without a plan to counter the negative publicity, especially when the message is coming from those who do not pay taxes in the US and whose investments were not made with entities in the US. I can hear the political commentary now, "The SEC can't even regulate US markets..." I've done this long enough as both a victim and a PR professional to know we face tremendous image issues with the general public and in Washington -- and that's before we started threatening taxpayers. This could be a perfect storm given our current political environment. Keep in mind that in the public eye, we are just a bunch of wealthy people who were hiding our money in a tax haven in the Caribbean.

Your previous statements indicate your willingness to coordinate the timing of any publicity efforts for a lawsuit against the SEC so that we can plan our Congressional outreach efforts accordingly. Is this no longer the plan? Additionally, I just received a phone call from a Congressional staffer who got an email blast from one of the victims encouraging investors to sign up to sue the US government. This is just a mess.

Angie

From: 'Gaytri Kachroo' <gkachroo@kachroolegal.com>
Date: Tue, 4 Jan 2011 6:34 PM
To: Angie Kogutt [mailto:anngeewest@yahoo.com];
Subject: Re: International Press Release: INVERSIONISTAS DE STANFORD SE ENFRENTAN A LA FECHA LIMITE PARA RADICAR RECLAMOS

Angie:

I have asked you repeatedly to pick up the phone and call me to coordinate efforts if at all possible based on a specific relationship between us and for me to better understand where you and the committee stand. You said you would do that last week. I had thought that the agenda had changed as I had heard nothing from you.

Please note you are still not a client so I am unclear on our relationship, a situation I would like to clarify. As you can understand I have duties to clients of confidentiality and privilege.

Best,
Gaytri

Sent from my Verizon Wireless BlackBerry

From: Barney Hallman <2barney@att.net>
To: Undisclosed-Recipient@yahoo.com
Sent: Wednesday, December 29, 2010 6:34 PM
Subject: A chance for FULL recovery - Info about the FTCA process

While we are all hopeful that the U.S. Congress will come to our rescue, and that the SEC will do the right thing, there is another possible recovery alternative available for us to consider.

Namely, a person can file an "administrative claim" against the SEC for their losses. If the SEC declines the claim (which is expected), then the person can sue the U.S. Government to recover their losses. Almost anyone can do this-- **you don't even have to be a U.S. citizen.**

The recovery is not limited to $500,000 like SIPC-- **it is for FULL recovery**. It doesn't matter if your loss was $10,000 or $10,000,000-- you can apply to recover all of it. If you lost your home or another investment because of your Stanford losses, you may be able to claim those losses too.

The claims process is called the Federal Tort Claims Act (FTCA). But, as of today, there may be only 50 days remaining until our privilege to sue the U.S. Government will end!

That's because the FTCA only allows a person to file a claim within 2 years of when they discover their loss and its cause. The SEC could argue that the date for a person to have reasonably known that they suffered a loss and known the cause of their loss, was on February 17, 2009, the day when the SEC announced their action against Stanford.

Consequently, **your claim must be received by the SEC before February 17, 2011**. If you are just one day late you will lose your chance for recovery. Forever! See attached "FAQs FTCA.pdf" for more information.

Kachroo Legal Services, of Cambridge, MA (617-864-0755), has experience (with 500 Madoff clients), knows about the FTCA, and is accepting Stanford clients.

You can get more information about the attorney at:

- Kachroo Legal Services, P.C. www.kachroolegal.com
- Stanford Victims' forum http://svg.creatuforo.com/
- Stanford blog http://stanfordsforgottenvictims.blogspot.com/
- Stanford Victims' website http://www.actiweb.es/sib/claim_against_the_sec.html

Attached is a copy of the attorney's contract which shows the retainer fee schedule (which may be waived for hardship), a cap on expenses (which is good to see), and a contingency fee of only 15% (most attorneys want 25%). I haven't seen a better deal, nor have I found anyone else who is willing, let alone able, to start processing investors' claims immediately.

Also attached is a file containing the attorney's comments about the firm's capabilities and experiences, and a FAQs file about the attorney that I put together from our multiple phone conversations.

Now, **it is not my intentions to give you legal advice**. I am simply making you aware of an option for full recovery that you may not have known you had. So, if the FTCA process is of any interest to you, please contact your attorney, or the attorney referenced in the attached files as soon as possible.

It's in your own best interest to make a decision soon. Being just one day late could cost you your last chance for full recovery.

Please forward this note to anyone else who should know about the FTCA and the approaching deadline for filing a claim. It would be sad if our friends missed this chance because they didn't know about it.

Regards,

Barney Hallman
1810 N. 7th St.
Alpine, TX 79830
432.837.7173

From: Dolfy <calm_ice_cool@yahoo.com>
Date: December 29, 2010 10:01:48 PM EST
To: Annalissa Medez <annalisamendez@austin.rr.com>, Miriam & Guillermo Fishleder <batia@prodigy.net.mx>, Carole Bullard <caroleb@cablevision.net.mx>, Cassie Wilkinson <cassie2004@austin.rr.com>, Cindy Dore <cindy@radjetllc.com>, craig nelson <Craig.Nelson@marriottgrand.com>, Deby <debyport@gmail.com>, Eduardo Askenazi eduardoaskenazi@yahoo.com...
Subject: Last chance for true full recovery - Case against SEC - US Government for SVC

Hello Everyone!

STANFORD INVESTORS MUST SUBMIT ADMINISTRATIVE CLAIMS TO PRESERVE RIGHTS TO SUE THE SEC

This is a case against the US Government

Each of you know me as we have exchanged personal emails about the struggle to recover our lost savings. I remain hopeful that all of the hard work done by so many of you will eventually pay off.

But like you, I see the deadline for claims approaching, and I would like to have an alternative to hoping that the U.S. Congress will move to rescue us, or that the SEC will do the right thing. **This is the alternative, and is for FULL recovery: The recovery is not limited to $500,000 like SIPC-- it is for FULL recovery. It doesn't matter if your loss was $10,000 or $10,000,000-- you can apply to recover all of it. If you lost your home or another investment because of your Stanford losses, you may be able to claim those losses too. Even a love one..**
Stanford Investors must submit Administrative Claims to preserve their rights to sue the SEC by 17th February

2011. The clock is ticking on the statute of limitations, and unless all investors so interested file claims with the SEC before February 16th 2011, we will be barred from taking any action against the agency. Forever.

Kachroo Legal Serivces, of Cambridge, Mass. Are willing to represent the Stanford Investors in an action against the SEC. They are already representing the Madoff victims against the SEC.

Kachroo Legal Services, of Cambridge, MA (617-864-0755), has experience (with 500 Madoff clients), knows about the FTCA, and is accepting Stanford clients.

You can get more information about the attorney at:

- Kachroo Legal Services, P.C. www.kachroolegal.com
- Stanford Victims' forum http://svg.creatuforo.com/
- Stanford blog http://stanfordsforgottenvictims.blogspot.com/
- Stanford Victims' website http://www.actiweb.es/sib/claim_against_the_sec.html

As this is an action against the US Government, it cannot be a class-action in the normal sense. Only the investors who have joined-in and filed a claim with the SEC under the Federal Tort Claims Act can be included. No other victims will be able to join-in later.

After the statute of limitations expires (which we believe will be on February 16th 2011), unless investors have already registered and their claims have been submitted, they will be barred from suing the US Government and the SEC should they decide to do so.

Separate claims will need to be prepared for each investor account into Stanford in advance of filing any action on our behalf. This will obviously take some time, and clearly time is of the essence. We should each decide whether to sign-up sooner rather than later.

Attached is a copy of the attorney's contract which shows the retainer fee schedule (which may be waived for hardship), a cap on expenses (which is good to see), and a contingency fee of only 15% plus reasonable expenses (capped at 20% of fees), due from the recovery, if any litigation commenced is successful.

(most attorneys want 25%). I haven't seen a better deal, nor have I found anyone else who is willing, let alone able, to start processing investors' claims immediately.

Now, **it is not my intentions to give you legal advice**. I am simply making you aware of an option for full recovery that you may not have known you had. So, if the FTCA process is of any interest to you, please contact your attorney, or the attorney referenced in the attached files as soon as possible.

It's in your own best interest to make a decision soon. Being just one day late could cost you your last chance for full recovery.

Please forward this note to anyone else who should know about the FTCA and the approaching deadline for filing a claim. It would be sad if our friends missed this chance because they didn't know about it.

Thu, December 30, 2010 12:27:31 PM
Re: Fw: Last chance for true full recovery - rr any thing.Case against SEC - US Government for SVC
From: Dolfy <calm_ice_cool@yahoo.com>
Add to Contacts
To: Angie Kogutt <anngeewest@yahoo.com>
Cc: Annalisa <annalisamendez@austin.rr.com>; Cassie Wilkinson <cassie2004@austin.rr.com>; Russ

Mothershed <mothershedr@chartertn.net>; Lisa Teti <flsvg1@gmail.com>; Cindy Dore <cindy@radjetllc.com>; John wade <JWadevet@aol.com>... more

Thank you for being so grateful **as we attend to help all the investors around the planet regardless of nationality, Place of investment, place of birthday or institutions**.

This is a free country and everyone will deserve the same chance to get 100% of their recoveries and the press, media is free in this country.

HAPPY NEW YEAR TO ALL STANFORD INVESTORS REGARDLESS OF GROUPS OR COUNTRIES which is just irrelevant as we all want back what it was stolen from us.

EQUAL JUSTICE FOR ALL CITIZENS OF THE PLANET.

for those of you who are not interested in trying to get 100% of your losses please disregard this email.

Happy New Year

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT F

Frequently Asked Questions about the Federal Tort Claims Act

Q1. What is the Federal Tort Claims Act (FTCA).

A1. It is a law that was passed in 1946 which allows an individual to sue the U.S. Government. The FTCA permits private parties to sue the U.S. in a U.S. District Court for some torts committed by persons acting on behalf of the United States. The FTCA constitutes a limited waiver of U.S. sovereign immunity.

Q2. What is a tort?

A2. A tort is a wrong that involves a breach of a civil duty owed to someone else. A person who suffers a tortious injury is entitled to receive "damages", usually monetary compensation, from the person or people responsible--or liable--for those injuries.

Q3. What are examples of a tortious injury that applies to us?

Q3. An example of a tortious injury is the loss is our investments caused by negligent or wrongful acts, or omissions committed by the government employees. Other examples may be medical costs that you incurred due to the stress of losing your investments, or the loss of a loved one who could not accept the loss and committed suicide, or the loss of consortium between parents and children or between spouses. Another might be the financial loss you suffered if you lost your home or other possessions because you could no longer afford them.

Q4. Who are the government people liable for our injuries?

A4. The SEC in general and the SEC Enforcement group in the Fort Worth regional Office (in Texas) specifically, are alleged to be the liable government people, and that their negligent conduct was done within the scope of their employment for the U.S. government.

Q5. How is the process of suing the U.S. Government started?

A5. The process of suing under the FTCA begins with filing a claim with the federal agency responsible for the alleged misconduct (in our case, the SEC). At this point in the process your claim is referred to as an "administrative claim" and will be reviewed by the SEC.

- You have **two years** from the time your claim arose to file your administrative claim with the SEC.
- Claim more than your actual loss because (a) an unforeseen cost may arise in the interim and (b) it is virtually impossible to increase the amount claimed once in court. The judge will reduce an award to whatever your documentation can support, but is unlikely to increase an award above what you listed on your administrative claim.

Q6. When did our claim legally arise?

A6. Because the SEC announced their action against Stanford on February 17, 2009, your administrative claim might have to be delivered to the SEC before February 18, 2011. There is a possible argument that you will have two years from the time the SEC's Inspector General's investigative report was published (April 16, 2010). This later filing date (April 17, 2012) could become a legal issue that a court will have to determine. Should your administrative claim be just one day late when it is received by the SEC, your claim will be rejected as untimely, and you will lose your chance to sue the U.S. Government forever.

Frequently Asked Questions about the Federal Tort Claims Act

Q7. Is there a form that can be used for filing an administrative claim?

A7. Yes. The easiest way to prepare your administrative claim is to use the standard claim form, known as a Standard Form 95 or SF 95, which has boxes for all the information you will need to provide. You can get a copy of the form from the Department of Justice's website (at www.usdoj.gov, type "standard form 95" into the search box) or talk to your lawyer.

Q8. How long does it take the SEC to review an administrative claim?

A8. Once your claim is received, the SEC has six months to rule on it. In some cases, a federal agency may agree that your claim is valid and agree to pay you some or all of the money damages you demanded, and you may not need to go to court.

Q9. What happens if the SEC does not agree that the claim is valid?

A9. If the SEC rejects your claim or refuses to pay all the money damages you demanded, you have six months from the date on which the decision is mailed to you to file a lawsuit. File your lawsuit as soon as possible after receiving this decision to avoid any chance of having your lawsuit dismissed as untimely.

Q10. Where will the lawsuit likely to be filed?

A10. The case is likely to be filed in the U.S. District Court located in Dallas Texas, as that is where the loss due to the SEC Enforcement's alleged negligent acts occurred. The FTCA requires that lawsuits must be filed against the U.S. Government (and not against a federal agency). So, the U.S. Department of Justice will send their attorneys to defend the SEC. The District Court is required to use the law of the state where the injury occurred (Texas) and cannot use U.S. Federal laws. The U.S. Government will be held liable as though it was a private person, but there are a number of exceptions that give it an advantage over a private person.

Q11. What kind of exceptions to liability will the U.S. Government have?

A11. First of all, the case will be heard by a judge; a jury trial is not permitted. Secondly, the SEC may attempt to claim immunity from liability because its decision making is exempt under the discretionary function exception. (The U.S. has lost this argument in other court decisions.) Next, the SEC may attempt to claim immunity from liability because the private person analogy cannot hold when it is doing a government function (regulating the markets), for which a private person cannot. (The U.S. has also lost this argument in other court decisions.)

Q12. Can I recover lost income or sue for punitive damages?

A12. No, the FTCA only allows you to sue for your actual losses. It does not allow you to collect pre-judgment interest or punish the U.S. for the negligence of its employees.

The SEC's Inspector General's investigative report (OIG-526), along with thousands of pages of testimony (in some 200 exhibits) is available at: http://www.sec.gov/foia/foiadocs.htm

FAQs discussed with Dr. Gaytri Kachroo:

Q1. Dr. Kachroo, please tell us about your courtroom litigation experiences.

A1. - Appellate attorney for 4 years in Canada,
- Associate at Fraser Milner Casgrain (Montreal).
- Clerk to the Honorable Justices Duffly, Katz, Armstrong and Greenberg, 1998.
- Clerk to the Honorable Justice Gerald Gillerman, Massachusetts Appeals Court, 1999,
- Associate at Skadden, Arps, Slate, Meagher & Flom (NYC)*
- Partner at Burns & Levinson (Boston) - did major litigation there.
- Partner, International Corporate Transactions, Intellectual Property Practice, Head India Practice; Worked on a number of commercial litigation cases – especially involving fraud
- Co-Chair International Intellectual Property Committee at Boston Bar Association
- Never lost a case.

* FYI: Forbes Magazine calls Skadden, Wall Street's most powerful law firm.

Q2. How many Madoff clients do you currently represent?

A2. Approximately 500 clients.

FYI: See attorney rating at: http://www.avvo.com/attorneys/02142-ma-gaytri-kachroo-1356107.html
Dr. Kachroo scored 9.2 (out of 10), especially good experience and professional conduct. No professional misconduct was reported (20 year career).

Q3. Have the pros and cons of the SIPC strategy been explained to your satisfaction?

A3. Within the various victims groups there are some who do not want to announce the filing of a claim against the SEC until the very last moment. The reason has to do with a strategy for obtaining SIPC coverage. There are others who want to announce the filing of a claim against the SEC as soon as possible. They do not believe it is possible to obtain SIPC coverage and are concerned victims may lose their last chance for recovery as the statute of limitations (deadline) to file is approaching very quickly. After talking to contacts in Washington, DC, the SIPC case appears to be a difficult one. But it is important to support efforts for SIPC coverage; only those who dealt with a SIPC member would be covered.

Q4. Are the Investor Committee attorneys waiting to see more from you before recommending that their clients contact you?

A4. At first, there was concern, but with time, they are now more open to the idea of a lawsuit against the SEC. The Committee attorneys are busy with current (and planned suits), and looking for additional information regarding a possible theory for the lawsuit against the SEC via the Federal Tort Claim Act (FTCA). I have some ideas but not actual arguments for them at this stage.

Q5. Have you been contacted by clients from Committee attorneys?

A5. Not yet as the engagement letters have just now become ready to go to them. The US attorneys know they may have a liability to make their clients aware of their option to sue the SEC. If a person is represented by an attorney and has not heard about filing a FTCA they should ask their lawyer about this or contact info@kachroolegal.com directly.

FAQs discussed with Dr. Gaytri Kachroo:

Q6. Where do you see the lawsuit being tried?

A6. Because there are many victims living in many states and elsewhere, the District Court where the damage to investors occurred would likely have jurisdiction. All of the claims may be argued together. One can argue the actual location where the damage occurred is the SEC's Fort Worth Regional Office, and hence, the District Court for the Northern District of Texas should have jurisdiction (in Dallas).

Q7. Currently you are not admitted to argue before the District Courts in Texas. Will this be a problem for you?

A7. No, we can be admitted before the case goes to trial (and have done so before in Florida) as well as be admitted to argue before the 5th Circuit Appeals Court. It's too early to say if another attorney or other law firms will be engaged. The possibility is not precluded.

Q8. Will non-US investors be able to sue the U.S. Government for their losses?

A8. Yes, they can in most cases. If their home country allows foreigners to sue their government, then the U.S. will let the non-US investor sue it. This is the case for Argentina, Columbia, Ecuador, El Salvador, Peru, Venezuela, most of Europe, Canada, Mexico, Australia, Hong Kong, Singapore, etc.

Q9. What can you do for those who cannot afford the engagement fee?

A9. They should contact the office for assistance. For example, the engagement fee may be waived in return for a higher contingency fee if we have a sufficient number of paying claimants.

Q10. How are your activities funded, by the engagement fees and/or by your personal funds?

A10. Engagement fees are needed to cover expenses until after the initial motions for dismissal have been defeated.

Q11. Some people are very concerned about putting up their money without first having ***some idea*** as to how you plan to win this case. Can you outline your strategy?

A11. That would give the SEC more time to prepare counter-arguments and allow other attorneys to use them as well. The SEC's position will be that it has immunity due to the discretionary function exception. Another argument that the SEC will make is that they are immune because they are performing a government function (regulating). Both of these arguments have been defeated in past cases, and may be done in this case by using the four SEC examinations as a basis.

Q12. What is the minimum number of Stanford clients you will need to proceed with the case?

A12. We'll need approximately 300 investors to sign-up by mid-January in order to go forward with an announcement and approximately 2,000 to sign-up by early-February to go forward with filing the administrative claim (and then start the detailed work for the lawsuit).

Q13. What is your strategy for making unrepresented victims aware of your services before the Statute of Limitations runs out?

A13. We have media contacts and will employ them once approximately 300 clients have signed up.

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT G

KLS --- KACHROO LEGAL SERVICES, P.C.

Dr. Gaytri D. Kachroo
219 Concord Avenue
Cambridge, MA 02138
Telephone: (617) 864-0755
Direct Line :(617) 864-0073
Facsimile (617) 864-1125
gkachroo@kachroolegal.com

BY EMAIL
Privileged and Confidential
Attorney-Client Privilege

December 14, 2010

KLS Stanford Investor Registrant
Name:
Address:

Dear KLS Stanford Investor Registrant:

This letter states our understanding with respect to our legal representation of You (Stanford Investor Registrant) ("You") in connection with claims ("Claims") arising from Your direct or indirect investments in the Allen Stanford ponzi scheme and any related entities or into the Stanford ponzi scheme more generally, through any fund(s), feeder funds, banks, investment advisers, pension plans, retirement savings plans, or through such entities' or institutions' affiliates, subsidiaries, and/or related entities.

If acceptable, please indicate Your agreement to these terms by signing below in the space provided.

1. Nature of Services. You hereby engage Kachroo Legal Services, P.C. and its affiliate firm(s) currently or prospectively serving Stanford Investor Registrants in their claims only against the Securities and Exchange Commission or SEC ("Supporting Law Firm," collectively "We," or "Us" and in the adjective "Our"), on a partial contingent fee and expense basis, to represent You in connection with Your Claims. You engage Us to file claims against the SEC on Your behalf and commence a class action litigation.

2. Fees and Expenses. Except as provided in this section (section 2), We will not be entitled to any fees or expense and cost reimbursements in connection with this agreement.

A. We shall advance all expenses including but not limited to any expenses incurred by You related to depositions or any other legal proceedings You are advised by counsel to attend, including travel expenses. You are liable to pay $500 USD if you invested less than $100,000USD; $1000 USD if you invested between $100,000.00 -$1,000,000.00 USD; and $1,500.00 USD if you invested more than $1,000,000.00 USD in total. In addition, out of any recovery obtained on Your behalf and on behalf of Our other clients, upon recovery, by settlement or judgment, only in an action or settlement in our claims and lawsuit against the SEC, (the "Recovery"), We will be able to obtain reimbursement of costs and other expenses in addition to our contingency fees.

B. The sole contingent fee upon which We shall be compensated from the Recovery shall be in the amount awarded by the Court but, in no event, shall We seek compensation in excess of 15% (Fifteen percent) of the Recovery plus reasonable expenses. "Reasonable Expenses" shall include but not be limited to costs of travel, telephone, copying, fax transmission, depositions, investigators, messengers, mediation expenses, computer research fees, court fees, expert fees, other consultation fees and paralegal expenses. Such invoiced reasonable expenses shall not exceed 20% of our fees in this case.

3. Confidentiality. We shall treat all communications with, and information provided by, You as confidential. Without Your prior consent in each instance, We shall not disclose our representation of You hereunder, except (i) to other investors with potential claims whom We represent or intend to represent, or (ii) until such time as litigation or claim against the SEC is commenced on Your behalf.

4. Other Clients. You acknowledge that We represent, and may be retained by, other investors in the Stanford fraud and that We intend to jointly litigate the claims of such other clients together with Your Claims. You agree that any conflicts caused by such representation are waived.

5. General Requirements. You agree to cooperate in the prosecution of the Claims, including providing documents relating to Your Claims and attending any deposition and/or other legal proceedings, if necessary, and understand that Your claim shall be treated as an individual matter, but any litigation commenced against the SEC shall be a class action and that thereunder you may have a fiduciary duty to the putative Class.

6. Attorney-Client Relationship. This letter agreement establishes an attorney-client relationship between You and Us (KLS and any affiliate (s)) as Your legal representatives.

7. This agreement shall be governed by and interpreted in accordance with the laws of the State of New York without regard to its conflicts of laws doctrine. Any disputes will be settled through mediation or arbitration.

8. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The Agreement may be delivered by executed facsimile, PDF, or electronic transmission, which shall be deemed an

original. We thank you for the opportunity to represent You in this matter, and look forward to the prospect of a prompt and favorable resolution.

Sincerely Yours,

Gaytri D. Kachroo, Esq.

By:_____ Date: December 14, 2010
Name: Gaytri D. Kachroo
Position: PRINCIPAL, Kachroo Legal Services, P.C.

Accepted: BY signature faxed to KLS, at (617) 864-1125

By:_____ Date: December 14, 2010

KLS --- KACHROO LEGAL SERVICES, P.C.

For Investors Defrauded by the Stanford Ponzi Scheme

We recommend that all Stanford investors file a U.S. Securities and Exchange Commission (SEC) administrative claim under the Federal Tort Claims Act (FTCA) through Kachroo Legal Services, P.C. (KLS) as soon as possible and no later than February 16, 2011 in order to preserve their rights to take action against the U.S. Government if so desired. Due to the statute of limitations KLS would prepare to file a class action suit within six (6) months after that date. It is recommended that investors submit their information to KLS well before this deadline to ensure their claims are timely processed. KLS will file a class action lawsuit against the SEC (similar to a normal class action but in this instance) only for those investors for whom KLS has filed an SEC administrative claim. Only those clients who have filed an SEC administrative claim under the FTCA will be represented in any class action. All investors would be represented by our class action, both domestic U.S. investors and international investors around the world affected by the SEC's actions and omissions.

We anticipate filing thousands of claims (as there are over 20,000 investors into the Stanford Ponzi Scheme), so to ensure your claim is handled promptly, prospective claimants should contact us as soon as possible.

We will help you by processing and filing your FTCA claim with the SEC. In addition, KLS would then be in a position to file a lawsuit against the SEC on behalf of everyone who has filed FTCA claims by the deadline.

All investors must sign the KLS engagement letter attached herewith in English or in Spanish. The cost for both the SEC administrative claim work and the lawsuit will be as follows per investor:

For investors who have invested less than $100,000 USD total through all their accounts - $500;

For investors who have invested between $100,000 USD and $1million USD - $1000;

For investors who have invested more than $1million USD through all their accounts - $1500.

This will be the only cost per investor for all such legal services other than a contingency fee of $15% of the recovery obtained by KLS as well as reasonable costs and expenses of the litigation.

Why Choose KLS?

1. Dr. Kachroo, Principal of KLS, is also Vice-Chairman of the Global Alliance, a civil society whose membership consists of 5000 attorneys from around the world.

2. KLS has experience working closely with the SEC and their offices. We are currently in discussions with the SEC to establish the Madoff Task Force and develop an alternative dispute resolution mechanism to settle cases against implicated financial institutions.

3. As a part of the Markopolos team, Dr. Kachroo represented the whistleblower that first discovered the Madoff fraud and exposed the SEC. From this experience, she has gained better insight into the possible legal recourses for Madoff victims. Due to our involvement in the various SEC investigations into ponzi schemes including the Stanford Ponzi Scheme, we have first-hand knowledge of the SEC's involvement and the OIG's report to succeed in a potential litigation.

4. With our track record of helping Madoff victims and our wealth of experience in this matter, we are confident that our litigation strategy under the Federal Tort Claims Act (FTCA) has the highest likelihood of obtaining a recovery from the U.S. Government.

5. So far neither plaintiffs nor attorneys for plaintiffs have obtained specific information that supports more than the negligence of the SEC in its investigation. KLS believes it is critical to a successful action against the SEC that further information, which it is optimally positioned to obtain, and which it is currently researching is unveiled as to the conduct of SEC investigations in this case.

6. Confidentiality. The class action will provide some level of anonymity in any action we take. We will attempt to limit discovery to the named plaintiffs only.

Benefits of KLS Proposal

Joining the class action through the SEC administrative claim is a low cost and highly efficient method of litigating to recover your losses.

The more investors that join through this process, the greater the pressure exerted on the SEC to reach an equitable settlement.

You will receive regular updates of our progress and on other related legal actions.

KLS Update on Current Situation in US Courts

There are two cases currently pending that involve Federal Tort Claims Act ("FTCA") claims against the SEC for its handling of the Madoff Ponzi scheme. The first was filed in the United States District Court for the Southern District of New York on October 14, 2009. *See Phyllis Molchatsky, et al. v. United States*, case no. 1:09-cv-08697 (LTS). Briefing on the Motion to Dismiss for lack of jurisdiction was completed on June 11, 2010.[1]

The second case was filed in the United States District Court for the Central District of California on December 10, 2009. *See Dichter-Mad Family Partners, LLP, et al. v. United States of America*, et al., case no. 09-9061. On April 20, 2010, the Court granted Defendant's Motion to Dismiss for lack of jurisdiction, but provided that "Plaintiffs may file an amended complaint containing new allegations that are reasonably aimed at satisfying Plaintiffs burden as described in this Order."

These second plaintiffs filed an Amended Complaint on May 17, 2010 (re-filed on May 20, 2010) on the basis of a submission of 'a document that contains or identifies the mandatory duties that SEC employees failed to follow in their investigations and failures to investigate Madoff'. These plaintiffs were specifically 'informed by an SEC employee that this document contains mandatory conduct guidelines, duties and policies for SEC employees and it is entitled "The SEC Policies, Procedures and Administrative Regulations."

In addition with regard to class issues: In June 2009, the District Court for the Eastern District of Louisiana issued an opinion in the *Katrina Canal Breaches Consolidated Litigation* allowing plaintiffs' claims under the Federal Tort Claims Act ("FTCA") to proceed as a class action. The court held that "a class action can be alleged under the FTCA as long as the administrative claim requirements are fulfilled." *In re Katrina Canal Breaches Consolidated Litigation*, 2009 U.S. Dist. LEXIS 48837, 265 (E.D.La.). Thus, we would be able to proceed as class action (subject to certification) for all investors who timely file their claims against the Securities Exchange Commission ("SEC") within the two year period, i.e., by February 16, 2011.

The FTCA provides that the government entity against whom the claim is made (here, the SEC) has six months to respond to the administrative claim. The claimant's right to sue in court vests once the claimant receives the SEC's denial of the administrative claim, or six months after the administrative claim is filed, if the SEC fails to respond. Thus, we would define the class to include those investors who (i) file a claim within the two year period and (ii) either receive a denial from the SEC or do not receive a response from the SEC within the six month period.

Concluding Thoughts for Prospective Investors

The time window for you to join this lawsuit is limited due to the statute of limitations. We are offering a cost effective and efficient method for you to file your claim so that you will benefit from any positive settlement.

We urge all of you to notify other investors to get in touch with us without delay so that we may get all claims in by February 16, 2011.

We shall advance all expenses including but not limited to any expenses incurred by you related to depositions or any other legal proceedings we advise you to attend, including travel expenses.

The sole contingent fee upon which we shall be compensated from the Recovery shall be in the amount awarded by settlement or a judgment of a Court of law. We are seeking a contingency of 15% of the recovery plus reasonable expenses.

Please contact KLS at info@kachroolegal.com or by phone at:

Dr. G. Kachroo : +1 617-864-0755 – for further information about KLS, please go to www.kachroolegal.com

Boston-Massachusetts, January 3, 2011 **STANFORD INVESTORS FACE URGENT DEADLINE TO FILE SEC CLAIMS**

Stanford investors are preparing to preserve their rights to sue the U.S. Government for the failures of the Securities and Exchange Commission to conduct appropriate enforcement in this large international Ponzi scheme perpetrated by Allen Stanford of Texas. Investors have approached and are being represented by Dr. Gaytri Kachroo, the attorney who has filed the class action in the Madoff case in November of 2010. Dr. Kachroo indicates that if investors want to participate in an action against the SEC, most likely a class action, they must file claims immediately and no later than Feb. 16, 2011 (on the safe side) by speaking with a KLS representative as soon as possible. She strongly advises international investors to contact and file all documentation with Kachroo Legal Services prior to January 15, 2011 in order to timely process their claims. Those investors that have not contacted Dr. Kachroo may do so at WWW.Kachroolegal.com. Dr. Kachroo represents the Madoff whistleblower, Harry Markopolos and continues to represent large numbers of Madoff investors.

Beginning on February 17, 2009, the Federal Government has charged Allan Stanford with multiple civil fraud and criminal charges for allegedly running an $8 billion Ponzi scheme. Currently incarcerated at the Federal Detention Center in Huston, Texas, Stanford is awaiting trial, scheduled for January 2011.

Boston-Massachusetts, 3 de enero de 2011 **INVERSIONISTAS DE STANFORD SE ENFRENTAN A LA FECHA LIMITE PARA RADICAR RECLAMOS**

Los inversionistas de Stanford se están preparando para preservar su derecho a demandar al Gobierno de EE UU por el fracaso de la Comisión de Mercado de Valores (SEC por sus siglas en inglés) de llevar la ejecución apropiada en el gran esquema internacional de Ponzi perpetrado por Allen Stanford de Texas. Los inversionistas se han acercado y están siendo representados por la Dra. Gaytri Kachroo, la licenciada que en noviembre de 2010 radicó la demanda colectiva en el caso Madoff. Kachroo indica que los inversionistas que deseen participar en la demanda en contra de la SEC, probablemente una acción de clase, deben radicar sus reclamos en o antes del 16 de febrero de 2011 (para precaver) comunicándose con un representante de KLS lo antes posible y recomienda a los inversionistas internacionales a contactar y enviar toda documentación a Kachroo Legal Services antes del 15 de enero de 2011 para poder procesar los reclamos a tiempo. Aquellos inversionistas que aun no se han comunicado con la Dra. Kachroo pueden hacerlo accediendo a WWW.Kachroolegal.com. La Dra. Kachroo representa a quien informó al SEC del esquema Madoff, el "whistleblower" Harry Markopolos, y continúa representando a una gran cantidad de inversionistas de Madoff.

Comenzando el 17 de febrero de 2009, el Gobierno Federal de EEUU ha presentado múltiples cargos en contra de Allan Stanford por fraude civil al igual que un sinnúmero de cargos criminales por liderar (se alega) un esquema Ponzi de 8,000 millones de dólares. Actualmente, Stanford se encuentra encarcelado en el Centro de Detención Federal en Dallas, Texas, en espera de su juicio – a celebrarse en enero de 2011.

BOSTON, MASS. STANFORD-INVESTOREN MÜSSEN EINEN DRINGENDEN STICHTAG BEOBACHTEN, UM SEC-ANSPRÜCHE ZU KONSERVIEREN

Stanford-Investoren vorbereiten as, ihre Rechte zu konservieren, die US-Regierung für die Störungen der US-Börsenaufsichtskomission ("SEC") zu klagen, passende Durchführung in diesem großen internationalen Ponzi Entwurf zu leiten, der von Allen Stanford von Texas verübt. Investoren genähert und dargestellt vom Dr. Gaytri Kachroo, der Rechtsanwalt r., der die Gruppenklage im Madoff Fall im November von 2010 archiviert. Kachroo anzeigt n, dass, wenn Investoren an einer Prozess gegen die SEC teilnehmen möchten, höchstwahrscheinlich eine Gruppenklage, sie muss Ansprüche als 16. Februar 2011 (auf der sicheren Seite) indem sie so bald wie möglich mit einem KLS Repräsentanten sofort und nicht später archivieren spricht. Dr. Kachroo darstellt den Madoff Informant, Harry Markopolos und fortfährt und, viele Madoff Investoren darzustellen. Am 17. Februar 2009, auflud die Bundesregierung Allan Stanford mit mehrfachem Zivilbetrug und Strafanzeigen für einen $8 Milliarde Ponzi Entwurf angeblich laufen lassen de. Z.Z. eingesperrt an der BundesJugendstrafanstalt in Huston, erwartet Texas, Stanford den Versuch, festgelegt für Januar 2011.

John Little

From: Angie Kogutt [anngeewest@yahoo.com]
Sent: Friday, July 15, 2011 10:30 PM
To: John Little
Subject: Fw: From Kate's website - posted today

----- Forwarded Message ----
From: "annalisamendez@austin.rr.com" <annalisamendez@austin.rr.com>
To: anngeewest@yahoo.com; jwadevet <jwadevet@aol.com>
Sent: Sat, January 1, 2011 2:12:00 PM
Subject: From Kate's website - posted today

"LATEST NEWS ON THE CLAIM AGAINST THE SEC
In the two weeks since this action against the SEC for full recovery of losses was announced, more than 2,000 Stanford investors have received information packs, providing details of the claim, the attorney, and the procedure.

We have seen a tremendous response, despite the difficulties of communicating during the festive season, and we have not even gone public yet.

Many investors have already signed-up, and the campaign is gaining momentum by the day.

If you are an investor who was swindled by Stanford, please take the time to read the supporting information on this blog, or contact the attorney direct: Kachroo legal Services, of Cambridge, Mass
Phone number : 617-864-0755 Email : info@kachroolegal.com

This action is open to all the Stanford investors, irrespective of Nationality, domicile, or the Stanford entity to which they entrusted their investment, but please be aware, all claims must be registered under the Federal Tort Claims Act by February 16th 2011.

For any investor who has only recently become aware of this action, these are the headline issues:

As this is an action against the US Government, it cannot be a class-action in the normal sense. Only the investors who have joined-in and filed a claim with the SEC under the Federal Tort Claims Act can be included. No other victims will be able to join-in later.

After the statute of limitations expires (which we believe will be on February 16th 2011), unless investors have already registered and their claims have been submitted, they will be barred from suing the US Government and the SEC should they decide to do so.

Kachroo Legal Services, P.C. must prepare a separate claim for each investor account into Stanford in advance of filing any action on our behalf. This will obviously take some time, and clearly time is of the essence. We should each decide whether to sign-up sooner rather than later.

The fees are explained in KLS letter of engagement, but in brief; there is a registration fee, on a sliding scale from $500 to $1500 per investor, commensurate with the level of investment, with no limit to the number of accounts per investor. This registration fee is to finance the cost of the claims process and create a reserve for any actual litigation. There will also be a contingency fee of 15%, plus reasonable expenses (not exceeding 20% of any fees), due from the recovery, if any litigation commenced is successful.

Please contact the attorney to receive your letter of engagement now.

John Little

From: Angie Kogutt [anngeewest@yahoo.com]
Sent: Wednesday, June 01, 2011 1:02 AM
To: John Little
Subject: Fw: From Kachroo Legal Services

FYI

Kachroo Legal Services, P.C.

April 26, 2011

Dear KLS Stanford Clients:

I wrote to you recently with an update on the status of the lawsuit against the US Securities and Exchange Commission for which you have engaged my practice.

It is now several months since I first became involved with the Stanford case. Since then, many of you have asked me whether there are any other legal avenues we can pursue to recover your losses. Having listened to your concerns, I have devoted a considerable amount of my time, at my own expense, not just in the US but also in Antigua , to research the best way to maximize the recovery of your losses.

I believe that your dissatisfaction with the actions and omissions of the Receivers in both Texas and Antigua are well-founded. I intend to intervene and make clear the dissatisfaction of my clients with the Receivers before courts in both jurisdictions, to preserve the rights of my clients and take such other action as appropriate to recover the utmost for my clients while limiting the billing expenses of both Receivers. I have also contacted key Congressmen in Washington , D.C. and will meet with them in May along with interested clients to ascertain the viability of a SIPC recovery for as many investors as possible, both domestic and international.

According to my research, there is a possibility of recovering over $3 billion worth of assets, and I am prepared to commence such action as may be necessary to recover those funds on behalf of all of my clients.

Over the last few weeks I have been traveling to visit with as many of you as possible to inform you further about the specifics of my research, and I will continue to do so. The details of such research are obviously of a sensitive nature and highly confidential requiring personal meetings. I will let you know when I am going to be in your geographic location so we can make plans to meet should you have any questions.

These future actions I am proposing will need to be commenced as soon as reasonably practical and are completely separate of your engagement of KLS in the SEC lawsuit. Should you wish to participate, the charges will be as per the following sliding scale:

Investment of less than $250K: $500 retainer and 10% contingency fee, or 30% contingency fee, no retainer.

Investment between $250K-$500K: $1000 retainer and 10% contingency fee, or 30% contingency fee, no retainer.

Investment between $500K and $1 mill: $2000 and 10% contingency fee;

Investment between $1mill and $2mill: $5000 and 10% contingency fee;

Investment between $2mill and $3mill: $10,000 and 10% contingency fee;

Investment between $3 mill and $4mill: $15,000 and 10% contingency fee;

Investment of $4 mill and up: $20,000 + and 10% contingency fee.

If you are interested in participating in such further actions, please email, wlugo@kachroolegal.com.

Thank you for your attention.

Best wishes,
Gaytri Kachroo

John Little

From: jwadevet@aol.com
Sent: Monday, July 18, 2011 6:35 PM
To: MORGENSTERN@butzel.com; John Little; anngeewest@yahoo.com
Cc: Edward.Valdespino@strasburger.com; esnyder@casnlaw.com
Subject: Re: Kachroo solicitations

Do you have this one? It came after SEC's SIPC decision. It refers to her collection of $ SIPC money.

KLS

KACHROO LEGAL SERVICES, P.C.

EDICIÓN BILINGÜE

June 16, 2011

Dear KLS Stanford Client:

The SEC determination on the SIPC issue was released yesterday. SIPC coverage was determined to apply to all SGC customers!!!

We believe that the SVC has in large part played a key role in this positive outcome and we are very pleased that many of you will have full or partial recovery of the amounts you have deposited (less any withdrawals of income or principal from those deposits). Please note we sent our letter to the Chairman this week in support of SIPC coverage. We have also made our support known through several meetings in the past few weeks to those in positions of power over this outcome. Senator Vitter's ultimatum in the 11th hour to hold up Commission nominations until this determination was successful obviously helped to push this determination through! He has now dropped this roadblock. *As you may know, I met with Sen. Vitter's office two weeks ago.*

Eligibility: Many of you are up in the air about eligibility and the process given your connection through advisors with SGC, or STC. We will determine and push for your eligibility, as well as complete the claim forms for you so that you receive appropriate payment in a timely manner - for those who have signed up for Stanford Further Actions (SFA) and for those who continue to do so. Please note that SIPC will recover these monies from the liquidation in Antigua and Texas. KLS will play a key role in the recovery of assets in those jurisdictions and will keep you informed as part of the SFA package for which you have signed up.

Attorneys' fees on amounts, for those of you recovering moneys under SIPC coverage, will be escrowed from the advances as we continue to take steps to maximize your recovery in the estate/receiverships. We will only receive these fees upon such recovery from escrowed amounts and any new recoveries. We will require full statements from you to appropriately complete claim forms and be on top of the process.

We will continue to keep you apprised of the situation as it unfolds.

Congratulations to those of you getting recovery!

KLS Stanford Team

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Estimados Clientes KLS-Stanford:

La determinación de la SEC sobre el tema SIPC fue dada a conocer ayer. ¡La SEC decretó que la cobertura de SIPC aplica a todos los clientes de SGC!

Creemos que la SVC, en gran parte, ha jugado un papel clave en este resultado positivo y estamos muy contentos de que muchos de ustedes tendrán una recuperación total o parcial de las cantidades que han depositado (menos retiros de ingresos o principal de dichos depósitos). Tengan en cuenta que enviamos nuestra carta al presidente de la SEC esta semana en apoyo de la cobertura de SIPC. También hemos dado a conocer nuestro apoyo a este resultado en las últimas semanas a través de múltiples reuniones con aquellos en posiciones de poder. El ultimátum del Senador Vitter en la hora 11 - de posponer nominaciones en la Comisión hasta obtener esta determinación - obviamente contribuyó a que este decreto se llevara a cabo. Él ya ha eliminado este obstáculo. *Como ustedes saben, me reuní con la oficina de Senador Vitter hace dos semanas.*

Elegibilidad: Muchos de ustedes están en el aire sobre la elegibilidad y el proceso, dada su conexión a través de asesores del SGC, o STC. Vamos a determinar e impulsar su elegibilidad y completar los formularios de reclamo por usted para que reciba el pago correspondiente de manera oportuna - para aquellos que se han inscrito a las Medidas Adicionales: Stanford (SFA por sus siglas en inglés) y para los que continúan inscribiéndose. Tengan en cuenta que la SIPC recuperará este dinero de la liquidación en Antigua y Texas. KLS jugará un papel clave en la recuperación de activos en esas jurisdicciones y los mantendremos informados como parte del paquete de SFA para el cual ya se han registrado.

Los honorarios de abogado correspondientes, para aquellos que recuperarán dinero bajo la cobertura de SIPC, serán custodiados de los avances a medida que sigamos tomando medidas para maximizar la recuperación de sus bienes. Sólo recibiremos estos honorarios según la recuperación de cantidades ya depositadas al igual que recuperaciones sucesivas. Vamos a requerir de ustedes declaraciones completas para radicar adecuadamente los formularios de reclamo y mantener adelantado este proceso.

Continuaremos manteniéndolos informados del desarrollo de esta situación.

¡Felicitaciones a aquellos de ustedes que conseguirán recuperación!

APPENDIX IN SUPPORT OF THE RESPONSE OF THE EXAMINER AND THE OFFICIAL STANFORD INVESTORS COMMITTEE TO THE KLS STANFORD VICTIMS' MOTION TO INTERVENE

EXHIBIT H

KACHROO LEGAL SERVICES, P.C.

Statement from Dr. Kachroo

January 6, 2010

Dear Stanford Investors:

I was contacted in early December by several different Stanford investor group leaders interested in hiring me and my firm's services in support of a class action law suit against the Securities and Exchange Commission (SEC) based upon media publicity generated by Kachroo Legal Services' (KLS) initiation of a lawsuit against the SEC in the Madoff case.

One of these group leaders is Ms. Angela Kogutt (Aka Angela Shaw). I was called by Ms. Kogutt on my time and at my expense to visit and inform the Investors Committee of my background and the Madoff litigation due to their ostensible interest in using KLS to launch a lawsuit against the SEC.

I flew to Dallas, met with the Investors Committee and provided my background and extensive litigation experience (of myself and my litigation team) to take on this challenge and to file administrative claims on behalf of eligible Stanford investors in this matter. I have also furnished the examiner with a short bio for the general perusal of Stanford investors to add to his list of attorneys representing and interested in the Stanford case and related potential litigation.

Thereafter, I learned of the interest of attorneys on the Investors Committee to research and potentially file such an action themselves. I have never solicited any attention, recommendation or endorsement from the Investors Committee or from any of the investor group leaders. I have been inundated, as has my office, with interest, inquiries and solicitations to hire KLS from Stanford investors, based on my credentials, qualifications and experience in the Madoff case.

With regard to the Stanford case against the SEC, I have repeatedly indicated that my law firm is in the process of researching an optimal theory for such a lawsuit, and I have taken appropriate steps to protect client investors' rights by filing SEC claims before the upcoming deadline of February 16, 2011.

I strongly recommend that Stanford investors receive legal advice to complete the appropriate claim forms and do not complete these forms

themselves. If forms are not validly completed, investor claimants may be ineligible to participate in any class or other litigation against the SEC. KLS is in the process of completing these forms for all investors who engage our services for such purpose explicitly.

I have also indicated to Ms. Shaw/Kogutt and others that I support SIPC recovery efforts on behalf of Stanford investors.

Dr. Gaytri Kachroo
Principal, Kachroo Legal Services, P.C.

Info@kachroolegal.com for further information

KACHROO LEGAL SERVICES, P.C.
STANFORD FURTHER ACTIONS NOTICE

May 16, 2011

Dear KLS Stanford Clients:

There has been movement this past week on several fronts, as we have been working on your behalf: 1. D.C. hearings on the Stanford case took place and a potential indictment of a former SEC official is on the horizon; and, 2. the Antiguan receiver has been officially replaced.

1. Dr. Kachroo has spoken with insiders in D.C. and confirmed that SIPC recovery has still not occurred, despite the great efforts and investment of the Investors Committee. Some insiders believe that if the coverage request had been successful, we would have heard about it on Friday, May 13, 2011. Instead, the SEC made no statement and delayed announcing any response on this question for several weeks. Therefore, we are immediately writing letters to those in a position to determine this issue - to plead for some coverage even if the full amount of $500,000 USD is not possible. We will know about the final developments on the SIPC issue within a few weeks, from the SEC.

2. With regard to the announcement of a new receiver in Antigua (Grant Thornton/Marcus Wide), please note that we are in discussions with attorneys for Alex Fundora, who have installed the new receiver. KLS anticipates working closely with both the new receiver and the attorneys involved, specifically as per the mandate you have given us, to put a ceiling on billing rates, to research the specific assets the receiver will target, and to manage the claims' process and timelines for distribution to KLS clients. We will be responsible to ensure your claims are (1) entered into every receivership, including the one in Antigua, and (2) processed in a timely manner for expedited recovery. If you have received and are sending along signed engagement letters for further action to us, there are a number of other actions we are taking on your behalf. We will inform you in due time and in person about all such actions, as Dr. Kachroo continues to meet with you in various locations.

KACHROO LEGAL SERVICES, P.C.

May 26, 2011

Further Actions Notice: Stanford

Dear KLS Stanford Clients:

Dr. Kachroo will be visiting Mexico City on June 13 and 14, 2011. If you are interested, please note she will be available to meet with clients from 1:00 PM to 10:00 PM on June 13 and from 9:30 AM to 1:00 PM on June 14.

If you have not engaged KLS to represent you in the Stanford Further Actions (SFA) efforts, we strongly recommend you do so now. Dr. Kachroo will meet with all clients interested in the matter, but she will meet with SFA clients separately from prospective SFA clients. Once you engage KLS for these services, Dr. Kachroo will be able to share the confidential information so many of you are interested in learning.

If you would like to participate fully in the discussions, you must have engaged KLS.

KLS will be filing actions very soon; actions that have been requested by Stanford investors since the fraud came to light. It is imperative that you sign the engagement letter in order for the attorney-client privilege to be deployed, allowing Dr. Kachroo to go into great detail about what these actions entail and their future repercussions on the recovery of your losses.

Please note, for those of you who have already engaged KLS for the SFA efforts, Dr. Kachroo has been in discussions with the new General Counsel of the Antiguan Liquidator in anticipation of the establishment of a creditors committee overseeing all assets and recoveries in that receivership. Please let us know if you are interested in participating in such a committee, as KLS is putting together a list of interested creditors.

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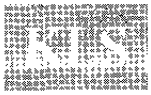
La Dra. Kachroo visitará la Ciudad de México en el mes de junio del año en curso. Si usted está interesado (a), por favor, tenga en cuenta que ella estará disponible para reunirse con inversionistas de Stanford desde la 1:00 de la tarde hasta las 10:00 de la noche, el 13 de junio y de 9:30 de la mañana hasta la 1:00 de la tarde, el 15 de junio.

Si no se ha comprometido con KLS para que le representemos en los Esfuerzos Futuros: Stanford (SFA por sus siglas en inglés), le recomendamos encarecidamente que lo haga ahora. La Dra. Kachroo se reunirá con todos los inversionistas interesados en el asunto, pero se reunirá con los clientes de SFA por separado. Una vez que usted haya firmado el acuerdo de compromiso, la Dra. Kachroo podrá compartir la información confidencial que muchos de ustedes están interesados en adquirir.

Si usted desea participar plenamente en estas discusiones, tiene que haber firmado dicho acuerdo.

KLS presentará medidas legales muy pronto - las mismas que han sido solicitadas por los inversionistas de Stanford desde que el fraude salió a la luz. Es imperativo que usted firme el acuerdo de compromiso para que el privilegio abogado-cliente se despliegue, lo que permitirá que la Dra. Kachroo entre en detalles acerca de lo que estas acciones implican y sus repercusiones futuras en la recuperación de sus pérdidas.

Tengan en cuenta, para aquellos de ustedes que ya se han comprometido con KLS en los esfuerzos de SFA, que la Dra. Kachroo ha estado en discusiones con el nuevo Consejo General del Liquidador de Antigua, en anticipación a la constitución de un comité de acreedores a cargo de la supervisión de todos los activos y la recuperación de los administradores judiciales. Por favor, háganos saber si usted está interesado en participar en dicho comité, ya que KLS someterá una lista de los acreedores interesados.



KACHROO LEGAL SERVICES, P.C.

June 2, 2011

Dear KLS-Stanford Client:

I write this note to update you on my meetings of yesterday with Members of Congress in D.C. and to inform you of the upcoming deadline to join the 'Stanford Further Actions' (SFA).

I met yesterday with staff of Senator Vitter (he was in Louisiana) and was able to formulate a plan going forward based on the information learned. Senator Vitter had spoken to Chairman Schapiro again yesterday and asked when the SEC's determination will be made and was told yet again "Soon." There is a constant resonance of delay from the SEC. Further in the day, I learned that one of the commissioners was taken to the hospital in an emergency (I do not know the tenor of illness or treatment); however, this may mean further delay in the SEC's announcement of any determination.

My discussion with the staff included a general agreement that getting SIPC recovery will be very difficult if not impossible given the legal hurdles of a positive SEC determination. I informed them that I have been up front with clients on the SIPC issue so they are not shattered if it does not come through. However, I am willing to try to find some kind of common ground here given my legal understanding of SIPC statutes applicable, the circumstances of the Stanford fraud, and the governmental support it received (also the reason I took on the SEC class action in this case) of which the SEC was well aware. I also indicated that since I have researched the issue and find the SEC liable as well as other governmental officials, SIPC recovery may be a way to make amends to Stanford victims.

On this basis I was asked to write a short letter with my interpretation of the statutes and any alternatives in the resolution of this standoff and present it to Senator Vitter by next Monday. He will then review and his staff will submit their revisions (I will similarly ask for client input on the letter) before it is publicly submitted to the SEC and SIPC.

We additionally received great support from Chairman Bachus on the issues surrounding overbilling by the Texas Receivership on which you will be hearing a great deal very shortly from us. You will also be hearing from us on the claims process in the Receiverships in short order if you have signed up.

Finally, if you have not done so please join the SFA by June 15 if at all possible (at the very least get your engagement letters signed and returned to us by that date) as we require your patronage to continue our efforts toward an expeditious recovery.

Best wishes,

Gaytri Kachroo

Stanford Investors Face Urgent Deadline

ANTIGUA NEWS

LATEST

Recommend Be the first of your friends to recommend this.

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KLS - Kachroo Legal Services

Stanford investors are preparing to preserve their rights to sue the US Government over the Securities and Exchange Commission's failure to conduct appropriate enforcement in the alleged international Ponzi scheme perpetrated by Allen Stanford of Texas.

Investors are being represented by Dr Gaytri Kachroo, the attorney who filed the class action suit in the Madoff case in November 2010.

Dr Kachroo said if investors want to participate in an action against the SEC, most likely a class action, they must file no later than February 16 (on the safe side) by speaking with a KLS representative as soon as possible.

She strongly advised international investors to contact and file all documentation with Kachroo Legal Services before January 15. Those investors who have not contacted Dr Kachroo may do so at www.Kachroolegal.com.

Dr Kachroo represents the Madoff whistle-blower, Harry Markopolos, and continues to represent many Madoff investors.

Comments

International Victims need to do this Urgently

Stanfords Forgotten Victims - 2011-01-06 00:15

All victims that lost money with Stanford International bank or any of his other banks need to check out the Stanfords Forgotten Victims blog for details of how to make an application and what they need to do. There are only a few days left to register for this action against the SEC and the US government. If victims apply after the Statute of Limitation their applications will be rejected. THERE ARE ONLY NINE DAYS LEFT, SO YOU NEED TO APPLY NOW. emails can be sent to info@kachroolegal.com