

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

SECURITIES AND EXCHANGE COMMISSION §

Plaintiff, §

v. §

Case No. 3:09-CV-0298-N

STANFORD INTERNATIONAL BANK, LTD., §  
STANFORD GROUP COMPANY, §  
STANFORD CAPITAL MANAGEMENT, LLC, §  
R. ALLEN STANFORD, JAMES M. DAVIS, and §  
LAURA PENDERGEST-HOLT, §

Defendants. §

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**APPENDIX TO RECEIVER'S MOTION TO APPOINT PRIVATE EQUITY ADVISOR**

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BAKER BOTTS L.L.P.  
One Shell Plaza  
910 Louisiana  
Houston, TX 77002-4995  
(713) 229-1234  
(713) 229-1522 (Facsimile)

THOMPSON & KNIGHT LLP  
1722 Routh Street  
Suite 1500  
Dallas, Texas 75201  
(214) 969-1700  
(214) 969-1751 (Facsimile)

**ATTORNEYS FOR RECEIVER  
RALPH S. JANVEY**

**EXHIBIT 1**

**INVESTMENT PORTFOLIO SUMMARY**

**Company**

Elandia International, Inc.  
American Leisure Holdings, Inc.  
ForeFront Holdings, Inc.<sup>1</sup>  
Spring Creek, LLC and related Co.'s  
Health Systems Solutions, Inc.  
DGSE Companies, Inc.  
USFR Media Group  
Phoenix Bay, Inc.  
The Ultimate Gift Experience  
Hisense Broadband Multimedia<sup>2</sup>  
Golden Financial Services, Inc.  
Reignmaker Communications<sup>3</sup>  
Senesco Technologies, Inc.  
State Petroleum Distributors, Inc.  
Luminetx Corporation  
Greystone Pharmaceuticals, Inc.  
Worthpoint, Inc.  
Gigamedia Access Corporation  
Tree Top Kids, Inc.  
KineMed, Inc.  
Third Miracle Productions, LLC  
Innovative Steel Technologies, Inc.  
International Market Access St. Kitts  
(fka Caribbean Leisure Marketing, LTD)  
CardioDX, Inc.  
IPA Funding Partners, LLC (Running the Sahara)  
Insound Medical, Inc.  
Majestic American Grille & Bar, LLC  
Merchants Commercial Bank  
Pana Steel Building Solutions, Inc.  
The List Productions, LLC  
Oasis Bank<sup>4</sup>

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<sup>1</sup> ForeFront Holdings, Inc. sold substantially all of its assets to Dynamic Brands, LLC on or about May 15, 2009. The Receivership Estate is awaiting to receive its portion of the sale proceeds.

<sup>2</sup> Stanford International Bank, Ltd. placed funds into an escrow account pending the completion of a transaction between Broadband Multimedia Systems, LTD and Hisense Broadband Multimedia Systems, LTD. The transaction did not close prior to February 17, 2009, the date the receivership was put in place, and the Receiver was able to collect the funds placed in the escrow account pursuant to the terms of the Escrow Agreement.

<sup>3</sup> Reignmaker's senior lender initiated a foreclosure proceeding on March 13, 2009. The Receivership Estate received proceeds as a result of such proceeding.

**Company**

Electro-Optical Sciences  
New Dominion Bank  
Trustmark Corporation  
Cyalume Technologies

**Indirect Investments**

Midway CC Hotel Partners, LP<sup>4</sup>  
Catalyst Private Equity Partners II, LP<sup>4</sup>  
Mountain Partners AG  
ACON-related funds  
AquAgro Fund, L.P.<sup>4</sup>  
SSM Venture Partners III, LP  
Louisiana Ventures, LP  
Panorama Capital, L.P.  
Memphis Bio-Med Ventures II, LP  
SSM Venture Partners IV, LP  
Infinity I-China Fund (Cayman), LP<sup>4</sup>

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<sup>4</sup> The Receiver received offers from each of these investments. Upon the recommendation of Park Hill Group, the Receiver notified the parties who submitted their respective offers that they were accepted pending approval by the Court and several other conditions, including Stanford's obligation to fund any future capital commitments and the release of any present or future claims against the Receivership Estate.

**EXHIBIT 2**

Park Hill Secondary Advisory

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June 2009



**CONFIDENTIAL**

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## **Overview**

- ▶ **Park Hill was founded in 2004**
- ▶ **Over 90 employees based in six offices in New York, Chicago, Dallas, San Francisco, Tokyo and London**
- ▶ **Boutique approach with strict emphasis on representing “best of breed” managers and delivering world-class transaction execution and advisory services to clients**
- ▶ **Since inception, Park Hill has placed over \$35.5 billion of commitments for private equity and real estate private equity funds**
- ▶ **The Park Hill Secondary Advisory team’s experience includes transactions representing exposure of over \$2 billion**
- ▶ **Park Hill seeks to pair intensive client advisory services with deep investor relations**
  - Experienced transaction management team provides intensive upfront advisory and execution resources
  - 33 distribution professionals provide global insight and access to investors
  - 15 Senior Partners with an average of 15 years of private equity/alternatives experience
- ▶ **Strategic affiliation with The Blackstone Group provides superior market knowledge in a rapidly changing environment**

**Integrated global platform with superior market insight provides Park Hill with a clear competitive advantage**

1



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# Dedicated Business Focus

## Alternative Investments

### Secondary Advisory

- ▶ Private Equity
- ▶ Real Estate
- ▶ Directs
- ▶ Structured / Synthetics
- ▶ Hedge Fund Secondary

### Private Equity

- ▶ Buyouts
- ▶ Venture Capital
- ▶ Special Situations
- ▶ Industry Specific
- ▶ Mezzanine

### Real Estate

- ▶ Opportunistic
- ▶ Value Add
- ▶ Distress
- ▶ Debt-related
- ▶ Directs

### Hedge Funds

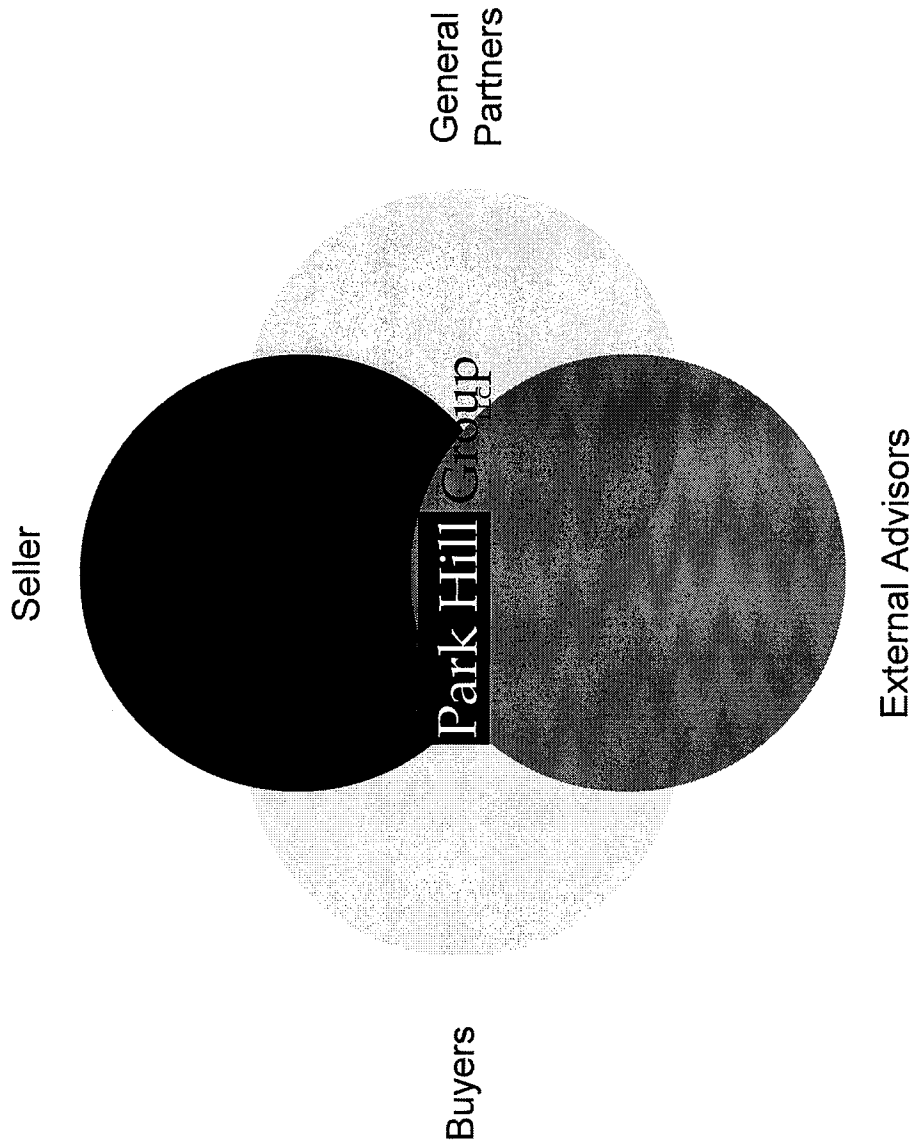
- ▶ Global Macro
- ▶ Event Driven
- ▶ Arbitrage
- ▶ Multi-Strategy
- ▶ Market Neutral
- ▶ Fixed Income Relative Value

Exclusive focus on advisory services for the private equity, real estate and hedge fund market



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**Park Hill Positioning**



**PHG Value Add**

- ▶ End-to-End Process Management
- ▶ Market / Pricing / Valuation Insight
- ▶ Buyer Identification / Segmentation
- ▶ Marketing Strategy Development
- ▶ Structuring
- ▶ Facilitating Transfers / Consents
- ▶ Bid Evaluation / Optimization
- ▶ Due Diligence Coordination
- ▶ Seller Confidentiality
- ▶ Open Communication / Transparency
- ▶ Transaction Negotiations / Closing

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**THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL ANY SECURITIES OR ANY SERVICES OF PARK HILL GROUP, OR THE SOLICITATION OF AN OFFER TO PURCHASE ANY SUCH SECURITIES OR SERVICES.**

*Park Hill Group LLC ("PHG") and Park Hill Real Estate Group LLC ("PHREG") are two separate broker dealer affiliates and FINRA member firms. Both PHG and PHREG are represented in the United Kingdom by Park Hill Group International Limited, an Appointed Representative of The Blackstone Group International Limited, authorized and regulated by the Financial Services Authority. Both PHG and PHREG are represented in Japan by The Blackstone Group Japan K.K., a financial instruments firm registered with Kanto Local Finance Bureau (Kin-sho) under No. 1785.*

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**EXHIBIT 3**



## Proposed Project Team

### Biographies

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#### **Lawrence A. Thuet**

*Managing Principal - Chicago*

Mr. Thuet, Managing Principal, is an original founder of Park Hill Group with over fifteen years experience in the alternative asset and investment space. Prior to Park Hill, Mr. Thuet was a Principal with Atlantic-Pacific Capital. Previously, he was a Senior Vice President in the Institutional Management Group of Putnam Investments where he was responsible for new business development and client service in the Midwest. Mr. Thuet began his career with the Institutional Sales and Marketing Group of Calamos Asset Management responsible for institutional, mutual fund and hedge fund distribution. He received a B.S. in Business Administration from the University of Colorado and an M.B.A from the University of Chicago Graduate School of Business. He is a member of the Economic Club of Chicago and a member of the Board of Regents at the Mercy Home for Boys and Girls.

#### **Adrian N. Millan**

*Director - New York*

Mr. Millan, is a Director on the Secondary Advisory Team. Prior to joining Park Hill, Mr. Millan was a Director with Citigroup Alternative Investments where he led secondary transactions and business development initiatives. Mr. Millan's secondary experience includes transactions which comprised nearly \$1 billion of exposure across various asset types, geographies and transaction structures. Previously, he spent four years in the Telecommunications, Media and Technology investment banking practice at J.P. Morgan Chase. He received a BA in Economics from Johns Hopkins University and an M.B.A from Harvard Business School.

#### **Fred Han**

*Associate - New York*

Mr. Han is an Associate on the Secondary Advisory Team. Prior to joining Park Hill, Mr. Han was an Associate Director with the Private Funds Group at UBS Investment Bank where he assisted on secondary transactions. Previously, he worked at Cogent Partners, a boutique investment banking firm focused on private equity secondary market transactions. He received a B.B.A. in Finance from the University of Texas at Austin.

**EXHIBIT 4**

## ADVISORY SERVICES AGREEMENT

This Advisory Services Agreement (this "Agreement") dated as of July 14, 2009 is entered into by Ralph S. Janvey, in his capacity as Court-Appointed Receiver of the assets of Stanford International Bank, Ltd. ("SIBL"), Stanford Group Company, Stanford Capital Management, LLC, R. Allen Stanford, James M. Davis and Laura Pendergest-Holt and the entities they own or control, including Stanford Venture Capital Holdings, Inc. ("SVCH"), in Case No. 3-09CV0298-L of the United States District Court for the Northern District of Texas, Dallas Division ("Client"), and Park Hill Group LLC, a Delaware limited liability company ("Agent").

### WITNESSETH

WHEREAS, Client is the owner of securities, both debt and equity, in companies, both private and public (the "Non-Funds") and a limited partner in certain funds (the "Funds"), all as listed on the schedules hereto (collectively, the "Interests"); and

WHEREAS, Client desires to appoint Agent as its exclusive Agent with respect to the sale of the Client's Interests to one or more third-parties (each such third-party, irrespective of whether solicited by Agent, an "Investor" and collectively, the "Investors") and Agent desires to accept such appointment;

NOW, THEREFORE, in consideration of the covenants contained herein, and other good and valuable consideration described in this Agreement, and subject to the conditions contained herein, each of the parties hereto hereby agrees as follows:

#### Section 1. Representations and Warranties.

(a) Client certifies that, as of the date hereof, the representations and warranties contained in Appendix A are, and at each time of any sale of Interests (each, a "Closing") will be, true and correct.

(b) Agent certifies that, as of the date hereof, the representations and warranties contained in Appendix B are, and at each Closing will be, true and correct.

#### Section 2. Appointment as Agent; Issuance and Purchase of Interests.

(a) Upon the terms and conditions hereof, subject to the completeness and accuracy, in all material respects, of the representations and warranties of Agent as set forth herein, Client hereby appoints Agent as the exclusive agent for the offering of the Interests from the date hereof until Termination (as defined in Section 7) (the "Period").

(b) Agent hereby accepts such appointment by Client, and hereby agrees, on the terms and conditions herein set forth and subject to the performance by Client of all its obligations hereunder and the completeness and accuracy, in all material respects,

of the representations and warranties of Client set forth herein, to use Agent's reasonable best efforts to solicit purchasers of the Interests, and to render customary Agent services, including but not limited to assisting the Client as follows:

(i) consulting with respect to the structure, timing and strategy of the offering of Interests;

(ii) consulting with respect to the current market environment, including the market terms expected by potential Investors and strategies relating to the potential sale of the Interests to Investors and related negotiations;

(iii) assisting Client in assessing the potential valuation of the Interests;

(iv) providing assistance in connection with the Client's collection, organization and presentation of the Information and Additional Information (as such terms are defined below), including, if requested by Client (and at Agent's expense, which shall be a one-time expense of no more than approximately \$6,000), assisting Client in working with a third-party vendor to establish one or more electronic due diligence data rooms, with procedures and operations as mutually agreed upon by Client and Agent (as more specifically provided in Section 2(f) and **Exhibit B**);

(v) assisting Client in communicating with the general partners of the Funds and the management teams of the Non-Funds regarding the potential offering and sale of the Interests;

(vi) identifying, contacting and negotiating, on Client's behalf, potential Investors;

(vii) assisting Client with the analysis of any offers to purchase the Interests;

(viii) coordinating with Client's legal counsel and provision of assistance in obtaining approval from the Funds required for the transfer of the Interests;

(ix) reporting the status of its activities to Client on a routine basis pursuant to the terms of this Agreement; and

(x) providing such other customary Agent services as may be reasonably requested in writing by Client and agreed to by Agent.

Agent's services are expressly limited to those set forth above, as well as any additional services that Agent and Client mutually agree upon in writing. Agent is not providing Client with any accounting, auditing, tax-related or legal advice or service in

connection with the advice and services provided pursuant to this Agreement. Furthermore, Agent's services with respect to the establishment of one or more electronic due diligence data rooms are limited to assistance with the establishment thereof and not with the actual establishment, monitoring or maintenance thereof.

(c) Agent has no obligation, whether express or implied, to use its own funds to purchase Interests in connection herewith.

(d) Client acknowledges and agrees that Agent is acting as Client's agent hereunder and not as a principal.

(e) Agent acknowledges that Client has the sole right to accept offers to purchase the Interests, and may reject any offer to purchase Interests in whole or in part in its absolute discretion.

(f) With respect to the establishment, monitoring and maintenance of any electronic due diligence data rooms, the Agent and Client agree to utilize the services of the third party vendor, Intralinks, the scope of such contemplated services are outlined in **Exhibit B**. Client acknowledges and agrees that Agent is not and shall not be responsible nor liable for (i) the quality or level of performance by Intralinks of the provision of such electronic due diligence data room services (including, without limitation, any technical problems with the Intralinks website or Intralinks system), (ii) any negligence, gross negligence or willful malfeasance of Intralinks or (iii) any breaches by Intralinks of Intralinks' contractual obligations to Client.

(g) Client may instruct Agent in writing to suspend solicitation of purchases of its Interests at any time and, upon receipt of such instructions, Agent shall suspend solicitations until such time as Client has advised it in writing that solicitations of such purchases may be resumed.

### Section 3. Offering of Interests.

(a) Agent agrees that (i) with respect to offering Interests to United States persons in the United States, it is a registered broker-dealer and will offer the Interests in accordance with applicable U.S. federal and state securities laws; and (ii) with respect to offering Interests to persons outside of the United States, it is qualified to offer the Interests in such jurisdiction and will offer the Interests in accordance with the laws and regulations applicable to it in connection with the offering of Interests in such jurisdiction. Unless otherwise agreed in writing, Agent and Client shall conduct the offering of Interests in transactions intended to be exempt from the registration requirements under the Securities Act of 1933, as amended (the "1933 Act"), and any similar laws or regulations of any jurisdiction in which the Interests are offered.

(b) Unless authorized by law, Agent agrees that it and any of its affiliates, and Client agrees that he and any of his representatives, will not offer, offer for sale, offer to sell or sell any Interests: (i) except to Investors each of which, together with any other Investor for which such Investor is acting as a trustee or other fiduciary, the



person making such offering or sale shall reasonably believe is an “accredited investor” with respect to the Interests within the meaning of Regulation D under the 1933 Act, and, to the extent required by the terms of a Fund or in order to comply with applicable law, a “qualified purchaser” with respect to the Interests within the meaning of the Investment Company Act of 1940, as amended; and (ii) by means of any form of general solicitation or general advertisement, including but not limited to (A) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio and (B) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(c) Client will be responsible for and shall file in a timely manner with each applicable governmental agency and regulatory authority with authority over the offering and sale of the Interests any notices or other filings with respect to such offering and sale of the Interests to the extent required by applicable securities laws or regulations. Client shall indemnify and hold Agent harmless for any failure by Client to make any such required notice or filing.

(d) Client shall promptly provide Agent with copies of all correspondence sent to, or received from, any Fund (or any general partner or manager thereof), Non-Fund (or any manager thereof) or any governmental agency or regulatory body with respect to the offering and sale of the Interests. In addition, Client shall promptly notify Agent if Client becomes aware of the commencement of any lawsuit or proceeding to which Client is, or reasonably could be expected to become, a party, if such lawsuit or proceeding could reasonably be expected to affect any Interest (including any lawsuit or proceeding that could be reasonably be expected to affect the offering and sale of any Interest).

#### Section 4. Information to be Furnished to Offerees.

(a) In order to effect the offering of Interests, Agent will assist Client in collecting, organizing and presenting financial and legal information regarding the Interests to prospective Investors (collectively, the “Information”). Client hereby authorizes Agent to transmit the Information to prospective Investors, subject to Agent’s reasonable efforts to cause each prospective Investor to enter into a non-disclosure agreement with Client or Agent. Agent will keep an accurate record of the prospective Investors to whom Agent makes Information available, as well as the Information provided to such prospective Investors. Client will notify Agent promptly if Client transmits any Information or any other information to any prospective Investor. If Client provides prospective Investors with any additional materials, data or other information (whether oral or written) relating to the Interests, the Funds or the Non-Funds (“Additional Information”), Client will promptly provide Agent with copies of all such Additional Information.

(b) Client covenants and agrees that, to his knowledge, the Information will at all times be true and complete and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. Client further covenants and agrees to promptly notify Agent if Client becomes aware of any event or

condition that could reasonably require amending or supplementing the Information or Additional Information and Client will promptly prepare and deliver such amendments or supplements to Agent and to prospective Investors to whom the Information or Additional Information, as applicable, have previously been delivered.

Section 5. Fees.

(a) As compensation for the services to be provided, Client will pay Agent a fee ("Fee") equal to 3% of the aggregate consideration actually received by Client (with regard to the Funds, such consideration shall consist of all cash received by the Receivership Estate plus any outstanding capital call assumed by a prospective Investor less any distribution that the applicable Fund distributed within thirty (30) days of the Interest being sold) for the sale of the Interests set forth on Schedule IV at each Closing. Notwithstanding the foregoing, Agent will receive no fee for sale of the Interests set forth on Schedule I, 1/2% of the aggregate consideration actually received by Client for the sale of the Interests set forth on Schedule II and 1% of the aggregate consideration actually received by Client for the sale of the Interests set forth on Schedule III. Agent agrees that the Fee and those expenses described in Section 5(c) are to be paid from funds as they may be available from the Receivership Estate and as authorized and approved by the United States District Court for the Northern District of Texas (the "Court"). In addition, Client will pay agent an upfront, non-refundable retainer of \$375,000, which will be applied by Agent to offset the first \$375,000 of the Fee.

(b) If, during the 12-month period following the termination of this Agreement, the Client sells Interests (irrespective of whether Agent solicited the subject Investor, and irrespective of whether such Investor is a new Investor, or is an existing Investor subscribing for additional Interests), Agent will be entitled to payment of the Fee with respect to any such Interests sold by Client paid in accordance with this Section 5.

(c) Agent will not be responsible for the payment of any reasonable legal expenses it incurs in connection with the retention of counsel in order to structure any of the transactions contemplated hereby; provided, however, that Agent shall be required to notify Client and obtain Client's approval prior to retaining counsel in connection with the structuring of any transaction contemplated by this Agreement.

Section 6. Indemnification and Exculpation.

The parties agree that the indemnification provisions set forth in the indemnification letter attached hereto as **Exhibit A** shall form an integral part of this Agreement and are hereby incorporated herein and made a part hereof by reference.

Client agrees that Agent shall have no liability to Client, any Fund or Non-Fund in connection with the engagement except (as applicable) for any losses or actual damages (individually and collectively the "Liabilities") that are finally judicially determined by a court of competent jurisdiction (which is no longer subject to appeal or further review) to have primarily resulted from the gross negligence or willful misconduct of Agent in connection with the Engagement, and provided that Client agrees that the amount of

recoverable Liabilities against Agent hereunder (on a cumulative basis) shall not exceed the aggregate amount of Fees actually received by Agent under the engagement (as of the applicable time of determination).

Section 7. Termination.

Pending Court approval, this Agreement shall become effective as of the date set forth in the introductory paragraph above, and shall be terminated at the earlier of (i) 30 days following written notice from either Client or the Agent to the other party, for any reason or no reason, or (ii) the final Closing of any sale of the Interests (any such termination, a "Termination"); provided that Agent shall cease performing services hereunder immediately upon its giving or receiving notice of termination. Client's obligation to pay the Fees and/or related costs and expenses previously earned or incurred (as the case may be) by Agent pursuant to Section 5, and all confidentiality provisions, reporting obligations, choice of law provisions and indemnification provided for hereunder shall survive any Termination hereunder.

Section 8. General.

(a) Client shall not (i) use the name of Agent in connection with any offering of the Interests other than for factual disclosure (as applicable) to a Fund's general partners and managers, a Non-Fund's managers and to potential Investors regarding Agent serving as the Agent for Client (except as otherwise may be approved in writing by Agent and which approval may be withheld in Agent's discretion), nor (ii) represent in any manner that there is a joint venture, sponsorship or similar relationship between Client and Agent.

(b) Agent shall at all times be deemed to be an independent contractor (as opposed to a principal). Accordingly, Agent shall not have any authority in any transaction to act as agent for Client and shall not be deemed to have any authority to act for or bind Client in any way.

(c) All notices required under the terms and provisions hereof shall be in writing, given in person, by mail (postage prepaid), or by telecopy (charges prepaid, promptly confirmed by letter), and any such notice shall be effective when received at the address or telecopy number of the recipient party as set forth on the signature page of this Agreement (or at such other address or telecopy number as a party may designate from time to time by notice to the other parties).

(d) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED, INTERPRETED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL SUBSTANTIVE LAWS (AND NOT THE CHOICE OF LAW RULES) OF THE STATE OF TEXAS. THE PARTIES TO THIS AGREEMENT, ACTING FOR THEMSELVES AND FOR THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, WITHOUT REGARD TO DOMICILE, CITIZENSHIP OR RESIDENCE, EXPRESSLY AND IRREVOCABLY SUBMIT TO, AS THE EXCLUSIVE FORUM FOR THE DETERMINATION OF ALL DISPUTES ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE JURISDICTION OF THE COURT. EACH OF THE PARTIES WAIVES ANY CLAIMS OF INCONVENIENT FORUM OR VENUE. SERVICE OF PROCESS, NOTICES AND DEMANDS, AND ANY

OTHER NOTICES OR OTHER COMMUNICATIONS REQUIRED OR PERMITTED UNDER THIS AGREEMENT, SHALL BE DEEMED GIVEN IF IN WRITING AND DELIVERED AS PROVIDED BY SECTION 8(c). EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY PROCEEDING BROUGHT IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION MAY BE ENFORCED IN ANY OTHER COURT TO WHOSE JURISDICTION A PARTY HERETO IS OR MAY BE SUBJECT BY SUIT UPON SUCH JUDGMENT. THE PARTIES HERETO WAIVE ALL CLAIMS TO PUNITIVE, CONSEQUENTIAL AND INDIRECT DAMAGES; PROVIDED, HOWEVER, THAT SUCH WAIVER WILL NOT APPLY TO ANY CLAIMS FOR PUNITIVE, CONSEQUENTIAL AND INDIRECT DAMAGES THAT ARISE FROM ANY GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(f) This Agreement, together with the attachments, sets forth the entire agreement between the parties hereto and supersedes any prior oral or written agreements or understandings between the parties related to the subject matter set forth herein. The terms of this Agreement shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by written instrument signed by each of the parties hereto.

(g) Any written information provided by Client to Agent pursuant to this Agreement will be treated by Agent as confidential ("Client Confidential Information"), will be solely for the assistance of Agent in connection with the offering of Interests and may not be quoted, nor will any such information or the name of Client be referred to, in any report, document, release or other written communication, prepared, issued or transmitted by Agent or any affiliate, director, employee, agent or representative of any thereof, without, in each instance, Client's prior written consent. Any advice, written or oral, provided by Agent pursuant to this Agreement will be treated by Client as confidential, will be solely for the information and assistance of Client in connection with this Agreement and may not be quoted, nor, except pursuant to applicable legal or regulatory requirements or as relevant in connection with a legal proceeding, will any such advice or the name of Agent be referred to, in any report, document, release or other communication, whether written (including without limitation the Information and Additional Information) or oral, prepared, issued or transmitted by Client or any of his employees, agents or representatives, without, in each instance, Agent's prior written consent; *provided, however*, that (as applicable) Client may identify Agent as the Agent regarding the Interests; *provided further* that Client may disclose Agent's advice in Court filings to support the sale of the Interests if Client receives Agent's written consent prior to making such filings. Notwithstanding the foregoing, the parties agree that subsequent to the final Closing of any sale of Interests, Agent, at its sole cost and expense, may place a "tombstone" or similar such notice in a form to be mutually-agreed upon by the parties hereto in the trade and other applicable press.

(h) Notwithstanding anything to the contrary provided elsewhere herein, none of the provisions of this letter agreement shall in any way limit the activities of The Blackstone Group L.P. and its affiliates in their businesses distinct from the placement agency business of Park Hill Group LLC, provided that the Client Confidential Information is not made available to representatives of The Blackstone Group L.P. and its affiliates who are not involved in the placement agency business of Park Hill Group LLC. Should the Client Confidential

Information be made available to a representative of The Blackstone Group L.P. and its affiliates who is not involved in the placement agency business of Park Hill Group LLC, such representative shall be bound by the obligations set forth in this Agreement.

(i) This Agreement may be assigned only with the prior written consent of the other party thereto.

(j) As used herein, reference to the plural includes the singular and reference to the singular includes the plural as applicable.

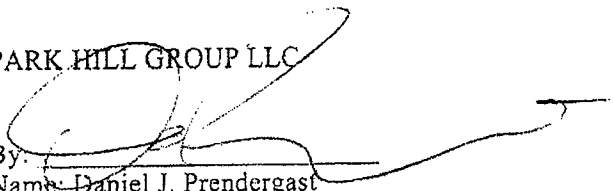
(k) In the event that any provisions of this Agreement are invalid or conflict with applicable law, the other provisions of this Agreement shall remain in full force and effect to the maximum extent permitted under applicable law.

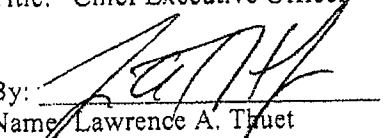
(l) This Agreement may be signed in counterparts.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been signed on behalf of the parties as of the day and year first written above.

PARK HILL GROUP LLC

By:   
Name: Daniel J. Prendergast  
Title: Chief Executive Officer

By:   
Name: Lawrence A. Thuet  
Title: Senior Managing Director

Address:  
345 Park Avenue, 15<sup>th</sup> Floor  
New York, New York 10154  
Telecopy: 212-583-5321

STANFORD FINANCIAL GROUP RECEIVERSHIP

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

Address:  
2100 Ross Avenue, Suite 2600  
Dallas, Texas 75201  
Telecopy: 214-220-0230

IN WITNESS WHEREOF, this Agreement has been signed on behalf of the parties as of the day and year first written above.

PARK HILL GROUP LLC

By: \_\_\_\_\_  
Name: Daniel J. Prendergast  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Name: Lawrence A. Thuet  
Title: Senior Managing Director

Address:  
345 Park Avenue, 15<sup>th</sup> Floor  
New York, New York 10154  
Telecopy: 212-583-5321

STANFORD FINANCIAL GROUP RECEIVERSHIP

By: Ralph S. Janvey  
Name: Ralph S. Janvey  
Title: Receiver

Address:  
2100 Ross Avenue, Suite 2600  
Dallas, Texas 75201  
Telecopy: 214-220-0230

**NO FEE PORTFOLIO COMPANIES**

**Company**

ForeFront Holdings, Inc.<sup>1</sup>  
Hisense Broadband Multimedia<sup>2</sup>  
Reignmaker Communications<sup>3</sup>  
Oasis Bank<sup>4</sup>

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<sup>1</sup> ForeFront Holdings, Inc. sold substantially all of its assets to Dynamic Brands, LLC on or about May 15, 2009. The Receivership Estate is awaiting to receive its portion of the sale proceeds.

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<sup>3</sup> Reignmaker's senior lender initiated a foreclosure proceeding on March 13, 2009. The Receivership Estate received proceeds as a result of such proceeding.

<sup>4</sup> The Receivership Estate received an offer for this investment and, upon the recommendation of Park Hill Group, notified the party who submitted the offer that it was accepted pending Court approval.



**1 / 2% FEE PORTFOLIO COMPANIES**

**Indirect Investments**

Midway CC Hotel Partners, LP<sup>1</sup>

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<sup>1</sup> The Receivership Estate received an offer for this investment and, upon the recommendation of Park Hill Group, notified the party who submitted the offer that it was accepted pending Court approval.

**1% FEE PORTFOLIO COMPANIES**

**Indirect Investments**

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AquAgro Fund, L.P.<sup>1</sup>

Memphis Bio-Med Ventures II, LP<sup>1</sup>

Infinity I-China Fund (Cayman), LP<sup>1</sup>

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<sup>1</sup> The Receivership Estate received an offer for these investments and, upon the recommendation of Park Hill Group, notified the parties who submitted the offers that they were accepted pending Court approval.

**3% FEE PORTFOLIO COMPANIES**

**Company**

Elandia International, Inc.  
American Leisure Holdings, Inc.  
Spring Creek, LLC and related Co.'s  
Health Systems Solutions, Inc.  
DGSE Companies, Inc.  
USFR Media Group  
Phoenix Bay, Inc.  
The Ultimate Gift Experience  
Golden Financial Services, Inc.  
Senesco Technologies, Inc.  
State Petroleum Distributors, Inc.  
Luminetx Corporation  
Greystone Pharmaceuticals, Inc.  
Worthpoint, Inc.  
Gigamedia Access Corporation  
Tree Top Kids, Inc.  
KineMed, Inc.  
Third Miracle Productions, LLC  
Innovative Steel Technologies, Inc.  
International Market Access St. Kitts (fka  
Caribbean Leisure Marketing, LTD)  
CardioDX, Inc.  
IPA Funding Partners, LLC (Running the  
Sahara)  
Insound Medical, Inc.  
Majestic American Grille & Bar, LLC  
Merchants Commercial Bank  
Pana Steel Building Solutions, Inc.  
The List Productions, LLC  
Electro-Optical Sciences  
New Dominion Bank  
Trustmark Corporation  
Cyalume Technologies

**Indirect Investments**

Mountain Partners AG  
ACON-related funds  
Louisiana Ventures, LP  
Panorama Capital, L.P.  
SSM Venture Partners III, LP  
SSM Venture Partners IV, LP

## Appendix A

(i) This Agreement has been duly authorized, executed and delivered by or on behalf of Client and constitutes a valid and legally binding obligation of Client enforceable against Client in accordance with its terms, except as the same may be subject to the effects of (A) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws now or hereafter in effect in the United States relating to or affecting creditors' rights generally, (B) general principles of equity (regardless of whether considered in a proceeding at law or in equity) and (C) an implied covenant of good faith and fair dealing; and the execution, delivery and performance by Client of and compliance with this Agreement and the consummation by Client of the transactions contemplated hereunder, will not conflict with, or result in a breach of any of the terms or provisions of, or constitute, with or without the giving of notice or lapse of time or both, a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of Client pursuant to any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which Client is a party or by which it may be bound, nor will such action result in any violation of or conflict with the terms or provisions of the other organizational documents of Client or any United States law, order, judgment, decree, rule or regulation applicable to Client; and no consent, approval, authorization or order of or any filing or declaration with, any United States court or governmental authority or agency, national securities exchange, or securities association is required for the consummation by Client of the transactions contemplated by this Agreement.

(ii) Client is not in default under any agreement, indenture or instrument or in breach or violation of any judgment, decree, order, rule or regulation applicable to it of any United States court or governmental or self-regulatory agency or body with jurisdiction over it, the effect of which might impair or adversely affect in any material respect (A) the Interests and/or (B) the ability of Client to offer and sell the Interests.

(iii) To Client's knowledge, Client owns each Interest free and clear of any liens, charges, pledges or other encumbrances of any kind (other than any restrictions on transfer in the limited partnership agreement of the applicable Funds).

## Appendix B

(i) Agent has been duly formed and is validly existing and in good standing under the laws of the State of Delaware, with power and authority to conduct its business as described in its organizational documents. Agent has been duly licensed or qualified to transact business and is in good standing as a limited liability company in each jurisdiction in which such qualification is required, except where the failure to so qualify would not have a material adverse effect on the condition, financial or otherwise, of Agent.

(ii) This Agreement has been duly authorized, executed and delivered by or on behalf of Agent and constitutes a valid and legally binding obligation of Agent enforceable against Agent in accordance with its terms, except as the same may be subject to the effects of (A) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws now or hereafter in effect relating to or affecting creditors' rights generally, (B) general principles of equity (regardless of whether considered in a proceeding at law or in equity) and (C) an implied covenant of good faith and fair dealing; and the execution, delivery and performance by Agent of and compliance with this Agreement and the consummation by Agent of the transactions contemplated hereunder, will not conflict with, or result in a breach of any of the terms or provisions of, or constitute, with or without the giving of notice or lapse of time or both, a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of Agent pursuant to any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which Agent is a party or by which it may be bound or to which any of the property or assets of Agent is subject, nor will such action result in any violation of or conflict with the terms or provisions of the other organizational documents of Agent or any law, order, judgment, decree, rule or regulation applicable to Agent; and no consent, approval, authorization or order of or any filing or declaration with, any court or governmental authority or agency, national securities exchange, or securities association is required for the consummation by Agent of the transactions contemplated by this Agreement.

(iii) Agent is registered as a broker dealer with the United States Securities and Exchange Commission and otherwise qualified in any other applicable jurisdiction in which such qualification is required to perform its duties hereunder (including any applicable State qualifications), is a member in good standing of the Financial Industry Regulatory Authority, and will promptly notify Client of any change in such status and of any investigations or disciplinary proceedings against it by any applicable regulatory authority.

**Exhibit A**

**Stanford Financial Group Receivership**

July 14, 2009

Park Hill Group LLC  
345 Park Avenue, 15<sup>th</sup> Floor  
New York, New York 10154

Gentlemen:

In connection with the engagement (“Engagement”) of Park Hill Group LLC (“Agent”) to assist Client with the solicitation of investors to purchase the Interests pursuant to the terms of the Advisory Services Agreement between Agent and Client (the “Agreement”) (capitalized terms used herein and not defined herein have the respective meanings specified in the Agreement), Client agrees that, to the extent funds are available to the Receivership Estate, it will indemnify and hold harmless Agent and its affiliates, and Agent’s and its affiliates’ respective officers, managers, directors, affiliates, members, shareholders, partners, agents and employees, and each person, if any, who controls Agent within the meaning of the Securities Act of 1933, as amended (the “1933 Act”) or the Securities Exchange Act of 1934, as amended (the “1934 Act”) (each such person subject to being indemnified or held harmless hereunder an “Indemnified Party”), from and against any loss, claim, damage, liability or expense, joint or several, and any action in respect thereof (A) to which an Indemnified Party may become subject, under the 1933 Act, the 1934 Act, the Investment Company Act of 1940, as amended or otherwise, insofar as such loss, claim, damage, liability or action relates to or arises out of any breach by Client of its representations, warranties or covenants contained in the Agreement or (B) to which an Indemnified Party may become subject relating to, arising out of or in connection with the Engagement; and (without limiting the foregoing) Client will reimburse each Indemnified Party for all reasonable expenses (including without limitation the fees and disbursements of its counsel) as they are incurred in connection with investigating, preparing, pursuing, defending or assisting in the defense of any such action referred to in preceding clauses (A) or (B), whether or not pending or threatened, whether or not any Indemnified Party is a party, whether or not resulting in any liability and whether or not such action, claim, suit, investigation or proceeding is initiated or brought by Client; provided, however, such expenses shall be reimbursed from funds as they may be available to the Receivership Estate and approved by the Court. Client will not, however, be liable to an Indemnified Party under the foregoing indemnification provision for any losses, claims, damages or liabilities (or expenses relating thereto) that are brought by a third party and that are finally judicially determined by a court of competent jurisdiction (which is no longer subject to appeal or further review) to have primarily resulted from the gross negligence or willful misconduct of such Indemnified Party. The foregoing indemnity is in addition to any liability that Client may otherwise have to Agent or any such Indemnified Party. In the event an Indemnified

Party is requested or required to appear as a witness in any action brought by or on behalf of or against Client or any participant in a transaction contemplated by the Agreement in which the Indemnified Party is not named as a defendant, Client agrees to reimburse the Indemnified Party for all expenses reasonably incurred by it in connection with the Indemnified Party's appearing and preparing to appear as a witness, including without limitation the fees and disbursements of its legal counsel; provided, however, that such expenses shall be reimbursed from funds as they may be available to the Receivership Estate and approved by the Court.

Promptly after receipt by an Indemnified Party of notice of any complaint or the commencement of any action or proceeding with respect to which indemnification is being sought hereunder, such person will notify Client in writing of such complaint or of the commencement of such action or proceeding, but failure to so notify Client will not relieve Client from any liability which it may have hereunder or otherwise, except to the extent that such failure materially prejudices Client's rights. If Client so elects or is requested by such Indemnified Party, Client will assume the defense of such action or proceeding, including the engagement of counsel reasonably satisfactory to such Indemnified Party and the payment of the fees and disbursements of such counsel; provided, however, that such expenses shall be paid from funds as they may be available to the Receivership Estate and approved by the Court.

In the event, however, such Indemnified Party reasonably determines in its judgment that having common counsel would present such counsel with a conflict of interest or if Client fails to assume the defense of the action or proceeding in a timely manner, then such Indemnified Party may engage separate counsel reasonably satisfactory to Client to represent or defend such Indemnified Party in any such action or proceeding and Client will pay the fees and disbursements of such counsel; provided, however, that Client will not be required to pay the fees and disbursements of more than one separate counsel for all Indemnified Parties in any jurisdiction in any single action or proceeding; provided further, that such fees and disbursements shall be paid from funds as they may be available to the Receivership Estate and approved by the Court. Subject to the preceding sentence, in any action or proceeding the defense of which Client assumes, the Indemnified Party will have the right to participate in such litigation and to retain its own counsel at such Indemnified Party's own expense.

Neither Client nor any Indemnified Party will, without the prior written consent of the other party (which consent will not be unreasonably withheld or delayed), settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which indemnification may be sought hereunder (a "Judgment"), whether or not Client or any Indemnified Party is an actual or potential party to such claim, action, suit or proceeding; provided, however, Client shall have the right to settle or compromise or consent to the entry of any Judgment if such settlement, compromise or consent (i) shall include an unconditional release of Agent and each other Indemnified Party hereunder from all liability arising out of such claim, action, suit or proceeding, (ii) shall not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of Agent or each other Indemnified Party, and (iii) shall not impose any continuing obligations or restrictions on Agent or each other Indemnified Party.

If the indemnification provided for herein shall for any reason be unavailable to an Indemnified Party in respect of any loss, claim, damage or liability, or any action in respect thereof, then, in lieu of indemnifying such Indemnified Party hereunder, Client shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (and expenses relating thereto) in such proportion as is appropriate to reflect not only the relative benefits received (or anticipated to be received) by Agent (as applicable), on the one hand, and Client, on the other hand, from the Engagement but also the relative fault of each of such Indemnified Party and Client, as well as any other relevant equitable considerations; provided, however, to the extent permitted by applicable law, in no event shall Client's or Agent's aggregate contribution to the amount paid or payable exceed the aggregate amount of consideration or fees, as applicable, actually received by Client or the Agent, respectively, under the Engagement; provided further that such contribution from Client shall be paid from funds as they may be available to the Receivership Estate and approved by the Court. For the purposes hereof, the relative benefits to Client and the Agent of the Engagement shall be deemed to be in the same proportion as (i) the total value paid or contemplated to be paid or received or contemplated to be received by Client in the transaction or transactions that are subject to the Engagement, whether or not any such transaction is consummated, bears to (ii) the fees paid or to be paid to Agent under the Engagement (excluding any amounts paid as reimbursement of legal expenses as contemplated in Section 5(c) of the Agreement). The parties agree that it would not be just and equitable if contributions hereunder were to be determined pro rata or by any other method of allocation which does not take into account the equitable considerations referred to herein. The foregoing shall not apply if in the final determination of a court of law, its application, under the circumstances, would violate (i) U.S. federal securities laws or contravene public policy of the SEC, or (ii) with respect to offers or sales in any particular state, the securities laws or policies of comparable department or agency of such state.

In the event that any of these indemnifications provisions are invalid or conflict with applicable law, the other provisions hereof shall remain in full force and effect to the maximum extent permitted under applicable law.

This letter and the rights and obligations hereunder shall be governed by Texas law and venue as specified in Section 8(d) of the Agreement.

The foregoing reimbursement, indemnity and contribution obligations hereunder shall be in addition to any other rights and remedies that an Indemnified Party may have at common law or otherwise, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of Client and such Indemnified Party.



If you are in agreement with the foregoing, please countersign below and return to my attention. This letter may be signed in counterparts.

Very Truly Yours,

STANFORD FINANCIAL GROUP RECEIVERSHIP

By: Ralph S. Janvey  
Name: Ralph S. Janvey  
Title: Receiver

Agreed to and accepted:

PARK HILL GROUP LLC

By: \_\_\_\_\_  
Name: Daniel J. Prendergast  
Title: Chief Executive Officer

By: \_\_\_\_\_  
Name: Lawrence A. Thuet  
Title: Senior Managing Director

If you are in agreement with the foregoing, please countersign below and return to my attention. This letter may be signed in counterparts.

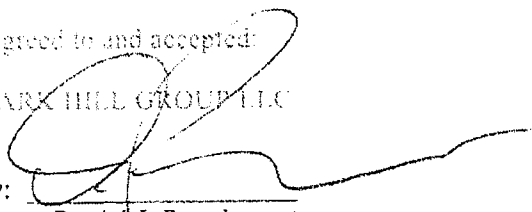
Very Truly Yours,

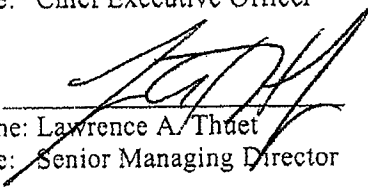
STANFORD FINANCIAL GROUP RECEIVERSHIP

By: \_\_\_\_\_  
Name: Ralph S. Janvey  
Title: Receiver

Agreed to and accepted:

PARK HILL GROUP LLC

By:   
Name: Daniel J. Prendergast  
Title: Chief Executive Officer

By:   
Name: Lawrence A. Thuet  
Title: Senior Managing Director

## EXHIBIT B

### Electronic Data Room

#### Electronic Data Room

To assist in the presentation of due diligence materials in electronic format, Agent and Client agree to utilize the services of the third party data room vendor IntraLinks. The procedures, functionality, and security surrounding the electronic data room to be provided by IntraLinks are contemplated as follows:

(i) Written information and documents will be held in a secure online storage data room provided by IntraLinks, which offers protection and security beyond corporate firewalls. IntraLinks protects confidential information with 128-bit (or better) encryption, making temporary files cached in the computer's memory inaccessible without proper authentication by the IntraLinks system. IntraLinks servers are housed in two geographically remote, highly secure data centers with facility access controlled through biometric access and protected with advanced intrusion detection systems. IntraLinks' architecture includes redundant hardware components at every level. Twenty-four hour customer support is available to all users. IntraLinks is SAS 70 Type II certified, the financial industry's auditing standard for client data protection.

(ii) Agent will provide potential investors with access to the data room and will oversee the monitoring of the potential investor's access once Client and Agent mutually agree that the data room is fully prepared for potential investors to access it.

(iii) Agent will coordinate with IntraLinks to cause IntraLinks to provide user IDs and passwords to potential investors in order for such potential investors to access an encrypted connection to IntraLinks' server hosting the data room. To prevent password sharing, each user ID will be prevented by IntraLinks from logging in from multiple locations at the same time.

(iv) IntraLinks will cause potential investors' identities to remain private in the data room, preventing potential investors from viewing one another.

(v) Each potential investor will be required by IntraLinks to read and agree to a disclaimer, the language of which will be mutually agreed upon by the Client and Agent, before such potential investor is allowed access to the Client's electronic data room materials.

(vi) Upon the Client's prior written instructions, advanced digital rights management technology and Adobe-licensed standards will be implemented by IntraLinks to lock documents, thereby prohibiting potential investors from saving and printing written information as well as preventing screen scraping or use of the "print screen" key.

(vii) IntraLinks will enable custom PDF document watermarking on all documents viewed on screen, displaying an indelible digital fingerprint of each potential

investor's name and company as well as the date and time of access and a "confidential" warning label.

(viii) IntraLinks On-Demand Workspace™ will be enabled to provide built-in security monitoring, creating comprehensive audit logs and archives tracking user activity and document access.

(ix) Idle users will be timed out of their sessions.

(x) After termination of the Engagement Period, Client shall have no obligation to monitor or assist in the maintenance of the data room.

(xi) All costs and expenses of IntraLinks related to the Client's electronic due diligence data room shall be borne by Agent.