

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



Claim No. ANUHCV 2011/0478

BETWEEN:

STANFORD INTERNATIONAL BANK LIMITED (IN LIQUIDATION)
(Acting by and through its Joint Liquidators, Marcus A. Wide and Hugh Dickson)
Applicant/Claimant

and

(1) ROBERT ALLEN STANFORD
(2) ANDREA STOELKER
(3) STANFORD DEVELOPMENT COMPANY LIMITED
(4) MAIDEN ISLAND HOLDINGS LIMITED
(5) GILBERTS RESORT DEVELOPMENT HOLDINGS LIMITED
(6) STANFORD HOTEL PROPERTIES LIMITED

Respondents/Defendants

Defence of Second Named Defendant

The Second named Defendant denies in full the claims advanced in the Amended Statement of Claim and in particular in paragraphs 23-24 and 33-44 paragraph. The Second Defendant will further say

1. The Amended Claim Form and Statement of Claim is prolix, it does not comply with Part 8 of the Civil Procedure Rules and should be struck out.
2. The broad and bare allegation at paragraph 23 of the Statement of Claim is denied and the Second Defendant further states that she has received no monies from the Claimant be it US\$560,000.00 or otherwise and has not been unjustly enriched at the expense of the Claimant as alleged or otherwise.
3. The Second Defendant categorically states that she holds no sum or sums of money for the Claimant as alleged at paragraph 24 of the Statement of Claim or otherwise.

4. The Claimant has not set out in its Statement of Claim any particulars of any monies paid to the Second Defendant nor has the Claimant stated particulars of or annexed to the Statement of Claim any document or documents they consider necessary to their case as mandatory required by Part 8 of the Civil Procedure Rules [CPR].
5. In relation to paragraphs 33 through to paragraphs 44 of the Statement of Claim, the Second Defendant once again asserts that the Claimant has failed to comply with the mandatory provisions of Part 8.7 of CPR, in that it has failed to identify or give any, or sufficient particulars of the Power of Attorney referred to, and has failed to annex a copy of the said document to the Statement of Claim, and accordingly cannot at trial reply upon such document.
6. The Second Defendant was granted a Power of Attorney by the First Defendant on the 2nd day of August, 2011. A true copy of which is annexed to this Defence as "AS1". The Second Defendant has done no acts under and pursuant to said Power of Attorney to the detriment of the Claimant as alleged. In particular it is denied as alleged in paragraph 39 of the Amended Statement of Claim that the Second Defendant disposed of assets at an undervalue. The Claimant gives no proper particulars and once more the allegation fails to comply with the requirements of CPR Part 8.7. Furthermore, the Second Defendant puts the Claimant to strict proof thereof.
7. The Second Defendant admits that by a resolution dated the 24th day of February, 2010 she was appointed a director of the Third, Fourth, and Fifth Defendants only. But resigned from this position by way of letter dated 5th day of August, 2010. True copies of which are annexed hereto as "AS2"
8. The Second Defendant acts as a consultant to the Third through to the Sixth Defendant Companies, assisting in the management of the companies to include their assets, liabilities and receivables.

9. The Second Defendant has not carried out any sale of the Claimant's property at any undervalue and in particular the Defendant has:
- a. Not transferred lands to Naple Developers at an undervalue.
 - b. Has not transferred any residential properties to Salem and Elias Hadeed at any under value.
 - c. Has not sold any wines belonging to the Third Defendant or disposed of wine at an undervalue.
 - d. Has not entered into a contract to sell any warehouse.
 - e. Has not offered 12 properties in Cedar Valley Springs for sale at an undervalue.
 - f. The Second Defendant has not received any monies from the car park which is the property of the Third Defendant and to the Second Defendant's knowledge all income derived from the said car park is applied to the business of the Third Defendant.

10. On 28 July, 2011 the Claimant obtained without notice an ex parte Freezing Order against inter alia the Second Defendant in this action inter alai alleging that the Second Defendant had disposed of assets at an undervalue. The Defendants filed Affidavit evidence rebutting every allegation of disposition at an undervalue. These allegations were subsequently not pursued by the Claimant who by consent agreed to the discharge of the Injunction against the Second Defendant on 30 August, 2011 and further agreed by consent not to make any further adverse public statement concerning the Second Defendant. Furthermore, since 30 August, 2011 the Claimant has yet further after having been chased for a response by the Defendants consented to the sale of two properties at Cedar Valley Springs and accepted without any criticism the sales prices obtained for the sale of these properties. The Claimant's unparticularised allegations are without foundation and ought to be struck out as an abuse of the process.

11. The Second Defendant denies that she has any knowledge that the First Named Defendant has, as is presently alleged, diverted or wrongfully

diverted any monies from the Claimant so as to create a constructive trust or in breach of a fiduciary duty. The Second Defendant further denies that the Claimant has sought to recover any monies from the First Defendant and further states that prior to the commencement of these proceedings and a letter dated the 1st day of July, 2011 the Claimant had not to her knowledge, in the last two years, made any legal claim against these Defendants in the jurisdiction of Antigua and Barbuda. A true copy of the letter is annexed hereto as "AS3".

12. The Second Defendant further denies paragraph 41 of the Statement of Claim and states that she is not and never has been a constructive trustee of the Claimant's property and has never acted with dishonesty and has not acted at any time in a manner contrary to normally acceptable standards of honest conduct or in breach of any fiduciary duty. The Second Defendant does not admit in any event that she acts as a fiduciary as alleged or at all.
13. The Second Defendant again asserts that the Claimant has provided no particulars of any documents of sale, transfer, or agreements to which they refer in paragraph 38 of the Statement of Claim and accordingly in accordance with mandatory provisions of CPR 8.7 the Claimant cannot rely upon such at trial.
14. The Second Defendant has not received personally any monies for any of the Third to Sixth Defendants. The Claimant does not have and has not been declared as having any beneficial interest in any of the properties of the Third to Sixth Defendant corporations and therefore the Second Defendant is under no obligation to account to the Claimant for any of her activities in relation to the Third to Sixth Defendants as she has no relationship whatsoever with the Claimant.
15. In particular the Second Defendant has no obligation to account to the Claimant for:

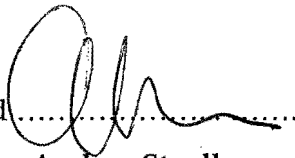
- a. Any rents in respect of the Antigua Athletic Club, which property is on lands owned by the Third Defendant having as can be seen on a map issued from the Chief Land Surveyors Office and annexed hereto as "AS4". That is, the said building is not on lands that form part of the Estate of the Claimant as alleged in paragraph 40. (a) of the Statement of Claim.
 - b. Any rents from the Sticky Wicket restaurant which entity is the property of the Third Defendant.
 - c. Any rents from the Crabs Port Facility which property is owned by the Fourth Defendant,
 - d. Any Rents, income or profit generated from the parking facility at the V.C. Bird International Airport which is the property of the Third Defendant.
16. Furthermore, to date all proceeds from dispositions made by the Third to Sixth Defendants inclusive have been utilized to meet the bona fide debts of these companies and no question of any profits or the taking of an account arises in any event. Dispositions of property since 30 August, 2011 likewise have been made pursuant to the expressly agreed terms of the Consent Order entered into by the Claimant and once more no question of any profits or obligation to account arises in any event.
17. Further, the Second Defendant asserts that the Claimant has established no basis in law under which the Second Defendant is a fiduciary, or otherwise liable to account to it for any of her actions. The Claimants has established no basis in law under which the Second Defendant can be declared a constructive trustee. The Claimants has not established in the Statement of Claim that the Second Defendant holds or purports to hold any property of the Claimant or indeed the Third to Sixth defendants.
18. No reasonable cause of action is disclosed on the Statement of Claim or in the Prayer for Relief against the Second Defendant. Likewise the Prayer for Relief against the Second Defendant discloses no reasonable cause of action and should be struck out.

19. The Claim is an abuse of the process of the Court and is likely to obstruct the just disposal of these proceedings.

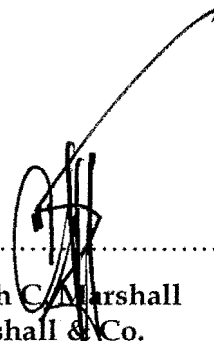
20. The Statement of Claim does not comply with part 8 of the CPR and is prolix.

CERTIFICATE OF TRUTH

I, **ANDREA STÖELKER** certify that all the facts stated in my defence are true to the best of my knowledge information and belief.

Signed 
Andrea Stoelker
2nd Named Defendant

Dated: 24/10/2011

Signed 
Hugh C. Marshall
Marshall & Co.
Attorneys-at-Law

The Court Office is at Parliament Drive, St. John's, Antigua its Telephone number is 462-0406/09. The office is open Mondays to Thursday between 8:30.a.m. and 4:30 p.m. and On Fridays 8:30 a.m. to 3 p.m. except public holidays and Court holidays.

Filed by Messrs. MARSHALL & CO., Attorneys-at-Law, Ann Rebecca House, Factory Road, St. John's, Antigua Telephone Nos. 1(268) 462-3562/72/73/74 Fax 1 2684623563 email: mco@hcmlaw.com Attorneys for the above named 2nd Named Defendant whose address for the service is the same.

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DEFENCE

**Messrs. MARSHALL & Co
Attorneys-at-Law
for the Second Named Defendant**