
Stanford International Bank Limited (In Liquidation)

Update to Creditors

7 November 2024

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Introduction

- 1.1 This report provides an update to creditors on the ongoing liquidation of Stanford International Bank Limited (SIB) since the last report was posted on the liquidation website, www.sibliquidation.com, in March 2024.
- 1.2 Significant developments continue to be posted on the liquidation website as they occur.

Distributions

- 2.1 To date, three distributions have been made to creditors, totalling 2.6% of victim claims, equivalent to approximately US\$133 million.
- 2.2 We continue to make regular redistributions to creditors who for a variety of reasons either did not receive or could not bank their cheques.
- 2.3 As of this report date, unclaimed and accrued distributions total approximately US\$14.9 million. These amounts are held for creditors who have not cashed their distribution cheques or whom we have been unable to contact. Given the liquidation involves over 17,000 creditors, some are expected to remain unreachable.
- 2.4 Funds totalling US\$6 million, representing Swiss frozen fund recoveries, have been reserved for the next distribution. Distributing this amount is considered uneconomical until further significant recoveries are made or upon liquidation closure. We cannot predict the timing or amount of future distributions at this stage.

Updates on Recovery Efforts

- 3.1 The most significant ongoing litigation is against Société Générale Private Banking (Suisse) SA (Soc Gen) in Switzerland, with claims of approximately US\$700 million.
- 3.2 Additional recoveries of about US\$10 million are anticipated from Switzerland following the completion of the Swiss ancillary bankruptcy process.
- 3.3 We also expect minor recoveries from the liquidation of related companies in Antigua.

Claim against Soc Gen (Geneva, Switzerland)

- 3.4 The claim against Soc Gen is progressing in the Swiss courts in Geneva. Soc Gen has filed for a stay of these proceedings, citing the US Bar Order matters pending in the US Courts (see below) and raising various preliminary objections. We are preparing our response to Soc Gen's stay application and objections, due for filing on 7 November 2024.
- 3.5 As noted in our last report, we appealed the US Bar Order issued by the US District Court for the Northern District of Texas (USDC) to the Fifth Circuit Court of Appeals. The Fifth Circuit heard the appeal on 29 April 2024 and issued its decision on 9 August 2024. The court's full decision is available on the liquidation website. In summary, the Fifth Circuit ruled that the USDC did not have the requisite personal jurisdiction to bind the Joint Liquidators with its Bar Order, thereby rendering the US Bar Order inapplicable to the Joint Liquidators. Soc Gen subsequently filed a petition seeking a re-hearing of this matter from the Fifth Circuit and that petition was denied. Accordingly, the current posture is that the US Bar Order does not apply to the Joint Liquidators and Soc Gen cannot use this to delay proceedings in Switzerland.
- 3.6 Creditors have inquired whether Soc Gen will now pay the US\$157 million settlement to the US Receiver parties. Although this issue pertains to the US Receiver and Soc Gen, we hope Soc Gen will be compelled to fulfil this obligation.

Recovery of Swiss Assets

- 3.7 We currently hold approximately US\$6 million In Swiss frozen funds, reserved for creditor distribution.
- 3.8 We expect additional Swiss recoveries of about US\$10 million following the conclusion of SIB's Swiss ancillary bankruptcy. We are working with Swiss parties to expedite this process. These funds will be treated as Swiss Frozen Funds under the 2013 protocol agreement, which stipulates that two-thirds of these funds be transferred to the US Receiver for distribution to creditors.

Recoveries from related Stanford companies

- 4.1 Mark McDonald acts as Joint Liquidator of each of the following companies jointly with Mr Hordley Forbes, an accountant based in Antigua:
 - Stanford Development Company Limited (“SDC”)
 - Stanford Hotel Properties Limited (“SHPL”)
- 4.2 The sole remaining SDC assets include a parcel of land in Antigua (jointly owned with SHPL) and debts owed by the Government of Antigua and Barbuda (GOAB). SHPL’s only remaining asset is its portion of the jointly owned land.
- 4.3 This land has been challenging to sell. We are currently involved in litigation in the Antiguan courts due to a dispute with a potential purchaser, and we estimate the land’s value at between US\$740,000 and US\$1.2 million. We await the Court’s hearing date to resolve the matter and proceed with the sale.
- 4.6 GOAB owes SDC more than EC\$20 million (US\$7.4 million). After extensive negotiations, the GOAB has agreed to pay the SDC liquidation estate a total of EC\$11,168,345 (US\$4.1 million) over 3 years. The GOAB has paid the first instalment in accordance with this agreement in June 2024. While the settlement reflects a discount on the debt’s face value, we concluded this agreement is in the best interest of the estate. After costs, this settlement will be distributed to SIB.

SIB Receipts and Payments

- 5.1 A statement of Receipts and Payments as of 30 September 2024 is attached in Appendix A, showing cash on hand of US\$25.6 million. This balance is allocated as follows:

	US \$000's
Distribution funds (accrual)	14,934
Amounts held to cover the risk of adverse legal costs orders	2,276
Frozen Swiss Assets held for future distribution	6,016
Available funds for future litigation and liquidation costs	2,544
Total	25,769

- 5.2 Distribution funds (accrual) represent amounts owed to creditors who have not banked their cheques or whom the Joint Liquidators have been unable to reach (see paragraph 2.3).
- 5.3 Frozen Swiss Assets will be distributed to creditors once sufficient funds are available for an economical fourth distribution.
- 5.4 The allocation for adverse legal costs is reserved for potential court orders requiring us to cover litigation costs, specifically for the Soc Gen proceedings.
- 5.5 We closely oversee the expenditure of liquidation estate funds. This estate is now in a wind down phase and we have minimised all ongoing costs where possible in order to allow us to continue to run the estate, make distributions and support the pursuit of the remaining litigation claim against Soc Gen.
- 5.6 Appendix A also provides a details of our fees and those of our professional advisors to 30 September 2024. All fees are regularly submitted to the Antigua Court for review and approval.

Further updates from the Liquidators

- 6.1 We will continue our efforts to achieve further recoveries from the sources outlined in this report and will provide updates via the liquidation website with regards to any significant developments in these efforts.



Mark McDonald
Joint Liquidator – Stanford International Bank Limited (in Liquidation)

7th DAY OF NOVEMBER 2024

Appendix A

Receipts and Payments Account as of 30 September 2024

	1 January 2024 to 30 September 2024 US\$	Total as at 30 September 2024 US\$
Receipts		
UK recoveries	-	99,494,719
Sale of Guana and Pelican Islands	-	64,851,341
Sale of Sticky Wicket	-	1,856,000
Non UK Recoveries	-	79,770,078
General Litigation Claims Settlements	-	22,920,022
Distribution from subsidiaries	-	14,746,841
Interest earned	732,310	3,876,101
Claims transfer income	41,825	935,161
Rental Income and Miscellaneous Income	1,650	357,608
Total receipts	775,785	288,807,870
Payments		
Other Legal Advisors Fees And Expenses	473,675	49,447,098
Co-Lead Legal Advisors Fees And Expenses	169,389	26,121,294
Adverse Costs	-	6,838,886
Provision for Adverse Costs	-	2,275,500
Liquidators Fees & Expenses	556,282	18,473,887
Cost of 3rd party funding	-	14,284,633
Former Liquidators' and Advisors Fees	-	9,215,062
Other Operational Expenses	254,807	6,890,383
Other Advisors Fees	-	4,671,599
IT / eDiscovery	1,256	4,149,974
Cost Awarded for removal of former liquidators	-	3,185,338
Loans to related Stanford Liquidations	-	1,804,518
Exchange Rate Adjustment	1,311	(333,419)
Total Payments	1,456,720	147,024,753
Net receipts / (payments)	(680,935)	141,783,117
Less Distribution to Creditors		
Banked Distributions		118,289,971
Unbanked & Accrued Distributions		14,933,900
Total Distribution to Date		133,223,872
Frozen Swiss Assets held for Future Distribution		6,015,535
Surplus		2,543,711
Represented By:		
Cash in Hand		25,768,646
Cash held/ accrued for distribution		(14,933,900)
Adverse legal costs provision		(2,275,500)
Frozen Swiss Assets held for Distribution		(6,015,535)
Available balance on hand		2,543,711