

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

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|------------------------------|---|------------------------|
| SECURITIES AND EXCHANGE | § | |
| COMMISSION, | § | |
| | § | |
| Plaintiff, | § | |
| | § | CASE NO. 3:09-CV0298-N |
| v. | § | |
| | § | |
| STANFORD INTERNATIONAL BANK, | § | |
| LTD., et al., | § | |
| | § | |
| Defendants. | § | |

**PURPORTED RELIEF DEFENDANTS HAGGARD AND SLEWITZKE’S MOTION TO
JOIN DEFENDANT PENDERGEST-HOLT’S EXPEDITED MOTION FOR
CLARIFICATION THAT RECEIVERSHIP ORDER DOES NOT APPLY TO D&O
POLICY PROCEEDS, OR, ALTERNATIVELY, FOR AUTHORIZATION OF
DISBURSEMENT OF D&O POLICY PROCEEDS**

TO THE HONORABLE COURT:

David Haggard (“Haggard”) and Steve Slewitzke (“Slewitzke”) (jointly “Movants”)¹ respectfully move this Court for an order permitting them to join Defendant Laura Pendergest-Holt’s Expedited Motion for Clarification that Receivership Order Does Not Apply to D&O Policy Proceeds, or, Alternatively, for Authorization of Disbursement of D&O Proceeds (“Pendergest-Holt Motion”). In support thereof, Movants respectfully set forth as follows:

1. Movants were employed by defendant Stanford Group Company (“SGC”) as financial advisors.

¹ Movants Haggard and Slewitzke have previously appeared before this Court in their Motion to Appoint an Examiner. (Doc. 34, filed February 26, 2009). Movants do not believe that they are required to request intervention as the Court has implicitly acknowledged their right to participate in these proceedings by granting Movants’ prior Motion to Appoint an Examiner despite the Receiver’s objection to Movants’ standing. (Order Granting Motion to Appoint an Examiner, Doc. No. 322, entered April 20, 2009).

2. Movants have not been charged with any crime and have not been accused of violating any civil or regulatory statutes or rules. Movants are named as purported relief defendants in Receiver's Complaint Naming Stanford Financial Group Advisors as Relief Defendants.

3. Movants' positions as former SGC financial advisors makes them insureds under the D&O Policies as defined in Pendergest-Holt's Motion.

4. The undersigned law firm has represented Movants since February 2009. Movants retained counsel with the prospect that counsel would be compensated from the proceeds of the D&O Policies.

5. Movants have properly made a claim for the cost of legal representation under the D&O Policies.

6. By letter dated June 25, 2009, counsel for the underwriters informed counsel for Movants that it agreed to pay for the reasonable legal representation expenses incurred under a reservation of rights, but advised that no payments would be made under the D&O Policies at this time pursuant to the Receiver's claim that policy proceeds are estate assets.

7. The Receiver has already taken many actions which have limited Movants' ability to afford counsel to defend them from the Receiver's claims. First, the Receiver froze their life's savings – and the life's savings of their clients. Next, the Receiver summarily shut down Stanford Group and fired the FAs and thousands of employees. Even worse, the Receiver prevented the FAs' once loyal clients from following them to their new places of employment by freezing their accounts. Now the Receiver wants to take away Movants' right to have the cost of their defense paid by the D&O Policies.

8. Movants are, as the Receiver judicially admits, innocent parties. (Amended Complaint ¶¶ 54-60, Doc. 48). Indeed, Movants' lack of culpability is demonstrated by the fact that they invested their own funds in the SIB CD.

9. On June 30, 2009, Pendergest-Holt filed her motion contesting the Receiver's claim that policy proceeds are exclusively estate assets. A number of other parties have sought to join this motion and the issues presented have been fully briefed.

10. As insureds under the Insurance Policies, Movants' interest in the outcome of the Pendergest-Holt Motion involves common questions of law and fact relative to other insureds affected by the outcome of the Pendergest-Holt Motion.

11. Movants joinder will not result in any delay or prejudice in resolving the Pendergest-Holt Motion.

WHEREFORE, Movants respectfully move this Court to allow them to join the Pendergest-Holt Motion and for the Court to determine priority of paying defense costs from the D&O Policies in fair and equitable manner.

Respectfully submitted this 6th day of August 2009,

s/ Jason W. Graham
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CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of August, 2009, I electronically filed the foregoing Purported Relief Defendants Haggard and Slewitzke's Motion To Join Defendant Pendergest-Holt's Expedited Motion for Clarification That Receivership Order Does Not Apply To D&O Policy Proceeds, or, Alternatively, For Authorization of Disbursement of D&O Policy Proceeds with the clerk of the court for the U. S. District Court, Northern District of Texas, using the electronic case filing system of the Court.

s/Robert L. Wright

Robert L. Wright