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VIA ECF AND E-MAIL

The Honorable David C. Godbey
United States District Judge
United States District Court for the Northern District of Texas
1100 Commerce Street, Room 1504
Dallas, Texas 75242

Re: *Troy Lillie, et al. v. Stanford Trust Co., et al.*
Docket No. 3:13-CV-3127-N-BG, U.S. District Court, Northern
District of Texas, Dallas Division
Our file 2342.007

Dear Judge Godbey:

Per the Court's instruction during the July 27, 2018 hearing, the undersigned submits this correspondence to apprise the Court of its position regarding whether *Lillie, et al.*, is ripe for remand to the Middle District of Louisiana prior to conducting substantive discovery. Multi District Litigation Panel Rule 10.2 states "Upon the suggestion of the transferee judge or the Panel's own initiative, the Clerk of the Panel shall enter a conditional order remanding the action or actions to the transferor district court. The Clerk of the Panel shall serve this order on each party to the litigation but shall not send the order to the clerk of the transferee district court for 7 days from the entry thereof."¹ For the reasons set forth by the Court in the hearing on July 27th, we believe the transfer will promote the just and efficient conduct of such actions in satisfaction of 28 U.S.C. §1407(a).

The remand allows for the prompt establishment of a trial in the United States District Court for the Middle District of Louisiana. Most of the Plaintiffs were of retirement age in 2009 when the receivership was put in place. All are nine years older. The remand as suggested by the Court allows a trial date to be immediately assigned in the Middle District of Louisiana. The transfer of *Lillie* and *Adhers* back to Louisiana would promote the just and efficient conduct of such actions given the age of the plaintiffs, the amount of time that has transpired since the original

¹ The Louisiana-chartered Stanford Trust served as custodian for all Individual Retirement Accounts ("IRAs") for Stanford customers that purchased Stanford International Bank Certificates of Deposit ("SIB CDs") in their IRAs, including residents of Louisiana, Florida, and Texas, and elsewhere in the United States. *Lillie* represents the best chance for these elderly retirees to recoup the loss of the life savings.

On May 2, 2016, this Court issued an Order (ECF 201) certifying a class consisting of those persons for whom Stanford Trust Company purchased or renewed Stanford International Bank Certificates of Deposit ("SIB CDs") in Louisiana between January 1, 2007 and February 13, 2009, and appointing Preis Gordon, APLC as Class Counsel in this case. ("Godbey Class Certification Order").

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filing of the lawsuit, and the need to promptly establish a trial date. These considerations have been ignored in the defendants' responses to the Court. Further, the remand to the Middle District of Louisiana will address the Court's concerns about its rulings at this stage of the litigation impacting the manner in which another court would be required to try the case.²

Another reason to remand the case at this point in time is there is no overlap between these two cases and the remaining discovery in the Stanford Litigation. SEI executed a contract with the Trust in 1998 (the "SEI Contract") in which SEI performed various services for the Louisiana based Stanford Trust that was located in Baton Rouge, Louisiana and regulated by the state of Louisiana from inception to its failure on February 16, 2009. SEI administered the trust from "cradle to grave." SEI was responsible for reporting the value of the SIB CDs issued by SIB to the class members. As noted by the Court in the recent hearing, there is no "overlap between the discovery in these two cases and the balance of the MDL" cases.³

SEI suggests that the case should not be remanded because of the needs to access the documents held by the Receiver, Ralph Janvey. As this Court acknowledged during the July 27, 2018 hearing, discovery of documents held by the Receiver would not be impacted by the remand and it is anticipated that the Receiver would provide access to documents in the same manner that it has provided access in other MDL cases.

For the reasons set forth, the Plaintiffs believe the case should be remanded to the Middle District of Louisiana.

Should you have any questions, please do not hesitate to contact me.

Sincerely yours,

PREIS GORDON, APLC

s/Phillip W. Preis

Phillip W. Preis

cc: All Counsel of Record (*via email only*)
Mr. Michael J. Stanley (*via email mstanley@stanleylaw.com only*)

² See Transcript of July 27, 2018 (ECF 234) at pg.4, ln. 1, "and also thinking about the fact that many of the issues that you-all are addressing will have a direct impact on the trial of the case."

³ See Transcript of July 27, 2018 (ECF 234) at pg. 4, ln. 23 "Judge Godbey: But there's not a ton of overlap between the discovery in these two cases and the balance of the MDL. I don't think there's any joint discovery that's going to take place otherwise in the MDL that would matter to you all."