

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

RALPH S. JANVEY, IN HIS CAPACITY AS
COURT-APPOINTED RECEIVER FOR THE
STANFORD INTERNATIONAL BANK, LTD.,
ET AL.,

Plaintiff,

v.

DAVID NANES,

Defendant.

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Case No. 3:15-CV-3171-N-BG

RALPH S. JANVEY, IN HIS CAPACITY AS
COURT-APPOINTED RECEIVER FOR THE
STANFORD INTERNATIONAL BANK, LTD.,
ET AL.,

Plaintiff,

v.

WEALTH MANAGEMENT SERVICES, LTD.

Defendant.

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Case No. 3:10-CV-0477-N-BG

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STANFORD INTERNATIONAL BANK, LTD., ET
AL.,

Defendants.

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

**SUPPLEMENT TO RECEIVER’S MOTION FOR FEES
AND NOTICE REGARDING ARREST OF DAVID NANES**

The Receiver files this supplement to its motion for attorney's fees and costs [ECF 25 in Case No. 3:15-CV-3171-N-BG] and in response to the Court's order requesting the Examiner's input on that motion [ECF 26 in Case No. 3:15-CV-3171-N-BG] in order to inform the Court of the capture and arrest of international fugitive David Nanes, former President of Stanford Group Mexico and a key participant in the massive Stanford Ponzi scheme.

NANES'S ROLE IN THE STANFORD PONZI SCHEME

The Ponzi scheme run by Allen Stanford and his co-conspirators affected the lives of nearly 20,000 victims, and thousands of those victims are citizens of Mexico and other countries in Central and South America. By the time the SEC filed suit to shut down the Stanford fraud in February 2009, David Nanes had worked with Allen Stanford for nearly 15 years and as President of Stanford Group Mexico, Nanes played a critical role in helping Stanford victimize thousands of investors throughout Latin America. For his valuable assistance, Stanford's Ponzi scheme funneled millions of dollars to Nanes, both directly and through his company Wealth Management Services, Ltd. ("WMSL"). Based on the Receiver's investigation, Nanes received substantially more money from the scheme than any of Allen Stanford's other co-conspirators.

For the past several years as part of his efforts to recover investor funds fraudulently diverted by the Stanford Ponzi scheme, the Receiver has diligently pursued civil litigation against Nanes and WMSL and has provided information and assistance to multiple law enforcement authorities that have been attempting to locate and apprehend Nanes. The Receiver is pleased to report that those efforts have now borne fruit.

NANES'S ARREST IN MEXICO

On Thursday, January 26, 2017, law enforcement agents arrested David Miguel Nanes Schnitzer at the Mexico City International Airport. At the time of his arrest, Nanes was in

possession of falsified identification documents including a passport and a driver's license issued under the alias Miguel Cantón Hernández. Nanes was arrested pursuant to an outstanding Mexican warrant for financial crimes in Mexico relating to his role in the Stanford Ponzi scheme.

Nanes's arrest is a direct result of the persistence and dedicated work of representatives of the Mexican Government, U.S. Marshal's Service, and Interpol to bring Nanes to justice and hold him to account for millions of dollars he received for his role in defrauding investors in the Stanford entities. Since Nanes became a fugitive, the Receiver has remained in constant communication with these law enforcement representatives in order to assist them in their search for Nanes.

NANES'S PRIOR ARREST IN BELIZE

This is the second time that the Receiver's information and assistance has played a role in law enforcement's efforts to find and arrest of Nanes. In 2014, Nanes disappeared while the Receiver's lawsuits were pending against him and WMSL, a company that Nanes owned and controlled and that he used as a convenience financial vehicle for his involvement in the Stanford Ponzi scheme.

In November 2015, as a direct result of the Receiver's assistance, representatives of the U.S. Marshal's Service and Belizean authorities located and arrested Nanes in the island resort town of San Pedro off the coast of Belize. Nanes had been living at the Grand Caribe Resort on that island under the alias "David Banes." Using that fake name, Nanes had obtained a permanent residency card, a Belizean passport, a driver's license for both Belize City and San Pedro, a social security card, a boat master's license. and even a Belizean voter identification card.

The Belizean police department held Nanes on charges of obtaining these identifying documents by fraud. Mexican authorities immediately sought to have Nanes extradited to Mexico to face the criminal charges pending against him in Mexico. Over objections by the Belizean Public Prosecution Office, and under circumstances that can most charitably be described as “unusual,” a justice of the Belizean Supreme Court ordered Nanes released on \$10,000 bail. Nanes promptly disappeared again, and he remained on the lam until his arrest yesterday in Mexico City.

THE RECEIVER’S EFFORTS TO RECOVER INVESTORS’ FUNDS FROM NANES

Since April 2009, the Receiver has pursued claims against Nanes for his role in the Stanford Ponzi scheme. To date, the Receiver’s efforts have resulted in a \$12.3 million judgment against Nanes’s company WMSL and a \$14.6 million judgment against Nanes individually. *See* Final Judgment [ECF 88], in *Janvey v. Wealth Mgmt. Servs., Ltd.*, Case No. 3:10-CV-00477-N-BG (N.D. Tex., filed Mar. 8, 2010); Final Judgment [ECF 24] in *Janvey v. Nanes*, Case No. 3:15-CV-3171-N-BG (N.D. Tex., filed Sept. 30, 2015). In addition, the Court has enjoined Nanes, his agents, and those acting in concert with Nanes from transferring, concealing, or disposing of any fraudulently transferred property, proceeds of such property, or any other property from which the individual judgment against him might be satisfied. Final Judgment [ECF 24] in Case No. 3:15-CV-3171-N-BG.

CONCLUSION

The Receiver is still gathering information regarding Nanes’s arrest and will provide further updates to the Court as appropriate. At the same time, the Receiver will continue his diligent efforts to cooperate and coordinate with relevant law enforcement agencies, both here

and abroad, with the goal of identifying Nanes's assets and recovering the millions of dollars in investors' funds that Nanes received for his role in the Stanford Ponzi scheme.

Dated: January 27, 2017

Respectfully submitted,

BAKER BOTTS L.L.P.

By: /s/ Kevin M. Sadler

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ATTORNEYS FOR RECEIVER RALPH S. JANVEY

CERTIFICATE OF SERVICE

I certify that on January 27, 2017, I electronically filed the foregoing document with the Clerk of the Court for the Northern District of Texas, Dallas Division, using the CM/ECF system. I hereby certify that I served David Nanes with the foregoing document as follows: to the e-mail address d11meeting@yahoo.com, and to the e-mail address Dnanes@mail.ru.

/s/ Gavin R. Villareal

Gavin R. Villareal