

May 21, 2010

Mr. R. Allen Stanford  
Federal Detention Center  
Houston, Texas

Honorable Judge Nancy Atlas  
Southern District of the United States

**Re: my case against Lloyds of London (Underwriters)**

Dear Hon. Judge Atlas:

I am aware of your order allowing my former counsel in the coverage matter, Mr. Lee Shidlofsky, to withdraw from my representation. Because I now have no attorney representing me in this matter, I am writing this letter directly to you to request emergency relief.

Despite my constitutional and due process claims I have made in Judge Hittner's court (see attached), I have no choice at this time other than to represent myself pro se in the coverage matter. I have sought to engage new counsel to represent me, but any new counsel is reluctant to represent me due to the lack of payment from the Underwriters through Akin Gump.

Underwriters are withholding approval of my criminal team (despite Mr. Essmyer's motion to withdraw – see attached) and they are not getting compensated. Underwriters are only nominally paying, if at all, my attorneys working on the SEC civil matter. And yet, I find myself having to essentially put on a case pro se at this time, that is quasi-criminal in my defense, adjudicating the same elements as my actual criminal trial under a much lower burden of proof, in a civil proceeding, before my actual criminal trial, all the while the government gets to sit in the audience and watch; how this is possible under our constitution in our current judicial system is incredulous. I do not even have internet access to conduct the discovery necessary for any of my three trials.

I must represent myself pro se because I have no choice due to the Underwriters bad faith denials. However, to do so would be placing me in direct contempt of Judge Godbey's court. On 09/28/09 and again on 12/16/09, Judge Godbey enjoined me “and anyone acting in concert with [me], including his attorneys, from taking further steps to seek relief in any court other than this relating to the [D&O] policies...[I] and anyone acting in concert with [me] were [sic] not to take *any* further steps seeking relief in *any* other court relating to the [D&O] policies” (see attached).

Underwriters have thwarted my every attempt to obtain counsel of my choosing, as is my right under a duty to defend and for paying over 25 years in premiums to them. Underwriters are in breach of the policy. Underwriters have stated on record that they do not have the right to choose my attorneys or control my defense. Yet, Underwriters continually deny me the attorneys of my choosing and control my defense through their control and denial of payments through a “reasonable and necessary” shield. My question is: how do Underwriters know what's “reasonable and necessary”? Underwriters have never interviewed me; have never examined the charges against me to determine the best way to defend against them; have never reviewed the law applicable to the charges; have


never examined the evidence likely to be presented against me by the prosecution; have never examined the work of the experts likely to be called by the Government; have never analyzed the weaknesses in the work of those experts, or have never identified any legal defenses that may apply to the Government's case for my benefit. In essence, Underwriters are attempting to control the defense of the case by controlling the staffing of the case without any detailed analysis that would permit them to make a professional, or even an informed, decision for my benefit. *In doing so, arguably Underwriters and their counsel with Akin Gump have controlled my defense so much as to effectively become my criminal defense attorneys in fact.*

I wish to fight the indictment against me. I do not want to do that in your court in a civil case BEFORE my actual criminal case. I am pro se at this time in your court, but cannot even do that at the risk of being in contempt. I have no choice but to respectfully request your immediate and emergent intervention to order the Underwriters to approve and compensate my criminal attorneys and coverage attorneys of my choice. As Mr. Shidlofsky previously stated to you, his compensation is coming from payment through all the defendants' criminal attorneys with their support. I am no longer in that situation. I have no relief.

My co-defendants, through Mr. Shidlofsky, have sought your emergency relief today to have the co-defendants' criminal attorneys assist him in the coverage matter. Currently I have neither a coverage attorney nor any approved criminal attorneys, due to Underwriters' bad faith actions. Mr. Essmyer has filed a motion to withdraw from my criminal matter, and Mr. Bennett has not been approved by Underwriters. I have no relief as a result of Underwriters' effectively controlling my counsel selection and my defenses to all matters through their bad faith denial.

I am aware that you have shortened the case schedule to have the hearing at the end of July. How can I possibly be ready by July to put on a defense pro se (if I can even to that) in a matter of weeks? I DID NOT COMMIT MONEY LAUNDERING. I am at the untenable situation of not having coverage counsel, not having approved criminal counsel, and not being able to represent myself pro se at the risk of being held in contempt, all in a quasi-criminal proceeding with a lower burden of proof in a civil proceeding to take place in just a matter of weeks where I risk losing coverage and therefore full and effective criminal and civil representation, months before my actual criminal proceeding in January 2011, all the while the government can observe and strategize against me. I am sure you can appreciate how unconstitutional of a predicament I am placed and respectfully pray upon the court to provide me emergency relief.

Sincerely,



R. Allen Stanford  
Inmate #35017-183