

# STANFORD VICTIMS COALITION

SEEKING JUSTICE FOR INTERNATIONAL FRAUD

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FOR IMMEDIATE RELEASE

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## **Stanford Victims Mobilize to Create International Coalition**

An international group of Stanford Financial Group investors have joined forces to create the Stanford Victims Coalition.

The coalition will serve as a unified entity to fight for the recovery of billions of dollars invested by thousands of innocent Stanford investors.

SVC seeks immediate relief for its members affected by the international asset freeze that resulted from the February 16, 2009, civil lawsuit filed by the Securities and Exchange Commission against three senior officials of Stanford Financial Group.

The frozen assets include \$8.5 billion in certificates of deposit at Stanford International Bank in Antigua that were sold by licensed brokers of Stanford Financial Group. SVC members are especially concerned the CD investments will not be fully recovered by the receivers appointed to collect assets from the Stanford estate. Recent statements by both US receiver, Ralph Janvey, and Vantis, the UK receiver appointed by the Antiguan regulatory group, Financial Services Regulatory Commission, have confirmed the initial suspicions of SIB's illiquidity and lack of adequate capital to cover the CDs.

SVC is committed to the recovery of any and all losses from Stanford investments, namely the SIB CDs. The group has expressed significant concern the SEC did not adequately regulate SFG, despite reports of a Ponzi scheme dating back to 1999. Both the SEC and the Financial Industry Regulatory Authority, who licensed the US brokers selling the CD product, have reported suspicion of fraud since 2006. SFG had previously been fined by FINRA for misleading investors about the safety of the CDs and not having enough capital in 2007 and 2008, but the company was allowed to continue selling the CDs. Investors were not alerted to the SEC investigations or the FINRA findings.

The investor coalition has also expressed concerns of political influence involved in the lack of SFG regulation. It has been widely reported Allen Stanford donated millions of dollars to

US political campaigns and that several elected officials and their families were taken on lavish trips to Antigua on Stanford's private jet. It appears these donations and luxurious trips were aimed at gaining political influence so Stanford's offshore operations could continue without disruption by US regulations. US Congressman Dennis Kucinich and the *New York Times* have recently brought to light an order the SEC was given to "stand down" from investigations of Stanford in 2006. SVC supports Kucinich's request for an investigation into this order and any other political influence that was used to allow Stanford to grow his international operations without interference.

SVC plans to ask Antiguan officials who have seized Stanford's assets located on their island to either purchase those assets or return them to the receivers to include in the estate that will be used to refund investors. It is believed the investors' monies have contributed significantly to the island's economic growth over the past 20 years and that CD investment funds were used to purchase the Antiguan properties in question. Additionally, coalition members feel the FSRC, the Antiguan government appointed bank regulator, did not adequately oversee SIB's operations, which eventually led to its insolvency. It appears the FSRC allowed SIB to operate freely without hindrance of any regulatory oversight. SVC holds the FSRC and the Antiguan government partly responsible for any investment losses.

SVC claims all governing bodies involved in the growth and eventual downfall of SFG and SIB, were guilty of not enforcing critical regulatory practices to protect investors. This includes the SEC, FINRA and FSRC, and the coalition seeks to pursue these claims in the event the appointed receivers are unable to recover assets sufficient to recover all CD investments. SVC is currently putting together proposals for the recovery of its members' assets and will approach US government officials as more information is obtained regarding the projected amount of assets accumulated by the receivers. The group is also seeking immediate modification to the theft loss deductions currently allowed under section 165 of the US Internal Revenue Code. Tens of thousands of US taxpayers are facing investment losses due to fraud in cases like Stanford and Madoff and more relief is required, including expansion of loss deductions over multiple years as currently allowed by businesses.

Stanford investors who wish to join SVC can visit [www.stanfordvictimscoalition.com](http://www.stanfordvictimscoalition.com).

*Stanford Victims Coalition is an international advocacy group dedicated to fighting for the recovery of the billions of dollars belonging to the thousands of innocent people who are affected by the alleged fraud of Stanford Financial Group and Stanford International Bank in Antigua. SVC is not affiliated with any political group and there are no membership fees for victims to join.*