

Stanford INTERNATIONAL VICTIMS GROUP

SEEKING JUSTICE FOR 28,000 VICTIMS WORLDWIDE

PRESS RELEASE

"Once is Enough - Stanford Victims Refuse to be defrauded by Texas Receiver"

Since the SEC shut down Allen Stanford's investing and banking operations over two years ago, the receivership to help the victims recover their losses has been consuming all the assets, reveals a motion filed today by Kachroo Legal Services, P.C. and its principal, Gaytri Kachroo.

Out of a \$7 billion Ponzi scheme, the receiver has collected, net of expenses just \$1.5m. Whereas through January 2011 the receivership estate has paid out a massive \$118.2m in expenses – but none to the investors. As a result, there remains only \$1.5 million for the Stanford victims from the efforts of the Receiver, this equates to \$71.42 per investor, but even this small amount will likely be consumed by the Receiver. It is clear that the Receiver has not added any substantial value to the estate, and failed in his directive.

The Stanford Investors Committee (FIC) attorneys have substantial interests in the fees they generate through contingency actions. Almost no party to this action sits completely independent of and disinterested in the assets that are recovered in this receivership. And when those assets are scarce, as in this case, their interest is sharply at odds with that of the investors.

In the motion, led by Catherine Burnell of Antigua and the U.K., Ursula Mesa of Florida and Peru, Marcelo Avila of Ecuador, and Steven Graham of Louisiana - representative of the international breadth of investment into this alleged Ponzi scheme of some \$7 billion - investors state that the Receiver has taken all \$120 million of the assets thus far collected by him and already existing in the estate. What is more, the attorneys who were installed on the Stanford Investor Committee and responsible for holding the Receiver accountable had in fact done a deal to make themselves a pre-approved 25% on all the fraudulent conveyance cases launched by the Receivership!

To date little objection has been filed against the receivership, and finally the KLS group of investors have voiced the dissatisfaction of thousands of investors with the current Texas receiver, Janvey and the Stanford Investor Committee appointed by the courts. No party to the receivership is acting as a check on the excessive fees and expenses compared to the minimal recovery, challenging the contingency fee arrangement, the operation of the receivership and otherwise voicing concern over

the ineffectiveness of this receivership. The only person objecting is Alan Stanford — the person who allegedly committed the fraud.

The motion was filed on the heels of a change in the Antiguan liquidation, which had come under similar complaint and attack and lead to the removal of the previous receivers and their substitution by Grant Thornton."

Released by Kate Freeman

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