Stanford Investors Committee

Statement Regarding Fraudulent Transfer Lawsuits

February 16, 2010

Thousands of innocent investors from around the world have been financially devastated by the Stanford Financial Group Ponzi scheme. For many, their losses represent their entire life savings. It is an unfortunate reality in Ponzi schemes like this that there are insufficient funds to repay investors what has been stolen from them.

The Stanford Investors Committee has identified hundreds of millions of dollars belonging to Stanford's depositor/creditors that were fraudulently transferred to third parties who are now subject by law to return those funds to the Stanford receivership for the benefit of Stanford's victims. These recipients of stolen investor funds include professional athletes, political campaigns, various professional service providers and unfortunately, charitable organizations. In many instances, the funds stolen from Stanford's victims were used to buy legitimacy and further perpetuate the Ponzi scheme.

To the extent possible, the Stanford Investors Committee has attempted to resolve these fraudulent transfer claims amicably and without the need for legal action. However, as in other recent high-profile Ponzi scheme cases, like Madoff, not all recipients of fraudulent transfers have responded to this approach and litigation has become necessary in order for the stolen funds to be returned to the victims.