



Department of Justice



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Allen Stanford Convicted in Houston for Orchestrating \$7 billion Investment Fraud Scheme

WASHINGTON – A Houston federal jury today convicted Robert Allen Stanford, the former Board of Directors Chairman of Stanford International Bank (SIB), for orchestrating a 20-year investment fraud scheme in which he misappropriated \$7 billion from SIB to finance his personal businesses.

The guilty verdict was announced by Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division; U.S. Attorney Kenneth Magidson of the Southern District of Texas; FBI Assistant Director Kevin Perkins of the Criminal Investigative Division; Assistant Secretary of Labor for the Employee Benefits Security Administration Phyllis C. Borzi; Chief Postal Inspector Guy J. Cottrell; and Special Agent in Charge Lucy Cruz of Internal Revenue Service-Criminal Investigations.

Following a six-week trial before U.S. District Judge David Hittner and approximately three days of deliberation, the jury found Stanford guilty on 13 of 14 counts in the indictment.

Stanford, 61, was convicted of one count of conspiracy to commit wire and mail fraud, four counts of wire fraud, five counts of mail fraud, one count of conspiracy to obstruct a U.S. Securities and Exchange Commission (SEC) investigation, one count of obstruction of an SEC investigation and one count of conspiracy to commit money laundering. The jury found Stanford not guilty on one count of wire fraud.

At sentencing, Stanford faces a maximum prison sentence of 20 years for the count of conspiracy to commit wire and mail fraud, each count of wire and mail fraud, the count of conspiracy to commit money laundering, in addition to five years for the count of conspiracy to obstruct an SEC investigation and the count of obstruction of an SEC investigation.

The investigation was conducted by the FBI's Houston Field Office, the U.S. Postal Inspection Service, IRS-CI and the U.S. Department of Labor, Employee Benefits Security Administration. The case was prosecuted by Deputy Chief William Stellmach of the Criminal Division's Fraud Section, Assistant U.S. Attorney Gregg Costa of the Southern District of Texas and Trial Attorney Andrew Warren of the Criminal Division's Fraud Section.