

Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit [www.djreprints.com](http://www.djreprints.com)

See a sample reprint in PDF format.

Order a reprint of this article now

**THE WALL STREET JOURNAL.**

WSJ.com

## SUBSCRIBER CONTENT PREVIEW

FEBRUARY 28, 2009, 11:15 A.M. ET

# New SEC Complaint Says Stanford Ran Ponzi Scheme

The Securities and Exchange Commission filed an amended civil complaint late Friday alleging that Texas financier R. Allen Stanford and his company's Chief Financial Officer James M. Davis operated a massive Ponzi scheme.

In carrying out this scheme, the SEC claims, Messrs. Stanford and Davis misappropriated billions of investors' money and falsified the Stanford International Bank's records to hide their fraud.

"Stanford International Bank's financial statements, including its investment income, are fictional," the SEC said.

The SEC's amended complaint comes one day after the Department of Justice arrested Laura Pendergest-Holt, the chief investment officer for the Houston-based ...

Copyright 2008 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit [www.djreprints.com](http://www.djreprints.com)