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MAY 14, 2009, 3:03 PM ET

Indictment Cranks Up Heat on Proskauer's Sjoblom

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By Amir Efrati



Tuesday's indictment (click here) in the Stanford Financial Group matter was focused primarily at Laura Pendergest-Holt, the firm's chief information officer. Pendergest-Holt pleaded not guilty on Thursday to the two charges lodged against her — both related to an alleged plot to obstruct an SEC investigation into the company.

But the indictment also turns up the heat on Proskauer Rose partner Tom Sjoblom, about whom we've posted before (here, here and here), and whom Pendergest-Holt herself sued in March. Click here for a story from Business Week on the matter.

The indictment alleges that "Attorney A" (Sjoblom) and others made misleading statements to the SEC in February in order to cause the agency to delay interviewing Allen Stanford and the Stanford CFO about the firm's financial condition. Sjoblom, the indictment alleges, also misled the SEC by telling the agency that Pendergest-Holt and Stanford's president would be better witnesses who could offer the agency better information regarding the firm. Sjoblom allegedly said that Stanford and his CFO "were executive level officers who were not involved in the 'nuts and bolts' of business operations and could not tell the SEC attorneys about details" of the firm's assets. The SEC agreed to delay the depositions of Stanford and his CFO.

Sjoblom has not been charged with wrongdoing.

The indictment then alleges that Sjoblom sent an email to Pendergest-Holt and the Stanford CFO regarding the need to tell the SEC about all of the firm's investments. He wrote that they needed to "rise to the occasion" and that "our livelihood depends on it."

Later, of course, prosecutors say Pendergest-Holt twice lied during sworn testimony before the SEC by saying she didn't know about a key part of the firm's investments, known as Tier III. The value of those investments, purportedly worth billions of dollars, was largely fictional, the trustee of Stanford's firm said in a recent report.

James Cole, Sjoblom's attorney, did not immediately return a phone call. We'll let you know if we hear back.

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4:23 pm May 15, 2009

Sjoblom wrote:

1:31 asks the derivation of "Sjoblom." It's obviously Norwegian. Great name. Love those Norwegian names.

3:03 pm May 15, 2009

Unwarranted Snobbery wrote:

At 6:43a, the poster says that it is "so sad" that the Big Ten even has law schools. Well, it has eight schools in the top 35. With my Big Ten law degree, over the last 30 years, I've trounced lots of people with Top 5 law degrees — too many to count, both in court and in the workplace. I very successfully competed against the Ivies and other so-called T14s (what a joke to try to separate those from the rest!) when I was at a federal agency, and I very successfully compete with them now that I am a partner at a Top 20 law firm. The joke is on the poster, who thinks that his/her T14 degree gives some clear advantage. Don't look in the mirror — you're about to be run over by someone with a degree that is not T14. Then go and whine that "they just don't get it." Correct: we just don't get it.

1:31 pm May 15, 2009

Thank God my name isn't "Sjoblom" wrote:

What in the name Hades is the derivation of "Sjoblom"?

6:43 am May 15, 2009

why do they even have law schools wrote:

anybody that went to willy mitchell or a big ten law school is a joke — michigan and northwestern are pretenders and the mid-20 rankings of the also-rans like iowa, minnesota, etc. — are you kidding? so sad.

9:02 pm May 14, 2009

Ben Matlock wrote:

If Laura Pendergest-Holt is the firm's chief information officer, she must know everything, right? Not the CEO, not the CFO. Once again, the SEC has shown it is an agency in total collapse, staffed by incompetent clerks who look to indict nobodies while leaving the masterminds alone, if the SEC can. Stanford should have been called before the SEC first, he was running the show. Instead, the SEC calls Laura in, represented by an attorney who tosses her to the wolves. There is a difference between being wrong with the facts and lying, a difference the SEC bureaucrats do not care about when they are looking to indict low hanging fruit. And Laura Pendergest-Holt is some peach, although that is no justification for a homely SEC female functionary to push for poor Laura's indictment.

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