

111TH CONGRESS
1ST SESSION

S. RES. 362

Expressing the sense of the Senate that the Secretary of the Treasury should direct the United States Executive Directors to the International Monetary Fund and the World Bank to use the voice and vote of the United States to oppose making any loans to the Government of Antigua and Barbuda until that Government cooperates with the United States and compensates the victims of the Stanford Financial Group fraud.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 30, 2009

Mr. SHELBY (for himself, Mr. VITTER, Mr. COCHRAN, Mr. CORNYN, Mrs. HUTCHISON, Mr. ISAKSON, Mrs. SHAHEEN, and Mr. WICKER) submitted the following resolution; which was referred to the Committee on Foreign Relations

RESOLUTION

Expressing the sense of the Senate that the Secretary of the Treasury should direct the United States Executive Directors to the International Monetary Fund and the World Bank to use the voice and vote of the United States to oppose making any loans to the Government of Antigua and Barbuda until that Government cooperates with the United States and compensates the victims of the Stanford Financial Group fraud.

Whereas thousands of investors, many of them in the United States, lost billions of dollars that they invested in fraudulent Stanford International Bank certificates of deposit;

Whereas Allen Stanford had close ties with the Government of Antigua and Barbuda and, among other things, Mr. Stanford is alleged to have loaned at least \$85,000,000 to the Government of Antigua and Barbuda, which likely came from investor funds;

Whereas the relationship of the Stanford Financial Group with the Government of Antigua and Barbuda was described in a joint statement by the Stanford Financial Group and the Cabinet of Antigua and Barbuda as a “productive and mutually beneficial relationship”;

Whereas the United States Securities and Exchange Commission alleged that Leroy King, the chief executive officer of the Financial Services Regulatory Commission of Antigua and Barbuda, was bribed by Mr. Stanford not to investigate the Stanford International Bank, to provide Mr. Stanford with access to the Financial Services Regulatory Commission’s confidential files, to allow Mr. Stanford to dictate the Financial Services Regulatory Commission’s responses to inquiries by the Securities and Exchange Commission about the Stanford International Bank, and to withhold information from the Securities and Exchange Commission;

Whereas, after the fraud allegedly perpetrated by the Stanford Financial Group was made public, the Government of Antigua and Barbuda seized Stanford property in Antigua and Barbuda worth up to several hundred million dollars;

Whereas, in an October 28, 2009, report, the United States court-appointed receiver, Ralph Janvey, reported that “the total of all cash collected is \$128.8 million, of which \$71.5 million remains on hand after payment of expenses”, which falls far short of investor losses;

Whereas Janvey’s report also noted that “the Antiguan liquidators object to every attempt to secure and liquidate assets, world-wide”, and “[t]he government of Antigua refuses to recognize US orders even as to entities for which there is no other owner i.e. the Antiguan liquidators were only appointed to liquidate two of the more than 150 Stanford entities, but we are hindered by Antigua’s refusal to recognize the Court’s orders even as to non-disputed entities”; and

Whereas the Government of Antigua and Barbuda is seeking loans from the International Monetary Fund and the World Bank: Now, therefore, be it

1 *Resolved*, That it is the sense of the Senate that the
 2 Secretary of the Treasury should direct the United States
 3 Executive Directors to the International Monetary Fund
 4 and World Bank to use the voice and vote of the United
 5 States to ensure that any loan made by the International
 6 Monetary Fund or the World Bank to the Government of
 7 Antigua and Barbuda is conditioned on providing com-
 8 plete redress to the victims of the Stanford Financial
 9 Group fraud, including through—

10 (1) the full cooperation of the Government of
 11 Antigua and Barbuda and the liquidators appointed
 12 for the liquidation proceeding relating to the Stan-
 13 ford International Bank in Antigua and Barbuda
 14 with the Securities and Exchange Commission, the
 15 Department of Justice, and the United States court-
 16 appointed receiver in investigating the Stanford Fi-

1 nancial Group fraud and marshaling the assets of
2 Mr. Stanford and Stanford-affiliated entities;

3 (2) an agreement by the Government of Anti-
4 gua and Barbuda to be subject to the jurisdiction
5 and bound by the judgment of any United States
6 court or international court that is adjudicating the
7 claims of victims of the Stanford Financial Group
8 fraud;

9 (3) the transfer of the assets seized by the Gov-
10 ernment of Antigua and Barbuda and the liquida-
11 tors in Antigua and Barbuda to the United States
12 court-appointed receiver for the benefit of victims of
13 the Stanford Financial Group fraud;

14 (4) a contribution by the Government of Anti-
15 gua and Barbuda to the United States receivership
16 estate, for the benefit of victims of the Stanford Fi-
17 nancial Group fraud, in an amount equal to the
18 amount of any funds provided to Antigua and Bar-
19 buda by Mr. Stanford or any Stanford-affiliated en-
20 tity; and

21 (5) a contribution by the Government of Anti-
22 gua and Barbuda to the United States receivership
23 estate, for the benefit of victims of the Stanford Fi-
24 nancial Group fraud, in an amount equal to any
25 payments made by Mr. Stanford or the Stanford Fi-

1 nancial Group to officials of the Government of An-
2 tigua and Barbuda for the purpose of subverting
3 regulatory oversight of the Stanford International
4 Bank.

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