

United States Senate

March 07, 2023

COMMITTEES
APPROPRIATIONS
BANKING, HOUSING, AND
URBAN AFFAIRS
BUDGET
JUDICIARY
SMALL BUSINESS AND
ENTREPRENEURSHIP

The Honorable Gary Gensler
Chairman
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Chairman Gensler,

I am writing to bring to your attention to a recent settlement announced between the Stanford Receiver and five major banks accused of helping facilitate the Stanford Ponzi scheme. Specifically, I am concerned about the potential amount of attorneys' fees that could be awarded as part of this settlement, which I believe could be excessive and unfair.

As you may be aware, the potential attorneys' fees in this settlement could be more than \$400 million, in addition to the more than \$400 million that has already been paid to the Receiver and his professionals since this fraud was uncovered 14 years ago. I believe that this level of compensation is unjustified and far beyond what is necessary to cover the costs of the attorneys involved in this case.

Given the SEC's role in overseeing financial institutions and ensuring that justice is served in financial matters, I am asking you to intervene and ensure that any potential attorneys' fees in this settlement are fair and reasonable. It is important to remember that this money comes from the victims of the Stanford Ponzi scheme, many of whom are retirees from Louisiana and throughout the U.S. These individuals have already suffered significant financial losses who after all this time deserve to see a fair and just resolution to this matter.

Furthermore, I want to emphasize that this is a time-sensitive issue. Some of the Receivers' lawyers have already requested expedited compensation. Given the potential consequences of this decision on the victims of the Stanford Ponzi scheme, it is important that action is taken quickly to ensure a fair and just resolution.

Thank you for your attention to this matter. I look forward to hearing from you regarding the actions that the SEC plans to take in response to this issue.

Sincerely,



John Kennedy
United States Senator