

DEALS & DEAL MAKERS

Key Executive For Stanford Is Indicted

Associated Press

The chief investment officer for Texas billionaire R. Allen Stanford's companies on Tuesday became the first person indicted in a federal investigation of an alleged massive Ponzi scheme.

A Houston federal grand jury indicted Laura Pendergest-Holt on one count of conspiring to obstruct a Securities and Exchange Commission investigation into the **Stanford Financial Group** and a second of obstructing the investigation.

Each count carries up to five years in prison and a \$250,000 fine. Ms. Pendergest-Holt was set to appear in court on the new charges on Thursday. She remains free on a \$300,000 bond.

"She will plead not guilty and looks forward to fighting the charges," attorney Jeff Tillotson said.

A Justice Department spokesman declined to comment.

The SEC has accused Mr. Stanford and top executives of conducting an \$8 billion fraud by advising clients to buy certificates of deposit at the Antigua-based Stanford International Bank. Mr. Stanford has said he is innocent but that he expects to also be indicted.