

STANFORD FINANCIAL GROUP RECEIVERSHIP

Claims Notification and Account Release Review Procedures

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This page explains:

- If you have a Stanford Group Company customer brokerage account that remains frozen under the Court's orders, how you may provide information to the Receiver that may lead to the release of your account; or
- If you believe you have any other claim against the Estate, how you may provide information to the Receiver about your claim.

Seeking Review and Release of Frozen Stanford Group Company Customer Brokerage Accounts

On March 27, 2009, the Court, at the request of the Receiver, approved an account review process that will permit holders of frozen Stanford Group Company customer brokerage accounts to provide information to the Receiver that may lead to the release of their accounts. The order became available on March 30, 2009.

Question 1. Who may use this account review process?

Answer. The account review process is available to:

(1) holders of Stanford Group Company customer brokerage accounts that are frozen because the Receiver has determined, based on the data available to him through his investigation, that they may contain proceeds from allegedly fraudulent products or activities (these accounts are referred to as Category 1 accounts); and

(2) holders of frozen Stanford Group Company accounts that are owned by certain Stanford related persons (these accounts are referred to as Category 2 accounts).

Both Category 1 and Category 2 accounts also include accounts that are related to those accounts by social security number or tax identification number, when available.

You do **not** need to file the account review application form if your account is one of the approximately 28,000 accounts that were released by the Court's orders dated March 5 and March 12, 2009. If your account is one of those accounts, it is not frozen and you may [click here](#) for information on how to transfer it to a new firm.

Question 2. What information will I be required to provide in this process?

Answer. If your account is frozen because it is a Category 1 account, then you will need to provide information about your ownership of Stanford International Bank Ltd. certificates of deposit that you own or may have owned in the past and about transfers of funds between you and Stanford International Bank Ltd.

If your account is frozen because it is a Category 2 account, then the Receiver has identified you as someone who is or was, with respect to the Stanford entities, a shareholder, member of the board of directors, member of senior management or registered representative or financial advisor who earned commissions or fees based on certificates of deposit or owed loans to Stanford Group Company. In that case, you will need to provide information explaining either:

- why you think you should not be classified as a person who had any of the above-listed relationships to the Defendants or the Stanford entities; or
- even if you are a person who had such a relationship, why you think the Receiver should not view you as an account holder who has participated in or benefited from fraudulent activities.

In either case, the account review application form will also require you to provide your name, identifying information, contact information, account number and other relevant information. In addition, the form will require you to make certain representations.

Question 3. How do I know which category my account is in?

Answer. If you never had an employment or other relationship with the Stanford companies or the Defendants in the litigation, you should assume your account is a Category 1 account. Some accounts may be both Category 1 and Category 2.

Question 4. Why are Category 1 accounts frozen?

Answer. Information available to the Receiver indicates that these Stanford Group Company accounts may be associated with certificates of deposit ("CDs") issued by Stanford International Bank, Ltd. ("SIB") or with transfers of funds to or from SIB. The information indicates that these accounts may have received amounts from redemption of SIB CDs or from interest on SIB CDs, that these accounts may have received other amounts directly or indirectly from SIB or in some way related to SIB CDs, or that the owners of these accounts may have received amounts related to SIB or SIB CDs outside of their brokerage accounts, such as in non-brokerage accounts at other Stanford companies. The Receivership Estate is entitled to recover these amounts related to SIB or SIB CDs for the benefit of the Estate, so that they may be shared equitably with other claimants against the Estate. These other claimants would include people who purchased SIB CDs but were not able to redeem them before the Stanford companies were placed in receivership.

Question 5. What will the Receiver do with the information I provide?

Answer. The Receiver will consider the information you provide, together with other information available to him, in determining whether he believes the account should be released from the freeze and made eligible for transfer. The Receiver will then notify you whether he believes your account should be released or should continue to be frozen. If he concludes it should be released, he will direct you to the procedures to transfer your account to a new firm.

Question 6. What if the Receiver continues to believe my account should remain frozen, but I disagree?

Answer. If you disagree with the Receiver's determination, then the Receiver may seek more information from you in an attempt to understand your position better and may seek to negotiate a compromise or settlement with you, subject to Court approval of the compromise or settlement as required by the terms of the Court's order approving the account review process. For situations in which the account holder and the Receiver are unable to reach mutual agreement, a non-binding dispute-resolution process will be developed, subject to the Court's approval. For situations in which that process does not result in an outcome as to which both the account holder and the Receiver are willing to agree, a formal objection process will be developed, so that the account holder will be able to request the Court to review the Receiver's determination.

Question 7. You said above that the account review process may result in a compromise or settlement between the account holder and the Receiver. In my situation, I own or owned a small amount of Stanford International Bank certificates of deposit, but the total value of all the assets in my account is much greater than the value of the certificates of deposit. In a case like that, can this account review process be used to release a portion of the assets in my account, even if the Receiver is unwilling to release all the assets in the account?

Answer. Yes. The Receiver expects that this type of compromise outcome may be available, depending on the facts of the particular situation and subject to Court approval of the compromise as required by the terms of the Court's order approving the account review process. For example, a compromise involving a partial release of funds may be available where there is a large difference between the total assets in the account and the amount of activity related to certificates of deposit or Stanford International Bank.

Question 8. Where may I obtain a copy of the form I need to file?

Answer. [Click here to access the online version of the account review form.](#) The Receiver is also mailing copies of the form and related documents to all holders of frozen Category 1 and Category 2 accounts. Your request may be processed more quickly if you use the online form.

Question 9. How do I submit the application form?

Answer. There are three ways to submit the application form:

- Complete the online account review application form ([click here to access the online version of the form](#));
- Complete a paper copy of the form and email it in electronic form (PDF version) to: *accountreview@stanfordfinancialreceivership.com*; or
- Complete a paper copy of the form and mail it to:

Stanford Receivership Brokerage Account Review
PO Box 460089
Houston, Texas
77056-8089

[\(Click here to print a paper copy of the form.\)](#)

Question 10. Is there a benefit to submitting the application form in any particular way versus another?

Answer. Your request may be processed more quickly if you use the online form, but you may use any method you choose. Please do not submit it multiple ways, however, since doing that may delay processing.

Question 11. I have multiple accounts. May I submit one application that covers them all?

Answer. No. You must submit a separate application form for each of your accounts. However, you do not need to repeat all the required information on each form. You should complete the first form in full. When it is submitted online, you will receive a unique Account Review Identification Number for the form. Then, on the second form, you should include your name, your address, your phone number(s), the second Stanford Group Company brokerage account number and the Account Review Identification Number for the first form you submitted, all as indicated on the form. If you have more than two accounts, you should follow the same pattern for each other form. The Receiver will then be able to refer to the information on the first form when processing the forms for your other accounts.

Question 12. If my account is released, does that mean my funds can never be recovered by the Receiver?

Answer. No. Any release of an account under this process would be subject to an obligation on the part of the account holder to return the transferred assets to the Receivership Estate if it is later determined that the holder has participated in a fraud or

has received (knowingly or unknowingly) any assets or funds from fraudulent activities or products.

Question 13. The application form requires me to sign a declaration saying that I submit to the exclusive jurisdiction of the Federal Court in Dallas. What does that mean if I disagree with the Receiver's determination about my account?

Answer. It means that you must agree that the Dallas Federal Court, rather than some other court in another place, is the proper court for resolution of disputes. It does not mean that you are waiving any rights to challenge the Receiver's determination about your account or any right to argue that the Receiver was wrong. As noted above, if you disagree with the Receiver's determination, there will be a non-binding dispute resolution process to let you challenge the Receiver's determination. In addition, if that does not result in an outcome that both you and the Receiver agree upon, there will be a formal objection process in which you may request the Court to review the matter.

Question 14. My account is frozen because it secures an unpaid balance or non-purpose loan that I owe. Do I need to file this account review form to obtain release of my account?

Answer. If that is the only reason your account is frozen, you do not need to file the form. To obtain release of your account, you need to pay off the unpaid balance or non-purpose loan and notify the Receiver, who will then release your account. However, if your account is also in Category 1 or Category 2 as described above, you will need to file the account review form to seek release of your account. For information on paying off an unpaid balance or non-purpose loan, please use the phone numbers established by the Receiver: 866-964-6301 or 713-964-6300.

Question 15. Do I need a lawyer to help me with the application?

Answer. Submission of the application form affects your legal rights, so you are encouraged to seek the assistance of a lawyer before submitting it.

Question 16. Where can I learn more about the account review process?

Answer. These FAQs summarize certain important information about the account review process. You should also carefully review the instructions on the application form and the Procedures for Applying for Review and Potential Release of Accounts. In addition, you may also read the Court's order and the motion filed by the Receiver requesting the order. [\(Click here to view a copy of the Court's order, as well as the Receiver's motion and the Procedures, which are attached to the order.\)](#)

Notifying the Receiver of Other Claims

In addition to working to unfreeze customer brokerage accounts that can be unfrozen, the Receiver continues to analyze records and information that are available to him in the files of the Stanford companies to identify other potential claims against the Estate. These claims include claims against all the Stanford entities, including, among many other companies, Stanford International Bank, Ltd. and Stanford Trust Company, Ltd. The Receiver is also collecting data regarding claims from communications that have been received by the Estate. The work of the Receiver to complete the process of identifying and analyzing claims will take significant time.

When that work is complete, the Receiver will provide notice of all claims recognized by him. If you would like to provide your own notice to the Receiver of your potential claim at this time, instead of relying on the Receiver's notice at a later date in the formal claims objection process, the Receiver has established a process for you to do that.

Question 17. How do I provide information about my claim?

Answer. If you wish to provide information about your claim at this time, you may complete the form provided on this website and submit it electronically. ([Click here to access the claim notification form.](#))

Question 18. What information does the form require me to provide?

Answer. The form requires that you provide basic information such as your name and contact information, a description of your claim and, if you are able to provide it at this time, the amount of your claim. You also need to indicate which of several categories applies to your claim, to expedite processing of your claim. These categories are:

- Certificate of deposit claim
- Secured creditor claim
- Coin & bullion claim
- Employee claim
- Vendor claim
- Landlord claim
- Other claim

Question 19. Should I use this claim notification form to provide information to the Receiver to try to obtain release of my frozen Stanford Group Company brokerage account?

Answer. No. You should use the account review form described above.

Question 20. Is there a deadline for filing the claim notification form?

Answer. At this time, there is no requirement that you provide information about your claim by a fixed deadline. The Receiver will provide at least 30 days advance notice of any deadline for filing claims that he or the Court establishes in the future. The notice will be published on this website and may also be communicated in other ways.

Question 21. After I file the form, how soon will I get paid?

Answer. Submitting a notice of claim at this time does not mean that you will receive any payment soon. The Receiver has substantial work remaining to be done to recover assets and funds that belong to the Estate and to convert assets to cash. Only after this process has been substantially completed will the Receiver be in a position to propose a plan to the Court for making distributions to claimants. At this time, the Receiver cannot predict how long that will take. In addition, based on what the Receiver has learned so far, it appears that the total assets of the Estate are likely to be only a fraction of the amount needed to satisfy the total anticipated claims against the Estate. Therefore, the Receiver cannot predict whether or when you will receive anything in response to your claim.

Question 22. What if I do not file this form? Will the Receiver notify me later that I may have the right to file a claim?

Answer. The Receiver, at the appropriate time, will file a report with the Court and notify claimants as to the list of claims against the Estate that are recognized by him based on Stanford's records and other information received by the Receiver. At that time, a process will be established that will allow persons to object if they are not satisfied with the amount or characterization of their claim as recognized by the Receiver.

Question 23. I have already filed a claim with the FBI on its website. Do I need to also provide information about my claim to the Receiver?

Answer. Even if you have filed a claim with the FBI, the Receiver may not receive the information you have sent to the FBI. Submitting information to the Receiver on the form provided will ensure that the Receiver has your information, so it can be to your advantage to do so.

Question 24. I have already filed a claim with the Antiguan receivers for Stanford International Bank, Ltd. or Stanford Trust Company, Ltd., or with Vantis plc. Do I need to also provide information about my claim to the Receiver?

Answer. Even if you have filed a claim with the Antiguan receivers for Stanford International Bank, Ltd. or Stanford Trust Company, Ltd., or with Vantis (which is affiliated with those receivers and provides some services for them), neither the Receiver nor the Court has at this time a method of coordinating the information you may have sent to them with the information available to the Receiver. Submitting information to

the Receiver on the form provided will ensure that the Receiver has your information, so it can be to your advantage to do so.