

STANFORD FINANCIAL GROUP RECEIVERSHIP

EMPLOYEE COMPENSATION ISSUES

Posted on June 2, 2009

Bounced Check Claims

Question 1: My check(s) for salary due from a Stanford Financial entity for the pay period(s) ending on or February 15, 2009 was rejected for payment, or “bounced”. Will the Receivership honor this payment?

Answer: Yes. The Receiver has authorized the re-issuance of bounced salary checks and anticipates that they will be mailed to former employees the week of June 1, 2009.

Question 2. My check for a bonus payment due from a Stanford Financial entity for the pay period ending February 15, 2009 bounced. Will the Receivership honor this payment?

Answer: Generally, yes. The Receiver has reviewed each bounced bonus check and has authorized the reissuance of such payments in most cases. The Receiver anticipates that replacement checks will be mailed to former employees the week of June 1, 2009.

Question 3. My severance check for the pay period ending February 15, 2009 bounced. Will it be re-issued?

Answer: Yes. In most cases, the Receiver has authorized the reissuance of “bounced” severance checks and anticipates that they will be mailed to former employees the week of June 1, 2009.

Severance Claims

Question 4. My employment with a Stanford Financial entity was terminated prior to February 17, 2009 and I was entitled to receive ongoing severance payments pursuant to a contract. Will these obligations be paid?

Answer: Unpaid severance (other than the bounced checks mentioned above) will not be paid at this time. Persons believing they have a claim for severance payments should file a claim on the Receivership website at <http://www.stanfordfinancialreceivership.com/claims.php>.

Executive Officer Compensation

Question 5. I was an executive officer of a Stanford entity and did not receive compensation through March 6, 2009 as contemplated by the Receiver’s Statement Regarding Stanford Financial Group Employees dated March 6, 2009. Will I receive compensation through this period?

Answer: Defendant-employees and certain executive officers will not be paid salary for the period ending March 6, 2009 at this time. Such persons believing they have a claim for compensation payments should file a claim on the Receivership website at <http://www.stanfordfinancialreceivership.com/claims.php>.

Sfis Compensation

Question 6. I was an employee of Stanford Financial Investment Services and did not receive compensation through March 6, 2009 as contemplated by the Receiver's Statement Regarding Stanford Financial Group Employees dated March 6, 2009. Will I receive my compensation through February 16, 2009?

Answer: Certain administrative staff will be paid this week. However, certain managerial staff and commission producers will not be paid at this time. Persons believing they have a claim for compensation payments should file a claim on the website at <http://www.stanfordfinancialreceivership.com/claims.php>.

Commission Claims

Question 7. I am owed commissions by a Stanford entity. Will I be paid such commissions?

Answer: CD commissions will not be paid at this time. Various categories of non-CD commissions are being reviewed for payment and FAQs addressing these claims will be filed as soon as is practicable. Regardless, commissions, whether or not based on CD sales, owed to persons owing money to the Estate will not be paid at this time. Former employees who believe they have a claim for unpaid commission payments should file a claim on the Receivership website at <http://www.stanfordfinancialreceivership.com/claims.php>.

Question 8. I am a commission based employee and I am owed vacation pay. Will I be paid this compensation?

Answer: Vacation pay owed to commission-based employees will not be paid at this time. Persons believing they have a claim for such vacation-based payments should file a claim on the Receivership website at <http://www.stanfordfinancialreceivership.com/claims.php>.

Reimbursement Of Expenses

Question 9. I am owed reimbursement for business expenses incurred on behalf of Stanford for which I have submitted documentation. Will these payments be made and, if so, when?

Answer: The Receiver has authorized the reimbursement of reasonable and appropriate business expenses and such payments will be made as applications are reviewed against Stanford records. The Receiver's review of these claims is near completion, and he anticipates the payment of the vast majority of such expenses the week of June 1, 2009.

Question 10. I am owed funds pursuant to Stanford's Relocation Policy for reimbursement of relocation expenses. Will these expenses be paid?

Answer: Yes. The Receiver has authorized the payment of these expenses and anticipates that they will be mailed to former employees the week of June 1, 2009.

Question 11. I worked for a Stanford Financial entity pursuant to a HB-1 type VISA. As part of my employment arrangement, Stanford is obligated to reimburse expenses necessary for traveling back to my country of origin following the termination of my employment. Will the Receiver pay such claims?

Answer: Yes, the Receiver has authorized the payment of these expenses and anticipates that they will be mailed to former employees the week of June 1, 2009.