

STANFORD FINANCIAL GROUP RECEIVERSHIP

Statement on Release of All Customer Brokerage Accounts, Subject to Certain Exceptions

March 12, 2009

On March 12, 2009, the U.S. District Court overseeing the Receivership for the Stanford Financial Group, at the request of the Receiver, issued an order permitting the transfer of certain additional customer brokerage accounts. The Court order permits the transfer of all Stanford Group Company customer brokerage accounts at Pershing LLC and J.P. Morgan Clearing Corp. not previously covered under the Court's March 5, 2009 order, except those accounts that:

- (1) are owned by an individual Defendant or by any person who, based on records available to the Receiver, had any of the following relationships to any Defendant or to any entity owned or controlled by the Defendants (collectively "Stanford"): shareholder, member of the board of directors, member of senior management (as determined by the Receiver in his sole discretion) or registered representative or financial advisor who earned commissions or fees based on certificates of deposit or owed loans to Stanford Group Company;
- (2) are owned for the benefit of the individual Defendants or Stanford companies;
- (3) have at least \$250,000 in assets as of February 27, 2009 and with respect to which the Receiver has determined, by utilizing electronic data reasonably available to him through his investigation, may contain proceeds from the allegedly fraudulent products or activities;
- (4) secure unpaid balances owed by customers or non-purpose loans made to customers; or
- (5) are related to accounts in categories 1 through 4 by social security number or tax identification number, when available.

[\(Click here to view the March 12 order.\)](#)

The Court order will permit the transfer of all accounts, other than those in the above five categories, in accordance with transfer procedures like those that were posted on the Receivership's website on March 9, 2009 for eligible accounts under \$250,000. Transfer procedures for the newly released accounts will be posted on the Receivership's website by Monday, March 16, 2009. Under the order, approximately 28,600 customer accounts will be eligible for transfer, including the approximately 12,600 accounts that became eligible for transfer under the Court's March 5, 2009 order.

The Court order specifically reserved the Receiver's right to later pursue claims against the owners of the released accounts if it is determined they received proceeds from the allegedly fraudulent products or activities.

In analyzing whether to seek a release of any category of accounts, the Receiver has been attempting to balance the hardship on account holders of a continued hold on the accounts against the benefits of the hold to the Receivership Estate, considering both the likelihood that the accounts are tainted by fraudulent products or activities and the amount potentially recoverable by the Estate from those accounts if they are tainted.

In this connection, the Receiver has been analyzing certain data to determine which accounts should be released. This data principally relates to the presence or absence of transactions in those accounts relating to Stanford International Bank certificates of deposit, or activity in such certificates by the owners of those accounts. The Receiver recently gained access to additional data that permit a more refined analysis to be made and that supported its request to the Court.

On March 5, 2009, the Court issued an order permitting the transfer of Stanford Group Company customer brokerage accounts having net assets of less than \$250,000 held in custody at Pershing LLC, subject to certain exceptions. More information about how to transfer eligible accounts under \$250,000 is posted on the Receivership's website. All Stanford Group Company customer brokerage accounts are held in custody at either Pershing LLC or J.P. Morgan Clearing Corp.

Authority of Receiver

On February 16, 2009, the United States District Court for the Northern District of Texas signed an order appointing Ralph S. Janvey as Receiver to take possession of all the assets and records of Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, R. Allen Stanford, James M. Davis, and Laura Pendergest-Holt and of all entities they own or control. The order directed the Receiver to, among other things, take control and possession of and to operate the Receivership Estate, and to perform all acts necessary to conserve, hold, manage and preserve the value of the Estate.

Contacting the Receivership Estate

The Receivership Estate may be contacted only in writing. Emails may be sent to: info@stanfordfinancialreceivership.com. Inquiries to this email address are being reviewed but the Receiver is generally not able to respond to individual inquiries. We anticipate that when multiple persons have similar questions, we will address such issues within the FAQ section of the Receivership's website, which may be found at: www.stanfordfinancialreceivership.com.

The Receivership website is the main method of communicating with customers and the public. We strongly encourage interested parties to check the website frequently because it is revised as new information becomes available.