Brokerage Account Assets

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Please click here to view FAQs regarding the Procedures for Transfer of Certain Stanford Group Company Customer Brokerage Accounts.

Question: Can I Write Checks or Retrieve Cash From My Account?

Answer: For the foreseeable future, customers cannot use their Stanford accounts to access cash or make payments because transfers out of these accounts are frozen until the Receiver is able to verify there are no legal or equitable claims against those accounts.

Question: Can I Sell Securities In My Account?

Answer: Currently, brokerage and advisory account customers can contact Stanford's Houston headquarters to give instructions to sell securities that are in their accounts. For information On How To Sell Securities In Your account, click here to view the FAQ on Placing Sell Orders.

Question: Why Are Some Customer Accounts Frozen?

Answer: The Court has charged the Receiver with the responsibility of collecting and preserving assets. At the same time, the Receiver has directed his advisers and consultants to find a way to unfreeze those accounts that can be unfrozen as soon as practicable, consistent with his responsibilities.

Question: Which Customer Accounts Are Not Frozen?

Answer: As an initial step in this identification process, the Receiver examined information related to the status of mutual fund assets of Stanford clients held outside of Stanford's custodial relationships and determined that the assets should be released from any freeze under the Order. For further information regarding these mutual fund assets, click here to view the FAQ on Mutual Funds.

In addition, on March 5, 2009 and March 12, 2009, the Court, at the request of the Receiver, issued orders that, taken together, permit the transfer to another brokerage firm of all Stanford Group Company customer brokerage accounts at Pershing LLC and J.P. Morgan Clearing Corp., except those in certain categories. For further information regarding which accounts are eligible to be transferred and how to transfer them, click here to view the FAQs on Procedures for Transfer of Certain Customer Brokerage Accounts. Over 85% of the Stanford Group Company customer brokerage accounts, representing approximately 28,600 accounts, are now eligible for transfer.

Question: Who Is In Possession Of My Brokerage Account Assets?

Answer: Cash and securities in Stanford Group Company customer brokerage accounts remain in the possession of third party, independent clearing brokers, as directed by the Receiver. Almost all of these accounts are held at Pershing LLC, and the others are held at J.P. Morgan Clearing Corp.

Question: Who is Pershing LLC and are my assets safe there?

Answer: Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation and member of the Securities Investor Protection Corporation (SIPC), is one of the world's largest securities brokerage clearing firms that provides technology and securities custody solutions to over 1,000 financial service organizations worldwide. For information about Pershing LLC and customer account protection for accounts held in custody by Pershing LLC, please visit www.pershing.com and www.pershing.com/media/PER_SIPC_2.pdf.

Question. Who is J.P. Morgan Clearing Corp. and are my assets safe there?

Answer. J.P. Morgan Clearing Corp., a subsidiary of J.P. Morgan Chase & Co. and a member of SIPC, is a separately capitalized, guaranteed broker-dealer established for the express purpose of holding and financing customer accounts and clearing and settling customer transactions. For more information about the safety of client assets at J.P. Morgan Clearing Corp., please visit http://www.jpmorgan.com/pages/jpmorgan/safety. J.P. Morgan Clearing Corp. was formerly known as Bear, Stearns Securities Corp.

Question: How Can I Access Account Information?

Answer: The third party independent clearing brokers sent account statements to all brokerage customers with an active client position shortly after month-end for February.