

STANFORD FINANCIAL GROUP RECEIVERSHIP

Coins and Bullion

Posted January 19, 2010

On January 5, 2010, the Court entered an Order granting in part the Receiver and Examiner's joint motion regarding coin and bullion assets (the "Order"). The Receiver has begun the process of releasing coin and bullion held by the Receivership to Stanford Coins and Bullion ("SCB") customers. The following questions address issues raised by SCB customers.

Question 1. I purchased coins or bullion from SCB. I paid SCB the amount owed for my order, but I have not received the coins or bullion. Will I receive the coins or bullion, or can I get a refund?

Answer. The Order allows the Receiver to release coins or bullion that have been ordered and paid for and that are in the possession of the Receiver. If your order is in this category, the Receiver will deliver such coins or bullion to you as described below under Question 5.

If the Receiver received payment for your coins or bullion prior to February 16, 2009, but does not have possession of the coins or bullion that you ordered, your status remains uncertain. The Court has deferred a ruling on the joint motion with respect to customers in this category. The joint motion proposed that customers falling within this category would be entitled to make a claim against the estate for the amount paid. You should continue to monitor the Receiver's website for news relating to the Court's ruling as to customers in this category; however, neither the Receiver nor the Examiner can predict when the Court will rule upon the treatment of such customers.

If the Receiver received payment for your coins or bullion on or after SCB was placed into Receivership on February 16, 2009, and the Receiver does not have possession of the coins or bullion that you ordered, the funds you paid will be returned to you. You will receive a letter from the Receiver outlining the procedure for requesting a check for the amount to be refunded if you fit into this category.

Question 2. Can I request a refund of my money instead of delivery of the coins or bullion?

Answer. No. The order authorizes the Receiver (where possible) to complete the contracts for delivery of coins or bullion that were initiated by a customer's payment for coins or bullion. Except for situations where a customer's payment was received after February 16, 2009 but the Receiver does not have possession of the coins or bullion that were ordered, the Receiver does not have the authority to refund your money in lieu of releasing your coins or bullion to you.

Question 3. I purchased coins or bullion from SCB. I cancelled or stopped payment for my order and I have not received the coins or bullion. Can I submit my payment again to complete my order for coins or bullion?

Answer. No. A cancellation or stop payment by a customer is equivalent to a cancellation of the order to purchase coins or bullion.

STANFORD FINANCIAL GROUP RECEIVERSHIP

Question 4. SCB holds coins and bullion for me as an investment that I purchased through my Financial Advisor or directly from SCB. Will I get my coins back?

Answer. The Receiver considers coins and bullion that you purchased and that were held on your behalf by SCB as your property. Such coins and bullion will be returned to you. The Receiver will deliver such coins or bullion to you as described under Question 5 below.

Question 5. What should I do to receive my coins, bullion or refund?

Answer. Do not contact the Receiver regarding your coins and bullion. The Receiver will mail a packet of forms to the address listed on your SCB account. If you want to change your address as registered on your SCB account, please send a letter listing your old address and your new address to the following: SCB, ATTN: Paul Montgomery, 5050 Westheimer, Houston, TX 77056, or send an email to info@stanfordfinancialreceivership.com.

The packet from the Receiver will contain forms that you must complete and return to the Receiver to receive your coins or bullion. If the estimated value of your account is \$300,000 or greater, the Receiver's authorized representative may contact you directly to make special arrangements for delivery of your coins or bullion.

If you are entitled to a refund of funds paid for coins or bullion, you will receive forms that you must complete before receiving a check for the amount of your refund.

Please do not contact the Receiver or the Receiver's representatives because this will only delay the process of your coins, bullion or refund being returned as resources are diverted to respond to these inquiries.

Question 6. Who is authorized to answer questions I may have regarding my transactions with Stanford Coins and Bullion?

Answer. The Receiver has retained Paul Montgomery and Associates, LLC to represent him on matters related to coins and bullion. Some former salespersons or employees of SCB have joined other coin and bullion dealers or started their own businesses and may contact you regarding your coins or bullion. None of these former salespersons or employees are authorized representatives of the Receiver. If you want a coin and bullion company or numismatic expert to store coins and bullion on your behalf, Paul Montgomery and Associates, LLC suggests that you choose a coin and bullion dealer from the Professional Numismatists Guild, which has certain membership standards. A list of dealers from the Professional Numismatist Guild may be found at the following link: <http://www.pngdealers.com/dealersearch.php>. The Receiver does not endorse any of these dealers or otherwise guarantee the quality of service that you may or may not receive from such dealers.

Question 7. I have made a written request to the Receiver or to former employees of SCB to have my coins released to a former employee of SCB. Will this request be honored?

Answer. You must use the documentation the Receiver will send to you to make a request that your coins or bullion be sent to a third party. You may choose to have your coins or bullion sent to such former employees of SCB, but the request must be completed on the documentation

STANFORD FINANCIAL GROUP RECEIVERSHIP

contained in the packet to be sent to you by the Receiver. Please remember that such former employees of SCB are not representatives of the Receiver.