

Statement from the Stanford Financial Receiver on the Filing of Court Papers to Recover \$925 Million of CD Related Proceeds

July 28, 2009

The Receiver today filed papers with the Dallas federal court seeking the return to the Receivership Estate of approximately \$925 million of funds related to Stanford International Bank Ltd. certificates of deposit. The Receiver's goal in pursuing these claims is to achieve equity for all investors by maximizing the assets of the Estate.

The \$925 million consists of (1) approximately \$40 million of fees, commissions and loans related to CDs from 66 former Stanford financial advisors, (2) approximately \$373 million of purported CD redemption or interest payments from more than 500 SIB account holders who have Stanford Group Company or Stanford Trust Company accounts that are frozen under the Court's February 2009 order (these frozen accounts contain approximately \$300 million of assets that would be available to satisfy the claims against these account holders), (3) approximately \$18 million of such funds from 40 account holders who have signed agreements with the Receiver regarding release of their accounts and have wired funds into the Receiver's escrow account and (4) approximately \$494 million from the 49 other SIB account holders that received the largest amounts of purported CD redemption or interest proceeds after January 1, 2008 that are not covered by one of the categories above (these defendants do not have frozen accounts at Stanford Group Company or Stanford Trust Company). The 66 former financial advisors and certain of the other relief defendants were named as defendants in prior complaints, which are superseded by the amended complaint filed today.

The persons listed in the amended complaint are a very small percentage of the more than 20,000 investors who have thus far received little or nothing from their investment in SIB CDs. Upon recovery, these funds will be shared by all CD investors, including those from whom the funds are recovered.

Many people say they do not understand why the Receiver would seek to recover funds from persons who may have been victims themselves of the Stanford fraud. As explained in the filings, the Receiver believes the redemption, interest and other payments were made with money stolen by the Stanford entities from other CD holders and therefore should be equitably distributed among all the victims.

CD customers who received redemptions or interest payments may believe the proceeds were a return of an investment placed with what they thought was a legitimate bank, Stanford International Bank Ltd. In reality, the money that CD customers received was not their money, was not a return of their investment, and was not generated by any of SIB's other business ventures. The funds used to pay purported CD interest and redemptions were simply money that was stolen from the thousands of CD holders who were deceived into purchasing CDs and who, by chance, or as the result of sales tactics by brokers, had not withdrawn funds from SIB as of the date the Receivership was put in place.

STANFORD FINANCIAL GROUP RECEIVERSHIP

If recovered in full, the \$925 million in the aggregate would represent the Estate's largest single asset, significantly greater in size than the amount likely to be recovered from all other assets of the Estate combined, based on information currently available to the Receiver. The Receiver believes the Court's order requires the claims to be pursued in order to maximize assets available for distribution to all victims of the fraud.

The Receiver intends to evaluate and pursue other similar claims based on a cost/benefit analysis, in which the costs to the Estate of pursuing a claim are compared to the benefits to be achieved (considering both the likelihood of recovery and the amount to be recovered if successful).

As detailed in the filings, the claims for the return of funds are fully supported by case law and have been upheld under the established legal principle of "equality is equity."