

STANFORD FINANCIAL GROUP RECEIVERSHIP

Statement Regarding Stanford Financial Group Employees

On March 6, 2009 the Receiver for the Stanford Financial Group notified approximately 1,000 employees in Stanford's U.S. offices that their employment has been terminated. These employees constitute approximately 85% of Stanford's U.S. employees.

The Receiver has the duty of conserving and preserving the value of the receivership estate, which includes the various Stanford entities. After a review of the circumstances, the Receiver concluded that continuing employment for these employees is not in the interest of conserving and preserving the value of the estate because there are insufficient resources to continue to compensate all present employees.

Stanford Financial Group and its affiliates are permanently reducing their workforce at certain U.S. facilities and locations, and the Receiver expects that most of Stanford's businesses and operations will be discontinued or wound down. A small number of U.S. employees will be retained to assist with the process of winding down operations and settling the receivership estate. Most of these are employed at Stanford's Houston headquarters.

All the employment separations are effective today, March 6, 2009. Regular salary and benefits will be discontinued immediately. With a few exceptions, employees provided with the separation of service notice will be paid on March 13 for the period from February 16 through and including March 6. Employees will not receive any severance compensation or bonus.

The Receiver will provide a list of FAQ's to help answer potential questions on the Receivership's website at www.stanfordfinancialreceivership.com during the week of March 9, 2009.

Decisions regarding Stanford's employees in locations outside the U.S. will be made and announced in the next few weeks.

As previously announced, the Receiver's investigation to date indicates that the liquidity situation and overall financial condition of the Stanford entities can only be described as dire. According to unaudited financial statements as of December 31, 2008, Stanford has amassed tens of millions of dollars in unpaid bills, and to date the receivership accounting team has been able to identify only a limited amount of available cash on hand. Evidence is also mounting that the assets of the Receivership estate will be only a fraction of the amount needed to satisfy the anticipated claims against the estate.

The Receiver was appointed by a Federal district court on February 16, 2009 to take possession of all assets of Stanford International Bank, Ltd., Stanford Group Company, Stanford Capital Management, LLC, R. Allen Stanford, James M. Davis, Laura Pendergest-Holt, and all entities and assets they control.

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