



STANFORD FINANCIAL SCANDAL!

As if there weren't enough drama taking place within the financial markets, Texas banker R. Allen Stanford has brought fear, frustration, and injustice to many investors stemming from an alleged \$8 billion fraud scheme carried out by luring customers into buying certificates of deposit that carried "improbable and unsubstantiated high interest rates." Stanford claimed the CDs were backed by the U.S. Federal Deposit Insurance Corporation, but they were issued by Stanford's offshore Antigua - based bank and are not insured by the government.

The Securities and Exchange Commission froze all assets of the three entities managed by Mr. Stanford—Stanford International Bank, Stanford Group Co., and Stanford Capital Management. As a result tons of innocent investors including those who didn't have money invested in these CDs, but rather just had their investments with dealers whose accounts were with a Stanford company such as brokerage accounts sitting there with securities and cash currently being held at Pershing LLC, a unit of the Bank of New York Mellon Corp, one of the world's biggest custodial banks. Mr. Michael Gellar, spokesman of Pershing said, "until further notice Stanford's clients' brokerage accounts held at Pershing have been frozen on request of the receiver and no funds or securities may leave the accounts without the receiver's approval."

This atrocity has extended beyond the average investor to professional athletes. Three of New York's well known baseball players, Johnny Damon, Xavier Nady, and Mike Pelfrey have all fallen victim to this scandal. Damon told FoxSports.com, "I can't pay bills right now. I had to pay a trainer for working out during the offseason. I told him just to hold on for a little bit and hopefully this stuff gets resolved." Nady stated, "I have the same advisor as Johnny. I didn't have any money with Stanford investments, but all my credit card accounts are frozen right now because of that situation. I'm trying to get an apartment in New York, and can't put a credit card down to hold it." According to New York Daily News all three players are clients of Scott Boras.

As financial advisors it is our fiduciary responsibility to protect our client's from situations such as these. We at Geier Financial Group take this responsibility very seriously! We have been in the business for 19 years, and have secured a solid reputation based on a conservative approach towards investing. We strive to keep things simple and transparent at all times. Our professional athletes chose us for this, and understand there is absolutely no reason for them to take the risk inherent in these glamorous agencies.

We are proud to say none of our client's money is in any way shape or form tied to this scandal, nor do we participate in unethical dealings such as the one referenced above. This is yet another example which lends strong support to the theory that it is prudent and wise to look beyond the glamour and glitz, and focus on the tried and true. Having your money exposed to someone whose floors are made with black marble, rooms flanked with luxurious leather armchairs, and walls lined with vintage books, and whose 6 hangers are filled with \$100 million worth of a fleet of private jets begs the questions...where is my money really going? Firms such as this focus on status and appearance, political allegiances, and personal greed. You, our clients can feel secure in the knowledge that we take the opposite stance. It is about quality— not status, about comfort and trust—not political allegiances, and about trust and value brought to you—not personal greed.

At Geier Financial Group we are always here keeping you ahead of the game!

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