

Linkbrokers Derivatives LLC

Customer Policies

The following information describes Linkbrokers Derivatives LLC (“Link” or the “Firm”) policies and practices such as how we protect your privacy, and handles your personal information, including among other things, our disclosures related to Order Handling and Execution, CIP Customer Identification Procedures, and Business Continuity Plans.¹ Link is also a subsidiary of ICAP PLC, (an ICAP group co.), and also enclosed are ICAP’s Brokerage Practices.

Privacy Policy:

Linkbrokers collects nonpublic personal information about you to help us serve your financial needs, provide customer service, offer new products or services, and fulfill legal and regulatory requirements. This may include information we receive from you on applications and other related forms (name, address, Social Security number, assets and income), and records of your transactions with us (purchases, account balances and payment history).

Linkbrokers restricts access to your personal account information on a need to know basis in order to better serve your requirements. Our procedures mandate confidentiality and maintain physical and electronic safeguards to protect your nonpublic personal information.

In the course of conducting business, we may disclose some or all of the previously described information about you within our Company, including our parent company (ICAP), and to non-affiliated third parties, as allowed by law, in order to:

- Provide customer service or account maintenance;
- Respond to a subpoena, to prevent fraud, or to comply with an inquiry by a government agency or regulator; or on behalf of our clearing firms.
- Perform service for us or on our behalf to develop or maintain our electronic systems.

We do not share your personal information with the outside entities for marketing purposes. This information is not sold to other companies for inclusion on mailing lists or for any other unsolicited purpose. As a result, an opt out provision shall not be necessary.

If at any time you decide to close your account(s), we will adhere to the privacy policy described in this notice.

¹ Linkbrokers Customer Policies are provided at account opening, available upon request, distributed annually, and accessible within Link’s Corporate Webpage www.linkbrokers.co.uk/PRODUCTS/US_DISCLOSURE.html
(Revised 08/08/11)

Statistical Reporting:

The following describes the three methods of retrieving and reviewing Linkbrokers statistical reporting as required by Regulation NMS Rule 606, including references to any Payment for Order Flow Programs or Rebates with respect to Electronic Communication Networks:

- www.linkbrokers.co.uk/PRODUCTS/US_DISCLOSURE.html
- http://asplegacy.tagaudit.com/r6viewpub_v2.asp?user=link
- Write to us directly at:
- **Linkbrokers Compliance Department**
- 107 Grand St., 2nd Floor
- New York, NY 10013

We value your business and we are committed to keeping your trust. Thank you for giving us that opportunity.

SIPC Notification:

Member of SIPC. Securities in your account protected up to \$500,000. For details, please see www.sipc.org

Please be advised that SIPC Information is available, including the SIPC Brochure, by contacting SIPC at (202) 371-8300 or by visiting their website at www.sipc.org

Options Clearing Corporation:

Prior to buying or selling an option, investors must read a copy of the Characteristics & Risks of Standardized Options, also known as the options disclosure document (ODD). It explains the characteristics and risks of exchange traded options.² A copy of the current (ODD), and definitive supplements are available from the Link Compliance Dept, or below:

<http://www.optionsclearing.com/components/docs/riskstoc.pdf>

http://www.optionsclearing.com/components/docs/January_2011_ODD_Definitive_Supplement.pdf

http://www.optionsclearing.com/components/docs/March_2011_ODD_Definitive_Supplement.pdf

Order Handling and Execution:

AGENCY

LINKBROKERS is predominantly an Agency Only Broker Dealer transacting with both foreign and domestic institutional B/D clients. Specifically Linkbrokers typically obtains unsolicited complex order flow, and researches its extensive client base to provide a match to such orders including but not limited to options and equities, equities only, and ADR/ORD Crossbook Trading.

Linkbrokers will often handle your orders via electronic access to NYSE and NASDAQ securities on an agency basis. Your official confirmation will display the execution price, or an average execution price in the case of multiple executions, and separately identify the explicit remuneration you paid us for executing your transaction. At your request, we will provide you a report detailing each transaction that we affected on your behalf.

OPTIONS - ISE: International Securities Exchange

ISE Rule 716(e)(3) - When handling an order of 500 contracts or more on your behalf, Link may solicit other parties to execute against your order and may thereafter execute your order using the International Securities Exchange's Solicited Order Mechanism. This functionality provides a single-price execution only, so that your entire order may receive a better price after being exposed to the Exchange's participants, but will not receive partial price improvement. For further details on the operation of this Mechanism, please refer to International Securities Exchange Rule 716, which is available at www.ise.com under "Membership, Rules and Fees – Regulatory-ISE Rules."

² The Options Clearing Corporation (<http://www.optionsclearing.com/about/publications/character-risks.jsp>)

Held or Not Held Orders

Your orders will be designated as “not held” unless you advise us otherwise on an order-by order basis. In designating your order as “not held”, we are permitted to exercise our reasonable trading judgment, and are relieved of any responsibility with respect to the time and price of execution. In addition, consistent with our use of reasonable trading judgment to obtain best execution, we are required to display or protect a “not held” limit order.

Absent specific instructions to the contrary, when you place an order with Linkbrokers, you are directing that Link handle your order on a “not held” basis, which means you are giving the Firm and its brokers, discretion to exercise their brokerage judgment to seek to obtain the best execution of your order. “Held” orders do not permit discretion in handling your order.

Depending on whether your order is a market or limit order, “held” orders obligate a Firm to execute your market order immediately at the then prevailing market price or your limit order at your price (or better), which may not necessarily be the best price that can ultimately be obtained, by using its discretion. “Not held” orders, on the other hand give the Firm the flexibility and discretion to act in your best interest by working your order to seek to obtain the best execution possible. LINK believes that by exercising appropriate judgment and discretion (that is, on a not held basis) with respect to your order, it can achieve the best execution possible under the surrounding facts and circumstances. Therefore, unless you give LINK specific instructions to treat such an order differently at the time you place the order, LINK will treat the order as “not held” and will work that order accordingly. Please be advised that under NASD Rules, a “not held” order is not a priced order.

Extended Hours Trading Risk Disclosure

NASDAQ Rule 4631 requires that we disclose to you the following potential trading risk if you engage in securities transactions outside of regular market hours.

- ***Risk of Lower Liquidity.*** Liquidity refers to the ability of market participants to buy and sell securities. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may be only partially executed, or not at all.
- ***Risk of Changing Prices.*** The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, you may receive an inferior price in extended hours trading than you would during normal market hours.
- ***Risk of Unlinked Markets.*** The prices displayed on a particular extended hours system may not reflect the prices on other concurrently operating extended hours trading systems dealing in the same securities.
- ***Risk of News Announcements.*** Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.
- ***Risk of Wider Spreads.*** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.
- ***Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value (“IIV”).*** For certain Derivative Securities Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. As a result, implied values for certain Derivative Securities Products in those sessions may be at a disadvantage to market professionals.

FINRA Rule 2267. Investor Education and Protection

To help investors research the professional backgrounds of current and former brokers of Link, our clients have the right to access FINRA’s BrokerCheck System, and is available at the following locations:

- BrokerCheck toll-free hotline at (800) 289-9999
- <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/index.htm>



Linkbrokers Derivatives LLC

CIP Statement

TO HELP THE GOVERNMENT FIGHT THE FUNDING OF TERRORISM AND MONEY LAUNDERING ACTIVITIES, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

Procedures for identifying customers are set out below and will include:

1. Verifying the identity of any customer seeking to open an account,
2. Maintaining records of the information used to verify include: name, address, and other identifying information
3. Determining whether the customer appears on any government lists.
4. Request financial statements based upon criteria set by our parent co. (ICAP).
5. All previous and perspective accounts are subject to initial credit approval and ongoing risk monitoring by our parent company's (ICAP) credit and risk departments, and our clearing firms where applicable.

Linkbrokers uses the services of MIS McDonald Service, Inc. to perform such action, and will at least request tax id number and/or social security number, and address where applicable from perspective clients to ensure compliance in identifying customer identity.

Customer Risk Assessment Criteria:

1. High Risk Countries
2. Prohibited Sanctioned Countries

Linkbrokers will support a process to monitor internal compliance with the above-mentioned policies. This process will include periodic reviews to ensure compliance with laws, regulations, and rulings. In addition, reviews of reporting and control systems will be independently audited as required.



ICAP Broking Practices

This summary is intended to provide to customers of ICAP an overview of certain practices employed by ICAP in its provision of broking services (“Broking Practices”). It is not intended to be an exhaustive summary of all practices. ICAP believes that its own long-term commercial interests, as well as the interests of its customers and the marketplace, are best served when customers understand the key aspects of how ICAP provides its services. ICAP encourages its customers to familiarize themselves with these practices, to ask ICAP any questions they have about these or other practices, and more generally, to maintain a regular and open dialogue with ICAP regarding their expectations and preferences with regard to how ICAP provides its services.

Scope

The Broking Practices described in this document address ICAP’s provision of broking services in its wholly-owned businesses in the United States, with regard to the provision of voice and/or electronic brokerage of securities, futures, commodities, currencies, and non-security derivatives.

Many of ICAP’s brokerage activities are regulated activities and/or are conducted in entities subject to regulation. As a result, there are many laws, regulations, and self-regulatory organization (“SRO”) rules that may govern ICAP’s conduct of its activities and its treatment of its customers, including those of the SEC, FINRA, the CFTC, the NFA, and numerous exchanges (such legal, regulatory, and SRO requirements, collectively, “Regulatory Requirements”). Many of ICAP’s activities are not regulated. These Broking Practices are designed to be consistent with Regulatory Requirements where applicable, and to address issues that are not the subject of Regulatory Requirements.

Given the breadth and diversity of ICAP’s brokerage activities, these Broking Practices necessarily reflect general practices that as indicated herein may vary for certain activities and/or products. ICAP encourages its customers to inquire and familiarize themselves with the specific practices associated with particular activities and products in which they are interested. In addition, in instances where ICAP and a customer have contractually agreed to particular arrangements and understandings (“Contractual Commitments”), these Broking Practices do not modify or supersede such Contractual Commitments, and in the event of and to the extent of any conflict, such Contractual Commitments shall govern.

The Role of ICAP

ICAP offers to its customers the provision of brokerage services whereby ICAP acts as an intermediary or arranger of transactions. In this capacity, ICAP seeks to facilitate the agreement between and among principals of mutually acceptable terms upon which to consummate a transaction. ICAP’s client mix will vary by product, but across its businesses ICAP provides broking service to broker-dealers, banks, and a range of institutional investors and other sophisticated institutional wholesale market participants. ICAP strives to add value to its customers by (i) improving price discovery and transparency, (ii) enhancing liquidity, (iii) facilitating information flow, and (iv) providing a degree of anonymity and confidentiality appropriate to each marketplace.

ICAP does not serve as a fiduciary to its customers. In addition, in the absence of a contrary Regulatory Requirement, when a customer employs ICAP to provide broking services ICAP does

not act exclusively for the benefit of that customer. This is because in its role in sourcing liquidity for its customers and facilitating trades ICAP will necessarily be working with multiple customers whose interests may very well be in conflict as to the outcome of a particular potential transaction (i.e., in simplest terms, both the potential seller and potential buyer are customers of ICAP, but each would like the transaction to occur at the price most favorable to them, as is true when customers deal directly with each other). ICAP strives to balance the interests and expectations of multiple participants involved in or contemplating a particular transaction, as well as to act in a manner that furthers the interests of all participants in the maintenance of a liquid, transparent, and active marketplace on an ongoing basis.

While ICAP will necessarily be required to exercise its judgment in this regard when appropriate, it will seek to do so in a consistent and neutral fashion. Because ICAP's customers may also utilize comparable brokerage services offered by ICAP's competitors, ICAP understands and fully expects that its long-term commercial viability and growth will be determined by the success with which it balances these interests in a manner that its customers regard as fair, efficient, transparent, and predictable.

Capacities in which ICAP Acts

ICAP provides brokerage services in two capacities, depending upon the nature of the particular product:

1. **“Name Give Up” Capacity.** For certain products, ICAP acts in an agency capacity, whereby it connects buyers and sellers and may assist in the negotiation of the price and other material terms of the transaction. At the point at which the parties agree to terms, ICAP leaves the buyer and the seller to clear and settle, for certain products, through the relevant exchange, and for other products, directly with one another through the appropriate market mechanism.
2. **“Matched Principal” Capacity.** For certain products, ICAP acts in the capacity of a “matched principal” whereby it acts as a “middleman” or intermediary by serving as the counterparty for identified buyers and sellers in matching, in whole or in part, reciprocal back-to-back trades.

Circumstances Under Which ICAP May Act as Principal and its Handling of Any Resulting Positions

Because ICAP acts as a broker, it is the beneficiary of a waiver of certain capital requirements to which it would otherwise be subject under the supervision of the UK Financial Services Authority. In order to satisfy the requirements of the waiver, ICAP must adhere to certain restrictions on its risk-taking activities. As a result, ICAP does not engage in proprietary trading, i.e., it does not systematically initiate or carry positions for its own account solely for the purpose of putting the firm's capital at risk or to earn a profit based on a view of the market. ICAP therefore does not operate a “trading book.”

However, ICAP may and does from time to time, consistent with the requirements of the waiver, acquire unmatched positions as principal in the following scenarios:

- When facilitating customer transactions in “matched principal” marketplaces by framing markets. When framing markets in “matched principal” marketplaces,

ICAP posts or provides live, executable bids and offers at minimum acceptable quantities in an effort (i) to display appropriate markets where none exist, or (ii) to present spreads that are more reflective of market sentiment. In such cases, ICAP's efforts are intended to add liquidity for ICAP customers and to attract market participants to its screen. Sometimes the act of posting or providing quotations may result in ICAP acquiring a position as principal on an unmatched trade;

- As a result of errors or out trades. From time to time, as a result of a bona fide error, ICAP may in "Matched Principal" or exchange-based "Name give up" marketplaces acquire a position in resolution of such error; and
- Facilitating and executing orders on behalf of customers prior to those positions being novated, given-up or settled by the relevant customer(s) and/or for the purposes of gaining the customer(s) access to any applicable clearing and settlement system.

When ICAP acquires a position in the aforementioned circumstances, it is required by its internal policies to close, manage and mitigate the risk associated with that position in a timely fashion. Accordingly, ICAP seeks to liquidate or hedge such positions as soon as reasonably practicable by accessing any appropriate and available market. While ICAP seeks to do this in a manner that minimizes disruption to the marketplace and respects the trading priority protocols typically employed for a particular product (see "Price Discovery and Trading Priority," below), ICAP may, where not contrary to Regulatory Requirements, depart from these protocols, typically in more illiquid markets, and prioritize the liquidation or hedging of its own position over expressions of interest from customers. However, in doing so ICAP will necessarily execute another customer's order in the course of closing any such position, at what it reasonably believes is an appropriate market level.

Price Discovery and Trading Priority

Electronic Marketplaces. For electronic marketplaces, as well as for hybrid marketplaces that permit customers to transact either with a voice broker or through the electronic system, the price discovery process takes place through information posted on the electronic screens.

Voice Brokered Marketplaces. In voice brokered marketplaces, price discovery is generally done by voice over dedicated telephone lines and through electronic price dissemination screens and other electronic communication tools. In certain situations, ICAP will seek to find the other side to a transaction based on a firm request from a customer that specifies some or all of the trade parameters that the customer is interested in transacting in (i.e., price, counterparty credit, full or partial transaction size). In other situations, ICAP may be asked or expected to work a contingent order, whereby it is understood and expected that in facilitating the customer's transaction ICAP may adjust the contingent order to reflect changes in the price of, or shifts in the curves relating to, underlying instruments or indices with which the instrument(s) that is the subject of the order correlate.

For certain products, and in certain situations, ICAP may on an arms-length basis seek out price discovery from competing wholesale market brokers in order to facilitate a customer's trading interest. Complete counterparty details for trades executed with the involvement of competing brokers are disclosed at the time of trade.



For certain products and order types, applicable Regulatory Requirements may dictate the manner and priority of execution. For other products and order types, and in markets where customers do not submit executable orders but rather indications of interest, ICAP does not take on any obligation to satisfy any customer's interest in whole or in part, regardless of the time, price, size or other terms of the customer's order or indication, and regardless of whether such order or indication could have been satisfied. For example, on many trades ICAP is necessarily working with multiple customers whose interests may be in conflict as to price and volume, and there may be more interest in a particular transaction than can be satisfied by the volume of interest on the other side of that transaction. It is thus frequently the case that the circumstances around a particular trade make ICAP unable to meet the interests of each of its customers to their full satisfaction. Subject to applicable Regulatory Requirements, ICAP reserves the right in its discretion to determine how to prioritize allocations of executions.

However, ICAP recognizes that the long-term viability of its marketplaces depends upon its customers' confidence that the actual prioritization and satisfaction of indications and orders occur in a manner that is efficient, fair and predictable, and that encourages continued participation in the marketplace. As such, each of ICAP's voice brokered marketplaces operate pursuant to general market practices that address issues such as the entitlements of the aggressor (e.g., the "price taker") with regard to counteroffers, the prioritization of customers responding to an aggressor, the ability of customers to join existing bids or offers, time/price/size prioritization, and the ability of customers to participate in a trade. These practices may vary from product to product, and they have been developed and refined over time based on the expectations and preferences of the customers who participate in a particular marketplace. While ICAP reserves the right without prior notice to depart from the typical protocols in any and all situations, its normal interest and intent is to employ those practices on a regular and consistent basis.

ICAP encourages its customers to familiarize themselves with the typical priority practices utilized in a particular marketplace, and to raise any questions they may have in that regard.

How ICAP is Compensated

ICAP is primarily compensated for its role in facilitating and consummating transactions by charging a brokerage fee. In "Name Give Up" marketplaces, the fee will typically take the form of an invoiced commission. In "Matched Principal" marketplaces, the fee will typically take the form of a markup or markdown which is added to or subtracted from, as the case may be, the agreed-to transaction price.

For certain products, a brokerage fee is paid by both participants in the trade. For other products, the brokerage fee is paid by one of the participants in the trade. Sometimes the participant that pays will be the aggressor (e.g., the "price taker"), and sometimes it will be the passive party (e.g., the "price maker").

In certain cases, the brokerage fee paid to ICAP may, with customer approval, deviate from the normal rate due to the level of service provided, i.e., facilitating a particularly difficult trade.

ICAP may receive revenue from other means as well. As described earlier, ICAP may acquire positions in certain situations, and in connection with doing so and in managing and liquidating such positions, it may earn a profit or a loss. As noted, ICAP does not engage in such activities with the intent to make a profit, and expects the net result of any such activities will be modest gains or losses.



In addition, in certain fixed income markets, where not contrary to Regulatory Requirements, ICAP may when acting in a “matched principal” capacity earn a profit by buying a financial instrument at one price and simultaneously or shortly thereafter selling it at a higher price (or vice versa), such that ICAP receives the benefit of the “spread” on the trade in addition to any markup or markdown it charges.

Extent of Anonymity or Disclosure

As a general rule, ICAP seeks to operate each of its different product marketplaces in an anonymous fashion. Except as noted below, ICAP believes that liquidity and transparency in the marketplace are best served by maintenance of confidentiality and anonymity.

In “matched principal” marketplaces, ICAP generally seeks to employ reasonable efforts to maintain the confidentiality and anonymity of the identity of customers involved in or contemplating participating in a transaction. Similarly, in “name give up” markets, ICAP seeks to employ reasonable efforts to maintain anonymity during the pre-matching period, and during the post-trade period, it will generally disclose the identity of a customer participating in a trade only to the other participants in that trade (except as described below). In addition to the efforts that ICAP engages in to maintain confidentiality and anonymity, ICAP asks that its customers respect and honor this level of confidentiality and anonymity by not seeking or requesting information that may not be shared.

There are two situations in which the aforementioned level of anonymity may not apply, both of which are limited to marketplaces that are not fully electronic. First, there may be circumstances where the identity or creditworthiness of a customer is a material term of the transaction or price that could adversely affect the broker’s ability to reflect an accurate market. In such situations, ICAP reserves the right without prior notice to disclose the identity of a customer to the extent it reasonably believes such information could constitute a material term for another party contemplating participating in such a transaction.

Second, in certain non-securities marketplaces, customers have as a matter of custom and preference participated with the expectation that identifying information about those participating or contemplating participating in a particular trade would be available upon request. This preference reflects the specific characteristics of the particular product marketplace, participants’ views on the importance of anonymity or disclosure to liquidity and transparency in that marketplace, and historical experience and practice. Where participants in a marketplace have manifested their support for such a preference, ICAP seeks to accommodate that preference, and to make information available on a consistent and neutral basis when asked.

ICAP encourages its customers to familiarize themselves with the confidentiality and anonymity standards applicable to particular marketplaces they participate in, to raise any questions they may have in that regard, and to express their views and preferences to ICAP so that ICAP can continue to maintain a marketplace that meets the evolving needs and expectations of its participants.

Publication of Off Screen Trades

For certain products, ICAP provides both voice brokerage and electronic brokerage services (“hybrid markets”). In hybrid markets, when a transaction is consummated with a voice broker, ICAP is able to publish a record of that transaction on the screen utilized for electronic brokerage of that product so that it is made available to other participants in the marketplace. In the absence



of a request from its customer to not publish the transaction, ICAP will publish the record of such transactions on its electronic screen. (All transactions executed in ICAP's fully electronic marketplaces are automatically recorded on screen.)

ICAP recognizes that its customers may in certain situations prefer that such transactions not be published on the screen, and when requested to refrain from such publication, ICAP will seek to honor its customer's request to the extent practicable, and to the extent that other participants in the trade agree to the request. In such situations, information regarding that transaction will not be posted on the screen, nor included in any market data feed compiled and supplied by ICAP, but ICAP will upon request provide oral information regarding the occurrence of the transactions and its terms. ICAP believes that in most circumstances the marketplace is best served when trades conducted through voice brokers are published on screen, and encourages its customers to share and act upon that view.

Provision of Indicative Valuations

From time to time, in response to customer requests or on its own initiative, ICAP may provide or publish information expressing a view of an indicative valuation of particular financial instruments. These indicative valuations reflect ICAP's good faith view as to a reasonable indication for that particular instrument, assuming an institutional market, round lot trade sizes, and the absence of unusual market conditions (i.e., distressed selling).

ICAP does not accept liability for the completeness or accuracy of any such indicative valuations, nor does ICAP represent that parties would or will be able to transact at the levels indicated. All such valuations are subject to any disclosure and disclaimer language that accompanies them and ICAP's then prevailing terms of use for such data. ICAP will typically provide such valuations based on the transactional activity that it participates in, though ICAP may provide valuations based on transactional activity that takes place away from ICAP if ICAP reasonably believes it to have occurred.

Policy Regarding Customer Entertainment

ICAP competes in the marketplace based on the quality and price of the services it provides, and expects its customers to judge it by those criteria. ICAP views business entertainment with its customers as an opportunity, outside of the regular office setting, to strengthen its business relationships with customers and ICAP's and its customers' mutual understanding of each other's business needs and concerns.

ICAP's entertainment policies are designed to facilitate compliance with applicable Regulatory Requirements as well as internal firm policies. These policies include requirements that ICAP representatives be present for all customer entertainment, that entertainment not be excessive, overly frequent, lavish or inappropriate, and that the provision of entertainment may not serve as a quid pro quo for a customer to transact with ICAP at all and/or on particular terms.

Customers are responsible for ensuring that their employees are in compliance with their internal entertainment policies and requirements when participating in entertainment events with ICAP employees. ICAP is not in a position to and does not take responsibility for a customer's adherence to its own entertainment policy, even if ICAP has been made aware of such policy. ICAP encourages its customers to familiarize themselves with their internal entertainment policies and to respect what has been communicated to them regarding the requirements of ICAP's entertainment policies.



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ICAP reserves the right to amend and depart from these Broking Practices at any time, and without prior notice. The Broking Practices herein are not intended to and do not create any contractual or other legal rights in or behalf of any party.

Linkbrokers Derivatives LLC

Business Continuity Planning³

Linkbrokers has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

Contacting Us – If after a significant disruption you cannot contact us as you usually do at (212) 925-0116, please go to our website at:

<http://www.linkbrokers.co.uk/index.htm>

If you cannot access us through either of those means, you should contact our clearing firms, Goldman Sachs Execution & Clearing at (212) 357-6690 or www.gs.com for instructions on how they may provide prompt access to funds and securities, enter orders and process other trade-related, cash and security transfer transactions.

Our Business Continuity Plan – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm’s books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our business continuity plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firms Goldman Sachs Execution & Clearing, backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our clearing firms that its objective are to restore its own operations and be able to complete existing transactions and accept new transactions and payments within a reasonable time period. Your orders and requests for funds and securities could be delayed during this period.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within a reasonable time as possible. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area, and recover and resume business within a reasonable time period. In either situation, we plan to continue in business, transfer operations to our clearing firms and/or to our parent company if necessary, and notify you through our website <http://www.linkbrokers.co.uk/index.htm> or our customer emergency number, (212) 925-0116 how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer’s prompt access to their funds and securities.

For more information – If you have questions about our business continuity planning, you can contact us at:

³ Revised 08/08/11

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