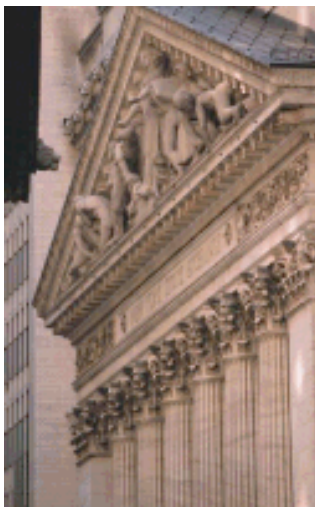


Your Brokerage Account Assets Are Protected



Your personal goals and financial objectives are critical factors in determining how your portfolio should be invested. Of equal importance is the assurance that the assets in your account are properly safeguarded. You can take comfort in knowing that we offer one of the highest levels of coverage available in the financial services industry.

Through our clearing firm, Penson Financial Services, Inc., member SIPC, provides account protection for a customer's securities positions up to a combined return of \$150 million including a cash sub-limit of \$2 million. The Securities Investor Protection Corporation (SIPC*) provides \$500,000 of net equity protection, including \$100,000 for claims for cash awaiting reinvestment ("SIPC coverage"). Penson provides additional protection ("Excess SIPC") through London Underwriters (with Lloyd's of London Syndicates as the Lead Underwriter).

About SIPC

SIPC was created in 1970 as a non-government, membership organization, funded by member broker/dealers. Its primary role is to return funds and securities to customers if the broker/dealers holding their assets become insolvent.

It is important to understand that SIPC and "Excess SIPC" protect customer accounts against losses caused by the financial failure of the broker-dealer, but not against an increase or decrease in the market value of securities in customers' accounts. SIPC does not protect against market risk, which is the risk inherent in a fluctuating market.

SIPC protects most types of securities, such as notes, stocks, bonds, mutual funds and other investment company shares, and other registered securities. It does not cover instruments such as unregistered investment contracts, unregistered limited partnerships, and interest in gold, silver, or other commodity contracts or commodity options.

* You can obtain more information about the Securities Investor Protection Corporation (SIPC) by visiting their web site at <http://www.sipc.org>, or by asking your Investment Representative for a copy of the brochure "How SIPC Protects You."

