

### **Penson Financial Services, Inc. & Penson Financial Futures, Inc. Privacy Policy**

Penson Financial Services, Inc. carries your account as a clearing broker by arrangement with your broker/dealer as introducing broker. At Penson, we understand that privacy is an important issue for customers of our introducing firms. It is our policy to respect the privacy of all accounts that we maintain as clearing broker and to protect the security and confidentiality of non-public personal information relating to those accounts. Please note that this policy applies to former customers as well as current customers.

#### *Personal Information Collected*

In order to service your account as clearing broker, information is provided to Penson by your introducing broker, who collects information from you in order to provide the financial services that you have requested.

The information collected by your introducing broker and provided to Penson may come from the following sources:

1. Information received from you, such as your name, address, telephone number, social security number, occupation and income;
2. Information relating to your transactions, including account balances, positions and activity;
3. Information which may be received from consumer reporting agencies, such as credit bureau reports and other information relating to your creditworthiness;
4. Information which may be received from other sources with your consent or with the consent of your introducing broker.

#### *Sharing of Nonpublic Personal Information*

Penson does not disclose nonpublic personal information relating to current or former customers of introducing brokers to any third parties, except as required or permitted by law, including but not limited to any obligations of Penson under the USA PATRIOT Act, and in order to facilitate the clearing of customer transactions in the ordinary course of business.

Penson has multiple affiliates, including Penson Financial Futures, Inc., Penson Financial Services Ltd., Penson Financial Services Canada, Inc., Nexa Technologies, Inc and Penson GHCO. These companies, along with Penson Financial Services, Inc., are wholly owned subsidiaries of Penson Worldwide, Inc. We may share information among our affiliates, as permitted by law, in order to better service your financial needs. *Security* Penson strives to ensure that our systems are secure and that they meet industry standards. We protect personal information that is provided to Penson by your introducing broker by maintaining physical, electronic and procedural safeguards that either meet or exceed applicable law. Where appropriate, we employ firewalls, encryption technology, user authentication systems (i.e. passwords and personal identification numbers) and access control mechanisms to control access to systems and data. Third parties who may have access to such personal information must also agree to follow appropriate standards of security and confidentiality. We instruct our employees to use strict standards of care in handling the personal financial information of customers. As a general policy our staff will not discuss or disclose information regarding an account except with authorized personnel of your introducing broker or as required by law or pursuant to regulatory request and/or authority. *Access to Your Information* You may access your account information through a variety of media offered by your introducing broker and Penson (i.e. statements or online services). Please contact your introducing broker if you require any additional information. *Changes to Penson's Privacy Policy* Penson reserves the right to make changes to this policy. *How to Get in Touch with Penson about this Privacy Policy* For your reference, this policy has been posted to our website at [www.penson.com](http://www.penson.com). For more information relating to Penson's privacy policy, please contact: Penson Financial Services, Inc. ATTN: Compliance Department 1700 Pacific Avenue, Suite 1400 Dallas, TX 75201 1-800-696-3585