

Excess SIPC Application

London Customer Insurance Application (US)

(Please Type or Print in Ink)

Check one _____ Initial _____ Renewal

Date _____.

A. Legal Name and address. _____,
_____. Date established. _____.

B. Customer Net Equities (CNE): Total \$ _____ As of _____ (Date)

1 (Add equities in each customer cash or margin account. Neglect unpriced securities, but footnote if believed to be over 5% of priced total. Include accounts carried on disclosed basis for correspondents.

2 Attach distribution table of number of accounts over \$500,000 in increments of \$100,000, i.e. \$500,000 - \$600,000, \$600,000 - \$700,000, etc. Do not bunch high level accounts.

3 Number of Active Customer Accounts (per last quarterly statement) _____.

4 Number of Customer Accounts with equity above \$500,000: _____.

5 Number of Disclosed Account Correspondents _____.

C. Financials, 2+ years: FY ended _____ FY ended _____ Current FYTD _____.

From FOCUS

Total Capital _____
(line 3530)

Net Capital _____
(line 3750)

Excess Net Capital _____
(line 3770 or 3910)

Capital Ratio _____
(line 3780 or 3851)

FY P&L after tax _____

Submit 1 Latest FOCUS Report

2 For initial applications, submit two most recent Audited Financial Reports, with Accountant's Comment Letter to Management, if any. For renewal application, most recent only.

D. Firm Operations:

1 % of customer business: equities _____%, bonds _____%, governments _____%,
mutual funds _____%.

Customer base: Institutional _____%, Retail _____%. Internet _____% Discount _____%

No. Discretionary and Managed Accounts _____.

2 Market maker? _____ size \$ _____.

3 Repo matched book? _____ size \$ _____.

4 Stock Loan matched book? _____ size \$ _____.

5 No. employees _____ producers _____, operations _____. No. Branches _____.

6 Attach description of any day trading, market making or internet on line trading facility by your firm or disclosed account introducing correspondents with description of related risk controls.

Pages 1 & 2 for all applicant firms which carry only own accounts
or both own and introduced accounts. Add Page 3 supplement
for firms which introduce some or all accounts on a disclosed basis.

E. Broker's Blanket Bond: Underwriter _____.

Size \$ _____ Deductible \$ _____.

. (Attach description of any claims paid or made during the past two years.)

Pages 1 & 2 for all applicant firms which carry only own accounts or both own and introduced accounts. Add Page 3 supplement for firms which introduce some or all accounts on a disclosed basis.

F. Submit the following other information:

1 Examiner's reports of past two years for original applications, past year for renewals. Include firm's reply if any. Note any examination for which report is not yet received. Supply exit interview notes.

2 Description of any significant change in the firm's business during the past year. Explain any capital or controls related to such business added.

3 If firm is a unit in a corporate family, Organization Chart of Controlling Persons, showing capital interest and control percentage of parents. Include annual report or similar information on entity controlling the group with financial statement. For firms not units in a corporate family, indicate controlling persons.

4 Description, explanation, and related regulatory correspondence of regulatory violations or deficiencies (other than those in submitted examiners reports), disciplinary actions taken or pending against the firm or its principals, special clearing corporation requirements, etc.
Check here if there were none _____.

5 For original applications, submit names and securities industry backgrounds of Principal Officers, especially CEO and CFO. For renewals, submit such information on changes during past year.

G. Customer insurance quotation requested:

1 Combined return per eligible customer from Trustee, SIPC and London of \$_____ million.
Aggregate limit by London \$_____ million. Cover Securities Only _____ or Cash and Securities _____.

2 For cover of individual accounts, SIPC ineligible accounts, net free credit balances, submit description of account(s), size, insurance desired.

3 For cover purchased by an introducer to assist its customers carried by another firm, complete Supplement on Page 3.

H. Agreement [check designated regulator(s)]

The designated regulator(s) of the applicant is/are _____ the New York Stock Exchange and/ or _____ National Association of Securities Dealers. The applicant hereby applies for quotation of customer insurance supplementing SIPC coverage by Syndicates at Lloyd's of London and other British companies. This paragraph authorizes the staff of the NASD, NYSE or SIPC to discuss with the agent of the Underwriters, Robert M. Bishop, or other agent as may be appointed from time to time, their perception of our financial responsibility, operating status, rule compliance, and management, and to read relevant documents from their files, all supplementing reports and information we have furnished to the Underwriters, and to verify the information we have furnished as part of our application for Customer Insurance.

The information disclosed in this application will be held in confidence by the Underwriters and their agents.

_____ . _____ .
Legal Name of Applicant Signature of Officer or Partner

() . () . _____ .
Telephone Fax Printed name & title of Signer

E-mail _____

SIGNING OF THIS FORM DOES NOT BIND THE APPLICANT OR THE UNDERWRITERS
TO COMPLETE THIS INSURANCE

Pages 1 & 2 for all applicant firms which carry only own accounts
or both own and introduced accounts. Add Page 3 supplement
for firms which introduce some or all accounts on a disclosed basis.

Supplement to London Customer Insurance Application (US)

For firms which introduce on a disclosed basis to another firm some or all customer accounts

A. Legal Name _____, Date _____.

B. Do not complete Section B on Page 1 of Application. Instead complete following:

Self-carried Customer Net Equities (CNE):

Total \$ _____ As of _____ (Date)

Introduced Customer Net Equities:

Total \$ _____ As of _____ (Date)

1 (Separately for self-carried and introduced accounts, add equities in all customer cash or margin accounts. Neglect unpriced securities, but footnote if believed to be over 5% of priced total).

2 Separately for self-carried and introduced accounts, attach distribution table of number of accounts over \$500,000 in increments of \$100,000, i.e. \$500,000 - \$600,000, \$600,000 - \$700,000 etc. Do not bunch high level accounts.

3 Active Customer Accounts (per last quarterly statement) Self _____ Introduced _____.

4 Customer Accounts with equity above \$500,000: Self _____ Introduced _____.

5 Submit names of firms to which customer accounts are introduced on a disclosed basis. For each, submit their total customer net equity and a recent public financial statement or capital computation pages of their FOCUS report.

G. Do not complete Section G on Page 2 of Application. Instead complete following:

Customer insurance quotation requested:

For self carried accounts only _____, for introduced accounts only _____, for both _____
Cover for Securities only _____ or for both Securities and Cash _____.

1 Combined return per eligible customer from Trustee, SIPC and London of \$ _____ million.

Aggregate limit by London \$ _____ million

2 For cover of individual accounts, SIPC ineligible accounts, net free credit balances, submit description of account(s), size, insurance desired.