



January 2012

Safety of Customer Assets

ViewTrade Securities, Inc. (“ViewTrade”) has prepared this letter to explain how ViewTrade, together with our clearing firm BNP Paribas Securities Corp (“BNP”), are working together to keep your assets safe. We encourage you to share this letter with your senior management and risk management team.

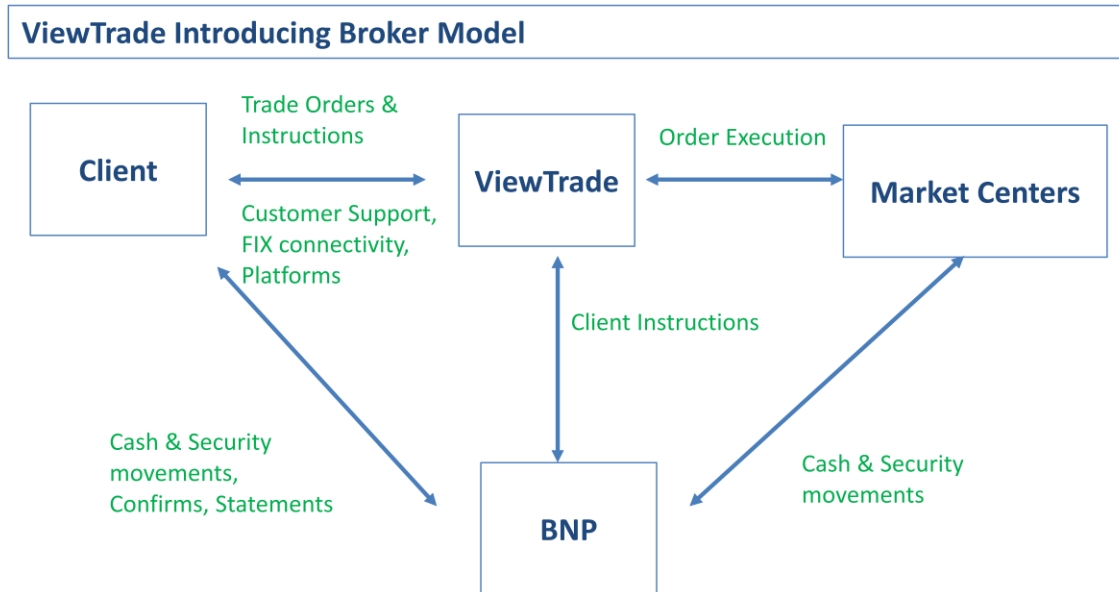
Separation of Responsibilities (A unique approach)

As events have demonstrated, risk control can be compromised when a single firm is used to execute, clear, custody, and report activity in your account. ViewTrade addresses this risk by separating responsibilities between initiation of the transactions and the clearing and reporting of the transactions. This separation significantly strengthens risk control over your account and improves the transparency of activity impacting your account.

ViewTrade conducts its brokerage activities as an Introducing Broker on a fully disclosed basis. This means that we have contracted with a separate custodian broker dealer, BNP, to clear trades that we execute for you and to provide all cashiering and custody services for your account. Fully disclose means that you will open your brokerage account directly with BNP in your own name, using BNP’s new account documents and appoint BNP to carry your account and provide all custody and cashiering functions related to your account. Consecutively, you appoint ViewTrade as your USA representative broker with responsibility to represent you in the USA and to execute transaction directly in your account at BNP as instructed by you. As the appointed Introducing Broker, ViewTrade takes responsibility to the USA regulators that your account is opened and operating at all times in full compliance with all USA rules and regulations. To meet this responsibility, ViewTrade performs daily reviews of your account and will work with BNP and you to ensure your accounts are accurately maintained.

We believe that by separating responsibility between ViewTrade as your brokerage representative and BNP as your clearing and custody agent, our Client obtains the risk reduction benefit of having two independent and fully regulated U.S brokers with independent management that are able, without any conflicts of interest, to independently cross check each other, mitigate risks, report problems to you and to regulators, and deliver high quality and

responsive service. Since ViewTrade is executing directly in your account at BNP, settlement will take place directly in your account. This frees ViewTrade to act exclusively as your representative in resolving any execution, clearance, or custody issues. The same applies for DVP transactions, as settlement will be directly between BNP and the Custody Bank assigned in the settlement instructions. ***Greater transparency between execution and custody reduces your risks and provides a level of redundancy that can benefit you.***



- Client opens account directly with BNP in its own name and appoints ViewTrade as representative Broker on the account.
- BNP (not ViewTrade) carries the Client's account and provides all clearing, custody, and cashing for the account, is responsible for meeting Rule 15c3-3 customer protection requirements, issuing statements and confirms directly to the Client, and providing any financing (if any) and tax reporting associated with the account.
- ViewTrade (not BNP) is the broker of record on all trades executed in the Client's account, handles all client instructions related to the account, and is responsible to USA regulators for compliance in all matters related to the activity in the account.

Role of ViewTrade

ViewTrade is responsible for opening your account at BNP and providing you with any instructions pertaining to operation of your account. This means that BNP and the regulators hold ViewTrade responsible for compliance with Know Your Customer, Patriot Act, market access, account maintenance, and account operation rules including rules issued by the Board of Governors of the Federal Reserve and FINRA. As your executing broker of record, ViewTrade is responsible to the USA regulators for all transactions and instructions occurring in your account at BNP. This includes responsibility for best execution, prompted and accurate reporting of transactions to the market regulators, and for your conduct as reflected by activity in your account. In addition, ViewTrade is responsible to monitor all activity in your account

including those actions taken by BNP, and resolving any customer service issues including those pertaining to BNP. In order to meet these responsibilities, ViewTrade must be notified of any instructions regarding your account, including instructions sent from you directly to BNP. BNP will act on instruction upon approval from ViewTrade. Our Client is responsible for providing ViewTrade with a current list of employees authorized to send instructions (wires, DTCs, trade corrections, user requests, transactions, etc) and to insure the list remains up to date. In addition, the Client is responsible for providing ViewTrade with any limitation on User access and any risk controls that are applicable on the account.

ViewTrade's MPID (Market Participant Identifier) is automatically attached to each trade sent for execution. The MPID is used to identify ViewTrade as the executing broker, and facilitates matching of trades by the Clearing Firm. A full OATS (Order Audit Trail System) log is maintained by ViewTrade and reported to market regulators. Order routing and execution information (time, price, etc), commission, SEC and TAF fees, ECN fees, etc are also logged. You are able to view the log near real-time via ViewTrade's back office. At the end of day, the full log is transmitted to you in the form of an End of Day (EOD) file, as instructed by you

ViewTrade is responsible for providing and maintaining FIX connectivity with our Client. ViewTrade's FIX engine includes a rules engine that can be used by our client to supplement their risk management requirements. In addition, the FIX back office provides detailed order management information that can be used by you to monitor activity in your account near real time.

ViewTrade does not carry your account or hold your cash or securities. As an Introducing Broker for your account, ViewTrade is not permitted by law to hold any customer monies or securities, or to receive any transfers of customer monies or securities into any ViewTrade account. Cash and securities movements to and from your account held at BNP will be directly with BNP and the designated counterpart, never ViewTrade. In addition, cash and securities transfer instructions can only be made to accounts at regulated entities held in the same name as your account at BNP. No transfers will be performed by BNP to third party accounts without detailed documentation provided in writing by you. As you US representative, ViewTrade is responsible to the regulators and BNP for approving cash and securities movements in your account as instructed by you.

The Cooperation Agreement between you and ViewTrade provides more details with regard to ViewTrade's and your responsibilities.

Role of BNP as Clearing/Custody Firm

You will open a fully-disclosed account at BNP. BNP will provide all custody and clearing services for the account and handle all movements of cash and securities directly to and from your account based on instruction you have provided ViewTrade and BNP. Clearance services

include, but are not limited to (1) the matching of ViewTrade's execution on behalf of the Client's account with the street side counterparty via the National Securities Clearing Corporation (NSCC), a subsidiary of the Depository Trust & Clearing Corporation (DTCC), (2) street side settlement of the securities versus cash, and (3) simultaneous settlement of the trade versus your account at BNP. Custody Services include, but are not limited to, (a) holding all eligible securities at DTCC, (b) carrying your account and maintaining appropriate books and records for your account in compliance with all USA rules and regulations, (c) safeguarding customer funds and securities in compliance with SEC Rule 15c3-3, (d) sending all confirms and statements directly to you by mail or electronically as directed by you, (e) all cashing functions relative to receiving, delivering, and transferring securities, receiving, holding and disbursing cash, receiving and disbursing dividends and interest, (f) processing exchange offers, rights offers, warrants, tender offers and redemptions, and processing all corporate actions as directed by DTCC and (g) processing any instructions received from you. BNP is also responsible for extending credit on margin and for complying with the requirements of Regulation-T of the Board of Governors of the Federal Reserve System.

You will have direct access to your account at BNP via an online portal provided by BNP. BNP's account agreement contains more specific details regarding the operation of the account, and the responsibilities you have in order for BNP to carrying the account, clear transaction for the account, and providing custody services for the account.

Rules related to Protection of Customer Securities and Cash

SEC Rule 15c3-3 addresses how all U.S. broker dealers handle customer cash and securities. All broker dealers that custody client assets, in our case BNP, are required to comply with SEC Rule 15c3-3 and are regularly examined by appropriate regulatory authorities to test such compliance. This rule requires broker dealers that custody client assets to maintain fully paid customer securities and excess margin customer securities in its possession in a good control location. These securities cannot be used by the broker dealer for any purpose and must be held for the exclusive benefit and subject to the specific instructions of the customer that owns them, YOU. Also, net customer cash held at BNP must be maintained in an account segregated for the exclusive benefit of customers and is not available to BNP for their general purposes. **The intent of this rule is to prohibit fully paid securities of customers from being commingled with the assets of any broker dealer and therefore protected from the creditors of such broker dealer.** Both BNP and ViewTrade are SIPC members, and our clients are protected under SIPC.

If we can be of further assistance, please let us know. We are always available to you.

With Best Regards

Your ViewTrade Team