

PRIVACY POLICY (McKinnon & Company/Penson Financial Services, Inc.)

Penson Financial Services, Inc. carries your account as a clearing broker by arrangement with McKinnon & Company, Inc., your broker-dealer as introducing broker. Both McKinnon & Company and Penson understand that privacy is an important issue for customers. It is both McKinnon and Penson policy to respect the privacy of all accounts that they maintain as introducing and clearing broker, respectively, and to protect the security and confidentiality of nonpublic personal information relating to those accounts. Please note that this policy applies to former customers as well as current customers.

a) Personal Information Collected

In order to service your account, information is provided to Penson by McKinnon & Company who collects information from you in order to provide the financial services that you have requested.

1. The information collected by McKinnon & Company and provided to Penson may come from the following sources:
2. Information received from you, such as your name, address, telephone number,
3. social security number, occupation, and income;
4. Information relating to your transactions, including account balances, positions, and activity;
5. Information which may be received from consumer reporting agencies, such as credit bureau reports and other information relating to your creditworthiness; and
6. Information which may be received from other sources with your consent.

i) Sharing of NonPublic Personal Information

McKinnon & Company and Penson do not disclose nonpublic personal information relating to current or former customers of McKinnon & Company to any non-affiliated third parties, except as required or permitted by law, including but not limited to any obligations of McKinnon & Company or Penson under the USA Patriot Act, and in order to facilitate the clearing of customer transactions in the ordinary course of business.

ii) Security

Both McKinnon & Company and Penson strive to ensure that their systems are secure and that they meet industry standards. Penson and McKinnon protect personal information by maintaining physical, electronic and procedural safeguards that either meet or exceed applicable law. Where appropriate, McKinnon and Penson 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. Affiliated third parties who may have access to such personal information must also agree to follow appropriate standards of security and confidentiality.

McKinnon and Penson have educated their staff with regard to this privacy policy and as a general policy each staff will not discuss or disclose information regarding an account except with authorized personnel of McKinnon & Company, Penson Financial, or as required by law or pursuant to regulatory request and/or authority.

1. Access to Your Information

You may access your account information through a variety of media offered by McKinnon and Penson (i.e. statements or online services). Please contact McKinnon & Company if you require any additional information.

2. Changes to Privacy Policy

Both Penson and McKinnon reserve the right to make changes to this policy.

3. How to Get in Touch with Penson and/or McKinnon about their Privacy Policy.

For your reference, this policy has been posted to our website at www.penson.com.

For more information relating to Penson's privacy policy, please contact

Penson Financial Services, Inc. - Legal/Compliance Department
1700 Pacific Avenue, Suite 1400
Dallas, Texas 75201
1-800-696-3585

For more information relating to McKinnon's Privacy Policy, please contact:
McKinnon & Company, Inc. – Compliance Department
999 Waterside Drive, Suite 1200
Norfolk, Virginia 23510
1-800-853-4636