

Understanding the Protection of Assets

Working on behalf of your financial organization, Pershing LLC takes great pride in supporting our customers and makes every effort to ensure your brokerage account assets are protected. Pershing is a subsidiary of BNY Mellon, one of the world's largest financial organizations.

Pershing is a member of the Securities Investor Protection Corporation® (SIPC®). As a result, securities in your account are protected up to \$500,000 (of which \$250,000 can be for claims for cash awaiting reinvestment). For details, please go to www.sipc.org.

Pershing also provides additional protection in excess of SIPC coverage through Lloyd's of London, which works together with other insurers to provide the excess of SIPC coverage.¹ Please note that the current excess of SIPC policy is scheduled to expire on December 10, 2010.² The excess of SIPC coverage provides the following protection for assets held in custody by Pershing and Pershing Securities Limited, its London-based affiliate:

- > An aggregate loss limit of \$1 billion for eligible securities—across all client accounts
- > A per-client loss limit of \$1.9 million for cash awaiting reinvestment—within the aggregate loss limit of \$1 billion

Neither SIPC nor the excess of SIPC coverage protects against loss due to market fluctuation of investments. For more information about Lloyd's of London, please see www.lloyds.com.

An excess of SIPC coverage claim would only arise in the unlikely event that Pershing fails financially and client assets for covered accounts—as defined by SIPC for Pershing LLC accounts or the Financial Services Compensation Scheme (FSCS) for Pershing Securities Limited accounts—cannot be located due to theft, misplacement, destruction, burglary, robbery, embezzlement, abstraction, failure to obtain or maintain possession or control of client securities, or to maintain the special reserve bank account required by applicable rules.

Please contact your financial organization for more information.

¹ Pershing's excess of SIPC coverage is provided by Lloyd's of London, which works together with Axis Specialty Europe Ltd. and Munich Reinsurance Co. to provide excess of SIPC coverage.

² The \$1 billion aggregate loss limit for eligible securities is the highest policy offered in the industry.