



FIRSTENERGY CAPITAL CORP. and FIRSTENERGY CAPITAL (USA) CORP.

BUSINESS CONTINUITY PLAN (“BCP”)

The following outlines the procedures and processes to be followed by staff of FirstEnergy Capital Corp. and FirstEnergy Capital (USA) Corp. (collectively “FirstEnergy”) in the event of a significant interruption of their businesses.

I. Emergency Contact Persons

The designated emergency contact persons are:

1. Ruby Wallis
Phone: (403) 262-0631
Cell: (403) 618-2872
Firm e-mail: rwallis@firstenergy.com
Blackberry e-mail: rwallis@rogers.blackberry.net
2. James (Jim) Davidson
Phone: (403) 262-0672
Cell: (403) 605-5070
Firm e-mail: jwdavidson@firstenergy.com
Blackberry e-mail: jwdavidson@rogers.blackberry.net

These names will be updated in the event of a material change to FirstEnergy’s staffing or BCP.

II. Firm Policy

It is FirstEnergy’s policy to respond to a Significant Business Disruption (“SBD”) by safeguarding employees’ lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting the firm’s books and records, and allowing our customers to transact business. In the event that we determine we are unable to continue our business, we will assure that customers have prompt access to their funds and securities. FirstEnergy must be able to establish client security and cash positions and enable client access to their assets held with FirstEnergy and its carrying firm following a crisis or SBD.

a) Significant Business Disruptions (SBDs)

FirstEnergy’s plan anticipates two kinds of SBDs: internal and external. Internal SBDs affect only FirstEnergy’s ability to communicate and do business, such as a fire in our building. External SBDs prevent the operation of the securities markets or a number of firms, such as a terrorist attack, a city flood, or a wide-scale, regional disruption. Our response to an external SBD relies more heavily on other organizations and systems, especially the capabilities of our clearing firm.

b) Approval and Execution Authority

Ruby Wallis, Chief Compliance Officer and a Registered Principal, is responsible for determining whether the BCP should be activated and for conducting the required annual review. Ruby Wallis, Chief Compliance Officer, has the authority to execute this BCP.

c) BCP Location and Access

FirstEnergy will maintain copies of its BCP and the annual reviews, and the changes that have been made to it for inspection. A short form version of the BCP is located on our internet site located at www.firstenergy.com, under the section entitled "Policies".

d) Staff Awareness of BCP

FirstEnergy has taken steps to ensure that all staff are aware of their responsibilities and know how to remain in contact and what to do in the event of a crisis. Ruby Wallis, Chief Compliance Officer, is responsible for the staff awareness plan. If determined necessary by Ruby Wallis, during an SBD, all FirstEnergy staff will be contacted by designated individuals as outlined in Part X. FirstEnergy's BCP has been posted on the firm's intranet site and is accessible to all FirstEnergy staff. Also, the BCP is included in FirstEnergy's new employee orientation materials.

III. Business Description

FirstEnergy conducts business primarily in equity and fixed income securities focused specifically in the energy sector. Our firm is an introducing firm and does not perform any type of clearing function for itself or others. Specifically, FirstEnergy maintains an introducing/carrying broker agreement with Penson Financial Services Canada Inc. ("Penson"). Among other things, under the terms of this agreement Penson provides the following services:

- clearing and settlement of equity, fixed income and mutual fund transactions in both primary and secondary markets;
- reconciliation of daily trade blotters and broker statements settled through Penson;
- preparation and delivery of client confirmations, monthly statements and tax slips;
- delivery and processing of reorganization notices and proxies;
- the direct settlement of institutional/investment company transactions directly with the customer's custodian; and
- holding of client securities in nominee name, segregated as required by the self-regulatory authorities.

FirstEnergy Capital Corp., the Canadian registrant, maintains accounts for both retail and institutional clients. All transactions for these accounts are sent to our clearing firm, Penson, where they are cleared and settled. Penson also maintains our customer accounts on their books and records, so they have the ability to grant our customers access to their assets and to settle transactions on behalf of our institutional clients, where required. FirstEnergy does not hold client funds or securities for its institutional accounts that settle on a DAP/RAP basis. We do, however, hold funds for those institutional and retail clients who maintain cash or margin accounts with our firm.

FirstEnergy Capital (USA) Corp., the U.S. registrant, only maintains RVP/DVP accounts for those entities that meet the definition of "investment company" as defined by the Financial Industry Regulatory Authority. As such, we do not hold any customer funds or securities on behalf of these clients. As noted above, Penson also maintains these customer accounts on their books and records, so they have the ability to access these accounts and to settle transactions on behalf of our U.S. clients

Because FirstEnergy is an introducing firm, in the event of a SBD it will rely heavily on Penson to enable it to resume its critical business functions within a reasonable period of time. An executive summary of Penson's own BCP is attached as **Appendix "A"** to this BCP and contact information for Penson may be found in **Appendix "B"**.

IV. Office Locations

FirstEnergy's office is located at #1100, 311 - 6th Avenue S.W., Calgary, Alberta, Canada T2P 3H2. Our main telephone number is (403) 262-0600. Our employees may travel to this office by means of foot, car, train and bus. We engage in order taking and entry and receipt and delivery of cash and/or securities at this location.

V. Alternative Physical Location(s)

In the event of a SBD, if our main office location is unable to receive staff, we will move key staff to our primary alternate location, which location will be made available to those individuals on the firm's internal intranet site.

VI. Customers' Access to Funds and Securities

In the event of an internal or external SBD, if telephone service is available, FirstEnergy's registered staff will take customer orders or instructions and contact our clearing firm on their behalf. Should clients be unable to contact us via telephone, further contact information will be posted on our website at www.firstenergy.com. Clients will be instructed to contact Mark Robinson, Vice President, Montreal Operations, Penson Financial Services Inc. (See **Appendix "B"** for contact information). Any discrepancies in trade detail that may prevent trades from settling will be dealt directly between FirstEnergy and Penson. FirstEnergy will make this information available to customers through its disclosure policy.

If the U.S. Securities Investor Protection Corporation ("SIPC") determines that we are unable to meet our obligations to our customers, or if our liabilities exceed our assets in violation of Securities Exchange Act Rule 15c3-1, SIPC may seek to appoint a trustee to disburse our assets to customers. We will assist SIPC and the trustee by providing our books and records identifying customer accounts subject to SIPC regulation.

For the purposes of this BCP, FirstEnergy has differentiated between a short term SBD (five business days or less) and a long term BCP (more than five business days). BCP procedures that differ as between a short term SBD and a long term SBD have been noted where indicated.

The following procedures will apply in the event of a SBD:

a) Receipt of Client Funds

Clients will have three options. They can

- courier or hand deliver cheques for deposit into their account(s) to our alternate business site. (NB Clients will be provided with the appropriate address at the time of request)
Upon receipt, FirstEnergy staff will
 - i) in the event of a short term SBD, deliver deposits to its bank at TD Calgary Place via car or taxi; and
 - ii) in the event of a long term SBD, open an account at a bank that is closer in proximity to the alternate business site at which business is being conducted.
- wire funds to FirstEnergy's bank at TD Calgary Place; or
- deposit funds into FirstEnergy's account at any TD Bank branch location.

b) Receipt and Delivery of Securities

i) Delivery of Securities to FirstEnergy Clients

On request, FirstEnergy's carrying firm, Penson will deliver securities to clients on our behalf.

- ii) Receipt of Securities from FirstEnergy Clients
Clients can courier or hand deliver securities for deposit into their account(s) to the alternate business sites as noted above. Upon receipt, FirstEnergy staff will send certificates via overnight courier to Penson.

c) *Delivery of Client Funds and Client Withdrawals*

In the event of a short term SBD, provided the client provides a duly signed letter of authorization, the following options are available to designated FirstEnergy staff to service client requests to withdraw funds from their account. We can

- i) request Penson to wire funds directly to client bank accounts;
- ii) request bank drafts (rather than cheques) from TD Bank;
- iii) request that TD Calgary Place staff wire funds directly into client bank accounts; or
- iv) once FirstEnergy staff is properly trained, upon receipt by facsimile of client banking information (i.e., a void cheque), we can set up an electronic transfer of funds (EFT) through ISM as per the client's instructions. Alternatively, in the event the client cannot fax the information to FirstEnergy, the client can fax the information directly to Penson, who will conduct the EFT as per the client's instructions.

In the event of a long term SBD, FirstEnergy will order new cheques so that it can resume the ability to issue client cheques directly from its alternate business site. FirstEnergy would also request the TD Bank to set up wire programs and replace authenticity devices at the alternate business site to permit us to prepare our own wire transfers to client accounts as an alternative to issuing cheques.

d) *Transfer of Funds/Securities Between Client Accounts*

Upon receipt by facsimile of a letter of authorization signed by the client, designated FirstEnergy staff will transfer security positions and funds between client accounts via journal entry in ISM.

Client signature verification will be made via reference to scanned new account documentation. (See Part VII below).

With the exception of section c (i) and (ii) above, for the purposes of this Part VI, "designated FirstEnergy staff" means any one of the following FirstEnergy staff:

- the Chief Operating Officer;
- the Vice President & Director, Finance;
- the Controller; and
- any FirstEnergy Managing Director.

For the purposes of section c (i) and (ii) above, the signatures of two authorized signatories can be in counterpart and may be transmitted by facsimile.

VII. Data Back-Up and Recovery

FirstEnergy maintains hard copies of its primary books and records and its electronic records at 1100, 311 – 6 Avenue S.W., Calgary, Alberta T2P 3H2. Ruby Wallis (Chief Compliance Officer, 403-262-0631) is responsible for maintenance of these books and records. FirstEnergy maintains the following document types and forms that are not transmitted to Penson:

- new client account documentation;
- trade tickets, trading blotters, reconciliation reports and records of trade allocations;
- compliance and credit supervisory reports; and
- cash management reports.

FirstEnergy maintains back-up hard copies of books and records at both its main office and at an offsite storage facility.

These records are stored either as paper copies, electronically or on microfilm. Ruby Wallis, (Chief Compliance Officer, 403-262-0631) is responsible for the maintenance of these back-up books and records.

FirstEnergy backs up its electronic records daily to a tape back-up drive with a different tape maintained for each day of the week, and one for each Friday. Tapes are cycled out of the rotation and taken off site every six months. Back ups are also made to a secondary hard drive every evening and weekly back ups are also made to a removable hard drive. All back ups are stored at an offsite location.

Critical files such as account files, accounting records and the trading database are backed up daily to an offsite location through the internet. Copies of these files are located on a secure offsite server and can be accessed by password by any Managing Director, the Chief Financial Officer, the Manager, Information Systems and the Chief Compliance Officer from any location that has internet access. In addition, we have documented the required passwords and detailed instructions for connection, access and operation of the programs and software on the equipment located at our current alternate business site via a password protected word document that is stored at that site. If internet access is not available, copies of the electronic records can be loaded on individual machines from the removable drives that are kept off site, as noted above.

In the event the offsite office needs to be activated, the removable drive will be attached to one of the offsite computers and will act as a fileserver to the other machines at that location. Recovery of critical files will require logging into the secure remote server and downloading the files to a machine at the offsite location.

In addition, FirstEnergy has scanned all of its retail client account application forms and critical related documents from the firm's inception to present day and continues to scan new account documents as new accounts are approved. As a result, in the event of a SBD, client account opening documents will be accessible electronically and can be reproduced in hard copy form if necessary.

VIII. Financial and Operational Assessments

a) Operational Risk

In the event of a SBD, FirstEnergy will immediately identify what means will permit us to communicate with our customers, employees, critical business constituents, critical banks, critical counter-parties, and regulators. Although the effects of an SBD will determine the means of alternative communication, the communications options we will employ will include our web site (www.firstenergy.com), our telephone number (403-262-0600) and email (info@firstenergy.com). In addition, we will retrieve our key activity records as described in the section VII above.

b) Financial and Credit Risk

In the event of a SBD, we will determine the value and liquidity of our investments and other assets to evaluate our ability to continue to fund our operations and comply with regulatory capital requirements. We will contact our clearing firm, critical banks and applicable regulatory bodies as necessary to advise them of our financial status. If we determine that we may be unable to meet our obligations to those counter-parties or otherwise continue to fund our operations, we will request additional financing from our bank or other credit sources to fulfill our obligations to our customers and clients. If we cannot remedy a capital deficiency, we will file appropriate notices with our regulators and immediately take appropriate steps including injection of additional regulatory capital, if necessary.

IX. Mission Critical Systems

FirstEnergy's "mission critical systems" are those that ensure prompt and accurate processing of securities transactions, including order taking, entry, execution, comparison, allocation, clearing and settlement of securities transactions, maintenance of customer accounts, access to customer assets and receipt and delivery of funds and securities. More specifically, these systems include:

- i) IRESS Technologies (used for order execution and trade reporting);
- ii) ISM (used for order entry and trade details);
- iii) TD Bank (FirstEnergy's financial institution);
- iv) Penson (FX and Money Line reports and daily trade blotters);
- v) Filemaker (houses FirstEnergy's blotter and contacts database); and
- vi) Lawson financial accounting software.

FirstEnergy has primary responsibility for establishing and maintaining our business relationships with our customers and has sole responsibility for our mission critical functions as outlined in this Part. Penson provides, through contract, the clearing and settlement of securities transactions and the delivery of funds and securities.

Our agreement with Penson provides that Penson will maintain its own BCP and the capacity to execute that plan. Penson has represented that it will advise us of any material changes to its plan that might affect our ability to maintain and continue our business and has presented us with an executive summary of its plan, which is attached as **Appendix "A"**. In the event Penson executes its plan, it has represented that it will notify us of such execution and provide service to FirstEnergy and its clients that is equivalent to its other customers. If we reasonably determine that our clearing firm has not or cannot put its plan in place quickly enough to meet our needs, or is otherwise unable to provide access to such services, our clearing firm has represented that it will assist us in seeking services from an alternative source.

Penson has represented that it backs up its records of all servers on a schedule that ranges from daily to weekly. The back-up tapes are stored (daily) offsite with a third party that specializes in back-up tape storage. Our clearing firm represents that it operates a back-up operating facility in a geographically separate area with the capability to conduct the same volume of business as its primary site. Our clearing firm has also confirmed the effectiveness of its back-up arrangements to recover from a wide scale disruption. In this regard Penson advises that its BCP is maintained through a year-long schedule and is tested on an annual basis.

Recovery-time objectives provide concrete goals to plan for and test against. They are not, however, hard and fast deadlines that must be met in every emergency situation, and various external factors surrounding a disruption, such as time of day, scope of disruption, and status of critical infrastructure - particularly telecommunications - can affect actual recovery times. Recovery refers to the restoration of clearing and settlement activities after a wide-scale disruption. Resumption refers to the capacity to accept and process new transactions and payments after a wide-scale disruption. Our clearing firm has the following SBD recovery time and resumption objectives: recovery and resumption time periods equal the amount of time required to travel to their recovery site.

Foreign exchange contracts, when required, will be entered into, executed and confirmed with TD Canada Trust, Bank of Nova Scotia, Royal Bank of Canada or Penson Financial Services Canada Inc. Settlement of foreign exchange transactions will be executed via journal entries or wires to/from our bank accounts held at TD Canada Trust, Calgary, Alberta via standard settlement instructions.

a) *FirstEnergy's Mission Critical Functions*

i) *Order Taking*

Currently FirstEnergy receives orders from customers via the telephone and through software called Tradeware (an internet based system). During an SBD, either internal or external, we will continue to take orders through either or both of these methods, provided they are available, fully operational and reliable. In addition, as conditions permit, we will inform our customers when communications become available to tell them what alternatives they have available to communicate their orders to us. During a SBD, our phone lines will be re-routed to an external phone number where client orders can be placed. Those clients who send trades via Tradeware will continue to send orders through this system provided the Internet is operational. Should the internet not be available, clients may still communicate orders by telephone. Because FirstEnergy's U.S. clients maintain only COD accounts, and in that they maintain

accounts with a number of other brokerage firms, the ability to enter orders through FirstEnergy does not have a high level of urgency attached.

ii) Order Entry

FirstEnergy places customer orders through IRESS Technologies. We have contacted IRESS Technologies and were told that, under its BCP, we can expect uninterrupted order entry services within seconds should one of their sites go down.

iii) Order Execution

FirstEnergy currently executes orders through IRESS Technologies, which provides us with direct access to the Canadian exchanges. When executing orders for securities trading on the New York Stock Exchange, FirstEnergy communicates orders via telephone to LEK Securities Corporation ("LEK"). LEK then enters jitney orders on our behalf. In the event of an internal or external SBD, we would be able to continue executing through IRESS Technologies and LEK, provided we have access to the internet and telephone. Should the internet be unavailable, we would transmit instructions via telephone or facsimile to Penson for execution.

iv) Other Services Currently Provided to Customers

We offer no other mission critical services to our customers at this time.

b) Mission Critical Systems Provided by Penson

Our firm relies, by contract, on Penson to provide maintenance of customer accounts and the delivery of securities.

c) Internal Accounting and Regulatory Financial Reporting Systems

FirstEnergy currently uses Lawson financial accounting software to maintain accounting records and generate internal financial statements. The Lawson accounting software has been set up at the alternative physical location to use for use during an SBD. Lawson files are backed up as detailed in section VII.

All other electronic files (i.e., Excel documents) used to produce regulatory financial reports will be backed up as detailed in section VII.

X. Alternate Communications Between the Firm and Customers, Employees, and Regulators

a) Customers

We now communicate with our customers using the telephone, e-mail, facsimile, our web site, and Canada Post mail. In the event of a SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. For example, if we have communicated with a party by e-mail but the Internet is unavailable, we will call them on the telephone and follow up where a record is needed with paper copy in the Canada Post mail.

b) Employees

We now communicate with our employees using the telephone, e-mail, and in person. In the event of a SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with other

parties. We will also employ a call tree so that senior management can reach all employees quickly during a SBD. The call tree includes all staff home, cell and office phone numbers.

The person to invoke use of the call tree is Ruby Wallis, who will maintain an up to date call tree at her residence and will ensure the staff are notified in accordance with the firm's internal policy.

c) *Regulators*

We are currently regulated by the following self-regulatory organizations and securities regulators:

FirstEnergy Capital (USA) Corp.: the Financial Industry Regulatory Authority and the Securities & Exchange Commission.

FirstEnergy Capital Corp.: the Investment Industry Regulatory Organization of Canada.

We communicate with our regulators using the telephone, e-mail, facsimile and by Canada Post mail. In the event of a SBD, we will assess which means of communication are still available to us, and use the means closest in speed and form (written or oral) to the means that we have used in the past to communicate with the other party. See also Part XI below.

XI. Critical Business Partners, Banks, and Counter-Parties

a) *Business Partners*

We have contacted our critical business constituents (businesses with which we have an ongoing commercial relationship in support of our operating activities, such as vendors providing us critical services), and determined the extent to which we can continue our business relationship with them in light of the internal or external SBD. We will quickly establish alternative arrangements if a business constituent can no longer provide the needed goods or services when we need them because of a SBD to them or our firm.

b) *Banks*

We have contacted our banks and lenders to determine if they can continue to provide the financing that we may need in the event of an internal or external SBD. If our banks and other lenders are unable to provide the financing, we will seek alternative financing.

d) *Counter-Parties*

We have contacted our critical counter-parties, such as other broker-dealers or institutional customers, to determine if we will be able to carry out our transactions with them in light of an internal or external SBD. Where the transactions cannot be completed, we will work with our clearing firm or contact those counter-parties directly to make alternative arrangements to complete those transactions as soon as possible.

XII. Regulatory Reporting

FirstEnergy Capital (USA) Corp. is subject to regulation by: the Financial Industry Regulatory Authority ("FINRA"), the State of Ohio (maintain contact with the State of Ohio through correspondence with FINRA) and the U.S. Securities & Exchange Commission.

FirstEnergy Capital Corp. is subject to regulation by the Investment Industry Regulatory Organization of Canada, and a number of provincial securities regulatory authorities.

We now file reports with our regulators using paper copies in the mail, and electronically using facsimile, e-mail, and via the internet. In the event of a SBD, we will check with these regulators to determine which means of filing are still available to us, and use the means closest in speed and form (written or oral) to our previous filing method. In the event that we cannot contact our regulators, we will continue to file required reports using the communication means available to us.

XIII. Disclosure of Business Continuity Plan

We provide a written BCP disclosure statement to customers at account opening.

XIV. Updates and Annual Review

FirstEnergy will update its BCP whenever we have a material change to our operations, structure, business or location or to those of our clearing firm. In addition, FirstEnergy will review this BCP annually, on or about January 1st, to modify it for any changes in our operations, structure, business, or location or those of our clearing firm.

XV. Senior Manager Approval

Senior management at FirstEnergy have approved this BCP to ensure that it is reasonably designed to enable our firm to meet its obligations to customers in the event of a SBD.

APPENDIX “A”

Penson Financial Services Canada Inc. Business Continuity Plan Executive Summary

1 Purpose

This document is intended to provide correspondents and other interested parties an overview of Penson Financial Services Canada (PFSC)'s Business Continuity Plan (BCP). In accordance with Rule 17.19, our plan has been audited and meets all the criteria of the IDA. The raison d'être of the plan is to be able to continue to provide services to our correspondents even in the event of a disaster.

2 BCP Governance and Funding

Our BCP program is supported by a dedicated annual budget, a named BCP Officer and a strategy team of 10 executives. It is maintained by all the employees and enforced by an identified BCP Champion.

3 Company Structure and Infrastructure

The two main offices of PFSC are separated by over 500km. The headquarters is in Montreal, and main branch office in Toronto.

Both the Montreal and Toronto offices house cutting-edge server rooms with redundant power, internet and telephone connections. They are also linked via secure, high-speed lines.

Data redundancy is maintained between both offices for essential servers (SQL, file servers, AS400 etc.). Physical back-ups for all servers are performed on a schedule that ranges from daily to weekly. Our back-up tapes are stored (daily) offsite with a third party who specializes in back-up tape storage.

4 IDA Compliance

With respect to IDA Bulletin #3442 dated July 22, 2005, PFSC hired BDO Dunwoody as auditor, who confirmed on July 31, 2006, that PFSC conformed to all the requirements put forth by the By-law.

5 Scope

5.1 Areas of disaster

The number of disasters possible is innumerable; however, a disaster will result in a combination of the following:

- Public Telecommunications down
- Office phones down > 4 hours
- Montreal or Toronto Office inaccessible to employees
- Montreal or Toronto server rooms non-functional

Disaster results considered out of scope:

Out of scope	Justification
Offsite down	Sungard has more than 65 facilities internationally with one each in Montreal and Toronto
Employees not willing or able to work	PFSC employees are generally very ambitious and hard working
Internet provider down	PFSC has redundancy with two providers (Bell and Telus) for both Montreal and Toronto
Data supplier down	PFSC has BCP affirmations from data suppliers
Employee mental or physical trauma (ex: heart attack)	Key PFSC employees are emergency and CPR trained. Our Montreal office has oxygen tanks.
Physical goods delivery down	Only about 10% of certificates are physically delivered. If FedEx and couriers were down then no certificates would be being delivered in the affected city.
Montreal and Toronto offices and/or server rooms down	Future phase.

6 Disaster Recovery

6.1 Assumptions

- When an office is inaccessible, employees of that office will be reasonably accommodating, fulfil their responsibilities to the best of their abilities, and do their best to remain in communication with their supervisors
- When one office is down, employees of the other office will accommodate to the best of their ability
- On a volunteer basis, employees not relocated to the offsite but who are able to connect to an office from home will do so
- Dallas is operational
- At the offsite we have access to telecommunications, internet, computers, electricity and reasonable accommodations (desks, food, water)
- If Montreal or Toronto are down, the same province offsite facility will be functional
- No forms of disaster considered outside of the scope of our BCP plan (see above) will occur

6.2 Tested plans

6.2.1 *Correspondent Communication*

- Alert bulletins are sent to correspondents at the onset, throughout and end of a disaster
- Correspondents are provided with alternative employee contacts for both offices
- General phone line will provide callers with information regarding the disaster

6.2.2 *IT Recovery for Correspondents*

- By default, correspondents connect to the Montreal server room. Correspondents will be provisioned with a set of icons/bookmarks that allow them to connect to the PFSC Toronto server room.

6.2.3 Employee Communication

- Employee phone chain (a hard copy list of personnel home numbers reside in employee's homes in addition to being available on-line from a private emergency website)
- Private emergency website allows employees with access to the internet to communicate and have access to all emergency documentation
- Toll-free 1 800 number that senior executives continuously update during an emergency so that employees can dial in to receive instructions

6.2.4 IT Recovery for Employees

- All essential services employees can connect to their office computers from home
- Employees can also connect to their applications via CITIRX should their office computers or server room be non-functional
- Senior employees can communicate via Blackberry. Penson has supplied its executives with cell phones using 2 different service providers

6.2.5 Employee Support

- Reserved seating at Sungard Availability Services facilities in both cities from where employees will be able to link to Montreal or Toronto server rooms
- Inter-office employee cross training (so services can be replicated in either office by local personnel)

7 Maintenance and Testing

The BCP is maintained through a year-long schedule. The schedule includes employee awareness tasks, testing that involves IT, employees and correspondents, and documentation updating. This responsibility is assigned to a BCP Champion who is declared on a yearly basis. Our BCP program has an executive approved allocated annual budget.

New employees are provided with BCP documentation, a review of their responsibilities during an emergency, and our emergency communications plan.

APPENDIX "B"

Penson Financial Services Canada Inc. Contact Information (FirstEnergy's carrying broker)

11th Floor, 360 St-Jacques Street West
Montreal, Quebec H2Y 1P5
Phone: (514) 841-6186 or Toll-free 1-888-841-9665

OR

Suite 711, 330 Bay Street
Toronto, Ontario M5H 2S8
Phone: (416) 943-1542

Website: www.penson.ca

Primary Contact Person:

Mark Robinson, Vice President, Montreal Operations
Direct Line: (514) 841-6190
E-mail: m.robinson@penon.ca

Secondary Contact Person:

Rob McPherson, Senior Vice President, National Operations
Direct Line: (416) 943-1473
E-mail: r.mcpherson@penon.ca