



Press Release

For immediate release

Penson Launches the 'Penson Bureau': Flexible, Outsourced Global Securities Services for the UK and Irish Markets

Penson Increases Market Dominance with Seven New Clients in 12-Months, including Hichens Investment Management, Durlacher and Samsung

London, 1 June 2004 – Penson Worldwide, a leading provider of execution, clearing, custody and settlement services for the global securities markets, today launched the 'Penson Bureau', a uniquely flexible offering of outsourced execution, clearing, custody and settlement services to its UK and Irish target market. Over the past 12-months, the Penson Bureau has attracted seven new clients to Penson's growing customer base, including Hichens Investment Management, Durlacher and Samsung Securities.

Sharron Davey, head of sales and marketing, Penson, comments: "The Penson Bureau makes categorising global securities services into fixed offerings of Model A or Model B clearing, custody and settlement a thing-of-the-past. Instead, Penson asks each client what they want and then builds a unique solution from our Bureau of products to meet their specific requirements."

The quality and flexibility of Penson's services, from implementation to ongoing customer support is reflected in the growing market demand among its client base of broker/dealers, private client asset managers, high net-worth investors, wealth managers and proprietary volume trading firms.

Davey, who joined Penson in March 2003, adds: "Over the past 12-months, Penson has gained phenomenal market traction. We have signed, secured and successfully delivered our Bureau services to seven new correspondents. Penson is going from strength to strength. We have a 'can do' mentality and we think outside the box. And most importantly, we deliver on time, to budget, meeting the terms of the Service Level Agreement we put in place for every client, every time."

London-based Hichens Investment Management, specialist in discretionary management, managing portfolios for private individuals, their family trusts, charities and smaller pension funds, and part of Sanlam Financial Services, the UK-based diversified financial services subsidiary of Sanlam, one of South Africa's largest financial services groups, has selected Penson as its custodian.

John Howard Smith, managing director, Hichens Investment Management, says: "As a young company with ambitious growth plans, we needed a partner to provide us with a flexible solution to our custody requirements that would continue to support us as we grow. Our clients are of utmost importance to us and we wanted a niche outsourcing provider who shares our beliefs and on whom we can depend. Penson continues to work closely with us to achieve our goals."

UK-registered Market Maker, Durlacher, selected Penson for a comprehensive outsourced solution. The London-based institution had an existing outsourcing agreement before it changed providers to Penson to benefit from improved customer service, support and response rates. Penson provides Durlacher with Model A clearing, custody, settlement and execution services to support its operations. Penson also won the business of a second UK-registered Market Maker, Samsung Securities. Samsung was self-clearing and now uses the Penson Bureau Model A services, including foreign settlement, corporate actions, cash and stock reconciliations, and payments.

Jay Proffitt, Deputy CEO, Penson, adds: "Over the past 18-months, there has been a number of very large outsourcing deals made in the market. What we are now seeing is their inability to deliver. The continued and steady growth of Penson's client base works hand-in-hand with our proven ability to deliver flexible, outsourced global securities services, hosted trading systems and wealth management solutions. Our approach offers a refreshing alternative for financial institutions to move to a variable cost structure and capacity, in anticipation of their own accelerated growth."

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Notes to Editors – Penson Background Information

1. Penson provides execution, clearing, settlement and custody services to broker dealers and private client asset managers in US, Canada and UK.
2. Penson is one of the top three largest clearers in each of its home markets - globally it handles between 500,000 and 900,000 trades a day and holds over \$10 bn customer assets in custody.
3. Bank of New York (BONY) take over of Pershing (about 1 year ago) has clarified Penson as the only viable alternative provider of outsourced (back office) services to stockbrokers and private client asset managers in the UK.

About Penson Worldwide: www.penson.com

Penson Worldwide, Inc. is the holding company for Penson Financial Services, Inc., Penson Worldwide Settlements, Ltd., Penson Financial Services Canada, Inc., and Penson Financial Futures, Inc. The Penson Worldwide group of companies provides clearing, custody, and settlement services in the United States, Canada, the United Kingdom, and Europe for broker/dealers trading in securities and financial futures, including single stock futures, and fixed income products. Penson Financial Services, Inc., headquartered in Dallas, Texas, has served the clearing needs of all types of broker/dealers since 1995.

Penson Financial Services, Inc. is a member of the Chicago Stock Exchange, National Association of Securities Dealers, Inc. and SIPC. Penson Financial Services Canada, Inc. is a participating organization with the Toronto Stock Exchange, the Montreal Exchange, the Canadian Venture Exchange, is regulated by the Investment Dealers Association of Canada, and is a member of the CIPF. Penson Worldwide Settlements, Ltd. is a member of the London Stock Exchange and is regulated by the Financial Services Authority. Penson Financial Futures is a Futures Clearing Merchant member of the National Futures Association.