

# PENSON SELECTED AS OUTSOURCED CLEARING PARTNER FOR INVESTMENT BANKING FIRM CODE SECURITIES LTD

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Penso's Flexibility and Commitment to Customer Service Ensures Continued Growth of Impressive Client Base

London, 10 January 2005 – Penso Financial Services Ltd., part of the Penso Worldwide Group, a leading provider of execution, clearing, custody and settlement services for the global securities markets, today announced it has been selected as an outsourced clearing partner for institutional broker Code Securities Ltd. Penso will provide Code Securities with Model B (fully- disclosed) clearing services, including real-time, web-enabled access to support its pan European equities business. Code Securities provides a range of advisory, fundraising and stock broking services for companies and investors in the European life sciences and medtech sectors.

Code Securities, which received its grant of approval from FSA in September 2004, decided to outsource its clearing business in a bid to limit back-office infrastructure whilst maximising efficiency. Code Securities selected Penso based on its flexibility, speed to market, customer-focused approach and competitive pricing model.

Under the terms of its agreement, Penso clears and settles the trades under the Penso name via its multi-currency, multi-market back-office and custody systems. As the clearer, Penso adopts the trade and the associated settlement risk. The system went live shortly after Code Securities received its FSA authorisation.

Phil Dixon, finance director, Code Securities Ltd., comments: "Code Securities selected Penso because of the strength of its commitment to service and delivery. From the ground up, Penso has provided infrastructure fundamental to the growth of our business. We have ambitious plans to develop and expand, focusing specifically on the life sciences and medtech sectors. We are confident Penso will continue to support the growth of our business by catering to our specific needs. By outsourcing our clearing operations to the experts, we are free to get on with what we do best."

Sharron Davey, head of sales and marketing, Penso Financial Services Ltd. adds: "Code Securities is one of nine new clients signed by Penso during 2004. Our rapidly growing client base underlines our position as a viable alternative to the more traditional, bank-owned market players. We relish the opportunity of working with correspondents, such as Code Securities, who are young and nimble, and mirror our ambitious plans for market growth."

Dan Son, President, Penso Worldwide, Inc., comments: "It is encouraging to see once more that our combination of flexible product offerings and our commitment to customer service is helping us secure new deals. It is this winning combination that will further strengthen our position as a dominant player in the global securities market in 2005."

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\*Editors Notes

Model B (Fully Disclosed)

Model B services are generally used in a private-client or retail environment. As the clearer, Penson adopts the trade and the associated settlement risk. Contract notes and confirms are issued in Penson's name, with reference to the correspondent as the introducing broker.

Model B (Fully Disclosed) (cont.)

Settlement is effected in Penson's name, which is 'given-up' to the market at the time of execution. Client assets and liabilities resulting from the trades appear on Penson's balance sheet. A tri-party agreement defines the relationship between Penson, correspondents and their customers.

About Penson Worldwide: [www.penson.com](http://www.penson.com)

Penson Worldwide, Inc. is the holding company for Penson Financial Services, Inc., Penson Financial Services Ltd., Penson Financial Services Canada, Inc., and Penson Financial Futures, Inc. The Penson Worldwide group of companies provides execution, 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, NASD, Inc. and SIPC. Penson Financial Services Canada, Inc. is a participating organization with the Toronto Stock Exchange, the Montreal Exchange, the TSX Venture Exchange, is regulated by the Investment Dealers Association of Canada, and is a member of the CIPF. Penson Financial Services Ltd. is a member of the London Stock Exchange and is authorized and regulated by the Financial Services Authority. Penson Financial Futures is a Futures Clearing Merchant member of the National Futures Association.

Penson's services include:

- Clearing and settlement
- Direct market access execution
- Exchange market hub-hosted connectivity
- Custody
- Penson provides international trading systems through its independent subsidiary Nexa Technologies

About Code Securities: [www.codesecurities.com](http://www.codesecurities.com)

Code Securities is a London-based investment banking firm which provides a full range of advisory,

fundraising and stock broking services for companies and investors in the European life sciences and medtech sectors.

Code Securities has one of the largest and most experienced teams in Europe dedicated to the life sciences and medtech sectors. The team comprises investment bankers, research analysts, sales traders and specialist salesmen.