



**Penson Financial Services, Inc.**  
Member FINRA, NYSE and SIPC  
1700 Pacific Avenue, Ste. 1400  
Dallas, Texas 75201

**10-04-14 – Compliance Notice**

April 23, 2010

## **Increased Margin Requirements on Leveraged ETFs**

In August of 2009, FINRA issued Regulatory Notice 09-53 (Non-Traditional ETFs), announcing increased customer margin requirements for leveraged ETFs and uncovered options overlying leveraged ETFs, with an original effective date of December 1, 2009. In November of 2009, the deadline for the change in requirements for uncovered options and day-trading margin requirements was extended to April of 2010.

Penson Financial Services, Inc. ("Penson") had updated maintenance requirements for the leveraged ETFs in August of 2009. In further compliance with this notice, Penson will increase day-trade requirements on these positions today, April 23, 2010. Maintenance requirements on naked options overlying leveraged ETFs will also be increased.

Customers will be charged a rate of 25%, multiplied by the leverage factor (generally two or three), for day trading activity in these securities.

Uncovered option requirements will be calculated by multiplying percentages in the standard margin requirements (10% or 20% minus the out of the money amount) by the leverage factor. As a result, a naked option with a leveraged ETF underlying will have the following requirement:

### **2x ETF Underlying**

Greater of 20% of the underlying (strike price for puts); or,  
40% minus out of the money amount

### **3x ETF Underlying**

Greater of 30% of the underlying (strike price for puts); or,  
60% minus out of the money amount

The EXT902 will be available for those correspondents who wish to receive it. The report contains a list of affected securities along with the new maintenance requirements.

Please contact Correspondent Support ([cs@penson.com](mailto:cs@penson.com)) or your Relationship Manager with any questions or concerns.

Thank you,  
Penson Financial Services, Inc.