



**Prebon Securities Inc.**

September 1999

To Whom It May Concern:

This letter is to advise you that Prebon Securities Inc. believes that all its mission critical systems are now Year 2000 ready and has completed all applicable milestones (including items defined in the SEC's Year 2000 Readiness Rule 15b7-3T). Subject to routine development and maintenance not related to the Year 2000 effort, all Year 2000 work for mission critical systems is completed. Prebon Securities Inc. has two non-mission critical systems that are still under remediation and whose target date for completion is October 1999. In addition, Prebon Securities Inc. is currently developing its contingency plans which will be completed by the end of October 1999 and an update on the progress will be reflected in a later version of this letter.

Prebon Securities Inc. is continually testing both internally and with outside providers or services (e.g. service bureaus, clearing brokers, market data service etc.) to ensure that our staff and systems are well prepared for the transition into the new millennium.

We understand that as part of the NASD's ongoing monitoring of member organizations regarding Year 2000 compliance, we may be contacted periodically to reconfirm our organization's Year 2000 compliance status. Should we undertake any system changes that would change our compliance status as indicated above we will promptly notify the NASD.

For further information about our firm's readiness, please contact Paul Doyle at (201) 557 5893 or via e-mail at [pdoyle@prebon.com](mailto:pdoyle@prebon.com), or visit our firm's readiness statement on our web site ([www.prebon.com](http://www.prebon.com)).

This letter does not constitute a warranty on behalf of Prebon Securities Inc. as regards Year 2000 compliance or its Year 2000 status and no responsibility, either express or implied, is accepted for consequential loss of any nature resulting from failure of any systems or services for which Prebon Securities Inc. is directly or indirectly responsible.

Very truly yours,

George Quinn  
President

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