

**Note: Broker-dealers are required to disclose any material arrangements with the venues listed in each section below, including, but not limited to, any internalization or payment for order flow arrangements.**

**PKS  
PURSHE KAPLAN STERLING  
INVESTMENTS  
18 CORPORATE WOODS BLVD  
ALBANY, NY 12211**

**SEC Rule 11Ac1-6, Quarterly Report for the Quarter Ending March 31, 2006**

**Securities Listed on The New York Stock Exchange**

**Summary Statistics :**

Non-directed orders as percentage of total customer orders	100.00%
Market orders as percentage of total non-directed orders	76.38%
Limit orders as percentage of total non-directed orders	13.97%
Other orders as percentage of total non-directed orders	9.66%

**Venues Receiving Significant Percentage of Total Non-Directed Orders :**

1. The Boston Stock Exchange	25.52%
2. Knight Capital Markets, L.L.C.	23.90%
3. The New York Stock Exchange	19.39%
4. Madoff (Bernard L.) Investment Securities, L	12.03%
5. The Chicago Stock Exchange	9.10%
6. UBS Capital Markets L.P.	5.34%
7. Automated Trading Desk Financial Services, L	4.71%

**Information Concerning Significant Venues :**

1. The Boston Stock Exchange

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	30.52%
Limit orders as percentage of total limit orders	14.45%
Other orders as percentage of total other orders	2.05%

2. Knight Capital Markets, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	21.92%
Limit orders as percentage of total limit orders	28.90%
Other orders as percentage of total other orders	32.38%

3. The New York Stock Exchange

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	16.84%
Limit orders as percentage of total limit orders	19.26%
Other orders as percentage of total other orders	39.75%

4. Madoff (Bernard L.) Investment Securities, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	14.09%
Limit orders as percentage of total limit orders	8.50%
Other orders as percentage of total other orders	0.82%

5. The Chicago Stock Exchange

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	6.63%
Limit orders as percentage of total limit orders	24.08%
Other orders as percentage of total other orders	6.97%

6. UBS Capital Markets L.P.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	4.40%
Limit orders as percentage of total limit orders	2.27%
Other orders as percentage of total other orders	17.21%

7. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	5.60%
Limit orders as percentage of total limit orders	2.55%
Other orders as percentage of total other orders	0.82%

## Securities Listed on The Nasdaq Stock Market

### Summary Statistics :

Non-directed orders as percentage of total customer orders	100.00%
Market orders as percentage of total non-directed orders	64.14%
Limit orders as percentage of total non-directed orders	28.63%
Other orders as percentage of total non-directed orders	7.23%

### Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. National Financial Services LLC	61.54%
2. Knight Equity Markets, L.P.	17.05%
3. UBS Capital Markets L.P.	13.89%
4. Morgan Stanley & Co. Incorporated	5.96%
5. Madoff (Bernard L.) Investment Securities, L	0.77%
6. Automated Trading Desk Financial Services, L	0.21%
7. SARG	0.21%
8. Hudson Securities, Inc.	0.14%
9. TD Waterhouse Capital Markets, Inc.	0.14%
10. Citigroup Global Markets, Inc.	0.07%

### Information Concerning Significant Venues :

#### 1. National Financial Services LLC

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	65.65%
Limit orders as percentage of total limit orders	45.34%
Other orders as percentage of total other orders	89.32%

#### 2. Knight Equity Markets, L.P.

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	10.94%
Limit orders as percentage of total limit orders	33.58%
Other orders as percentage of total other orders	5.83%

#### 3. UBS Capital Markets L.P.

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	14.88%
Limit orders as percentage of total limit orders	13.97%
Other orders as percentage of total other orders	4.85%

#### 4. Morgan Stanley & Co. Incorporated

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	7.00%
Limit orders as percentage of total limit orders	5.15%
Other orders as percentage of total other orders	0.00%

#### 5. Madoff (Bernard L.) Investment Securities, L

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.66%
Limit orders as percentage of total limit orders	1.23%
Other orders as percentage of total other orders	0.00%

6. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.33%
Limit orders as percentage of total limit orders	0.00%
Other orders as percentage of total other orders	0.00%

7. SARG

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.33%
Limit orders as percentage of total limit orders	0.00%
Other orders as percentage of total other orders	0.00%

8. Hudson Securities, Inc.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.11%
Limit orders as percentage of total limit orders	0.25%
Other orders as percentage of total other orders	0.00%

9. TD Waterhouse Capital Markets, Inc.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.11%
Limit orders as percentage of total limit orders	0.25%
Other orders as percentage of total other orders	0.00%

10. Citigroup Global Markets, Inc.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.00%
Limit orders as percentage of total limit orders	0.25%
Other orders as percentage of total other orders	0.00%

## Securities Listed on The American Stock Exchange or Regional Exchanges

### Summary Statistics :

Non-directed orders as percentage of total customer orders	100.00%
Market orders as percentage of total non-directed orders	60.20%
Limit orders as percentage of total non-directed orders	36.07%
Other orders as percentage of total non-directed orders	3.73%

### Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. The American Stock Exchange	62.94%
2. The Chicago Stock Exchange	9.45%
3. Knight Capital Markets, L.L.C.	8.46%
4. The Boston Stock Exchange	6.97%
5. UBS Capital Markets L.P.	4.73%
6. Archipelago Holdings, L.L.C.	4.73%
7. Madoff (Bernard L.) Investment Securities, L	1.99%
8. Automated Trading Desk Financial Services, L	0.75%

### Information Concerning Significant Venues :

#### 1. The American Stock Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	59.09%
Limit orders as percentage of total limit orders	72.41%
Other orders as percentage of total other orders	33.33%

#### 2. The Chicago Stock Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	8.68%
Limit orders as percentage of total limit orders	6.90%
Other orders as percentage of total other orders	46.67%

#### 3. Knight Capital Markets, L.L.C.

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	9.09%
Limit orders as percentage of total limit orders	6.21%
Other orders as percentage of total other orders	20.00%

#### 4. The Boston Stock Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	9.92%
Limit orders as percentage of total limit orders	2.76%
Other orders as percentage of total other orders	0.00%

#### 5. UBS Capital Markets L.P.

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	5.37%
Limit orders as percentage of total limit orders	4.14%
Other orders as percentage of total other orders	0.00%

6. Archipelago Holdings, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	3.72%
Limit orders as percentage of total limit orders	6.90%
Other orders as percentage of total other orders	0.00%

7. Madoff (Bernard L.) Investment Securities, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	2.89%
Limit orders as percentage of total limit orders	0.69%
Other orders as percentage of total other orders	0.00%

8. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	1.24%
Limit orders as percentage of total limit orders	0.00%
Other orders as percentage of total other orders	0.00%

## Exchange - Listed Options

### Summary Statistics :

Non-directed orders as percentage of total customer orders	100.00%
Market orders as percentage of total non-directed orders	21.68%
Limit orders as percentage of total non-directed orders	78.32%
Other orders as percentage of total non-directed orders	0.00%

### Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. The Chicago Board Options Exchange	57.34%
2. The International Securities Exchange	16.08%
3. The Philadelphia Stock Exchange	14.69%
4. The Boston Option Exchange	6.99%
5. The Pacific Stock Exchange	4.90%

### Information Concerning Significant Venues :

#### 1. The Chicago Board Options Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	58.06%
Limit orders as percentage of total limit orders	57.14%
Other orders as percentage of total other orders	0.00%

#### 2. The International Securities Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	22.58%
Limit orders as percentage of total limit orders	14.29%
Other orders as percentage of total other orders	0.00%

#### 3. The Philadelphia Stock Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	16.13%
Limit orders as percentage of total limit orders	14.29%
Other orders as percentage of total other orders	0.00%

#### 4. The Boston Option Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	3.23%
Limit orders as percentage of total limit orders	8.04%
Other orders as percentage of total other orders	0.00%

#### 5. The Pacific Stock Exchange

##### Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.00%
Limit orders as percentage of total limit orders	6.25%
Other orders as percentage of total other orders	0.00%