

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 606 (formerly 11AC 1-6) Quarterly Report for the Quarter Ending Sept. 30, 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	74.41%
Limit orders as percentage of total non-directed orders	15.07%
Other orders as percentage of total non-directed orders	10.52%

Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. BSE	22.26%
2. Knight Capital Markets, L.L.C.	20.50%
3. NYSE	15.51%
4. MWSE	13.41%
5. Madoff (Bernard L.) Investment Securities, L	9.69%
6. SCHB	8.86%
7. Automated Trading Desk Financial Services, L	6.75%
8. Citadel Derivatives Group, L.L.C.	2.20%
9. National Financial Services Corporation	0.73%
10. Brut, L.L.C.	0.10%

Information Concerning Significant Venues :

1. BSE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	27.22%
Limit orders as percentage of total limit orders	12.34%
Other orders as percentage of total other orders	1.40%

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

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	17.82%
Limit orders as percentage of total limit orders	26.62%
Other orders as percentage of total other orders	30.70%

3. NYSE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	14.14%
Limit orders as percentage of total limit orders	11.69%
Other orders as percentage of total other orders	30.70%

4. MWSE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	11.90%
Limit orders as percentage of total limit orders	27.60%
Other orders as percentage of total other orders	3.72%

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

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	11.90%
Limit orders as percentage of total limit orders	4.87%
Other orders as percentage of total other orders	0.93%

6. SCHB

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	7.43%
Limit orders as percentage of total limit orders	5.19%
Other orders as percentage of total other orders	24.19%

7. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	5.98%
Limit orders as percentage of total limit orders	10.39%
Other orders as percentage of total other orders	6.98%

8. Citadel Derivatives Group, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	2.63%
Limit orders as percentage of total limit orders	0.65%
Other orders as percentage of total other orders	1.40%

9. National Financial Services Corporation

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.92%
Limit orders as percentage of total limit orders	0.32%
Other orders as percentage of total other orders	0.00%

10. Brut, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.07%
Limit orders as percentage of total limit orders	0.32%
Other orders as percentage of total other orders	0.00%

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	61.32%
Limit orders as percentage of total non-directed orders	30.56%
Other orders as percentage of total non-directed orders	8.12%

Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. National Financial Services Corporation	57.26%
2. Knight Equity Markets, L.P.	22.86%
3. SCHB	9.19%
4. Morgan Stanley & Co. Incorporated	5.56%
5. Automated Trading Desk Financial Services, L	1.92%
6. Citadel Derivatives Group, L.L.C.	1.60%
7. Lehman Brothers, Inc.	0.53%
8. Madoff (Bernard L.) Investment Securities, L	0.53%
9. Bear, Stearns & Co. Inc.	0.43%
10. SARG	0.11%

Information Concerning Significant Venues :

1. National Financial Services Corporation

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	65.85%
Limit orders as percentage of total limit orders	41.61%
Other orders as percentage of total other orders	51.32%

2. Knight Equity Markets, L.P.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	13.59%
Limit orders as percentage of total limit orders	39.51%
Other orders as percentage of total other orders	30.26%

3. SCHB

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	7.14%
Limit orders as percentage of total limit orders	11.54%
Other orders as percentage of total other orders	15.79%

4. Morgan Stanley & Co. Incorporated

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	7.32%
Limit orders as percentage of total limit orders	3.50%
Other orders as percentage of total other orders	0.00%

5. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	2.44%
Limit orders as percentage of total limit orders	0.70%
Other orders as percentage of total other orders	2.63%

6. Citadel Derivatives Group, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	1.92%
Limit orders as percentage of total limit orders	1.40%
Other orders as percentage of total other orders	0.00%

7. Lehman Brothers, Inc.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.52%
Limit orders as percentage of total limit orders	0.70%
Other orders as percentage of total other orders	0.00%

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

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.87%
Limit orders as percentage of total limit orders	0.00%
Other orders as percentage of total other orders	0.00%

9. Bear, Stearns & Co. Inc.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.17%
Limit orders as percentage of total limit orders	1.05%
Other orders as percentage of total other orders	0.00%

10. SARG

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.17%
Limit orders as percentage of total limit orders	0.00%
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	60.91%
Limit orders as percentage of total non-directed orders	29.64%
Other orders as percentage of total non-directed orders	9.45%

Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. American Stock Exchange Clearing Corporation	39.41%
2. SCHB	21.50%
3. Knight Capital Markets, L.L.C.	14.66%
4. Automated Trading Desk Financial Services, L	8.14%
5. MWSE	8.14%
6. BSE	3.58%
7. Citadel Derivatives Group, L.L.C.	3.26%
8. National Financial Services Corporation	1.30%

Information Concerning Significant Venues :

1. American Stock Exchange Clearing Corporation

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	35.83%
Limit orders as percentage of total limit orders	51.65%
Other orders as percentage of total other orders	24.14%

2. SCHB

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	26.74%
Limit orders as percentage of total limit orders	17.58%
Other orders as percentage of total other orders	0.00%

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

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	13.90%
Limit orders as percentage of total limit orders	10.99%
Other orders as percentage of total other orders	31.03%

4. Automated Trading Desk Financial Services, L

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	3.74%
Limit orders as percentage of total limit orders	14.29%
Other orders as percentage of total other orders	17.24%

5. MWSE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	7.49%
Limit orders as percentage of total limit orders	3.30%
Other orders as percentage of total other orders	27.59%

6. BSE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	5.35%
Limit orders as percentage of total limit orders	1.10%
Other orders as percentage of total other orders	0.00%

7. Citadel Derivatives Group, L.L.C.

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	4.81%
Limit orders as percentage of total limit orders	1.10%
Other orders as percentage of total other orders	0.00%

8. National Financial Services Corporation

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	2.14%
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	31.03%
Limit orders as percentage of total non-directed orders	68.97%
Other orders as percentage of total non-directed orders	0.00%

Venues Receiving Significant Percentage of Total Non-Directed Orders :

1. CBOE	51.72%
2. ISE	20.69%
3. PHLX	17.24%
4. BOX	10.34%

Information Concerning Significant Venues :

1. CBOE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	44.44%
Limit orders as percentage of total limit orders	55.00%
Other orders as percentage of total other orders	0.00%

2. ISE

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	0.00%
Limit orders as percentage of total limit orders	30.00%
Other orders as percentage of total other orders	0.00%

3. PHLX

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	33.33%
Limit orders as percentage of total limit orders	10.00%
Other orders as percentage of total other orders	0.00%

4. BOX

Types of Orders Routed to Venue :

Market orders as percentage of total market orders	22.22%
Limit orders as percentage of total limit orders	5.00%
Other orders as percentage of total other orders	0.00%