

PRIVACY POLICY

Consolidated Financial Investments, Inc., is committed to keeping nonpublic personal information about all current and former customers secure and confidential. This notice is intended to help you understand how we fulfill this commitment.

As you know, from time to time, we collect a variety of personal information about you, including:

- Information we receive from you on applications and forms, via the telephone, and through our websites;
- Information about your transactions with us, our affiliates, or others (such as your purchases, sales, or account balances); and
- Information we receive from consumer reporting agencies.

We do not disclose your nonpublic personal information, except as permitted by applicable law or regulation. For example, we may share this information with others in order to process your transactions. We may also provide this information to companies that perform marketing or administrative services on our behalf, such as printing and mailing, or to other financial institutions with whom we have joint marketing agreements. We will require these companies to protect the confidentiality of this information and to use it only to perform the services for which we hired them.

With respect to our internal security procedures, we maintain physical, electronic, and procedural safeguards to protect your nonpublic personal information, and we restrict access to this information.

If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

Please contact us if you have any questions about our privacy policy. Our e-mail address is info@consolidatedstl.com or by phone (314) 727-1177 or (800) BY BONDS (800-292-6637). Thank you very much.

Consolidated Financial Investments, Inc.
Business Continuity Plan Disclosure Statement

Consolidated Financial Investments, Inc. (herein referred to as CFII) has developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, CFII will have to be flexible in responding to actual events as they occur. With that in mind, CFII is providing you with this information on our business continuity plan.

Contacting CFII – If after a significant business disruption you cannot contact CFII as you usually do at 314-727-1177, you should call 1-800-292-6637 or go to our web site at www.consolidatedstl.com. Advanced communication technology allows CFII to forward our numbers from a remote location in the event of a significant business disruption.

CFII's Business Continuity Plan – CFII plans to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm's books and records, and allowing our customers to transact business. In short, CFII's business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

CFII's business continuity plan addresses: data back up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

RBC Capital Markets, LLC is committed to protecting its employees, clients and their assets at all times, including during emergencies or significant business disruptions. The Firm's Enterprise Business Continuity Program has been developed to provide a reasonable, but not absolute, assurance of business continuity in the event of a disruption to the Firm's normal operations. RBC Capital Markets, LLC conducts annual disaster recovery exercises, designed to ensure computing systems and networks are built with sufficient redundancies. The Firm also requires all business units conduct an annual contact exercise to ensure personnel, particularly recovery team personnel and their alternates, can be contacted at any time, on short notice. In addition, Plans are tested throughout the year in an effort to ensure that the Firm and its clients are provided with a recovery solution most conducive to their needs.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only CFII; a single building housing CFII; Clayton, the business district where CFII is located; St. Louis, the city where CFII is located; or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only CFII or a building housing CFII, we will transfer our operations to a local site when needed and expect to recover and resume business between real time recovery and 1 hour. In a disruption affecting CFII's business district, city, or region, we will transfer our operations to a site outside of the affected area, and recover and resume business between real time recovery and 4 to 12 hours. In either situation, CFII plans to continue in business, transfer operations to our clearing agent if necessary, and notify you through our web site, www.consolidatedstl.com. If the significant business disruption is so severe that it prevents CFII from remaining in business, we will assure our customer's prompt access to their funds and securities.

For more information – If you have questions about CFII's business continuity planning, you can contact us at 314-727-1177 or info@consolidatedstl.com. This disclosure statement is subject to change without notice. In the event that this disclosure statement is modified, the updated document will be promptly posted on www.consolidatedstl.com. A hardcopy of this disclosure statement or our full Business Continuity Plan may be obtained by contacting us at 314-727-1177 or info@consolidatedstl.com. The information contained in this disclosure statement is provided by CFII for informational purposes only.

Important Information About Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We will also ask to see and photocopy your driver's license or other identifying documents to keep on file.

FINRA Rule 2280

Consolidated Financial Investments, Inc is required by this rule to supply a new customer with several Investor Education and Protection tools furnished by FINRA. BrokerCheck is a free tool to help investors research the professional backgrounds of current and former FINRA-registered brokerage firms and brokers, as well as investment adviser firms and representatives. A brochure about BrokerCheck is available upon request. The information for BrokerCheck is:

www.finra.org

www.finra.org/brokercheck

Toll-Free Hotline at (800) 289-9999 Monday through Friday from 8 a.m. - 8 p.m., Eastern Time

FINRA BrokerCheck
P.O. Box 9495
Gaithersburg, MD 20898-9495

Fax: (240) 386-4750

ANTI-MONEY LAUNDERING REQUIREMENTS

The USA PATRIOT Act

The USA PATRIOT Act, signed by President Bush last year, is designed to detect, deter, and punish terrorists in the United States and abroad. The Act imposes new anti-money laundering requirements on brokerage firms and financial institutions. By April 24, 2002, all brokerage firms were required to have new, comprehensive anti-money laundering programs.

To help you understand these efforts, we want to provide you with some information about money laundering and our steps to implement the USA PATRIOT Act.

What is money laundering?

Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering, and terrorism.

How big is the problem and why is it important?

The use of the U.S. financial system by criminals to facilitate terrorism or other crimes could well taint our financial markets. According to the U.S. State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.

What are we required to do to eliminate money laundering?

Under new rules required by the USA PATRIOT Act, our anti-money laundering program must designate a special compliance officer, set up employee training, conduct independent audits, and establish policies and procedures to detect and report suspicious transactions and ensure compliance with the new laws.

As part of our required program, we may ask you to provide various identification documents or other information. Until you provide the information or documents we need, we may not be able to open an account or effect any transactions for you.

We thank you for your patience and hope that you will support us in our efforts to deny terrorist groups access to America's financial system.

Customer Identification Program Notice

Important Information You Need to Know about Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify and record information that identifies each person who opens an account.

This notice answers some questions about your firm's Customer Identification Program.

What types of information will I need to provide?

When you open an account, your firm is required to collect the following information:

- ▶ Name
- ▶ Date of birth
- ▶ Address
- ▶ Identification number:
 - U.S. citizen: taxpayer identification number (Social Security number or employer identification number)
 - Non-U.S. citizen: taxpayer identification number; passport number and country of issuance; alien identification card number; or government-issued identification showing nationality, residence and a photograph of you.

You may also need to show your driver's license or other identifying documents.

A corporation, partnership, trust or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement or a trust agreement.

U.S. Department of the Treasury, Securities and Exchange Commission, and FINRA rules already require you to provide most of this information. These rules also may require you to provide additional information, such as your net worth, annual income, occupation, employment information, investment experience and objectives and risk tolerance.

What happens if I don't provide the information requested or my identity can't be verified?

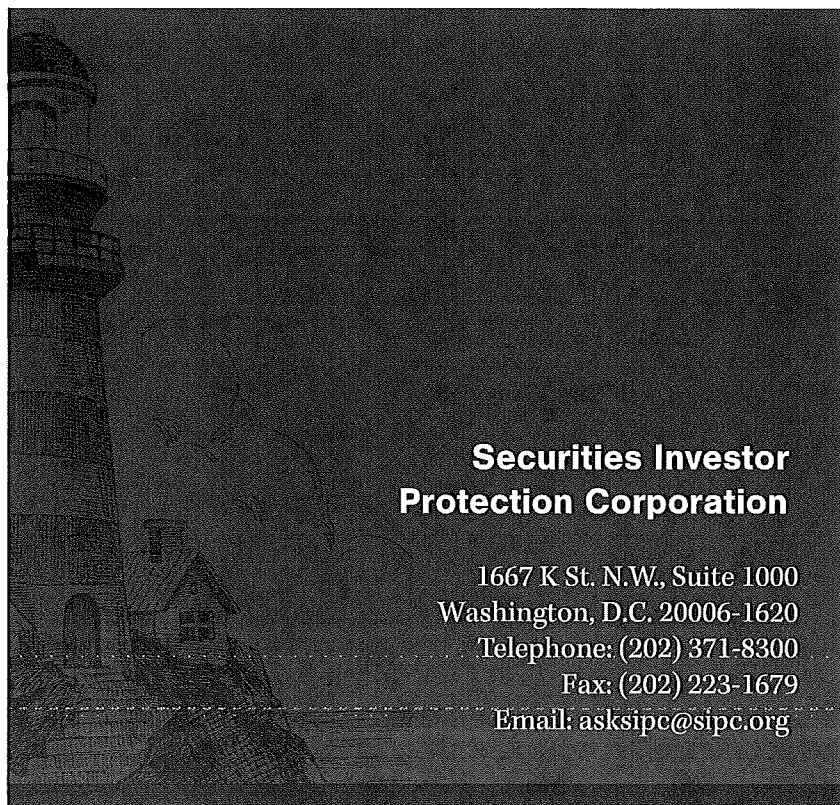
Your firm may not be able to open an account or carry out transactions for you. If your firm has already opened an account for you, they may have to close it.

We thank you for your patience and hope that you will support the financial industry's efforts to deny terrorists and money launderers access to America's financial system.



How SIPC Protects You

Understanding
the Securities
Investor
Protection
Corporation



**Securities Investor
Protection Corporation**

1667 K St. N.W., Suite 1000
Washington, D.C. 20006-1620
Telephone: (202) 371-8300
Fax: (202) 223-1679
Email: asksipc@sipc.org



SIPC Is Here To Help You

SIPC has been protecting investors since 1970.

The Role of SIPC

When a brokerage is closed and customer assets are missing, SIPC steps in and, within certain limits, works to return customers' cash, stock, and other securities held at the firm. SIPC is the first line of defense when a brokerage firm fails owing customers cash and securities.

Although not every investor is protected by SIPC, no fewer than 99 percent of persons who are eligible get back their investments. Since its creation by Congress in 1970, SIPC has advanced over \$2.3 billion in order to make possible the recovery of at least \$134 billion in assets for no fewer than 773,000 investors. Without SIPC, investors at financially troubled brokerage firms might lose their investments forever.

Not every investor, and not every loss, is protected by SIPC. Read this brochure carefully to learn about the limits of protection.

Important Notice

The Securities Investor Protection Act of 1970 (SIPA) is a complex and technical statute. This brochure provides a basic explanation of SIPC and SIPA. However, it does not explain the SIPA statute with respect to any particular fact pattern. Answers to questions involving particular facts depend upon interpretations of the law, administrative decisions, and court actions.

The U.S. Securities and Exchange Commission's Office of Investor Education and Advocacy has reviewed this publication. The SEC does not endorse the commercial activities, products, or members of this or any other private organization.

Text of this brochure issued by SIPC and only SIPC may make changes.

What SIPC Protects...

and What it Does Not Protect

When a brokerage firm is closed and customer assets are missing, SIPC steps in, and within certain limits, works to return customers' cash, stock, and other securities held by the firm.

If a firm closes, SIPC protects the securities and cash in a customer's brokerage account up to \$500,000. The \$500,000 protection includes up to \$250,000 protection for cash in the account.

SIPC protects customers if:

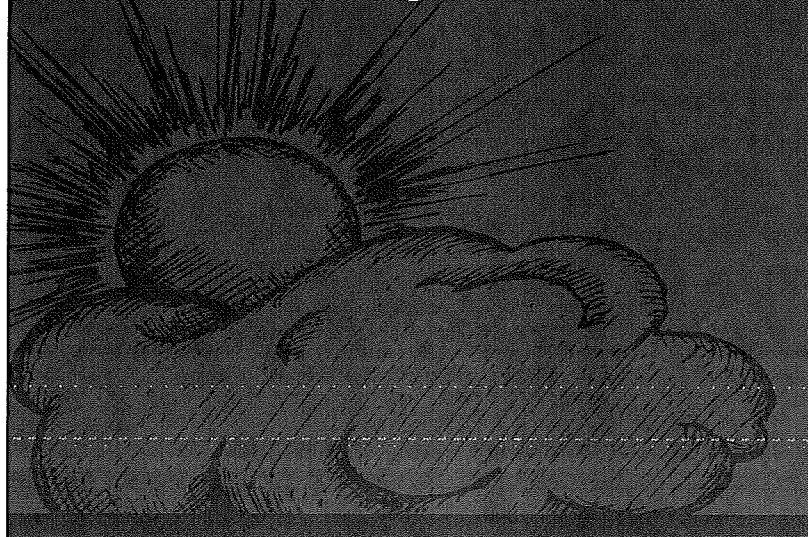
- The brokerage firm is a SIPC member.
- The customer has securities at the brokerage firm.
- The customer has cash at the brokerage firm on deposit in connection with the purchase or sale of a security.

SIPC protection is only available if the brokerage firm fails and SIPC steps in.

SIPC does NOT protect:

- Investments if the firm is not a SIPC member.
- Market loss.
- Promises of investment performance.
- Commodities or futures contracts except under certain conditions.

SIPC does not protect market losses because market losses are a normal part of the ups and downs of the risk-oriented world of investing. Instead, in a liquidation, SIPC replaces the missing stock and other securities when it is possible to do so.



How SIPC Helps

When SIPC Gets Involved

When a SIPC member brokerage firm fails and owes customers cash and securities that are missing from the customer accounts, SIPC receives a referral from the U.S. Securities and Exchange Commission (SEC) or the Financial Industry Regulatory Authority (FINRA). With this referral and if grounds exist to start a liquidation, SIPC may ask a federal court to appoint a Trustee to liquidate the firm for the protection of customers. With smaller brokerage firm failures, SIPC sometimes deals directly with customers in an out-of-court direct payment procedure.

Up to \$500,000 for Securities

SIPC protects customers against the loss of their stocks, bonds, Treasury securities, certificates of deposit, mutual funds, money market mutual funds, and certain other investments as "securities," held for them by the broker.

SIPC does NOT protect commodity futures contracts (unless held in a special portfolio margining account), foreign exchange trades, fixed annuity contracts, or investment contracts (such as limited partnerships) that are not registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933.

\$500,000 Limit Includes up to \$250,000 for Cash

SIPC protects cash in a customer's brokerage firm account resulting from the sale of a customer's securities or held in a customer's account for the purchase of securities. Cash held in connection with a commodities trade or a currency trade is not protected by SIPC. Money market mutual funds, sometimes thought of as cash, are protected as securities by SIPC. SIPC protects cash held by the broker for customers in connection with the customers' purchase or sale of securities whether the cash is in U.S. dollars or denominated in non-U.S. dollar currency.

Investors with Multiple Accounts

Protection of customers with multiple accounts at the same brokerage firm is determined by "separate capacity." Each account held by a customer in a separate capacity is protected up to \$500,000 for securities and cash (including a \$250,000 limit for cash only). Accounts held in the same capacity at the same brokerage firm are combined for purposes of the SIPC protection limits.

Examples of separate capacities are:

- individual account;
- joint account;
- an account for a corporation;
- an account for a trust created under state law;
- an individual retirement account;
- a Roth individual retirement account;
- an account held by an executor for an estate; and
- an account held by a guardian for a ward or minor.

What Happens in a Liquidation

All eligible customers share in customer property collected by the Trustee. Because collecting this property takes time, the Trustee uses funds "advanced" by SIPC to return customers' cash and securities, up to the limits of SIPC protection - \$500,000 for securities and cash (including a \$250,000 limit for cash only). As a result of this "advance" from SIPC, customers typically recover their cash and securities sooner. See the "How the Claims Process Works" section on SIPC's website, www.sipc.org, for more information.

Frequently Asked Questions

How can I be sure I am dealing with a SIPC member? Does it matter?

SIPC membership is important. SIPC only protects customers of brokerage firms that are members of SIPC. SIPC loses its authority to protect customers of former SIPC members 180 days after the broker-dealer ceases to be a member of SIPC. Always look for the SIPC logo or "Member SIPC" when looking at brokerage firm advertising. The logo or "Member SIPC" should appear in signs and ads of SIPC members. If you have a question as to whether or not a brokerage firm is a member of SIPC, search the "List of Members" on www.sipc.org or call the SIPC Membership Department at (202) 371-8300.

What should I watch out for?

It is important for you to be aware of what is happening in your account. Deposits to your securities account, by check or otherwise, should not be made payable to your account executive, registered representative, or to any other individual or company. You may be asked to make the check or deposit payable to another SIPC member if your account is carried at another SIPC member that provides services for your SIPC member brokerage firm. If you are asked to make your check or deposit payable to anyone other than a SIPC member brokerage firm (such as to the issuer of the securities you are purchasing or to a bank escrow agent), these payments may not be eligible for SIPC protection. Questions should be directed to FINRA, the SEC or your state securities regulator.

Some SIPC members have affiliated or related companies or persons whose names may be similar to the name of the SIPC member, but are not members of SIPC. Some of these affiliates may even operate from the same offices or with the same employees. Be sure that each confirmation statement and each statement of account that you receive is issued by the SIPC member and not by a non-SIPC member affiliate or a related firm with a similar name.

If my brokerage firm fails and SIPC starts a liquidation, what should I do?

The most important thing to remember is that you must file a claim with the Trustee within the time limits in order to be protected by SIPC. Information about brokerage firm liquidations, filing a claim, and time limits is available on SIPC's website, www.sipc.org, and in the brochure "The Investor's Guide to Brokerage Firm Liquidations."

How will I prove what the broker owes me?

When you fill out the claim form, you are asked to describe the cash and securities owed to you. The Trustee will compare what you claim against the books and records of the brokerage firm. If you complained in writing about the handling of your account, you should also include that information with your claim. If needed, the Trustee may ask you for more information. You should keep copies of trade confirmations and your latest monthly or quarterly statement of account from your brokerage firm in case these documents are needed by the Trustee.

Avoid Investment Fraud

SIPC urges all investors to understand the dangers of investment fraud. Brokers are required to issue confirmations of transactions and account statements at appropriate intervals. You should always review your confirmations and statements carefully when they arrive. Verify that the confirmations and statements properly reflect all activity in your account. Check to see if the statements you receive accurately reflect your understanding of what cash and securities are in your account.

If you discover an error in a trade confirmation or brokerage statement, you should immediately bring the error to the attention of the brokerage firm in writing. Unless you complain in writing, your eligibility for SIPC protection may be compromised. If you do not receive a timely trade confirmation you should also bring this to the attention of the brokerage firm. Complaining in writing (letter, email, etc.) is the best way to protect your interests. Keep a copy of any writing you send to the brokerage firm.

Below are some resources on investment fraud and where to turn for help:

U.S. Securities and Exchange Commission

www.sec.gov, www.investor.gov

FINRA (Financial Industry Regulatory Authority)

www.finra.org

National Fraud Information Center

www.fraud.org

Investor Protection Trust

www.investorprotection.org

Alliance for Investor Education

www.investoreducation.org

Your state securities agency

See "Contact Your Regulator" at

www.nasaa.org

Securities Industry and Financial Markets Association

www.sifma.org

U.S. Commodity Futures Trading Commission

www.cftc.gov

Canadian Investor Protection Fund

www.cipf.ca

You can also find a list of investment fraud education resources on SIPC's website, www.sipc.org, in the "Protecting Yourself Against Fraud" section.