



**Ridge Clearing & Outsourcing Solutions, Inc.**  
**1981 Marcus Avenue, Lake Success, NY 11042**  
**SEC Rule 606 Report for the Quarter Ending June 30, 2009**

Ridge Clearing & Outsourcing Solutions, Inc. ("Ridge") has prepared this report pursuant to U.S. Securities and Exchange Commission Rule 606 which requires broker-dealers to make publicly available quarterly reports on their order routing practices. The report provides information on the routing of "non-directed orders" - any order that the customer has not specifically instructed to be routed to a particular venue for execution. For these non-directed orders, Ridge has selected the execution venue on behalf of its customers.

Absent specific instructions from customers, Ridge automatically routes orders in Over-the-Counter ("OTC") securities to selected OTC market makers. Selected exchange-traded securities may be routed to affiliated specialists, regional exchanges or designated third-market dealers. All orders are routed to an exchange, market maker, dealer or market center that matches or improves upon the displayed national best bid or offer for the particular security at the time the order is processed. Price improvement opportunities, or executions at prices superior to the displayed national best bid or offer, may be available for certain transactions in NASDAQ and listed securities away from execution destinations to which orders are routed. Routing and execution services are subject to Ridge's execution quality standards for achieving best execution. Ridge regularly monitors the execution quality provided by the various markets to which it may route orders, to ensure orders are routed to markets that have provided high-quality executions over time.

The report is divided into four sections: one for securities listed on the New York Stock Exchange, one for securities listed on the NYSE AMEX Equities or regional exchanges, one for securities listed Over-the-Counter and one for exchange-listed options. For each section, this report identifies the venues most often selected by Ridge, sets forth the percentage of various types of orders routed to the venues and discusses the material aspects of Ridge's relationship with the venues.

**Ridge Clearing & Outsourcing Solutions, Inc.**  
**ORDER ROUTING DISCLOSURE REPORT FOR THE QUARTER ENDING JUNE 30, 2009**

**SECURITIES LISTED ON THE NEW YORK STOCK EXCHANGE**

| <b>Summary Statistics:</b>                                 |        |
|--|--------|
| Non-directed orders as percentage of total customer orders | 100.0% |
| Market orders as percentage of total non-directed orders   | 24.1%  |
| Limit orders as percentage of total non-directed orders    | 71.1%  |
| Other orders as percentage of total non-directed orders    | 4.7%   |

| <b>Significant Routing Venues</b> | <b>Total Orders (%)</b> | <b>Market Orders (%)</b> | <b>Limit Orders (%)</b> | <b>Other orders (%)</b> |
|-----------------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| Knight Capital Markets, LLC       | 95.5%                   | 92.6%                    | 96.4%                   | 98.2%                   |
| New York Stock Exchange, LLC      | 2.5%                    | 6.3%                     | 1.3%                    | 1.0%                    |

**Material Aspects of Relationships:**

Knight Capital Markets, LLC - Ridge Clearing & Outsourcing Solutions, Inc., may receive payment for orders directed to Knight Capital Markets. Payment is variable depending on the percentage of Knight's profits on the directed orders. Payments for the 2<sup>nd</sup> Quarter of 2009 were less than \$0.00011 per share.

NYSE – Ridge Clearing & Outsourcing Solutions, Inc., may receive payment for orders routed to the NYSE which provides liquidity to the NYSE book. The NYSE also charges various transaction fees for executed orders routed to the exchange. There were no net payments for the 2<sup>nd</sup> Quarter of 2009.

**SECURITIES LISTED ON THE NYSE AMEX EQUITIES OR OTHER REGIONAL EXCHANGES**

| <b>Summary Statistics:</b>                                 |        |
|--|--------|
| Non-directed orders as percentage of total customer orders | 100.0% |
| Market orders as percentage of total non-directed orders   | 16.2%  |
| Limit orders as percentage of total non-directed orders    | 81.3%  |
| Other orders as percentage of total non-directed orders    | 2.5%   |

| <b>Significant Routing Venues</b> | <b>Total Orders (%)</b> | <b>Market Orders (%)</b> | <b>Limit Orders (%)</b> | <b>Other orders (%)</b> |
|-----------------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| Knight Capital Markets, LLC       | 96.8%                   | 93.2%                    | 97.4%                   | 99.2%                   |

**Material Aspects of Relationships:**

Knight Capital Markets, LLC - Ridge Clearing & Outsourcing Solutions, Inc., may receive payment for orders directed to Knight Capital Markets. Payment is variable depending on the percentage of Knight's profits on the directed orders. Payments for the 2<sup>nd</sup> Quarter of 2009 were less than \$0.00011 per share.

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**ORDER ROUTING DISCLOSURE REPORT FOR THE QUARTER ENDING JUNE 30, 2009**

**SECURITIES LISTED ON NASDAQ**

| <b>Summary Statistics:</b>                                 |        |
|--|--------|
| Non-directed orders as percentage of total customer orders | 100.0% |
| Market orders as percentage of total non-directed orders   | 21.0%  |
| Limit orders as percentage of total non-directed orders    | 75.4%  |
| Other orders as percentage of total non-directed orders    | 3.6%   |

| <b>Significant Routing Venues</b> | <b>Total Orders (%)</b> | <b>Market Orders (%)</b> | <b>Limit Orders (%)</b> | <b>Other orders (%)</b> |
|-----------------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| Knight Equity Markets, LLC        | 90.0%                   | 85.5%                    | 91.2%                   | 91.2%                   |
| Hudson Securities                 | 6.5%                    | 12.3%                    | 4.8%                    | 6.8%                    |

**Material Aspects of Relationships:**

Knight Equity Markets, LLC - Ridge Clearing & Outsourcing Solutions, Inc., may receive payment for orders directed to Knight Equity Markets. Payment is variable depending on the percentage of Knight's profits on the directed orders. Payments for the 2<sup>nd</sup> Quarter of 2009 were less than \$0.000004 per share.

Hudson Securities, - Ridge Clearing & Outsourcing Solutions, Inc., may receive payment for orders directed to Hudson Securities. Payment is variable depending on the percentage of Hudson's profits on the directed orders. Payments for the 2<sup>nd</sup> Quarter of 2009 were less than \$0.000004 per share. Hudson Securities is also a correspondent of Ridge Clearing where Ridge Clearing provides clearing and settlement services.

**EXCHANGE LISTED OPTIONS**

| <b>Summary Statistics:</b>                                 |        |
|--|--------|
| Non-directed orders as percentage of total customer orders | 100.0% |
| Market orders as percentage of total non-directed orders   | 14.4%  |
| Limit orders as percentage of total non-directed orders    | 85.5%  |
| Other orders as percentage of total non-directed orders    | 0.1%   |

| <b>Significant Routing Venues</b> | <b>Total Orders (%)</b> | <b>Market Orders (%)</b> | <b>Limit Orders (%)</b> | <b>Other orders (%)</b> |
|-----------------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| ATD, a CITI Company               | 87.3%                   | 90.4%                    | 86.8%                   | 91.9%                   |
| UBS Securities, LLC               | 12.7%                   | 9.6%                     | 13.2%                   | 8.1%                    |

**Material Aspects of Relationships:**

ATD, a CITI Company - ATD utilizes proprietary smart routing technology in determining execution venues in efforts to seek the best execution available. Payment is variable depending on spread, size and the type of contract. Payments received for 2<sup>nd</sup> Quarter of 2009 averaged less than \$0.18 per contract.

UBS Securities, LLC – UBS Securities, LLC utilizes proprietary smart routing technology in determining execution venues in efforts to seek the best execution available. Payment is variable depending on spread, size and the type of contract. Payments received for 2<sup>nd</sup> Quarter of 2009 averaged less than \$0.26 per contract.

**Important Information**

A written copy of this report will be furnished upon request. In addition, information regarding the specific routing or any orders executed for your account for the previous six (6) months will be furnished upon request. Please contact the representative handling your account.