

Sterling Trader® Manager

User Guide v. 6.0



Sterling Trader, Inc

Sterling Trader, Inc. - 225 West Washington Street • Suite 400
Phone 312.346.9600 • Fax 312.346.7244, • www.sterlingtrader.com

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INTRODUCTION

Sterling Trader® Manager is our comprehensive, real-time risk management system, providing the tools you need to efficiently manage permission and risk settings for your traders and accounts. From monitoring real-time profit and loss, to managing buying power and exposure limits, Sterling Trader® Manager's suite of risk controls will help you effectively manage your firm's risk and keep your traders on track. Here is a quick sample of what you can expect from Sterling Trader® Manager.

- Real-Time profit and loss by account and by user-defined groups of accounts
- Real-Time position monitoring of all accounts
- Maximum Loss enforcement, max position and order quantity enforcement
- Detailed buying power and margin controls, assignable per account
- Trading monitors reporting the trading activity of each account
- Assignable commission plans for end of day reporting
- Short-Sale and Odd-Lot controls
- Full front-end DMA order entry

Sterling Trader® Manager also includes trading functionality found in the front-end trader platform, Sterling Trader® Pro, so you can watch the markets, make trades for your clients if necessary, or close out positions to cover margin calls or other risk situations.

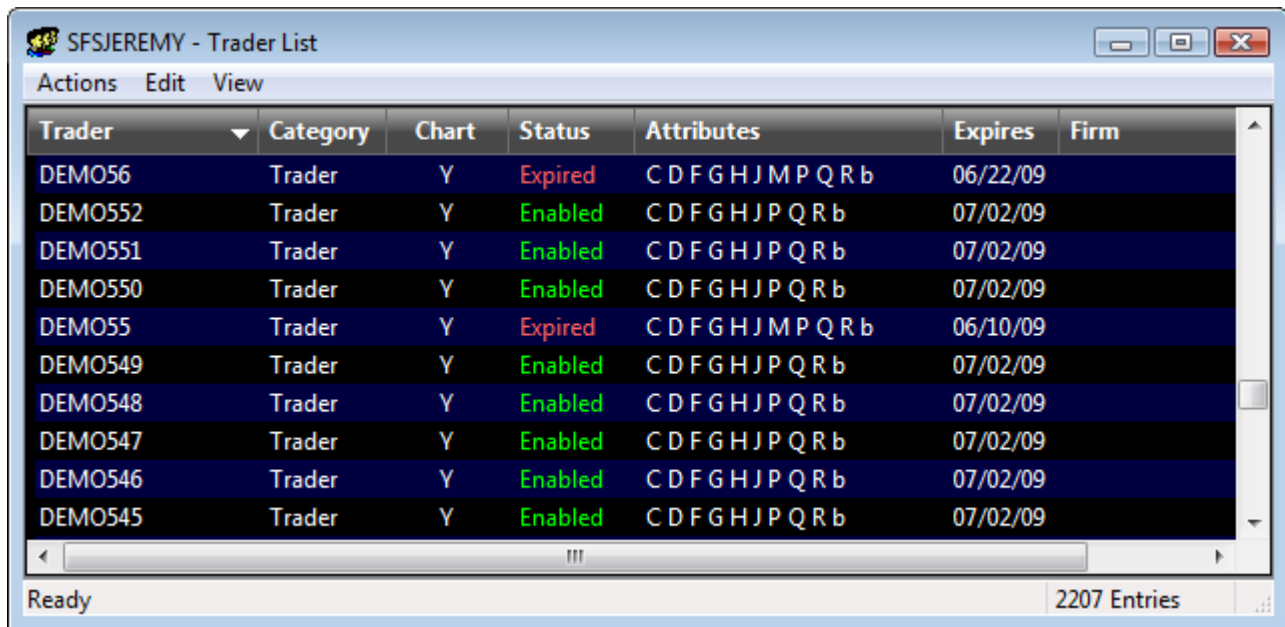
Confidently manage your business with Sterling Trader® Manager.

CHAPTER 1 - TRADER LIST

INTRODUCTION – Because risk management does not take place until log-ins to the trading platform and accounts to trade in exist, we will go over the process of setting up traders and accounts. Traders will be first.

Traders are set up in the Trader List window. To access the Trader List window, either select Trader List from the “Windows” menu in the Main Menu or right click in the Main Menu and select Trader List.

The Trader List window lists all of the traders with your firm that are using either Sterling Trader® Pro, Sterling Trader® Elite, or Sterling Trader® Manager software.

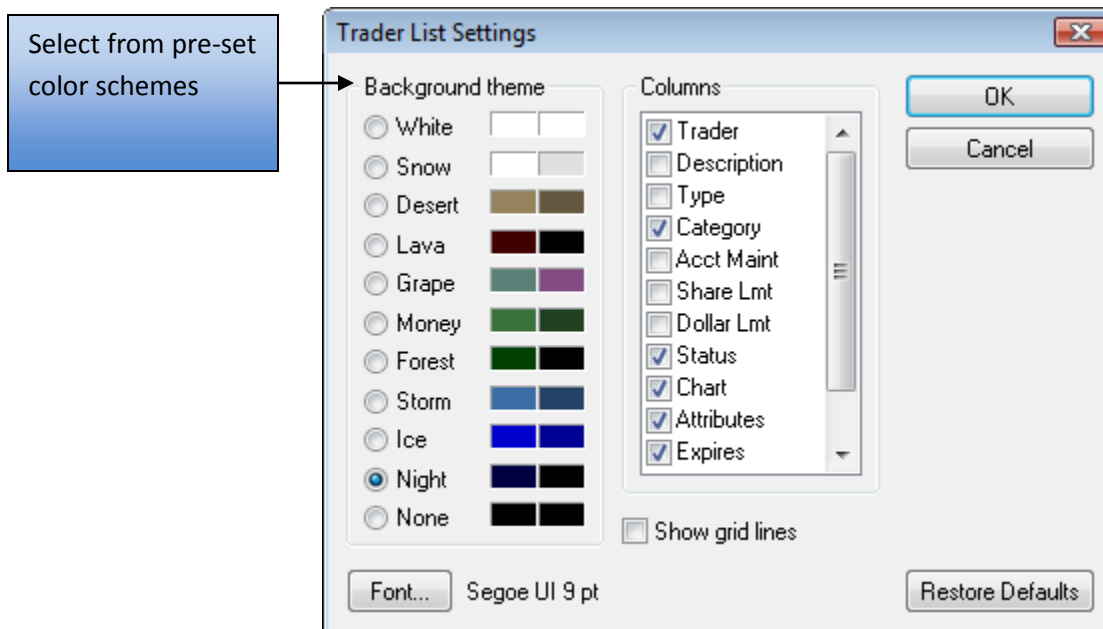


The screenshot shows a window titled "SFSJEREMY - Trader List" with a menu bar containing "Actions", "Edit", and "View". The window displays a table with the following columns: Trader, Category, Chart, Status, Attributes, Expires, and Firm. The table contains 11 rows of trader data. The status of each trader is indicated by a color: red for "Expired" and green for "Enabled".

Trader	Category	Chart	Status	Attributes	Expires	Firm
DEMO56	Trader	Y	Expired	C D F G H J M P Q R b	06/22/09	
DEMO552	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO551	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO550	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO55	Trader	Y	Expired	C D F G H J M P Q R b	06/10/09	
DEMO549	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO548	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO547	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO546	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	
DEMO545	Trader	Y	Enabled	C D F G H J P Q R b	07/02/09	

The status bar at the bottom of the window shows "Ready" on the left and "2207 Entries" on the right.

The Trader List available columns to display can be found in the “View” menu under Settings. The columns give a quick overview of each Trader’s attributes.



The screenshot shows the "Trader List Settings" dialog box. On the left, a blue callout box contains the text "Select from pre-set color schemes" with an arrow pointing to the "Background theme" section of the dialog. The "Background theme" section lists several color schemes: White, Snow, Desert, Lava, Grape, Money, Forest, Storm, Ice, Night (selected), and None. The "Columns" section on the right lists various attributes that can be displayed in the Trader List, with checkboxes for: Trader (checked), Description, Type, Category (checked), Acct Maint, Share Lmt, Dollar Lmt, Status (checked), Chart (checked), Attributes (checked), and Expires (checked). There is also a "Show grid lines" checkbox which is unchecked. At the bottom, there is a "Font..." button showing "Segoe UI 9 pt" and a "Restore Defaults" button. The dialog has "OK" and "Cancel" buttons on the right side.

EDIT TRADER

There won't be anything to see in the columns, however, without adding Traders!

To add a new Trader:

1. Click on the "Actions" menu, or right click in the Trader List window and select "Add Trader". The "Add Trader" screen pops up. It is a tabbed screen, defaulted to the "General" tab.

The screenshot shows the 'Add Trader' form with the following fields and callouts:

- Trader information:** Trader (DEMO1), Desc (10/27/09), Status (Enabled), Firm (Demo), Type (Backed), Category (Trader), Pro quote user (checked), Password (masked), Show password (unchecked), Strong password required (unchecked), Expires (7/ 1/2010), Canadian resident (unchecked).
- User data:** User data 1 through 5 (empty).
- Equity trading limits:** Per order share limit (0), Per order dollar limit (0).
- Notes:** (Empty text area).
- Import trader:** From (dropdown), Import (button).

Callouts:

- "Description can be anything. For this demo we selected the creation date as the description" points to the Desc field.
- "These are for additional info. and are not necessary to create the new trader" points to the User data fields.
- "Setting these will apply to all accounts linked to the Trader" points to the Equity trading limits fields.
- "Enter an existing Trader name here and click Import to import the settings of that Trader" points to the Import trader section.

2. Enter the following:
 - **Trader** – The log in ID you wish to give the new Trader
 - **Desc** – Description. This can be anything you would like to us to further identify the Trader. In the example above, we selected the date the Trader was created.
 - **Firm** – Name of the firm requesting the new user.
 - **Type** – "Backed" or "Proprietary".
 - **Category** – "Trader", "Manager", or "Super Manager". Traders use Sterling Trader® Pro, Managers use Sterling Trader® Manager.
 - **Password** – The password the Trader will use to log on.
 - **Expires** – Date to expire the Trader. (If applicable)
 - **Status** – "Enabled", meaning the Trader log in is ready for use. "Disabled" or "Suspended", meaning the Trader will not be able to log on and use the platform. "Disabled for Deletion", meaning the trader ID will be permanently removed during routine maintenance.
3. Alternatively, you can import an existing trader as a template by entering the trade name in the Import Trader box.
4. The User data fields, Notes, and Equity Trading Limits fields are optional and not necessary to complete the Trader.

The remainder of the Trader properties are set up under the following tabs:

GENERAL – This tab, shown above, is where a manager can create or edit account information.

PERMISSIONS – Enables various trader abilities, such as allocations, trailing stops, API, and options trading.

The screenshot shows the PERMISSIONS configuration screen with several callout boxes:

- Enable allocations and other special trading privileges:** Points to the **Trades** section, which includes:
 - Enable trade maintenance
 - Enable trade entry from Pro
 - Enable trade allocation
 - Enable options position exercise
- Enable trailing stops, GTC orders, and other special order actions:** Points to the **Orders** section, which includes:
 - Enable trailing stop orders
 - Enable GTC/GTX orders
 - Enable smart swipe
 - Enable auto hedge
 - Enable hot key repeat
 - Enable security locating
 - Enable buy to cover
- Enable API:** Points to the **ActiveX API** section, which includes:
 - Enable ActiveX API
 - Enable unthrottled order sending
 - Enable unthrottled AX quote requests
- Permissions specific to Elite:** Points to the **Elite** section, which includes:
 - Enable Algorithmic Order Entry
- Enable futures and options trading:** Points to the **Miscellaneous** section, which includes:
 - Enable futures
 - Enable options
 - Enable Chart
 - Enable DDE
 - Enable Locate Monitor
 - Enable Activity Log pre-loading
 - Enable Origin columns

SUPER MANAGER – If your user is designated a Super Manager, you can assign certain permissions to other Trader Managers from this screen. You can also set a stock watch symbol limit for the selected Trader (You don't need to be a Super Manager to set a symbol limit).

Trading Regions are set in this tab. If a trader will be *trading* any or all offered regions, these boxes must be checked. They do not need to be checked if the trader is only receiving data from these regions. Please note that for Pro users there are additional fees per trading region, so a region should not be assigned to a trade without proper approval.

The screenshot shows the Account List configuration screen with a callout box:

- These boxes correspond to the tabs found in the Account List "Edit Account" screen. For example, Allow Routing Maintenance allows the selected Trader to use the Routing tab. They are grayed out to illustrate that there are several permission levels for users of Sterling Trader® Manager:** Points to the **Enable Account List** section, which includes:
 - Enable Account List
 - Allow account maintenance
 - Allow adding/deleting of accts
 - Allow general risk maintenance
 - Allow BP/margin control maintenance
 - Allow P/L control maintenance
 - Allow balance control maintenance
 - Allow symbol control maintenance
 - Allow routing maintenance
- Enable Trader List:** Includes:
 - Enable Trader List
 - Allow adding/deleting of traders
 - Allow quote entitlement maint
- Trading regions:** Includes:
 - US
 - Canada
 - Europe
 - Latin America
- Miscellaneous:** Includes:
 - Enable Elite login
 - Show broker information
 - Allow Currency selection
 - Enforce symbol limit:

ACCOUNTS – Assign accounts that a Trader will have linked to it from this tab. To add an account to a Trader simply highlight the desired account and double left-click on it.

This demo account is assigned to the selected Trader

Commission		Destinations		Quotes	
General	Permissions	Super Manager	Accounts	Traders	
Available:					
DEMO74 DEMO75 DEMO76 DEMO77 DEMO78 DEMO785 DEMO79 DEMO8 DEMO80 DEMO80518 DEMO81 DEMO82 DEMO83					
Assigned:					
DEMO12					

TRADERS – This tab functions exactly the same as the “Accounts” tab, except you can assign Traders to Managers with authority to monitor those traders.

COMMISSION – This tab also functions the same as “Accounts” and “Traders”, except that you assign pre-set commission schedules (created in the back office) to a Trader.

DESTINATIONS – Assign destinations to a Trader. Simply check the appropriate box next to each destination. Please note, checking a destination will not make it available in any of the Trader’s accounts. The routing must also be set up in the Account List, which is discussed in chapter 2.

Commission		Destinations		Quotes	
General	Permissions	Super Manager	Accounts	Traders	
Description		Destination	Inst		
<input checked="" type="checkbox"/>	AMEX Options	AMEX	Options	Select All	
<input checked="" type="checkbox"/>	Archipelago ECN	ARCA=	Equity	Clear All	
<input checked="" type="checkbox"/>	Archipelago ECN	ARCA	Equity		
<input type="checkbox"/>	Archipelago ECN PNP B	ARCAPNPB	Equity		
<input type="checkbox"/>	Archipelago P0+	ARCAPOP	Equity		
<input type="checkbox"/>	Banc of America	BOFA	Equity		
<input type="checkbox"/>	BARC	BARC	Equity		
<input checked="" type="checkbox"/>	BATS	BATS	Equity		
<input type="checkbox"/>	BATS - Price Improve...	BATSPIO	Equity		

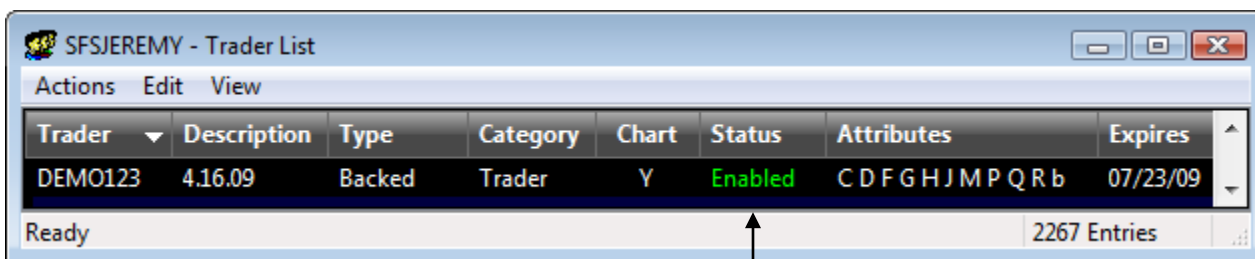
QUOTES – This tab allows you to assign the quote feeds a user will see. Simply check the appropriate box next to each quote feed (Please see following page).

General	Permissions	Super Manager	Accounts	Traders
Commission		Destinations		Quotes
<input checked="" type="checkbox"/> NYSE L1 <input checked="" type="checkbox"/> AMEX L1 <input checked="" type="checkbox"/> NASDAQ L1 <input checked="" type="checkbox"/> NASDAQ Total/Open View <input type="checkbox"/> NASDAQ Level 2 (NQDS) <input checked="" type="checkbox"/> NASDAQ GIDS <input type="checkbox"/> NASDAQ BBDS <input type="checkbox"/> NASDAQ TDDS <input checked="" type="checkbox"/> NYSE Open Book <input checked="" type="checkbox"/> BATS Book <input checked="" type="checkbox"/> Direct Edge A Book <input checked="" type="checkbox"/> Direct Edge X Book <input checked="" type="checkbox"/> ARCA Book - OTC/UTP <input checked="" type="checkbox"/> ARCA Book - Tape A/B and ETFs <input type="checkbox"/> BATS Europe Book <input type="checkbox"/> Chi-X Europe Book <input type="checkbox"/> NASDAQ OMX Europe Book <input checked="" type="checkbox"/> S&P Indices <input checked="" type="checkbox"/> Dow Jones Indices <input type="checkbox"/> CBOE MDX Indices		<input type="checkbox"/> CBOT Futures <input type="checkbox"/> COMEX Futures <input type="checkbox"/> NYMEX Futures <input type="checkbox"/> CME Futures <input type="checkbox"/> CME E-Mini Futures <input checked="" type="checkbox"/> Basic News <input type="checkbox"/> Comtex News <input type="checkbox"/> Dow Jones News <input checked="" type="checkbox"/> NYSE Alerts <input type="checkbox"/> OPRA <input type="checkbox"/> LSE L1 <input type="checkbox"/> LSE L1/2 <input type="checkbox"/> Euronext <input type="checkbox"/> Forex <input checked="" type="checkbox"/> TSX L1 <input checked="" type="checkbox"/> TSX L2 <input checked="" type="checkbox"/> TSX Venture L2 <input checked="" type="checkbox"/> Chi-X Canada <input checked="" type="checkbox"/> Pure Canada <input checked="" type="checkbox"/> Alpha Canada <input checked="" type="checkbox"/> Omega Canada		<input type="button" value="Select All"/> <input type="button" value="Clear All"/> <input type="button" value="Save as Default"/> <input type="button" value="Restore Defaults"/>

If assigning quotes to live users, keep in mind that each quote feed carries its' own fee

DATA COLUMNS

Once the new Trader is set up, you will be able to see it in the Trader List window.



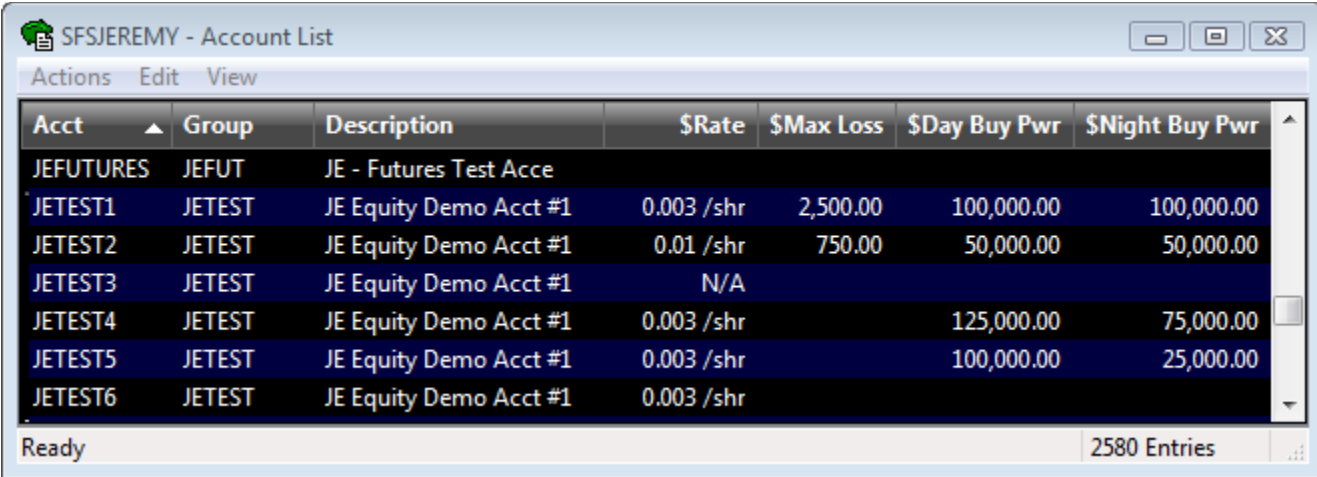
Trader is Enabled, so they are able to log in

As noted on page 4, you can select columns to view in the “View” menu, under Settings.

Please note the column shown titled “Attributes”. This is a catch-all column showing what a trader is enabled for. This saves the need for a spread out Trader List with a separate column for each enabled attribute. To view a description of the attributes each letter refers to, go to the “View” menu and select Trader Attributes Legend. Or, go to Exhibit B at the end of this guide. Once you are familiar with these letter codes, you will be able to easily check what a specific trader is enabled for. Of course, you can always right-click on a Trader name and select Edit Trader to double check permissions as well.

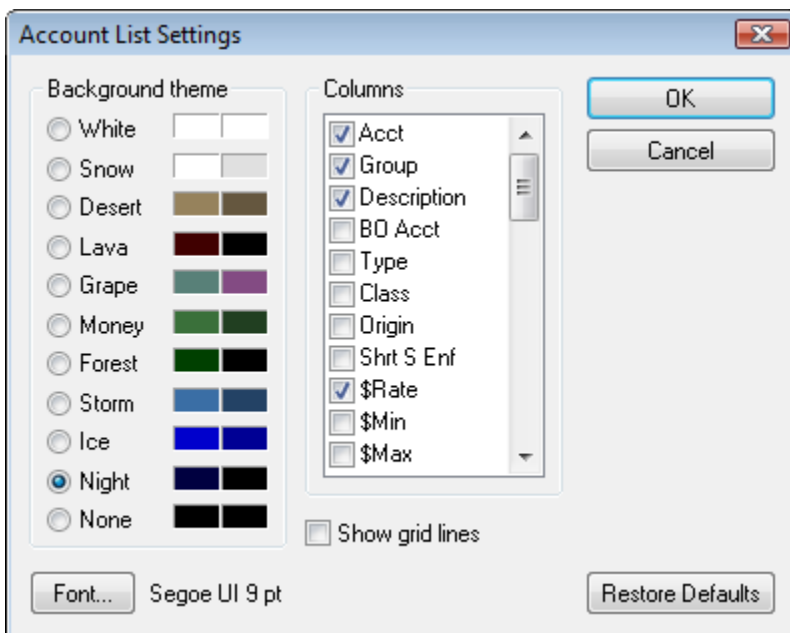
CHAPTER 2 – ACCOUNT LIST

The Account List window gives you a snapshot of all your accounts and their current settings. In the screenshot below, the Account, Group, Commission Rate, Max Loss, Day Buying Power, and Night Buying Power are listed. There are many more informational columns available, but first we are going to examine the set up screen where that information is entered and the accounts are created.



Acct	Group	Description	\$Rate	\$Max Loss	\$Day Buy Pwr	\$Night Buy Pwr
JEFUTURES	JEFUT	JE - Futures Test Acce				
JETEST1	JETEST	JE Equity Demo Acct #1	0.003 /shr	2,500.00	100,000.00	100,000.00
JETEST2	JETEST	JE Equity Demo Acct #1	0.01 /shr	750.00	50,000.00	50,000.00
JETEST3	JETEST	JE Equity Demo Acct #1	N/A			
JETEST4	JETEST	JE Equity Demo Acct #1	0.003 /shr		125,000.00	75,000.00
JETEST5	JETEST	JE Equity Demo Acct #1	0.003 /shr		100,000.00	25,000.00
JETEST6	JETEST	JE Equity Demo Acct #1	0.003 /shr			

To access the additional columns, click the “View” menu and select Settings. In the Account List Settings window you will be able to select a preset color scheme and columns to display.



Looks like the Trader List Settings window, only without the smug attitude. Like the Trader List is better than everyone else, right?

To access the Edit Account (or Add Account) window, right click on an account and select Edit Account, or click the “Actions” menu and select Edit Account.

The Add Account window is a multi-tabbed window. Each tab will be discussed, beginning on the next page.

EDIT ACCOUNT

Tabs for the various Risk, Routing, and other settings

Account basics, such as what instruments can be traded and whether the account is enabled or not

Symbols	Risk (Options)	Risk (Futures)	Contracts	Routing
General	Fees/Commission	Risk (Equity)	Risk II (Equity)	Risk III (Equity)

Account information		User data	
Name:	JETEST1	User data 1:	
Instrument:	Equity/Options	User data 2:	
Status:	Enabled	User data 3:	
Type:	Agency	User data 4:	
Class:	Margin	User data 5:	
Origin:	Professional	Notes	
Base currency:	USD		
Description:	JE Equity Demo Acct #1	Miscellaneous	
B.O. account:	123456789	<input type="checkbox"/> Enable computation of Real P/L per order (Note: this value is an approximation)	
Group ID:	JETEST	<input type="checkbox"/> Forward Desk order cancels to children	
B.O. group ID:	DEMO	<input type="checkbox"/> Double OATS	
Clearing ID:		<input type="checkbox"/> OATS match giveup	
		Import account	
		From:	
			<input type="button" value="Import"/>

GENERAL – Create new accounts for trading or edit information of on existing account. New accounts can be created from scratch, or a previous account may be imported as a template.

To **create a new account** from scratch:

1. In the Account List, right click and select “Add Account”. (Brings up same screens as Edit Account).
2. Name the account.
3. Select the Instrument the account will trade. (Equities and options, Futures, etc.)
4. Select the Status. (Enabled by default)
5. Select the Type (Agency or Principal), Class – such as Margin or DVP – and Origin.
6. Enter a base currency. (especially important for accounts trading multiple regions, where the currencies differ)
7. Enter a description of the account
8. Enter the Back Office account (for clearing purposes) as well as the Group the account will belong to.
9. Click OK.

All those fields must be filled in to successfully create the account. Once that is done, the permissions in the remaining tabs can be set.

To **import** an account as a template:

1. In the “From” box on the bottom right of the General tab, select the account to use.
2. Click the Import button.
3. This template will carry over risk and commission settings
4. Make any necessary changes and click OK.

FEES / COMMISSION – Enables creation and assignment of commission plans. Commission plans are set up by Sterling Support, in a separate application, at the request of the Broker, but managers may input a basic plan, such as .01/share with a 3.00 minimum.

Preset commission schedule (set up per broker request)

Commission schedule that can be manually set up for each account

RISK (EQUITY) – Controls rule enforcements for short and long selling, as well as odd-lot and mixed-lot transactions for the account being created or edited.

Short/long sale position rules enforcement

Short sale: Passive

Long sale: Passive

Use open orders and their attributes when enforcing long/short sale position rules

Convert long sale to short sale if sym is ETB

Cancel all open Sell Short orders when position becomes long

Cancel all open Sell Long orders when position becomes flat or short

Enforce mixed/odd-lot settings

Allow NYSE odd-lot open transactions

Allow NYSE odd-lot cover transactions

Allow ECN odd-lot open transactions

Allow ECN odd-lot cover transactions

Allow NYSE mixed-lot open transactions

Allow NYSE mixed-lot cover transactions

Allow ECN mixed-lot open transactions

Allow ECN mixed-lot cover transactions

Allow covers to result in a mixed or odd lot

Security locating

Always enforce locating of security

Exempt from Hard-to-Borrow

Allow LocateStock

Wash trades

Allow exchanges to reject wash trades

Allow wash trades locally

Allow stopped orders to continue, and cancel all resting wash orders

Miscellaneous

Carry over position

Allow loading of opening position

Allow loading of forward conversions

Enforce NYSE odd-lot rule

Allow sell short exempt orders

Include allocated non-clearable trades in position computations

Max open orders: 0

Max open shares: 0

Min symbol close price: 0

Max symbol close price: 0

Permissions the Locatetock.com window

Wash trade controls

These settings control whether or not an account can submit odd-lot and/or mixed-lot transactions

Min/Max symbol close price refers to the previous day's close. If selected, traders can't enter orders for stocks that closed above or below the entered price

The following screenshot from the Risk(Equity) tab defines the Short sale / Long sale rules:

Checking “**Passive**” for Short Sale rules enforcement will allow an account to go from long to short on a position with one sell order.

Checking “**Strict**” will STOP an account from going long to short on one sell order.

Explanation of Short/Long sale position rules enforcement in regards to Strict with Splitting: Strict with Splitting for Short Sale means – Split sell long orders into sell long and sell short orders if order quantity exceeds current long position. Strict with Splitting for Long sale means – Split sell short orders into sell long and sell short orders if order quantity exceeds current long position.

RISK II (EQUITY) – Controls buying power for equities and options. There are two options, Buying Power Control or Margin Control. We’ll discuss both, but first there is **Net liq/maint excess**.

Seen below, “Net liquidating / maintenance excess” is the basis for all buying power calculations. For Buying Power Control, it is the number multiplied by the Day and Night multiplier. For Margin Control, it is the number reduced by the appropriate percentage of each order. These are detailed next.

Net liq/maint excess

Buying Power Control – Enable a buying power figure and a multiplier. For example, an account could have \$50,000 USD buying power with a 4x multiplier, meaning a total of \$200,000 USD buying power. There is day and night buying power, night meaning after the core market session closes. *It is important to note that the buying power is calculated off the Net liq/maint excess. So clicking the Update BP button will multiply the Net liq/maint excess by the multiplier.*

Check this box to include open orders in BP calculations

Clicking UPDATE BP multiplies the Net liq/maint excess by the Day Multiplier

<input type="checkbox"/> Adjust buying power/margin by realized P/L	<input type="checkbox"/> Adjust buying power/margin by unrealized P/L
<input checked="" type="checkbox"/> Use open order attributes for buying power and margin controls	
<input checked="" type="checkbox"/> Use open order attributes for symbol controls (except BP multipliers)	
<input checked="" type="checkbox"/> Enable buying power control	
Margin equity: \$ 0	<input type="checkbox"/> Allow loading of margin equity
Exchange surplus: \$ 0	<input type="checkbox"/> Allow loading of exchange surplus
Get buying power by: Calculating	<input checked="" type="checkbox"/> Allow loading of multipliers
Day multiplier: 4 <input type="button" value="Update BP"/>	Night multiplier: 2 <input type="button" value="Update BP"/>
Day buying power: \$ 400000.00	Night buying power: \$ 200000.00

Night BP

Margin Control – If Enable Margin Control is selected instead of Buying Power Control, you will have to set up how stocks and options are margined both on the buy and the sell side (selling refers to short selling for stocks). *Total margin available will be the Net liq/maint excess.*

Enable margin control

Buying			Selling		
Inst	Price (& up)	Margin Required	Inst	Price (& up)	Margin Required
Equity	4.00	25% of MV	Equity	4.00	35% of MV
Equity	0.00	100% of MV	Equity	0.00	100% of MV
Options	0.00	100% of MV	Options	0.00	100% of MV

Use leveraged ETF margin control (Equity) Use Canadian margin control rules

To add Margin for equities:

1. Click Add. The Add Margin Price Tier screen pops up.

Add Margin Price Tier

Instrument: Equity

Price: 5.00 and up

Margin required: 25 % of market value

plus

0 % of market value

2. Select Equity as the instrument.
3. Select a price "and up". In the example above, it's all stocks \$5.00 and up.

4. For “Margin required” you can select % of market value, or \$ per share. In this example we chose 25% of market value.
5. You can add further margin requirements by checking “Plus” and selecting the additional requirement.
6. Click OK. The new requirements will now show under the Risk II (Equity) tab.

In this example, stocks \$5.00 and up are set to charge 25%. To set margin requirements for stocks priced 0.00 – 4.99, repeat the above steps and select 0.00 for the price. Set margin requirement at 100% or whatever is desired.

To set margin for options, repeat the above steps, but select options as the instrument.

The Net Liq/Maint Excess number is reduced for each trade by the percentage entered in the Margin Control scheme.

Use Leveraged ETF margin control (Equity) – Refers to FINRA regulations for 2x and 3x margin on leveraged ETFs.

Use Canadian margin control rules – For traders residing in Canada.

RISK III (EQUITY) – This tab enables a manager to control, to an extent, how much loss an account can generate intraday. There are two choices, P/L Control and Balance Control. Both may be activated at the same time.

With “Enable P/L control” checked and a maximum loss figure entered, a manager can select an automatic course of action should that max loss figure be exceeded. In this example, max loss is set at \$2500. If the account loses more than \$2500 it will be set to allow only closing transactions and cancelling of open orders.

With “Enable balance control” checked, an account falling below the set minimum balance will trigger an automatic action set by the manager. Per the screenshot above, only a warning message will be displayed.

SYMBOLS – Allows a manager to set up limits on a per-symbol, or all symbol, basis.

Edit Account [JETEST1]						
General	Fees/Commission	Risk (Equity)	Risk II (Equity)	Risk III (Equity)		
Symbols	Risk (Options)	Risk (Futures)	Contracts	Routing		
Symbol	Max Pos	Max Pos \$	Max Order Qty	Max Order \$	Day Mult	Night Mult
MSFT	7000	None	500	None	None	None

In this screenshot, the maximum MSFT position account JETEST1 can hold is 7000 shares. The maximum quantity of any order entered in MSFT is 500 shares.

To set up symbol limits:

1. Right click in the window and select "Add" or click the "Add" button on the bottom of the screen. The Add symbol Control screen pops up.

Symbol: IBM

Max position: 0

Max position value: 15000

Max order quantity: 200

Max order dollars: 0

Max open orders per side: 0

Day multiplier: 0

Night multiplier: 0

OK Cancel

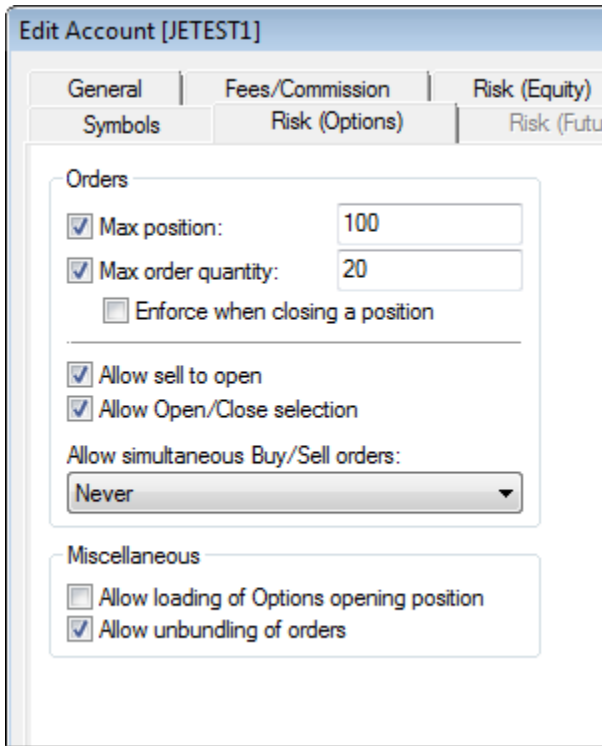
2. Enter a symbol.
3. Select from the following limits:
 - **Max Position:** The total shares an account may hold of the selected symbol.
 - **Max Position Value:** The total dollar value the account may hold of the selected symbol.
 - **Max Order Quantity:** The total share amount that can be traded at one time in the account.
 - **Max Order Dollars:** The total dollar value allowed for each order.
 - **Max Open Orders Per Side:** Total number of open buy or sell orders allowed at any given time.
 - **Day Multiplier:** If the account is using Buying Power Control, you can give the account a lower multiplier specifically for the selected symbol
 - **Night Multiplier:** Same as Day Multiplier.
4. Click OK. The parameters selected above (For IBM) now appear under the symbols tab.

Symbol	Max Pos	Max Pos \$	Max Order Qty	Max Order \$	Day Mult	Night Mult
IBM	None	15,000.00	200	None	None	None
MSFT	7000	None	500	None	None	None

The account can hold \$15,000.00 worth of IBM and each order may be only up to 200 shares.

5. A manager could set limits for ALL symbols by entering * in the symbol box of the Add Symbol Control screen.

RISK (OPTIONS) – The additional settings this tab lets a manager control are specific to options. You can set a maximum number of contracts an account can hold (applies to all option contracts) and a max order quantity, give an account the ability to sell to open and enter simultaneous buy and sell orders on the same symbol.



Edit Account [JETEST1]

General | Fees/Commission | Risk (Equity)

Symbols | Risk (Options) | Risk (Futu)

Orders

Max position: 100

Max order quantity: 20

Enforce when closing a position

Allow sell to open

Allow Open/Close selection

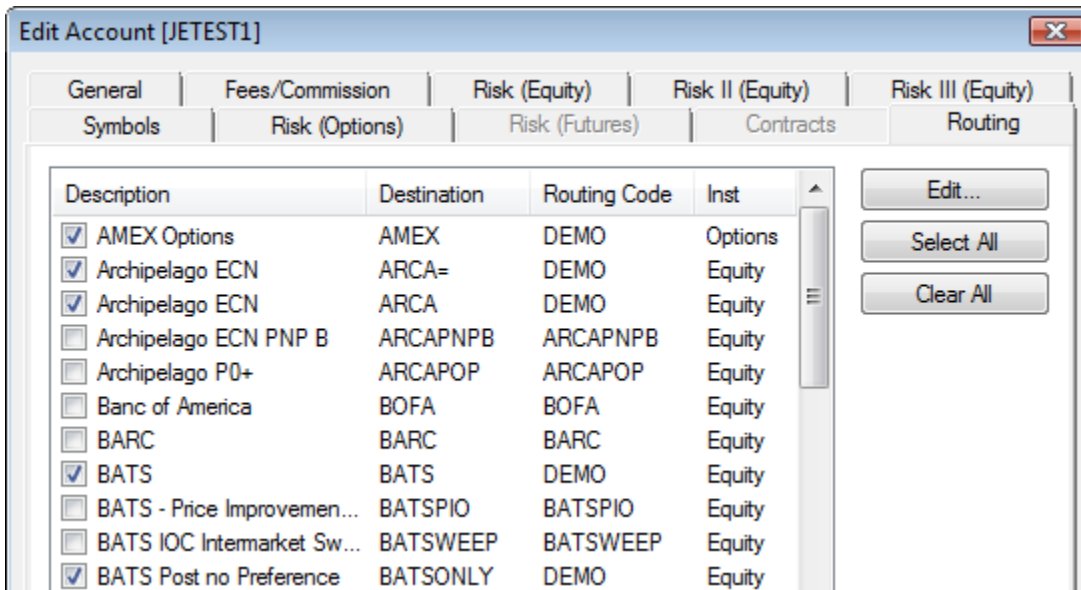
Allow simultaneous Buy/Sell orders:
Never

Miscellaneous

Allow loading of Options opening position

Allow unbundling of orders

ROUTING – Select which routes to give an account by checking the box next to the corresponding destination.



Edit Account [JETEST1]

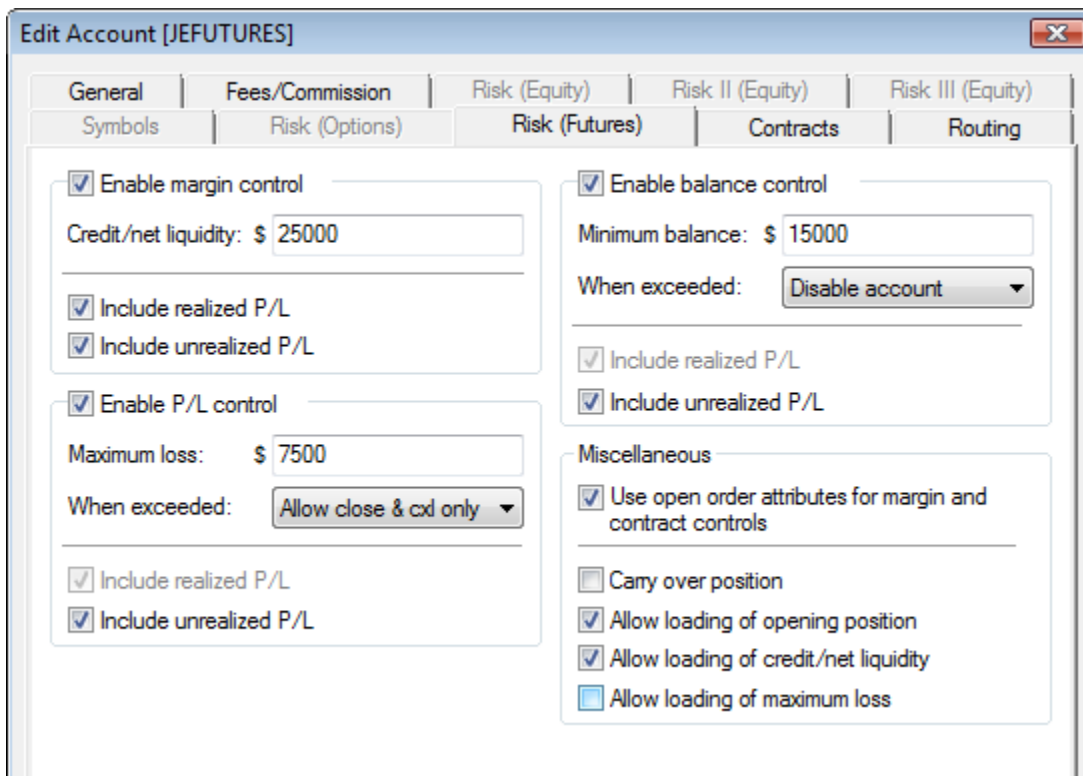
General | Fees/Commission | Risk (Equity) | Risk II (Equity) | Risk III (Equity)

Symbols | Risk (Options) | Risk (Futures) | Contracts | Routing

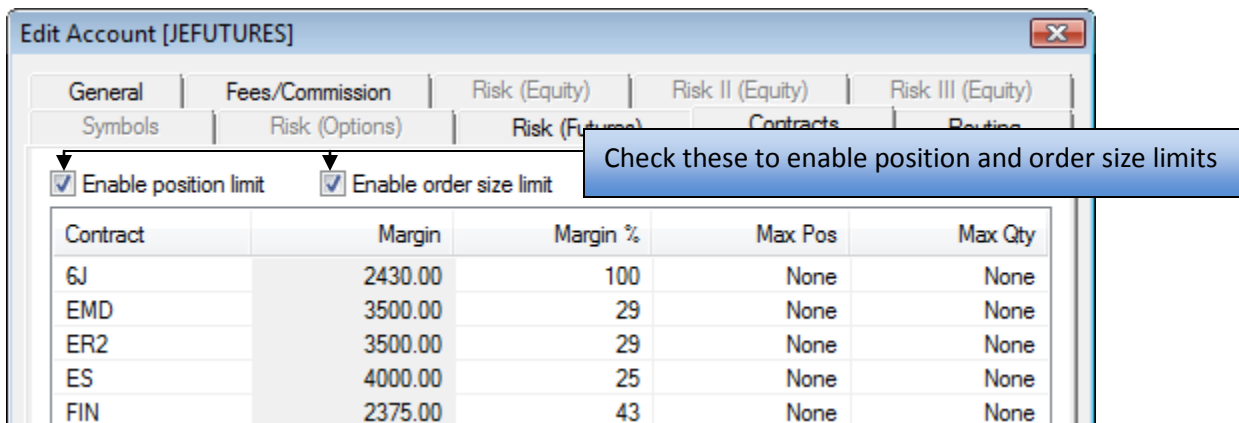
Description	Destination	Routing Code	Inst
<input checked="" type="checkbox"/> AMEX Options	AMEX	DEMO	Options
<input checked="" type="checkbox"/> Archipelago ECN	ARCA=	DEMO	Equity
<input checked="" type="checkbox"/> Archipelago ECN	ARCA	DEMO	Equity
<input type="checkbox"/> Archipelago ECN PNP B	ARCAPNPB	ARCAPNPB	Equity
<input type="checkbox"/> Archipelago P0+	ARCAPOP	ARCAPOP	Equity
<input type="checkbox"/> Banc of America	BOFA	BOFA	Equity
<input type="checkbox"/> BARC	BARC	BARC	Equity
<input checked="" type="checkbox"/> BATS	BATS	DEMO	Equity
<input type="checkbox"/> BATS - Price Improvemen...	BATSPIO	BATSPIO	Equity
<input type="checkbox"/> BATS IOC Intermarket Sw...	BATSWEEP	BATSWEEP	Equity
<input checked="" type="checkbox"/> BATS Post no Preference	BATSONLY	DEMO	Equity

Edit...
Select All
Clear All

RISK (FUTURES) – Control margin, max loss, and minimum balance for futures. These features are similar to the controls under Risk III (Equities) tab. For futures trading, there is no buying power with multiplier. There is only the Margin Control option.

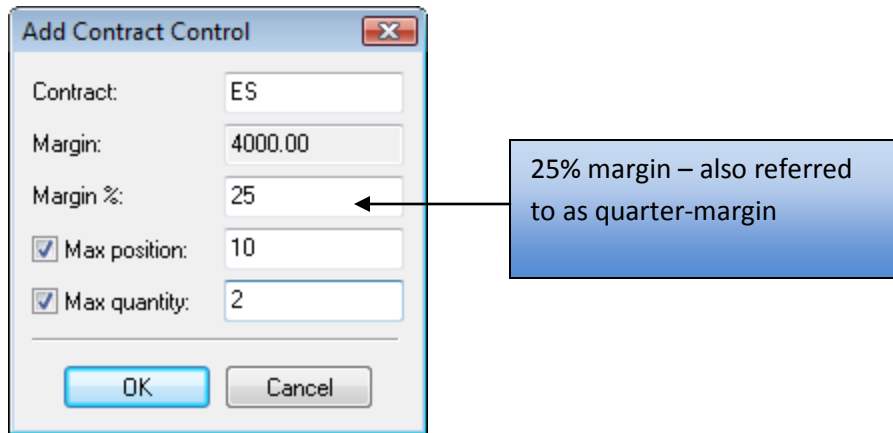


CONTRACTS – Control the margin requirements, maximum position, and maximum quantity for futures contracts. This window functions the same as the equities “Symbols” window.



To add a contract

1. Click the “Add” button on the bottom left of the screen. The Add Contract Control screen pops up (see following page).
2. Enter a contract root, such as ES.
3. The current margin populates automatically. You can then select the Margin% desired (Margin% is the percentage of the margin requirement per the exchange for that product).
4. Select a max position and max quantity per order, if desired.
5. Click OK. The contract shows up in the Contracts screen. Please note, you must check Enable Position Limit and Enable Order Size Limit shown above to set those in the Add Contract Control screen.



DELETE ACCOUNT – To delete an existing account, right click on the account row and select “Delete Account”.

DATA COLUMNS

There are many more columns available to view in the Account List window once you have completed adding accounts.

Acct	\$Rate	Attributes	\$Max Loss	\$Day Buy Pwr	\$Night Buy Pwr
JETEST1	0.003 /shr	ABEFIUacgijlmqsy2	2,500.00	128,000.00	64,000.00
JETEST2	0.01 /shr	ABGHIacgijlmpqrsy		50,000.00	50,000.00
JETEST3	N/A	BGIUacgilmpqrsy	750.00	50,000.00	50,000.00
JETEST4	0.003 /shr	ABFHIAcgilmqsy		125,000.00	75,000.00
JETEST5	0.003 /shr	ABFHIAcgilmqsy		100,000.00	25,000.00
JETEST6	0.003 /shr	ABFIUVacgilmqsy	1,500.00	100,000.00	50,000.00

Ready | 2807 Entries

This is a small sampling of data you might want to see when checking how your accounts are set up. The Attributes column is similar to the Trader List Attributes column. The letters are explained at the end of this guide. Or you can click on the “View” menu and select Account Attributes Legend.

Both the Trader List and Account list are primarily to show you what accounts you have and the settings for those accounts. Real-Time risk is managed from the Main Menu of Sterling Trader® Manager.

CHAPTER 3 – MAIN MENU

The Sterling Trader® Manager Main Menu is your gateway to the management functionality available in the platform. The window consists of the menu headings, the icons for opening trading windows, and the list of current accounts for monitoring risk.

This Chapter will only be concerned with the menu headings and other general functionality. Using the Main Menu in a risk control environment will be the key to Chapter 4.



Acct (JETES)	Group	Status	\$Cur Net Liq	\$Total P/L	\$Long Exp	\$Short Exp	\$Total Exp
JETEST1	JETEST	Enabled	999,480.88	(519.12)	124,764.00	7,014.00	131,778.00
JETEST2	JETEST	Enabled	1,000,000.00	0.00	0.00	0.00	0.00
JETEST3	JETEST	Enabled	1,000,000.00	0.00	0.00	0.00	0.00
JETEST4	JETEST	Enabled	1,000,000.00	0.00	0.00	0.00	0.00
JETEST5	JETEST	Enabled	1,000,000.00	0.00	0.00	0.00	0.00
JETEST6	JETEST	Enabled	25,000.00	0.00	0.00	0.00	0.00

Please note, the icons beneath the menu headings are quick links to open the trading windows found under the “Windows” menu. Those windows are the same as those found in Sterling Trader® Pro. Please review the Sterling Trader® Pro user guide for the functionality of those windows. The only exceptions are the Group Risk and Options Risk windows. Group Risk is available only in Sterling Trader® Manager and Options Risk is not discussed in the Sterling Trader® Pro user guide.

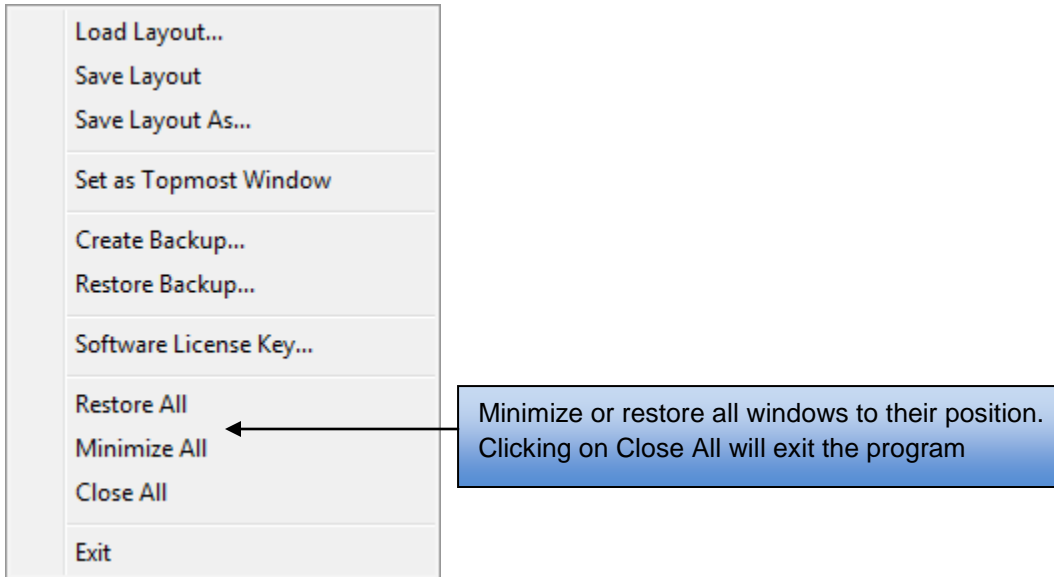
The rest of this chapter will flow as follows,

1. Individual menu headings
2. Group Risk
3. Options Risk
4. Special features of the Position Summary and Trading Monitor windows in Sterling Trader® Manager.

MENU HEADINGS

There are six **menu headings**, Actions, Filter, Edit, View, Windows, and Help. Each provides valuable functionality in the Main Menu.

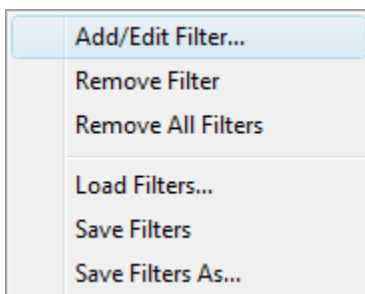
ACTIONS MENU – The “Actions” menu features the links to create or restore a backup of your current settings or restore a backup, or manage the open windows. Please see below.



If you create a backup of your settings, we recommend saving to a folder not related to Sterling Trader® Manager.

FILTER MENU – In this menu you can remove current filters on the account list, save the current filter, or load a previously saved filter.

Filters are criteria you choose to select what data you will view within a window, in this case the Main Menu. You select filter criteria by column. For example, if you had more than one group, you could filter by the Group column to view one particular group only. Or you could filter by the \$Total P/L column by filtering out all positive numbers, so you could see only the accounts currently with a negative P/L. However, you can't create a new filter from this menu because the filters are created by column. Therefore, you may find it more convenient to disregard the “Filter” menu in favor of right-clicking on a column heading, which will give you the same options of the “Filter” menu PLUS the ability to create a new filter based on that column. Here is the pop-up menu if you right click on a column heading.



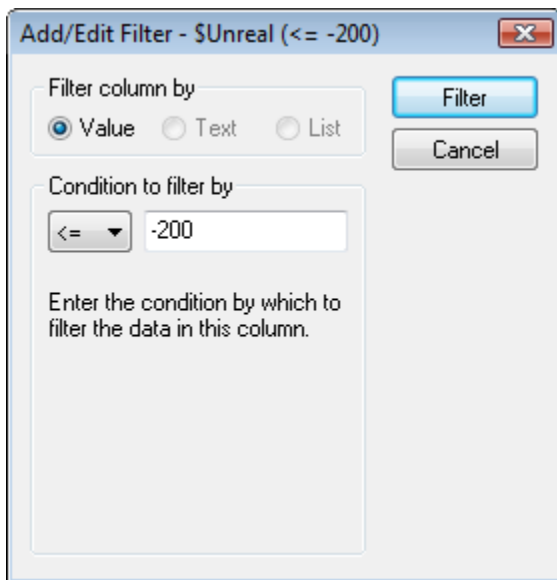
Please see the following page for examples on how to create a new filter.

To create a filter:

1. In this example, we will filter by \$Unreal (Unrealized P/L). First, right click on the \$Unreal column.



2. Select "Add/Edit Filter". The add/edit screen pops up.



3. In this example we selected a condition where \$Unreal is <= -200 are the only values that will show in the window. Notice that this filter is by Value. That is because the \$Unreal column is a number column. Columns with text in them will allow you to filter by specific text or preset List.
4. After you have chosen the condition, click Filter.
5. Your window will now be filtered by your condition (see next page).

The accounts now showing are only the accounts with an unrealized P/L of less than or equal to -200 (\$200.00 loss).

SFSJEREMY - Sterling Trader(R) Manager

STERLING TRADER® MANAGER
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Acct (JETES)	Group	Status	\$Cur Net Liq	\$Total P/L	\$Unreal	\$Long Exp	\$Short Exp
JETEST1	JETEST	Enabled	999,207.50	(792.50)	(792.50)	124,764.00	7,014.00

Ready All Accts 1 Entries \$Exp: 131,778.00 M D Q

Only one account fits the criteria at this time. If more accounts fall below 200, they will populate the list

EDIT MENU – In the “Edit” menu you can copy all or selected data in the main menu window to clipboard. That data can then be pasted to another application, such as Excel.

VIEW MENU – Available options in the “View” menu depend on what you are permitted for. Here is a rundown of the menu and a brief description of each link.

- **Login Status** will list all your users and their log in status, including what software version they are on, if they are logged in, and, if not, when they last logged in. In this case TRADER ABC is on version 5.3.4 and is currently logged in. By clicking the Logout button on the bottom right, TRADER ABC can be logged out of the platform.

Login Status Maintenance

Station	Type	Version*	Last Login	Logged In	CS IP	CS Port	QC
TRADER ABC	Trader	5.3.4.0	06/16/09 10:03:58	Yes	192.168.230.21	19009	SFS
	Trader	5.3.4.0	06/16/09 10:00:25		192.168.230.21	19009	SFS
	Trader	5.2.10.0	07/25/08 11:01:49		192.168.230.21	19009	SFS
	Super Manager	5.3.4.0	06/15/09 12:12:39		192.168.230.21	19009	SFS
	Trader	5.1.12.0	08/08/07 15:22:09		192.168.230.21	19011	SFS
	Trader	5.3.0.0	04/15/09 15:51:45		192.168.230.21	19009	SFS
	Super Manager	5.3.4.0	06/16/09 09:30:52	Yes	192.168.230.21	19009	SFS
	Trader	5.3.4.0	06/16/09 09:25:28		192.168.230.21	19009	SFS
	Trader	5.1.12.0	08/16/07 18:09:15		192.168.230.21	19011	SFS

Stations: 2057 Logged in: 88

* The Process and Version values are from the time of the station's last login.

Logout Close

- **Easy-To-Borrow Lists** – There are two choices, Maintenance and Reload. Reload allows you to select a current ETB list and reload it. Maintenance, shown on the next page, allows you to update a list for a specific symbol

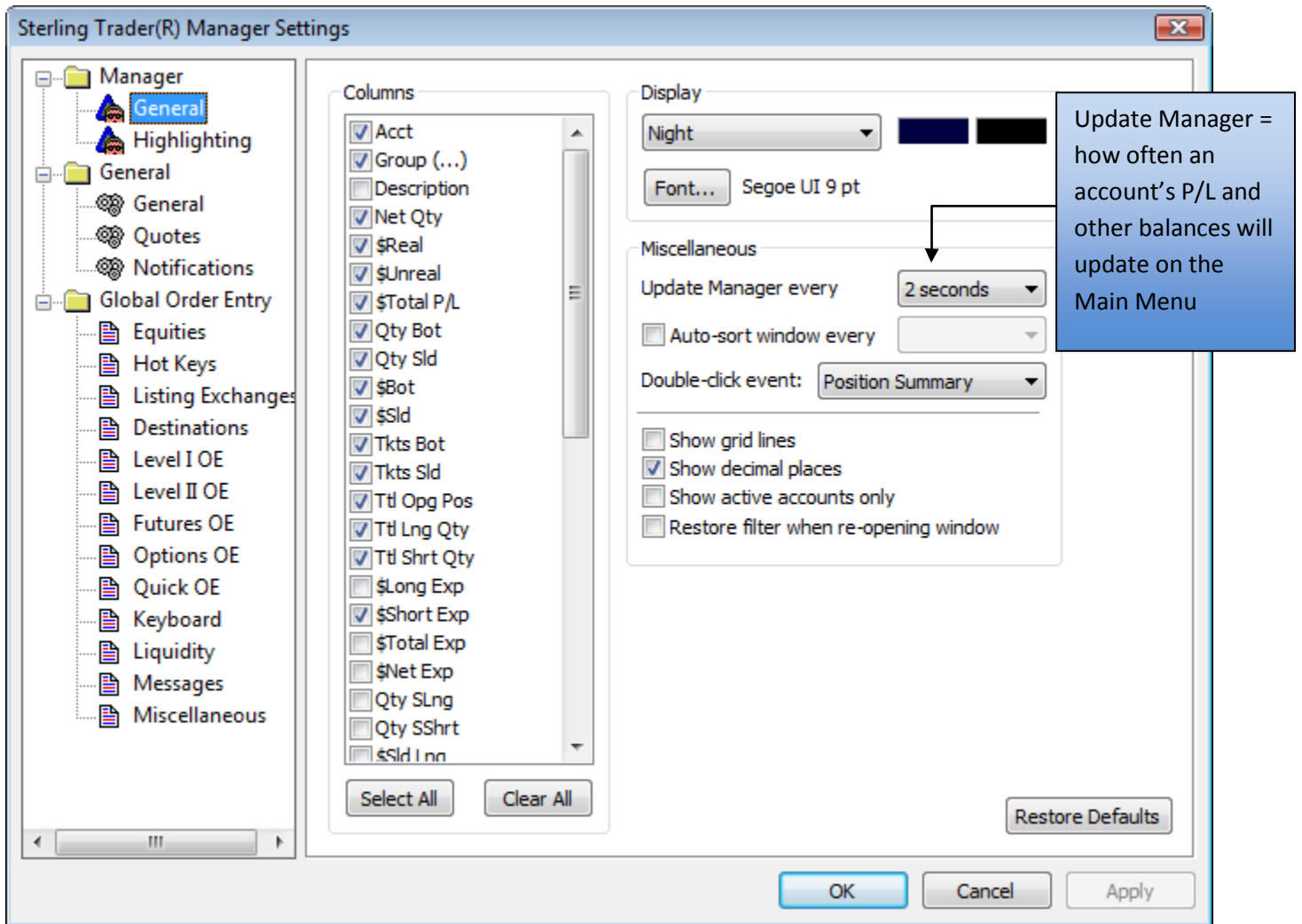
1. Select a List.
2. Type in a symbol and click Query to see if it is in the list.
3. If it's not, enter a quantity of available shares and click Set.
4. If it is in the list, you can change the number of available shares and click Set.

- **Execution Destinations** – Lists all the routing options available to your firm. New destinations can be added by clicking the “Add” button.
- **Commission Schedules** – Lists all commission schedules on file with a description of each one, including any group the rate is assigned to. You can add a new commission schedule by clicking the “Add” button in the Commission Schedules screen and selecting the desired rates

- **Interest Rates** – Shows the current interest rate. It is not a real-time function, so the data can be manually updated.
- **Spreads** – Create spreads to monitor the price difference between two stocks or option contracts. Please see the Sterling Trader® Pro user guide for this functionality.
- **Symbol Lookup** – Look up a symbol by company name, or a company name by symbol.
- **Settings** – Brings up the **Global Order Entry** settings. These settings are exactly the same as the settings in Sterling Trader® Pro, with two exceptions. Those exceptions are listed below. Please consult the Sterling Trader® Pro user guide for the remaining Global Order Entry settings.

Please note, Hot Keys do not function in Sterling Trader Manager, so that screen is grayed-out.

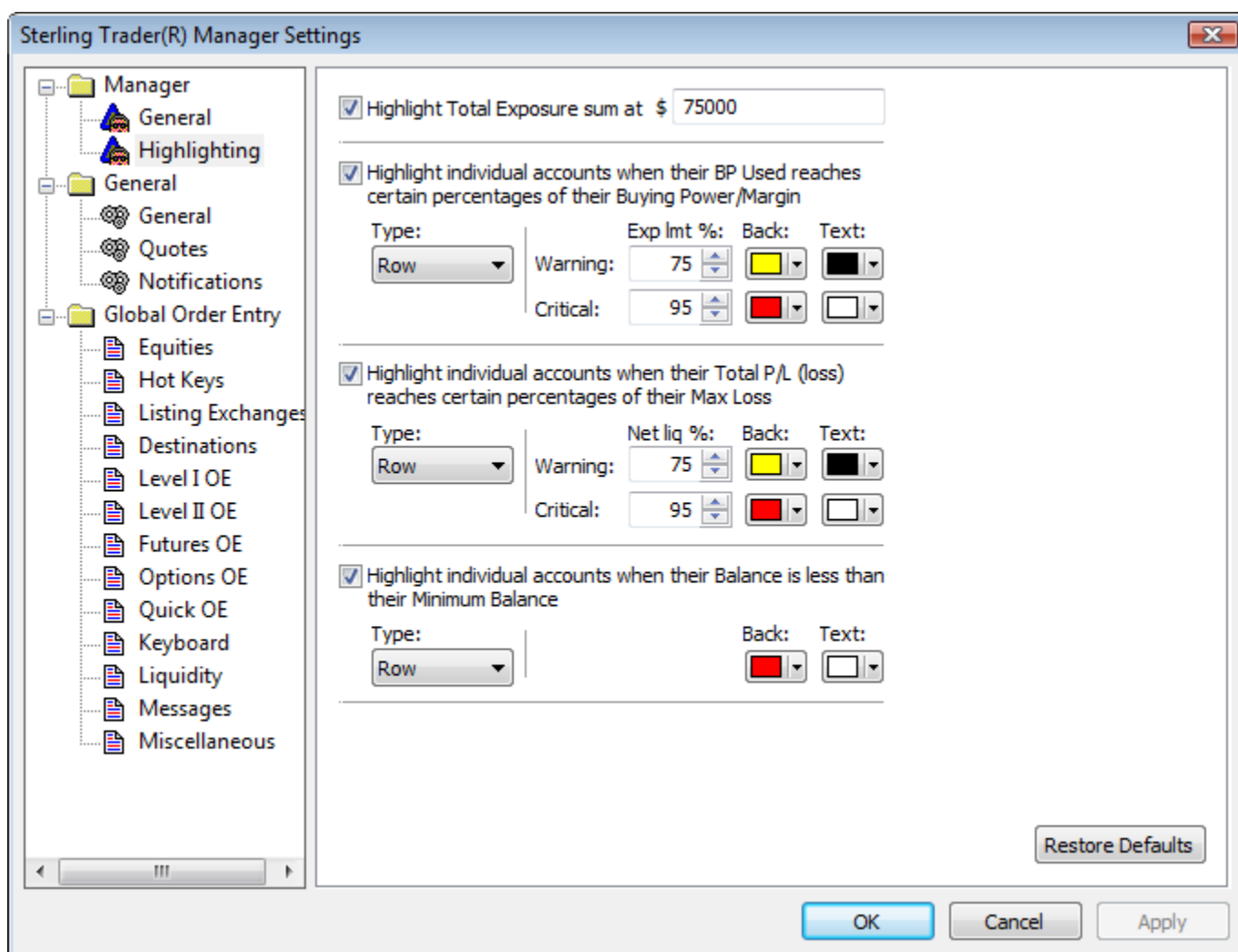
The special Global Order Entry settings for Sterling Trader® Manager are in the Manager folder in the settings menu. The settings screens are “**General**” and “**Highlighting**”. General is shown below.



In the General screen you can set what columns you want to see in the Main Menu. Simply check or uncheck the box next to the desired column. You can also select the color scheme and other visual options, as well as the **Double-click event** setting. Please note the settings for updating Manager. The **update** times are important as you will be viewing client account balance data, so you need to set the update time to a time you are comfortable with.

For column descriptions, please see Exhibit A.

- **Highlighting** – A risk management tool.



There are several options for highlighting for risk. Above you will see options to highlight rows or columns based on percentages of buying power used and loss sustained. If an account meets any of the percentages you set, they will be highlighted in the specified color on the main menu.

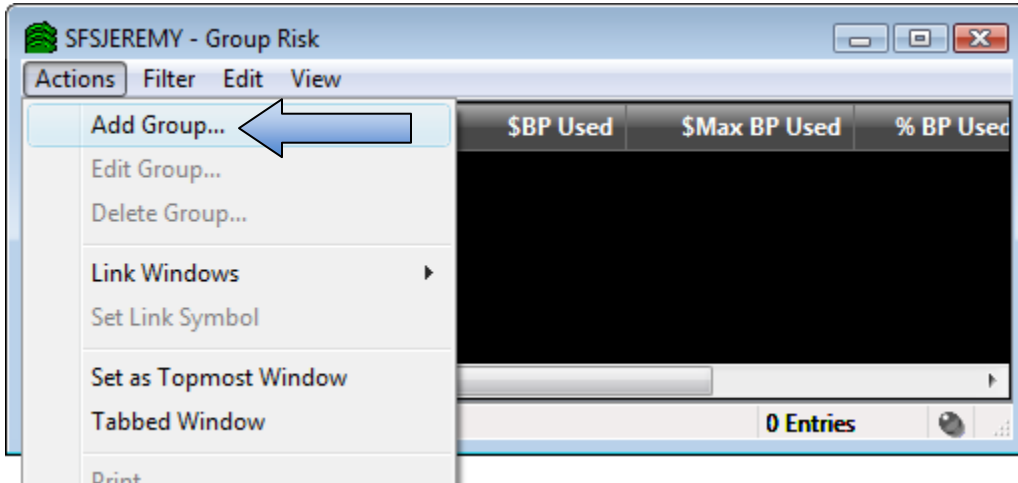
- **Server Info** keeps track of what IP and Port you are connected to should you run into a technical issue and need to call support.

WINDOWS MENU – The “Windows” menu offers the same direct access real-time trading screens as the windows menu in Sterling Trader® Pro, except that the data applies to all accounts linked to the Manager. So, a position summary window will list all the positions of every account linked to that Manager, a trading monitor will show all trades for all accounts. Please consult the user guide for Sterling Trader® Pro for the basic functionality of these windows. The exception is the Group Risk window, available in Sterling Trader® Manager, and some extra features in Trading Monitor and Position Summary. Group Risk is discussed next. Trading Monitor and Position Summary will follow in a later chapter.

GROUP RISK

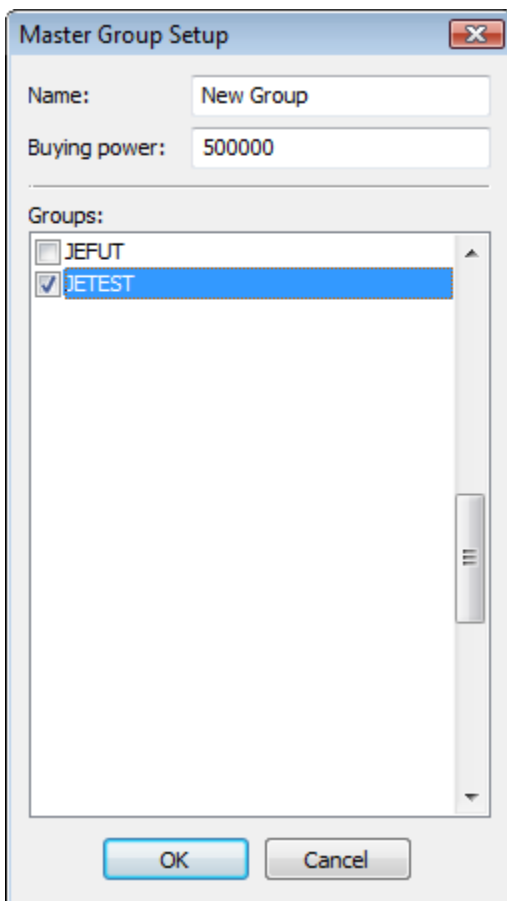
This window gives you a snapshot of buying power currently being used on a group level. In the Sterling risk system, accounts are assigned to groups. One firm may have several groups of accounts. In the Main Menu window, you see all the accounts individually. In the Group Risk window, you view whole groups on one line. You can combine more than one group into a group risk entry.

When you first bring up the Group Risk window, it will be blank. Click on the actions menu and select “Add Group” to start adding groups to the list.



The Master Group Setup window pops up with the groups you can choose from. In this example, there are two test groups.

To set up a new Master Group:



1. Name the Master Group – this one is named New Group, but you can select whatever name you prefer.
2. Enter a buying power figure. This is not binding on the group, but only used for monitoring purposes.
3. Check all the groups you want included in the master group. It can be one group or up to all groups.
4. Click OK
5. The group created now shows up on the Group Risk window. (see following page)

Master Group	\$Buying Power	\$BP Used	\$Max BP Used	% BP Used	\$Real	Total Qty
New Group	500,000	29,183	29,183	5.84	0	1,930

Ready 1 Entries

The columns shown above are the only columns available in the Group Risk window. They are:

- **Master Group** – The groups you have created.
- **\$Buying Power** – Total buying power for the group as assigned in the Master Group setup window. As a reminder, the buying power here is not enforced on the accounts in the group, it is for monitoring purposes only.
- **\$BP Used** – The total buying power currently being used.
- **\$Max BP Used** – This number reflects the largest amount of BP used on the day. So, if the \$BP Used currently is 29K, but earlier in the day the group had 200K in use at one time, then 200K would show in the \$Max BP Used column.
- **%BP Used** – The percent of the total BP that is currently being used.
- **\$Real** – Realized Profit / Loss.
- **Total Qty** (Total Quantity) – Total shares bought and/or sold short intraday (does not include previous day's trades).

In the "View" menu you can select Settings to set the criteria for highlighting a Master Group.

Group Risk Settings

General Highlighting

BP Used

Highlight individual master groups when their Max BP Used reaches certain percentages of their Buying Power

	% of BP:	Back:	Text:
Warning:	75		
Critical:	95		

Now, any Master Group will highlight if Warning or Critical percentage is met.

OPTIONS RISK

Options Risk looks at stocks and the option contracts that have been bought or written against those stocks as a whole position. This information is used to enable an auto-hedge function. Take a look at the below example.

Sym	Acct (... ▲)	Pos Delta	\$Real	\$Unreal	\$Total P/L	\$Daily P/L	Volatility	Pos Gamm
GOOG	JETEST1	25.00	0.00	(153.75)	(153.75)	115.00	0.21	0.00
AAPL	JETEST1	1,783.00	0.00	(1,282.89)	(1,282.89)	5,326.89	0.24	0.00
IBM	JETEST1	388.14	0.00	(75.00)	(75.00)	(60.00)	0.17	15.42
AMD	JETEST1	300.00	0.00	(1.50)	(1.50)	(1.50)	0.52	0.00
IBM	JETEST2	211.86	0.00	(57.00)	(57.00)	(42.00)	0.17	(15.42)
AMD	JETEST4	300.00	0.00	(1.50)	(1.50)	(1.50)	0.52	0.00
CSCO	JETEST4	300.00	0.00	(24.00)	(24.00)	(24.00)	0.28	0.00

Ready 1,963 Entries

Accounts JETEST1 and JETEST2 hold 300 shares of IBM each. However, the Position Delta is very different for each account. If you right-click on the first IBM position, you can select Details from the pop-up menu. The Position Summary window pops up for this position. As you can see, this account is long 3 IBM calls. So, both IBM and the calls IBMGB are factored in to the one-line quote in Options Risk.

Sym	Acct (J ▲)	Pos	\$Unreal	\$Real	\$Total P/L	PosAvgPrc	\$Net F	\$P/L/Shr	\$Value
IBM	JETEST1	300	(69.00)	0.00	(69.00)	105.9400	(69.00)	-0.2300	31,713.00
IBMGB	JETEST1	3	(24.00)	0.00	(24.00)	1.2300	(24.00)	-0.0300	360.00

Ready Pos: 303 Total Qty: 303 \$Real: 0.00 \$Unreal: (93.00)

The account JETEST2 has written 3 covered calls against their IBM position, which is why the position delta differs from the IBM position that also carried 3 long call options. The difference in these strategies corresponds to the difference in Pos Delta and the P/L numbers.

These option positions are bundled with the underlying stock in the Options Risk window to give the manager a complete overview of the entire position. The columns shown above in the Options Risk window are the total columns available with the exception of AH (Auto-Hedge, which, by design, does not function on Manager). They can be added or removed from the "View – Settings" menu.

POSITION SUMMARY and TRADING MONITOR SPECIAL FEATURES

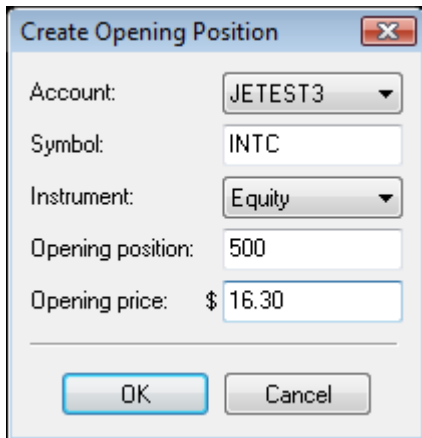
This section is a quick look at the special features available in Sterling Trader® Manager Position Summary and Trading Monitor windows. These features allow you to adjust individual positions and trades and are only available in the right-click pop-up menu. These are the functions:

- Position Summary – **Opening Position**
- Trading Monitor – **Maintenance**
- Trading Monitor – **Maintenance Close Selected**

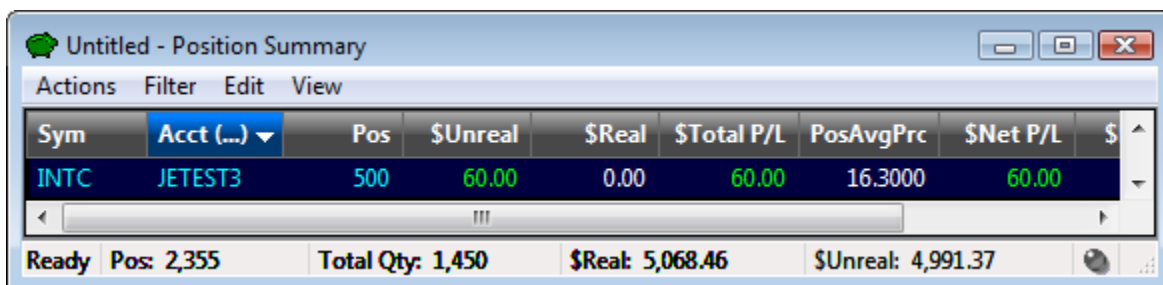
Opening Position – Allows you create a new position or adjust a current one.

To create a new opening position:

1. Right click on any position and select “Opening Position – Create” from the pop-up menu. The Create Opening Position screen pops up.



2. Select the account.
3. Enter the Symbol, Instrument, Opening Position quantity, and Opening Price (Mark to MKT not necessary).
4. Click OK and the new position will show up in the Position Summary for the selected account.

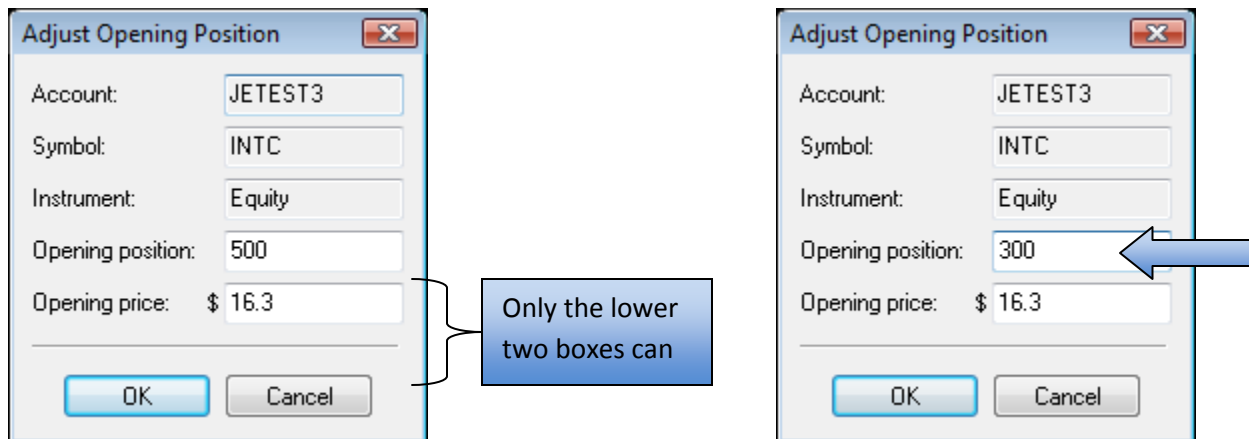


Sym	Acct (...)	Pos	\$Unreal	\$Real	\$Total P/L	PosAvgPrc	\$Net P/L	\$
INTC	JETEST3	500	60.00	0.00	60.00	16.3000	60.00	

Ready Pos: 2,355 Total Qty: 1,450 \$Real: 5,068.46 \$Unreal: 4,991.37

To adjust an opening position:

1. Right click on the position you want to adjust. In this case we'll select the 500 INTC we just added. Select "Opening Position – Adjust". The Adjust Opening Position screen pops up.



2. Adjust the Opening Position volume, or the Opening Price, or Mark to MKT. In this example we adjusted the position quantity from 500 to 300.
3. Click OK. The position is now adjusted.

Sym	Acct (...)	Pos	\$Unreal	\$Real	\$Total P/L	PosAvgPrc	\$Net P/L
INTC	JETEST3	300	33.00	0.00	33.00	16.3000	33.00

Re Pos: 2,155 Total Qty: 1,450 \$Real: 5,068.46 \$Unreal: 4,783.03

Maintenance – Adjust the details of an intraday trade.

To perform Maintenance on a trade:

1. Right click on the desired trade in the Trading Monitor window and select Maintenance... The "Order Maintenance" window pops up for the selected trade.

SFSJEREMY - Order Maintenance

Action: Change Account: JETEST4 Trader: JEREMY Sequence #: 2

Side: BUY Quantity: 300 Leaves quantity: 0 Symbol: AMD Price: 3.73

Destination: NSDQ Time in force: DAY Price type: Comm schedule: (Default) Stop Limit price:

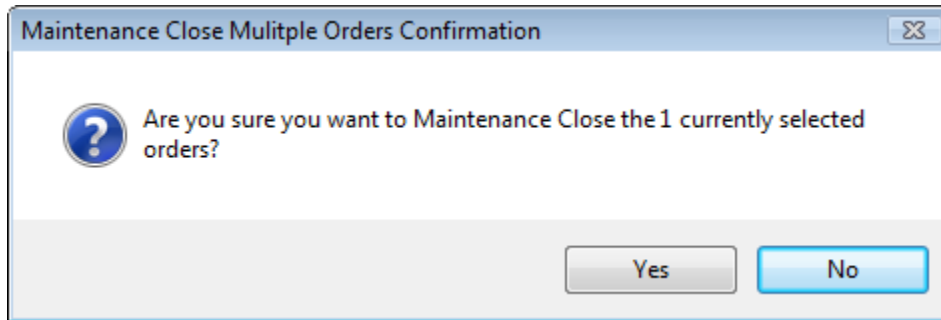
Display quantity: 300 Refresh quantity: 0 Order date: 6/29/2009 Order time: 09:37:04 Order rcvd time: 09:37:04

AON DNI DNR

Send Exit

2. There are two choices in the “Action” box. Change and Close. After that, you can update any part of the order except for the destination. For example, say the fill price above in AMD came back from the exchange in error without the decimal point (373 instead of 3.73). Using Order Maintenance, you could adjust the price correctly. You could also send the order to another account by changing the account selection box.
3. When completed, click the “Send” button.

Maint Close Selected – Should an account have an order that is showing live but it is actually cancelled (and an out has been received from the exchange), use Maint Close Selected to close the live order. Right click on the order and select Maint Close Selected. Click yes and the order will close on the platform.



CHAPTER 4 – MONITORING RISK

At last, we get to the main menu window – Here you will find the list of each individual account under your firm. There are over 40 columns of data to choose from for monitoring account status and risk. You can also disable traders from this window or re-enable previously disabled traders. Please note, values that are dependent on the market (such as Max Loss) will be affected by quotes on Sterling Trader® Manager.

The screenshot shows the Sterling Trader Manager interface with a table of account data. The table has the following columns: Acct, Group, \$Cur Net Liq, Net Qty, \$Real, \$Unreal, \$Total P/L, \$Total Exp, and Status. The data is as follows:

Acct	Group	\$Cur Net Liq	Net Qty	\$Real	\$Unreal	\$Total P/L	\$Total Exp	Status
JETEST1	JETEST	490,703.46	4962	0.00	(9,296.54)	(9,296.54)	457,867.64	Enabled
JETEST2	JETEST	(229.50)	600	0.00	(229.50)	(229.50)	38,323.50	Enabled
JETEST3	JETEST	(811.50)	1200	0.00	(811.50)	(811.50)	102,451.50	Disabled
JETEST4	JETEST	500,000.00	All Flat	0.00	0.00	0.00	0.00	Close,cxl only
JETEST5	JETEST	500,000.00	All Flat	0.00	0.00	0.00	0.00	Enabled
JETEST6	JETEST	500,000.00	All Flat	0.00	0.00	0.00	0.00	Close,cxl only
JEFUTURES	JEFUT	0.00	All Flat	0.00	0.00	0.00	0.00	Enabled

At the bottom of the window, there is a summary bar showing: Ready, All Accts, 7 Entries, \$Exp: 598,642.64, and status indicators for Market (M), Disabled (D), and Quote (Q).

In the screenshot above you will see some basic data.

- There are six equity accounts and one futures account.
- They are divided up into two groups, JETEST and JEFUT.
- You can see Current Net Liquidity, Net Quantity of shares owned, Realized P/L, Unrealized P/L, Total P/L, Total Exposure, and operating **status** of each account. One account is disabled, meaning no trading is allowed, two are set to Close and Cxl Only, meaning only closing transactions and cancelling of current live orders is allowed.

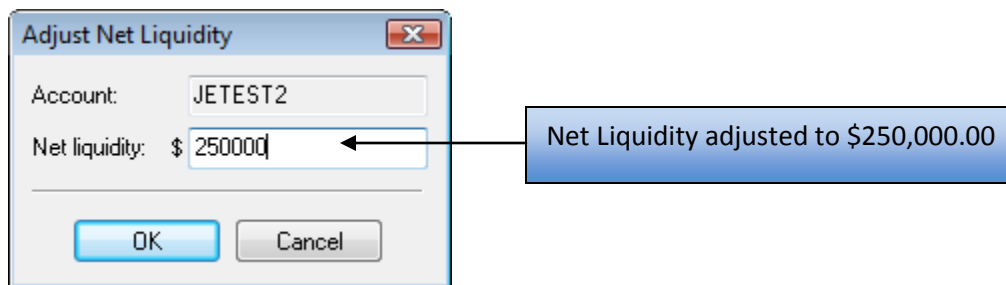
Additional columns can be added or current columns hidden by going to the View menu, selecting Settings, and selecting the General link under the Manager folder as shown on page 8.

The status of each account can be quickly changed by right-clicking on an account and selecting “Account status”, then Enabled, Disabled, or Close/Cancel Only.

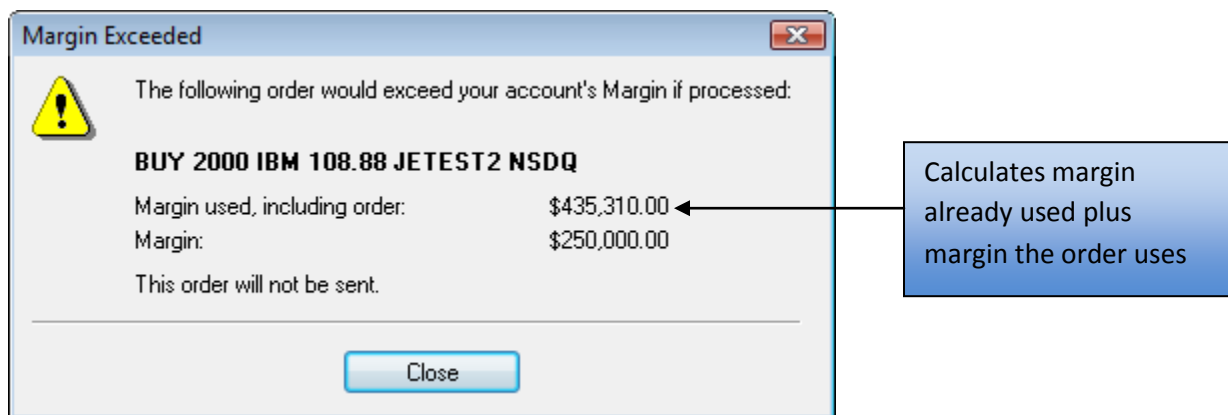


Other right-click features are:

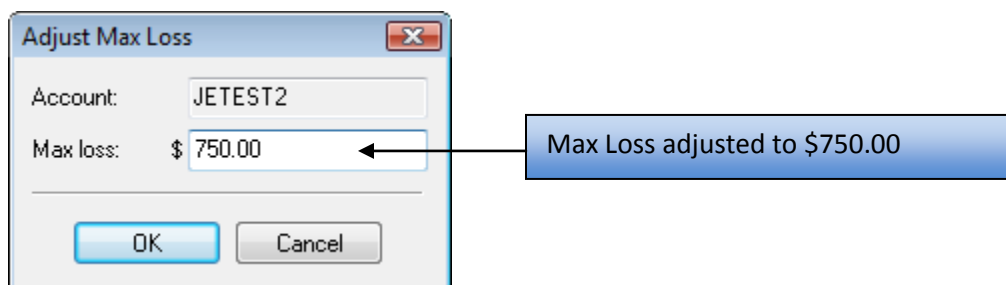
- **Adjust Net Liquidity** – Change the maximum margin an account can take on intraday.



If an order would cause the account to exceed the 250K Net Liquidity, the trader will get a reject message (assuming the trader has set up the notifications for rejected orders). Keep in mind that in this example the Net Liq. is 250K, but that number can be modified by the buying power controls discussed in Chapter 3.



- **Adjust Max Loss** – Change the maximum loss an account can generate intraday.



An account can be set to automatically switch to a status of Close and Cancel Only if Max Loss is exceeded.

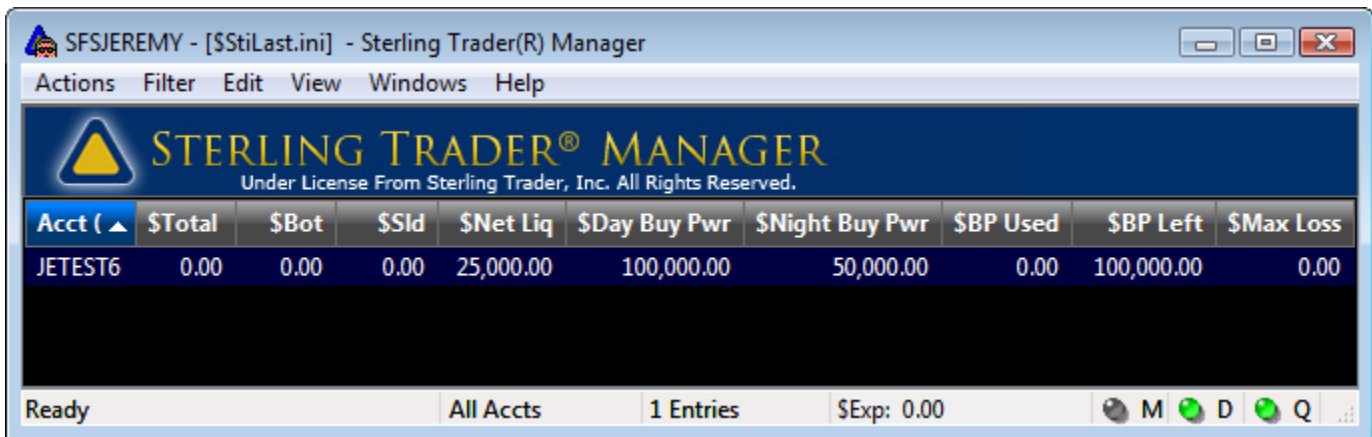
- **Position Summary** – Open a Position Summary window for the highlighted account. A manager can manage an accounts positions from this window (buy and sell just like the Position Summary window in Sterling Trader® Pro). A Manager could also allocate trades from this window if they don't allow the trader to allocate.
- **Trading, Futures, and Options Monitor** – Open Trading Monitors for the highlighted account.
- **Trader List** – Opens a window to view all traders and adjust permissions for those traders (see Chapter X).
- **Account List** – Opens the Account List window, allowing editing of risk settings for accounts (see Chapter X).

These features enable managers to effectively monitor their accounts and make quick decisions by providing, in real-time, the margin, P/L, and exposure information necessary to make those decisions, and the tools to execute. Here is an example.

Manager A manages account JETEST6. The account is set up with margin capabilities based on Buying Power Control (discussed in chapter 2). The account balances are:

- Liquidating Equity - \$25,000.00
- Day Buying Power - \$100,000.00
- Night Buying Power - \$50,000.00
- Positions – Zero, the account is flat

In the Sterling Trader® Manager main menu, the Manager has selected the following information:



The screenshot shows the Sterling Trader Manager interface. The title bar reads "SFSJEREMY - [SStiLast.ini] - Sterling Trader(R) Manager". The menu bar includes "Actions", "Filter", "Edit", "View", "Windows", and "Help". The main header displays the "STERLING TRADER® MANAGER" logo and the text "Under License From Sterling Trader, Inc. All Rights Reserved.". Below this is a table with the following data:

Acct (▲)	\$Total	\$Bot	\$Sid	\$Net Liq	\$Day Buy Pwr	\$Night Buy Pwr	\$BP Used	\$BP Left	\$Max Loss
JETEST6	0.00	0.00	0.00	25,000.00	100,000.00	50,000.00	0.00	100,000.00	0.00

At the bottom of the window, there is a status bar with "Ready", "All Accts", "1 Entries", "\$Exp: 0.00", and several status icons (M, D, Q).

The Manager has enabled P/L Control in the Edit Account screen, but sees there is currently no Max Loss amount set. The Manager right clicks on the account, selects “Adjust Max Loss” and sets it to \$1,500.00. Please note, unless Max Loss settings are enabled in the Account List, adjusting Max Loss in this window will have no effect on the account.



The screenshot shows the Sterling Trader Manager interface, similar to the previous one, but with the \$Max Loss value updated to 1,500.00. A blue arrow points to the \$Max Loss cell in the table.

Acct (▲)	\$Total	\$Bot	\$Sid	\$Net Liq	\$Day Buy Pwr	\$Night Buy Pwr	\$BP Used	\$BP Left	\$Max Loss
JETEST6	0.00	0.00	0.00	25,000.00	100,000.00	50,000.00	0.00	100,000.00	1,500.00

The status bar at the bottom remains the same: "Ready", "All Accts", "1 Entries", "\$Exp: 0.00", and status icons.

The trader proceeds to place several opening orders intraday, which can be seen in the Trading Monitor. These are all buys to open long stock positions for this example.

Time	Sym	Side	Qty	Exe Price	Acct (JETE)	Dest
12:11:07	IBM	BOT	300	99.84	JETEST6	ARCA
12:10:56	AMD	BOT	2000	3.32	JETEST6	ARCA
12:10:40	CSCO	BOT	500	17.93	JETEST6	ARCA

Ready 3 Exes 2,800 Shares

Sterling Trader® Manager is updated accordingly.

Acct (▲)	Status	\$Total P/L	\$Bot	\$Net Liq	\$Day Buy Pwr	\$BP Used	\$BP Left	\$Max Loss
JETEST6	Enabled	(149.50)	45,557.00	25,000.00	100,000.00	45,557.00	54,443.00	1,500.00

Ready Entries \$Exp: 45,557.00

Trader has purchased \$45,557.00 worth of stock and is currently down 149.50 (not including commissions)

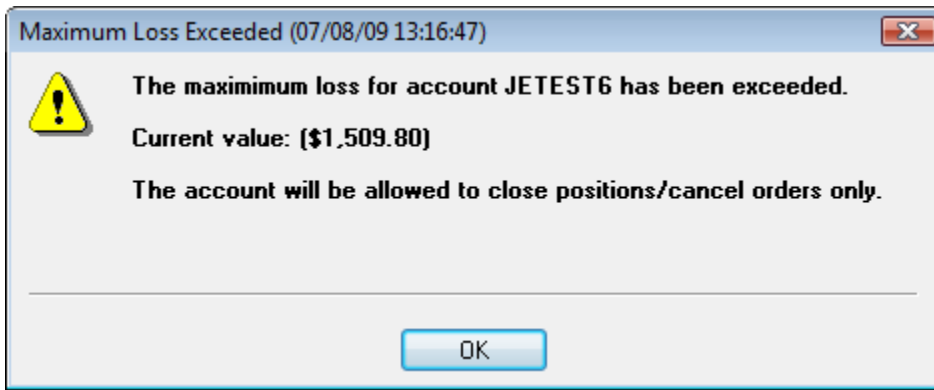
BP used and BP left are adjusted accordingly per the trades executed

Let's say the market goes against this trader. Sterling Trader® Manager reflects this in the Total P/L column (and the Realized and Unrealized P/L columns if selected). Total P/L has exceeded Max Loss, so the account switches to a status of Close, Cxl Only.

Acct (▲)	Status	\$Total P/L	\$Bot	\$Net Liq	\$Day Buy Pwr	\$BP Used	\$BP Left	\$Max Loss
JETEST6	Close, cxl only	(1,515.85)	47,252.00	25,000.00	100,000.00	47,252.00	52,748.00	1,500.00

Ready Accts 1 Entries \$Exp: 47,252.00

The trader receives the following notification:



If a trader found themselves in a risk situation where positions needed to be covered immediately, regardless of the account status, a manager could double click on the account in Sterling Trader® Manager to bring up the Position Summary for that account and close out the positions if necessary, either one by one or using the right click menu to close them all.

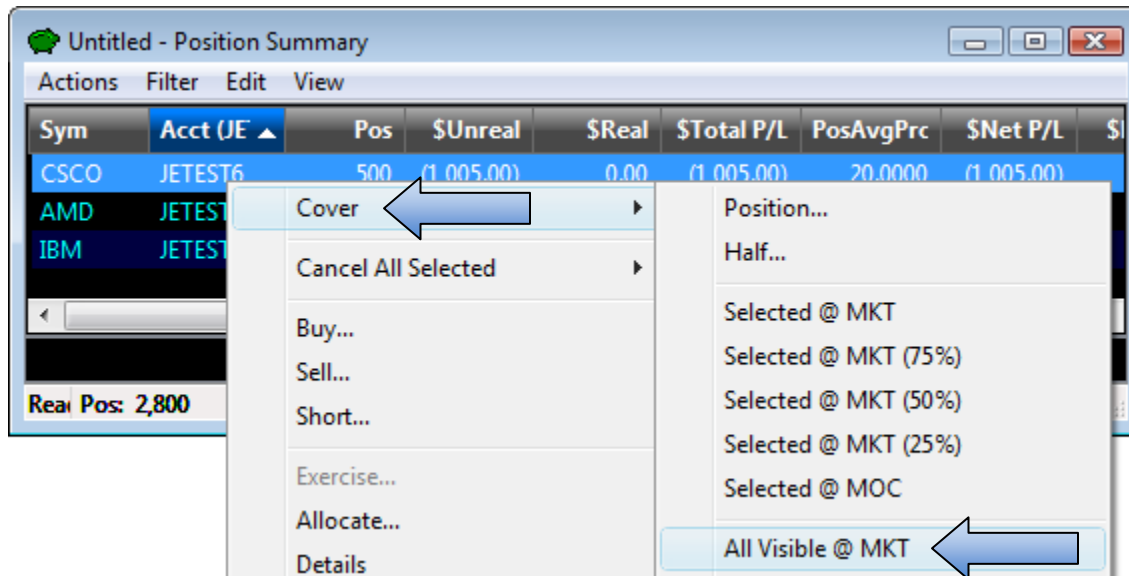


EXHIBIT A

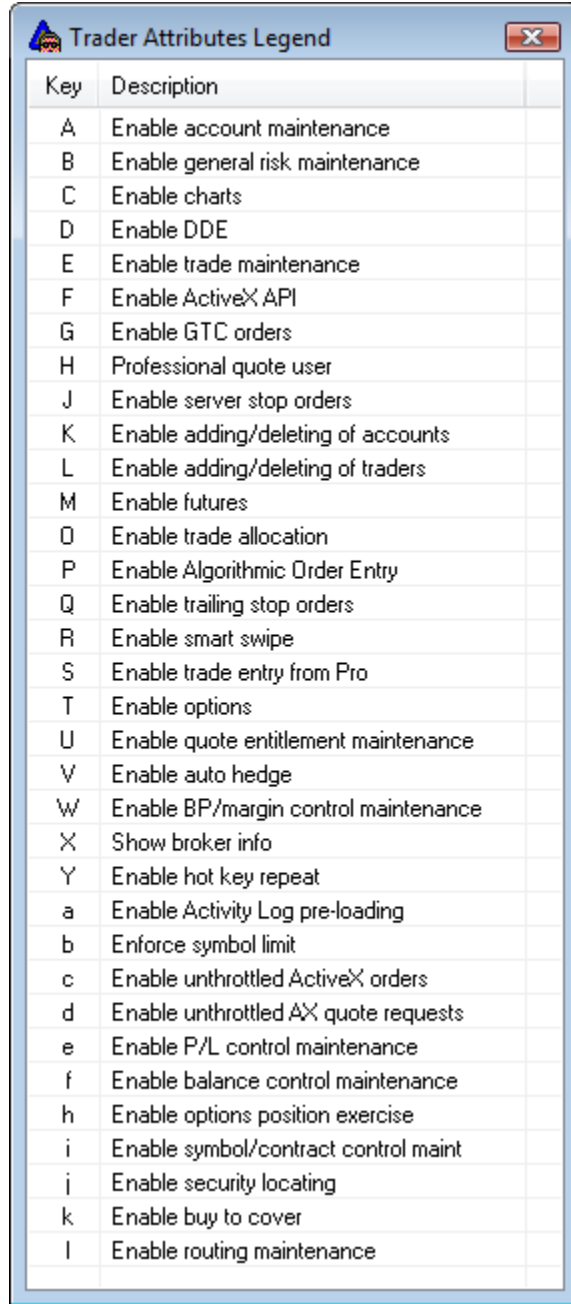
Main Menu Column Definitions

Acct	Account Number (May include text or numbers)
Group	Group the Account is set up under (This is especially handy if you want to filter accounts by the groups they are in)
Description	Description of account. For example, "Bob's Trading Account"
Net Qty	Aggregate total shares (Long minus Short) currently open
\$Real	Realized Profit and Loss
\$Unreal	Unrealized Profit and Loss
\$Total P/L	Total Profit and Loss
Qty Bot	Total shares bought intraday
Qty Sld	Total shares sold Intraday
\$Bot	Dollar amount bought intraday
\$Sld	Dollar amount sold intraday
Tkts Bot	Total buy orders executed intraday
Tkts Sld	Total sell orders executed intraday
Tlt Opg Pos	Total aggregate shares beginning of day
Tlt Lng Qty	Total outstanding shares long intraday
Tlt Shrt Qty	Total outstanding shares short intraday
\$Long Exp	Long Exposure = Long market value
\$Short Exp	Short Exposure = Short market value
\$Total Exp	Long plus Short market value
\$Net Exp	Aggregate Market Value (Long minus Short)
Qty SLng	Quantity Sold Long - Total shares sold in Long Sales
Qty SShrt	Quantity Sold Short - Total Shares sold in Short Sales
\$Sld Lng	Dollar amount sold long
\$Sld Shrt	Dollar amount sold short
Tkts SLng	Number of orders executed that were long sales
Tkts SShrt	Number of orders executed that were short sales
Total Qty	Quantity Bought plus Quantity Sold
\$Net Liq	Net Liquidity
Leverage	Net Liquidity percentage of total market value (Current Net Liquidity times the Leverage should equal current market value)
Activity	Total number of tickets executed intraday
\$Cur Net Liq	Current Net Liquidity - \$Net Liq plus or minus P/L
\$Mrgn Eqty	Margin Equity
Inst	Instruments the account can trade (Equity refers to both equities and options, but an account may not be approved for options)
\$Balance	Same as \$Cur Net Liq

Status	Status of account (Enabled, Disabled, etc.)
\$Day Buy Pwr	Intraday buying power
\$Night Buy Pwr	Post-market buying power
\$BP Used	Buying Power Used
\$BP Left	Buying Power remaining
\$Exp Left	Exposure Left - difference between buying power and current market value
\$Daily P/L	Average Daily Profit and Loss
\$Surplus	Exchange Surplus - Manager defined
\$Margin	Same as \$Net Liq
\$Max Loss	Maximum Loss allowable intraday
\$Mrgn Rel	Margin release for closing overnight positions (Applies to Canadian margin rules)

EXHIBIT B

TRADER ATTRIBUTES

A screenshot of a software window titled "Trader Attributes Legend". The window has a blue title bar with a small icon on the left and a close button on the right. The main content is a table with two columns: "Key" and "Description". The table lists 32 attributes, each with a key letter and a corresponding description of the attribute's function.

Key	Description
A	Enable account maintenance
B	Enable general risk maintenance
C	Enable charts
D	Enable DDE
E	Enable trade maintenance
F	Enable ActiveX API
G	Enable GTC orders
H	Professional quote user
J	Enable server stop orders
K	Enable adding/deleting of accounts
L	Enable adding/deleting of traders
M	Enable futures
O	Enable trade allocation
P	Enable Algorithmic Order Entry
Q	Enable trailing stop orders
R	Enable smart swipe
S	Enable trade entry from Pro
T	Enable options
U	Enable quote entitlement maintenance
V	Enable auto hedge
W	Enable BP/margin control maintenance
X	Show broker info
Y	Enable hot key repeat
a	Enable Activity Log pre-loading
b	Enforce symbol limit
c	Enable unthrottled ActiveX orders
d	Enable unthrottled AX quote requests
e	Enable P/L control maintenance
f	Enable balance control maintenance
h	Enable options position exercise
i	Enable symbol/contract control maint
j	Enable security locating
k	Enable buy to cover
l	Enable routing maintenance

EXHIBIT C

ACCOUNT ATTRIBUTES

Account Attributes Legend	
Key	Description
A	ECN fee
B	Carry over position
C	Exempt from Hard-to-Borrow
E	Use open orders for long/short sale rules
F	Allow multiple Sell Longs when covering
G	Allow partial rejects when splitting orders
H	Use open orders for exposure limit
I	Allow loading of opening position
J	Allow loading of exposure limit
K	Billable/non-billable fee
L	Enforce NYSE odd-lot rule
M	Enable slip fee by trade
N	Allow loading of forward conversions
O	Enforce locating of security
Q	Enable margin control
R	Futures - Use open orders for margin control
S	Include realized P/L for margin/buying power control
T	Include unrealized P/L for margin/buying power co...
U	Enable P/L control
V	Include unrealized P/L for P/L control
W	Futures - Enable position limit
X	Futures - Enable order size limit
Y	Futures - Allow loading of maximum loss
Z	Allow NYSE odd-lots when increasing position

a	Allow NYSE odd-lots when covering position
b	Include overnight pos value in exposure lmt
c	Enable buying power control
d	Include allocated non-clearable trades in position c...
e	Allow loading of net liq/maint excess
f	Allow loading of margin equity
g	Allow loading of multipliers
h	Allow ECN odd-lots when increasing position
i	Allow ECN odd-lots when covering position
j	Options - Allow Sell to Open
k	Options - Allow loading of opening position
l	Options - Allow Open/Close selection
m	Options - Allow unbundling of large orders
p	Allow NYSE mixed-lots when increasing position
q	Allow NYSE mixed-lots when covering position
r	Allow ECN mixed-lots when increasing position
s	Allow ECN mixed-lots when covering position
t	Enable computation of Real P/L per order
u	Forward Desk order cancels to children
w	Enforce options max order quantity when closing a ...
x	Enforce mixed/odd-lot settings
y	Allow covers to result in a mixed or odd lot
z	Cancel all open Sell Short orders when position bec...
1	Allow an invalid Sell Long order to continue process...
2	Cancel all open Sell Long orders when position bec...
3	Double OATS
4	OATS match giveup