



X T I V A

SAN FRANCISCO

NEW YORK

Press Contact:

David Eaton
Ferosus
617.648.0099
david.eaton@ferous.com

STERNE AGEE CLEARING ANNOUNCES XTIVA ALLIANCE

Capital Investment Companies goes live with Xtiva suite!

NEW YORK – OCTOBER 18, 2006 -- Xtiva Financial Systems, a leading provider of enterprise solutions for the brokerage industry today announced that Sterne Agee Clearing of Boca Raton, Florida and a division of Sterne Agee Capital Markets, has signed a marketing alliance with Xtiva Financial Systems. This alliance enables Sterne Agee correspondents to receive preferred pricing for Xtiva's sales compensation system solutions.

"One of the key drivers to our business is the ability to deliver leading-edge technology solutions for our broker/dealer clients to support their business development opportunities. By partnering with Xtiva, we are able to increase the richness of our technology offering without the significant expense and time that would be required if we were to develop these solutions ourselves," said Dennis Ferguson, President of Sterne Agee Clearing. "We are especially pleased with the quality and professionalism of everyone we have been working with at Xtiva on the implementation for Capital Investment Companies. We are confident that many of our other clients will be able to leverage the Xtiva platform and save a significant amount of money in their operations."

"We have always believed strongly in the need to partner with industry leading firms to help us improve our product and grow our client base. The partnership with Sterne Agee Clearing further solidifies our position as the leading provider of incentive management solutions to the brokerage industry. We look forward to working with everyone at SAL as we deploy our products to their clients throughout the U.S." said William Lieberman, CEO, Xtiva Financial Systems.

The first correspondent to take advantage of the platform is Capital Investment Companies, a Raleigh, North Carolina-based retail brokerage firm. CIC has rolled out the application for its 150+ registered reps across the Southeast. "We are excited to provide our reps with a state-of-the-art solution and achieve a significant return on our investment at the same time," said Richard Bryant, President of Capital Investment Companies. "We no longer have to worry about paying our reps correctly, and they can focus their energies on servicing and growing their client base."

XTIVA FINANCIAL SYSTEMS • WWW.XTIVA.COM

28 WEST 44TH STREET • SUITE 815 • NEW YORK, NY 10036 • 212.228.6200 P • 212.260.3980 F
180 GEARY STREET • 6TH FLOOR • SAN FRANCISCO, CA 94108 • 415.982.9882 P • 415.982.9824 F

The Xtiva suite provides full support for commission and compensation planning, back-office operations and reporting. Key benefits of the Xtiva suite include:

- Consolidation – clients gain command of all key business data in one accessible and extensible data mart;
- Flexibility - Easy modeling of unlimited payout, fee, and bonus structures to support the evolving business needs of a brokerage firm;
- Efficiency - Streamlined back-office processing and automation of processing for all types of data feeds
- Business visibility - Enterprise production reporting, including management-level reporting, agent/rep, branch, account, products, etc.

About Xtiva Financial Systems

Xtiva Financial Systems is a leading provider of Software as a Service (SaaS) solutions for the brokerage industry. Founded in 1998 and based in New York City, Xtiva has developed state-of-the-art technologies that enable retail and institutional broker/ dealers to streamline operations, from sales compensation and production reporting to supervision of rep licensing and compliance issues. With over 90 clients and key industry alliances, Xtiva is the leading provider of sales compensation solutions to the brokerage industry.

Xtiva's clients include AmSouth Investment Services, AXA Advisors, H&R Block Financial Advisors, Mutual of Omaha Investor Services, New England Securities, Northern Trust, UBS, and Walnut Street Securities. For more information about Xtiva, visit www.xtiva.com.

About Sterne Agee Leach

Sterne, Agee & Leach Group has three distinct broker dealer operations. Sterne, Agee & Leach, Inc. is a regional NYSE Member Firm that has been providing investment advice for over 100 years. SAL Financial Services, Inc., member NASD, provides retail brokerage services to clients through a network of over 200 independent and bank-based brokers. SAL Capital Markets provides clearing and execution services to over 80 broker dealers with more than 1500 registered representatives. The company's Web site address is: www.sterneagee.com

About Capital Investment Companies

Capital Investment Companies is comprised of Capital Investment Brokerage, Inc and Capital Investment Group, Inc., registered broker/dealers (Members NASD/SIPC), and their affiliates. Capital Investment Companies (www.capinvestco.com) is one of the largest independent financial services and brokerage organizations in the Southeastern United States, headquartered in Raleigh, NC. The firm offers a wide variety of financial services including: traditional investment brokerage, money management, investment banking, trust services, no-load mutual fund management, mortgage services, estate planning, insurance services, retirement plans and a community foundation. They offer their services to individuals, corporations, and the CPA and banking community.