

AMENDED AND RESTATED
PROCEDURES FOR REPORTING VIOLATIONS OF
COMPLIANCE STANDARDS
OF
GLEACHER & COMPANY, INC.

Effective as of March 11, 2010
(Name Change as of May 27, 2010)

The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, internal controls, audit practices and Company policies and procedures (collectively, the “Standards”). Employees of the Company are encouraged to report facts or observations that suggest past or ongoing violation of or noncompliance with the Standards (“Noncompliance”). The Company has a policy of non-retaliation, and consequently employees should feel free to make good faith reports of potential Noncompliance without fear of dismissal or retaliation of any kind. The Company’s Audit Committee will oversee the investigation of any reports of Noncompliance and the enforcement of the Company's non-retaliation policy.

In order to facilitate the reporting of Noncompliance, the Company’s Audit Committee has established the following procedures for (i) employee reporting of Noncompliance, including through a confidential, anonymous reporting system, and (ii) the receipt, retention, investigation and ultimate disposition of reports of potential Noncompliance.

As used herein, “employee” shall mean any person currently or formerly employed by the Company in any capacity, or any person with actual knowledge of any information regarding the violation of or noncompliance with the Standards.

A. Reports of Potential Noncompliance -- General

1. Employees who believe that they have relevant information with respect to potential past or ongoing Noncompliance are encouraged to report their concerns to their supervisor.
2. If it would not be appropriate to discuss your concerns with your supervisor, or if you do not feel comfortable approaching your supervisor with your concerns, discuss the matter with the Director of Human Resources, the General Counsel of the Company, or an attorney in the Legal Department.
3. Supervisors, the Director of Human Resources and any attorney in the Legal Department are obligated to immediately and completely relate each such report to the General Counsel of the Company.

B. Reports of Potential Noncompliance – Anonymous Reports

1. To further facilitate reporting of potential Noncompliance, the Company has established two different methods for making reports on an anonymous basis. First, an employee may call the Company's toll-free anonymous voice mailbox at 1-866-480-6132. Second, employees may write to an anonymous drop-box through the Company's website at <http://www.gleacher.com/Legal/compliancehotline/Pages/default.aspx>. Both methods are completely anonymous, and employees will be instructed on how further communications can be made, should the employee so choose.

C. Treatment of Reports of Noncompliance

1. Upon receipt of a report, the General Counsel will (i) inform the Audit Committee of the receipt and the substance of the report, (ii) investigate and, in accordance with Audit Committee instructions, report the General Counsel's findings to the Chairman of the Audit Committee and (iii) when possible, acknowledge receipt of the report to the sender.
2. Reports of Noncompliance will be reviewed under the Audit Committee's direction and oversight by the General Counsel, the Company's internal audit department or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
3. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
4. As stated above, the Company has a policy of non-retaliation and will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of Noncompliance as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

D. Reporting and Retention of Reports and Investigations

The General Counsel will maintain a log of all reports, track their receipt, investigation and disposition and prepare a periodic summary report thereof for the Audit Committee. Copies or transcriptions of reports and such log will be maintained in accordance with the Company's document retention policy.

E. Disclosure

These reporting procedures are available on the Company's website at www.gleacher.com.