

Order Flow Practices (SEC Rule 607 Disclosure)

Your broker/dealer routes its orders through National Financial Services LLC (“NFS”), which provides securities clearance services for your broker/dealer and is a member of the New York Stock Exchange and other major stock exchanges.

Payment for Order Flow Policy

- NFS receives compensation or other consideration (commonly referred to as “payment for order flow”) for directing orders to particular broker/dealers or market centers for execution.
- Payment for order flow may take such forms as financial credits, monetary payments, rebates in the form of a reduction of fees charged, volume discounts or reciprocal business.
- NFS’s payment for order flow and order routing policies are furnished to customers on an annual basis.

Order Routing Policy

Absent specific order routing instructions from customers, NFS transmits customer orders for execution to various broker/dealers, exchanges and other market centers based on a number of factors. Such factors include: the ability of a market center to execute the orders at or superior to the publicly quoted market; the speed of execution; the availability of efficient, automated transaction processing; liquidity enhancement opportunities; the speed of displaying better-priced limit orders; trading characteristics of the particular securities; and the extent to which different markets may be more suitable for different types of orders or different securities. Some market centers or broker/dealers may execute orders at prices superior to the publicly quoted market.