

Payment for Order Flow and Order Routing Policies Disclosures [Regulation NMS—Rule 607(a)(1)–(2)]

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. Your broker/dealer does not receive compensation for directing order flow.

- NFS receives remuneration, compensation, or consideration (“payment for order flow,” collectively referred to below as “PFOF”) for directing orders in equity securities to particular broker/dealers or market centers for execution.
- PFOF may take such forms as financial credits, monetary payments, or reciprocal business.
- NFS’s PFOF and order routing policies will be furnished to customers on an annual basis.

Absent specific order routing instructions from customers and regardless of whether or not payment for order flow is received, NFS transmits customer orders for execution to various exchanges and other market centers based on a number of factors. Such factors include the following: the ability of a market center to execute the orders at or superior to the national best bid and offer (NBBO); the ability of a market center to provide price improvement opportunities; 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.

National Financial Services LLC, Member NYSE, SIPC
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