Jane Street Execution Services
Client Disclosures

Jane Street Execution Services, LLC ("JSES") is an SEC-registered broker-dealer and member of FINRA. JSES is wholly owned by Jane Street Group, LLC and is under common control with entities engaged in proprietary trading, including Jane Street Capital, LLC, a U.S. broker-dealer, and Jane Street Financial Limited, a U.K. dealer (the "Proprietary Trading Affiliates").

This document provides important information to clients of JSES regarding its brokerage services, including:

> (1) *Client Negotiated Trades*. JSES will accept requests-for-quotes (RFQs) from clients seeking liquidity from Proprietary Trading Affiliates for larger orders. Clients may submit RFQs through a variety of means, including phone, electronic chat or electronic RFQ platforms. JSES will respond with quotes generated by the Proprietary Trading Affiliates and, if a quote is accepted in a timely manner, execute any resulting transaction OTC solely as directed by the client (each a "Client Negotiated Transaction").
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> (2) *Working Not-Held Orders*. JSES will accept "not-held" orders from clients. JSES will work these orders on a discretionary basis, subject to any client instructions, by (i) routing all or part of the order to third-party operated market centers, (ii) executing all or part of the order against a proprietary order or quote from a Proprietary Trading Affiliate (each execution against a Proprietary Trading Affiliate, a "Discretionary Negotiated Transaction") or (iii) routing all or part of the order to JX.[1]

The Proprietary Trading Affiliates will continue to trade for their own accounts in securities which are routed to JX or which may become the subject of either Client Negotiated Transactions or Discretionary Negotiated Transactions.

Working Not-Held Orders

When routing to a third-party operated market center, JSES also may route all or part of the order to market centers where its Proprietary Trading Affiliates are members, subscribers or market-makers, and will be trading in the subject security on a proprietary basis. When working not-held orders, JSES will <u>not</u> attempt to arrange negotiated trades with unaffiliated OTC liquidity providers.

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[1] JX is a proprietary, electronic, single-dealer execution venue operated by Jane Street Capital, LLC ("JSC"), a Proprietary Trading Affiliate. All client orders submitted to JX will either be executed against orders submitted by JSC or cancelled back to JSES for further handling. Direct subscribers of JX receive a separate disclosure document providing information about JX (the "JX Disclosures"). A copy of the JX Disclosures will be provided upon request.

Disclosure of Client Identity and Order Information

Employees of the Proprietary Trading Affiliates will be aware that clients have established client relationships with JSES. Unless a client specifically requests otherwise, in connection with Client Negotiated Transactions and Discretionary Negotiated Transactions, JSES will identify the JSES client when communicating with a Proprietary Trading Affiliate to seek a quote.

JSES will also retain certain client information and data, including, but not limited to, requests for quotations and other trading inquiries. To the extent permitted by law and contract, JSES will make this information available to appropriate personnel employed by its global affiliates for the purpose of providing the client with worldwide trading and other client services. JSES has adopted a series of policies, procedures and internal controls generally designed to prevent the unauthorized disclosure of client information and data to certain employees of our affiliates and to third parties.

Exchange Act Rule 606 - Order Routing

JSES is currently exempt from the reporting requirements of Exchange Act Rule 606, which requires broker-dealers receiving non-directed client orders to publicly disclose, on a quarterly basis, the top execution venues to which such orders are routed for execution (the "Rule 606 Reporting Requirements"). Upon your request, however, JSES will furnish you with the particular market center to which your order was routed, and the time of any related execution, for any order routed by JSES within six months of your request.

Exchange Act Rule 607 – Order Routing Practices

Absent specific instructions from a customer, JSES transmits customer orders to various exchanges, ATSs and other non-JSES affiliated market centers via third-party smart order routers ("SOR"s). The SORs utilized by JSES make market center determinations based on various factors. Such factors may include, but are not limited to: market response time (i.e., speed), liquidity enhancement opportunities (i.e., likelihood that a market center will execute orders in a size greater than the displayed size), execution rates and price improvement (i.e., the frequency and amount by which a market center executes orders at or superior to the national best bid or offer and/or its own displayed price, either on an absolute basis or relative to the quoted spread for the subject security). In determining whether to enter into any Discretionary Negotiated Transaction, JSES considers the size and price available from a Proprietary Trading Affiliate relative to the expected execution quality available via SORs from third-party market centers. Where a client directs the market center to which an order is routed, JSES will route the order to such market center in accordance with the client's instructions if possible, without regard to JSES' general order-routing practices. Other than orders where a customer has requested that JSES seek to execute the entire order as a Client Negotiated Transaction, all orders are treated by JSES as "not held" orders. JSES treats the time in force for "Day" orders as between 9:30 a.m. and 4:00 p.m. Eastern Standard Time, on a normal trading day.

JSES receives commission payments from Proprietary Trading Affiliates for facilitating Client Negotiated Transactions and Discretionary Negotiated Transactions, and JSES may receive standard liquidity rebates from exchanges to which JSES or an SOR routes orders. SEC rules require that JSES disclose these payments to you as payment for order flow arrangements. Additional information about source and nature of any compensation received in connection with a customer's particular transaction is available upon written request to JSES.

Compensation to Proprietary Trading Affiliates: Executions in which a Proprietary Trading Affiliate was the counterparty, including Client Negotiated Transactions and Discretionary Negotiated Transactions, may result in a profit or loss by such Proprietary Trading Affiliate. Any profits resulting from such principal trading activity by the Proprietary Trading Affiliate shall be in addition to any commissions charged by JSES to its clients.

FINRA Rule 5320

FINRA Rule 5320 generally prohibits a broker-dealer that accepts and does not immediately execute a "held" order in a security from its customer or a customer of another broker-dealer from trading that security on the same side of the market for its own account at a price that would satisfy the customer order, unless it executes the customer order immediately thereafter up to the size and at the same or better price at which it traded for its own account.

With respect to the orders of an "institutional account", as defined in NASD Rule 3110, FINRA rule 5320 permits a broker-dealer to effect a transaction for its proprietary account on the same side of the market as a customer order at a price that would satisfy such customer order provided that notice is provided to the customer and the customer is afforded an opportunity to "opt-in" to the Rule 5320 protections with respect to all or any particular orders.

Clients are advised that the Proprietary Trading Affiliates will continue to trade for their own accounts while JSES is handling orders of institutional accounts unless the client specifically requests at the time of order submission to opt-in to Rule 5320 protections. Certain JSES services, however, such as Client Negotiated Transactions and Discretionary Negotiated Transactions, will not be available with respect to such held orders.

FINRA Rule 5270

FINRA Rule 5270 generally prohibits a broker-dealer from trading for its own account while in possession of knowledge of an imminent customer block transaction. Supplementary Material .04 to FINRA Rule 5270 does, however, recognize certain permitted transactions, including transactions unrelated to the customer order and transactions undertaken for the purpose of fulfilling, or facilitating the execution of, the customer block order.

Consistent with Supplementary Material .04 JSES is disclosing that relevant rules would permit the Proprietary Trading Affiliates to engage in hedging or positioning activity in connection with a Client Negotiated Transaction or Discretionary Negotiated Transaction. Should the Proprietary Trading Affiliates engage in any such activity they will always attempt to limit the amount of market impact.

Reference Price Trades

In any instance in which JSES arranges a transaction in which a Proprietary Trading Affiliate agrees to execute at a price relative to an applicable reference (such as VWAP, NAV or an opening or closing price), JSES (and, by extension, the Proprietary Trading Affiliate) reserves the right to modify the terms by which the applicable reference price is calculated (but only to the extent reasonably required to account for a Material Adverse Event – as defined below) or to cancel such transaction. A Material Adverse Event shall mean the occurrence of any of the following: (i) the widespread loss of connectivity to the primary stock exchange where the subject security or any underlying or reference securities or instruments are traded; (ii) the unscheduled closure of the primary stock exchange where the subject security or any underlying or reference securities or instruments are traded; (iii) the temporary suspension, halt or other curb in trading of the subject security or any underlying or reference securities or instruments; (iv) the failure of utility services, (v) the occurrence of a natural disaster, including (but not limited to) fires, floods, earthquakes, hurricanes or tsunamis, (vi) any act of war (declared or undeclared) or act of terrorism, (vii) the incorrect dissemination of a reference price due to a technological or other failure on the part of an issuer or pricing dissemination service or (viii) the occurrence of any civil disturbance, including (but not limited to) labor strikes, large-scale political or social protests or riots, or other events beyond the reasonable anticipation or control of JSES, but only to the extent that any such Material Adverse Event, in the reasonable judgment of JSES and the Proprietary Trading Affiliate, makes the Proprietary Trading Affiliate's ability to honor the price commitment on its previously agreed-upon terms impossible or impractical.

In any instance in which the Proprietary Trading Affiliate provides a price commitment on a trade, the Proprietary Trading Affiliate is likely to trade the subject security or any related instruments for hedging and other reasons. This trading is likely to have an impact on the subject reference price; however, the Proprietary Trading Affiliate will always attempt to limit the amount of impact from any such activity.

Erroneous Transactions

If the SEC, FINRA, an SRO or any other regulatory body determines that an executed transaction is "clearly erroneous" or should otherwise be cancelled, JSES will be required to cancel the transaction and will not be able to honor the executed price or any other terms. Additionally, JSES reserves the right to adjust, cancel, correct or take any other appropriate actions when it reasonably deems an executed transaction to be erroneous in nature, even if such transaction would not be subject to modification or cancellation pursuant to the various clearly erroneous rules referenced above. In either circumstance, JSES shall have no responsibility for the canceled or corrected portion of the transaction.

Trading of Exchange-Traded Products

JSES does not provide investment advice and makes no recommendations about the purchase or sale of securities.

Before investing in exchange-traded products ("ETPs") such as exchange-traded funds (ETFs) or exchange-traded notes (ETNs), clients should carefully consider the nature of the products in which they are investing. Issuers of U.S.-listed ETPs file registration statements, including prospectuses, with the SEC. Such registration statements contain information regarding the investment objectives, risks, charges and expenses of ETPs, among other things. For complete information on a product, clients should obtain and read the prospectus in the registration statement, as well as any other document submitted by the issuer of the ETP to the SEC or other relevant international regulatory body. In the U.S., these and other documents can be obtained for free by visiting EDGAR on the SEC website at www.sec.gov. Clients may also obtain a copy of these materials from the issuer of the ETP.

Leveraged and inverse ETPs, in particular, may carry unique risks, including leverage, derivatives, complex investment strategies and compounding risk. These ETPs may not be suitable for all investors as they are often intended for tactical trading rather than long-term investing and thus require active monitoring and management. Clients may reference the SEC's Alert on Leveraged and Inverse ETFs at http://sec.gov/investor/pubs/leveragedetfs-alert.htm.

ETPs are not individually redeemable and ETPs may only be redeemed in creation unit size aggregations by authorized participants. Certain ETPs are only redeemable on an "in-kind" basis, though the public trading price of a redeemable lot may differ from the net asset value, as ETPs may trade at a discount or premium to their net asset value.

Extended Hours Trading Risk Disclosure Statement

Clients should consider the following points before engaging in extended hours trading. "Extended hours trading" means trading outside of "regular trading hours." "Regular trading hours" generally means the time between 9:30 a.m. and 4:00 p.m. Eastern Standard Time.

- Risk of Lower Liquidity. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.

- Risk of Higher Volatility. Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading to that you would receive during regular trading hours.

- Risk of Changing Prices. The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading to that you would receive during regular trading hours.

- Risk of Unlinked Markets. Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system to that you would receive in another extended hours trading system.

- Risk of News Announcements. Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

- Risk of Wider Spreads. The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

Client Complaints

Any client who wishes to lodge a complaint related to the activities of JSES or any of its current or former personnel may do so in any of the following manners:

- By mailing the complaint to JSES' offices at 250 Vesey Street, 6th Floor, New York, NY 10281. Attention: Compliance
- By phoning JSES' offices at 646-759-6000 and asking to speak with Compliance; or
- By sending an email to jses-complaints@janestreet.com

In order to best track and respond to client complaints, JSES urges clients to lodge any complaint via the email address provided above.

Transaction Settlement

All JSES transactions are settled by its appointed clearing broker, Merrill Lynch Professional Clearing Corp.

SIPC Notice - FINRA Rule 2266

JSES is a member of the Securities Investor Protection Corporation ("SIPC"). You may obtain information about SIPC and a copy of the SIPC brochure by contacting SIPC at:

Securities Investor Protection Corporation
805 15th St. NW, Suite 800
Washington, DC 20005-2215
Tel: (202) 371-8300
Fax: (202 371-6728
Email: asksipc@sipc.org
SIPC's website is www.sipc.org

FINRA Rule 2267 Disclosure

FINRA BrokerCheck, formally known as the FINRA's Public Disclosure Program, allows investors to learn about the professional background, business practices and conduct of FINRA member firms and their associated persons. The telephone number of the FINRA BrokerCheck is 800-289-9999, the website address http://www.FINRA.org. An investor brochure that includes information describing FINRA BrokerCheck is also available upon request.