

PAYMENT FOR ORDER FLOW AND ROUTING OF CUSTOMER ORDER DISCLOSURE STATEMENT

POLICY REGARDING RECEIPT OF PAYMENT FOR ORDER FLOW

RBC Correspondent Services, a division of RBC Capital Markets, LLC, upon the request or instruction of your firm will, depending on the security involved or the size of the order, execute the order through a broker-dealer that is a market maker in that security or execute the order through a primary or regional securities exchange. RBC Correspondent Services assesses the quality of the markets to which it routes order flow. Our primary objective is to obtain the best execution of transactions, regardless of any compensation factor.

In return for routing an order to certain markets, we receive cash payments, return order flow and/or favorable adjustments on trade errors involving your firm or RBC Correspondent Services. Any remuneration we receive for directing orders to any exchange, broker-dealer or other market center is considered a reduction of our execution costs and will not accrue to your account. Cash payments received on order flow may be shared with your firm.

Your firm may choose to execute trades away from RBC Correspondent Services. It is your firm's responsibility to disclose any cash payment it receives for order flow it directs to anyone other than RBC Correspondent Services. It is also your firm's responsibility to assess the quality of the market for trades executed away from RBC Correspondent Services.

The national best bid or offer (NBBO) is the best published bid or the best published offer price in an electronic communications network system for the purchase or sale, respectively, of a security at the time an order is presented for execution. RBC Correspondent Services receives cash payment in accordance with the following schedule for directing order flow to the following firms on Nasdaq National Market securities (NMS) that are executed at the NBBO.

G1 EXECUTION SERVICES, LLC

Market and limit orders executed after the opening are paid at a rate of \$.00035/ share.

Citadel Execution Services (CES) — RBC Capital Markets, LLC, routes options orders to CES for execution on multiple options exchanges. RBC Capital Markets, LLC, receives payment from CES at a rate of \$.75/contract (or less in select cases).

Citigroup Global Markets Inc. (CMGI) — RBC Capital Markets, LLC, routes options orders to CMGI for execution on multiple options exchanges. CMGI maintains three proprietary lists of options that determine the rate of payment for order flow which can be furnished upon request. RBC Capital Markets, LLC, receives payment from CMGI subject to the following schedule:

A List	\$.65/contract
B List	\$.10/contract
C List	\$0.00/contract

Although no formal reciprocal agreement exists, RBC Correspondent Services may direct orders to specific broker-dealers that may then be more likely to agree to favorable adjustments of trade errors involving your firm or RBC Correspondent Services.

The schedule of remuneration set forth above may change at any time, both with respect to rates at which payments are made and with respect to the broker-dealers from which such payments are received.



Policy for Determining Where to Route Customer Orders — RBC Correspondent

Services assesses the quality of the markets to which it routes order flow with the objective of obtaining the best execution of the transaction. Our assessment includes consideration of the speed of execution, the size of orders that can be executed and experience in price improvements relative to the NBBO. RBC Correspondent Services may, depending on the security involved and/or the size of the order, execute the order with another broker-dealer market maker or execute the order through a primary or regional securities exchange. Several of these market facilities offer automated execution services for smaller orders, and RBC Correspondent Services typically executes such orders through one of these automated execution systems.

Orders sent to the above-mentioned firms are exposed across all exchanges and market centers for the purpose of obtaining price improvement. If price improvement is obtained, no cash payment is received by RBC Correspondent Services for the order.

At your request, RBC Correspondent Services can provide you with specific information regarding equity or option orders placed on your behalf for the preceding six months – i) routing information; ii) if the order was directed or non-directed, and iii) the time of transaction, if any, that resulted. To make a request, contact your financial advisor.