

References herein to “Benchmark”, “we”, “us”, or “our” are references to The Benchmark Company, LLC., a subsidiary of StoneX Group Inc.

Regulation NMS Order Protection Rule

Rule 611 of Regulation NMS (commonly known as the Order Protection Rule) requires that every stock trading center establish and enforce a policy to ensure no transaction will be traded-through, or executed, at a price that is worse than a “protected” quotation in that security displayed at another trading center. Rule 611 contains a number of exceptions, which are designed to make the rule’s intermarket price protection as efficient as possible. One of those exceptions is referred to as the Intermarket Sweep Order, or ISO exception. An ISO is a limit order for an NMS stock that is identified with an ISO designation when routed to an automated trading center and, simultaneously with the routing of that limit order, is accompanied by one or more additional limit orders (also marked as ISOs) that will execute against the protected quotations on those automated trading centers. The ISO designation alerts the receiving automated trading center that the order sender itself is executing against any better priced protected quotations at other automated trading centers.

A broker-dealer is obligated to send ISOs when the price of a transaction between the broker-dealer and a customer, or a transaction between two or more customers, is outside of the current NBBO for the NMS stock. If, after sending ISOs to other automated trading centers and receiving fills/partial fills back (or receiving no response after a reasonable period of time, e.g., within 5 seconds), there are still shares of the order left to be executed, the broker-dealer can then execute the remainder at the original order price. It is at Benchmark’s discretion whether the customer will receive the ISO fills.

Options Trading

Options involve risk and are not suitable for all investors. Options trading is considered speculative and it is possible to lose a portion, all of your initial investment, or funds in excess of the principle invested. Prior to buying or selling an option, a person must receive a copy of Characteristics and Risks of Standardized Options (ODD). Copies of the ODD are available from your broker by calling 1-212-312-6700, or from The Benchmark Company, LLC, 150 East 58th Street, 17th Floor, New York, NY 10055. The information in this Web site is provided solely for general education and information purposes and therefore should not be considered complete, precise, or current. Many of the matters discussed are subject to detailed rules, regulations, and statutory provisions, which should be referred to for additional detail and are subject to changes that may not be reflected in this text. No statement within the Web site should be construed as a recommendation to buy or sell a security or to provide investment advice. The inclusion of the FINRA membership in this Web site should not be construed as an endorsement or an indication of the value of any product or service.

Some products described on this Web site may not be available to investors in the U.S. or the U.K. Please contact your local office for specific details.

Order Handling Policies and Disclosures

At Benchmark, our highest priority is seeking the best quality execution of your orders. The following disclosures are intended to clarify certain terms and conditions governing the execution of your orders in exchange-listed and over-the-counter equity securities that are handled by us and should be read carefully. Please contact your sales representative promptly in writing if you have questions regarding these disclosures or if these disclosures do not accurately reflect your understanding of the manner in which you authorize us to execute your orders.

When Benchmark receives an order from you, we will fill the order on a securities exchange or execute the order in a transaction with another broker-dealer directly. We will also use NASDAQ’s trading services, an algo provider, ATS, ECN or other market. These markets or broker-dealers through which we execute customer orders are referred to in this statement as “market centers”. To avoid potential conflicts of interest, Benchmark does not have an ownership or other proprietary interest in any exchange, ECN, ATS or other market center to which it will route your order.

In determining the market center to which we will route a particular order, we give absolute priority to specific instructions from you. In the absence of such instructions, we will route your order to a market center that we believe will provide best execution. The determination of the most appropriate market center will be based upon our discretion which may include a number of factors, including the percentage of orders executed at or better than the national best bid or offer, the quality and speed of execution, and any specialized capabilities of the market center. These factors may differ for particular orders based upon the size of the order and the trading characteristics that may be unique to the security involved. Benchmark may also use a smart router to access liquidity in the marketplace. The router will attempt to access liquidity based upon a variety of factors, including availability, price improvement, connectivity, cost, and depth of liquidity.

When handling orders on an agency basis, we may be presented with multiple orders in the same security from different clients or for our own account. We will apply a fair and equitable method of allocating executions among those orders in accordance with all applicable regulatory requirements. Our allocation methodology may, however, differ from time to time and may be conducted on the basis of time priority, even split, proportional split, or other methodology that we determine to be fair and equitable among those multiple orders.

A “not held” order is one in which you give us discretion as to the time and the price at which to execute your orders. Orders accepted from institutional clients will be handled as “not held”. “Not held” orders afford us greater latitude to utilize the professional judgment of our traders in seeking the best possible overall quality of execution under the circumstances. This approach provides us with the necessary trading discretion to manage your order, taking into consideration the size and potential market impact of the order and the depth and liquidity of the current market, as well as other relevant factors. When communicating with you regarding orders, we will attempt to use the term “not held” whenever possible. However, should we fail to use the term “not held” in the acceptance of any order, this omission will not alter our mutual understanding of the general terms and conditions upon which your orders have been placed and accepted as described herein.

Unless you instruct us otherwise, Benchmark may choose to “internalize” your order by executing the order or part of the order from our own principal book. We will treat our principal book as an execution venue and, as with other execution venues, it is subject to this policy. We will internalize transactions only where we have concluded that the internalization of the order is consistent with fulfilling our best execution obligations.

If the Securities and Exchange Commission (SEC), an SRO or other applicable regulatory body determines that an executed trade is clearly erroneous or must otherwise be canceled, Benchmark will be required to cancel the trade and will not be able to honor the executed price or other terms associated with such trade.

During the execution of an order, Benchmark will use an algorithmic suite of products from a third-party vendor. Additionally, Benchmark will receive rebates and/or pay fees based on the routing of your orders to these algorithmic providers. The primary goal of the algorithms we use is quality and certainty of execution. When executing on a venue, the algorithms are designed to only take the best price; venue costs never take precedence and venues are visited dynamically based on available prices for taking liquidity. In general, the decision to execute or not on a certain venue is driven by the algorithm that has been chosen and its specific goals. Best execution obligations apply to the execution of algorithmic orders.

FINRA Rule 2124

A "net trade" is a principal transaction in which Benchmark, after having received an order from a client to buy (sell) an equity security, purchases (sells) the equity security at one price from (to) another broker-dealer or another client and then sells to (buys from) the original customer at a different price. On occasion, Benchmark may execute your orders as principal on a net basis as described above. In such cases, the trade price reflected on the confirmation will be the net price of the trade.

In addition, Benchmark may route your orders as agent to another broker-dealer that may execute your orders as principal on a net basis, as described above. In such cases, the trade price reflected on confirmations to you will be the gross price of the trade (exclusive of any Benchmark commissions, mark-ups, and mark-downs).

If you have no objection to Benchmark executing orders on a net basis, as described above, you need not respond to this disclosure.

If you no longer wish to have your orders handled on a "net basis", please inform your Benchmark salesperson. If we do not hear from you, we will continue to accept net orders when agreed upon at the time you place your order.

FINRA Rule 5350

Rule 5350 of the Financial Industry Regulatory Authority (FINRA) provides that any order labeled as a "stop order" or "stop limit order" must be triggered based upon a transaction at the stop price, but permits firms to offer alternative order types with different triggers (e.g., a stop order triggered by a quotation) as long as the order type is clearly distinguished from a stop order. We offer our clients the ability to designate the manner in which their stop and stop limit orders are triggered. When a stop order is triggered, it will be treated as a market order and executed at the current market price. When a stop limit order is triggered, it will be treated as a limit order and handled in accordance with its terms. In either case, during fast-moving or volatile market conditions, it is possible for these orders, once triggered, to be executed at a price significantly away from the stop price, or not get executed at all.

FINRA Rule 5320

FINRA Rule 5320 generally provides that a broker-dealer handling a customer order in an equity security is prohibited 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 immediately thereafter executes the customer order up to the size and at the same or better price at which it traded for its own account. When you place a "not held" order with us we may trade in the security for our own account prior to completion of your order.

With respect to orders from an institutional account or orders in excess of 10,000 shares and \$100,000, Rule 5320 permits us, in a principal capacity, to trade along with or ahead of such orders without the consent of the customer. Under Rule 5320, a customer may "opt-in" to the Rule 5320 protections with respect to all orders or on an order-by-order basis by notifying Benchmark in writing. Once such "opt-in" notice is received from a customer, we will not trade along with, or ahead of, orders from that customer without the express consent of the customer on an order-by-order basis.

FINRA Rule 5270

The traditional prohibition against front running customer block transactions was recently expanded by FINRA to include non-equity securities, options, derivatives, and other financial instruments that overlay a security that is the subject of an imminent block transaction.

Rule 5270 prohibits a broker-dealer from executing a buy or sell order for a security or related financial instrument when the broker-dealer has material, non-public market information concerning an imminent block transaction in that security, a related financial instrument, or a security underlying the related financial instrument prior to the time information concerning the block transaction has been made publicly available, or has become stale or obsolete. Rule 5270 provides certain exceptions to the general prohibition, one of which allows us to undertake principal transactions to fulfill or facilitate the execution of a customer block order. While we will endeavor to minimize the market impact of any principal activity related to a block order placed by you, please understand the underlying price of the security you are buying or selling may be affected by our principal trading.

Rule 204 of Regulation SHO

The SEC adopted Rule 204 of Regulation SHO as part of its efforts to curtail "naked" short selling abuses and reduce fails to deliver. Rule 204 requires that self-clearing broker dealers deliver securities by settlement date, or if the participants have not delivered shares by settlement date, immediately purchase or borrow securities to close out the fail to deliver position by no later than the beginning of regular trading hours on the settlement day following the day the participant incurred the fail to deliver position. A participant that does not comply with this close-out requirement will not be able to short sell the security either for itself or for the account of any customer, unless it has previously arranged to borrow or borrowed the security, until the fail to deliver position is closed out.

FINRA Rule 6190 – Limit Up / Limit Down (LULD)

FINRA Rule 6190 (Limit Up / Limit Down (LULD)) is a market-wide rule adopted by each of the equities exchanges that is intended to prevent trades in NMS stocks from occurring outside of specified boundaries, known as “price bands”. Rule 6190 became effective in April 2013 and replaced the single stock circuit breakers. Under the LULD rule all trading centers must establish policies and procedures reasonably designed to prohibit the execution of trades in NMS stocks outside of the published price bands. During a trading pause, we will continue to accept orders and will send them to a market center for participation in the re-opening process.

FINRA Rule 15c3-5 – The Market Access Rule

FINRA Rule 15c3-5 (the “Market Access Rule”) requires, among other risk controls, that Benchmark assign daily notional value trading limits to each of our clients. These limits are based on each client’s particular profile, such as assets under management (AUM), trading style and other factors. If you exceed these limits, your order may be refused.

Good ‘til Canceled (GTC) Orders

A Good ‘til Canceled (“GTC”) order will remain open on Benchmark’s books until executed, canceled by the client that placed the order or canceled by Benchmark. GTC orders are only eligible during regular market hours – not during after hour trading or pre-open trading sessions. GTC orders are eligible for execution and for market/limit order protection. Your GTC order will automatically expire on December 31 of the year in which the order was placed if it has not been canceled or executed prior to that time.

Extended Hours Trading Risks

Benchmark may execute a client’s trades outside of regular trading hours (generally, 9:30 a.m. to 4:00 p.m. Eastern Standard Time) if specifically requested by the client. Clients should consider the following risks before engaging in extended hours trading:

- **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. 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:** 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 than you would 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.
- **Risk of Unlinked Markets:** 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.
- **Risk of News Announcements:** Issuers make news announcements that may affect the price of their securities after regular trading hours. In extended hours trading, these announcements combined with lower liquidity and higher volatility may cause an exaggerated and unsustainable effect on the price of a security.
- **Risk of Wider Spreads:** Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.
- **Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value (“IIV”):** For certain Derivative Securities Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. Investors unable to calculate implied values in those sessions may be at a disadvantage to market professionals.

Order Routing Disclosure (SEC Rule 605/606)

In accordance with the Securities Exchange Act Rule 605/606, Benchmark is required to publish quarterly statistics regarding its customer order routing practices. This information is available at <http://disclosure.bxstech.com/bnch/> and in hard copy for those without internet access. The Rule 605/606 statistics are published by the end of the month following the calendar quarter reported. Information concerning the routing of individual customer orders is available to customers upon written request for the prior six months of trading activity. All inquiries should be directed to: The Benchmark Company, LLC, Attn: Compliance Department, 150 East 58th Street, 17th Floor, New York, NY 10155.

Payment for Order Flow

Benchmark will receive various forms of remuneration for directing order flow in listed and over-the-counter securities to certain market centers. Such remuneration will be in the form of direct payments or rebates for providing orders to those market centers. Any remuneration is generally offset by fees paid by Benchmark to the market center for accessing orders or other services, but Benchmark may receive a net payment from a particular market center. Any net payments are retained by Benchmark and reduce our overall expenses in providing services to you.

Clearing and Settlement of your Transactions

Benchmark, acting on your behalf, introduces your account(s) to RBC Clearing & Custody (“RBC”), a division of RBC Capital Markets, LLC, which carries and clears your securities transactions on a fully disclosed basis. Benchmark is neither an affiliate nor an agent of RBC. Benchmark is solely responsible for opening and approving new accounts, including securing accurate information regarding customer suitability and other “Know-Your-Customer” rules. RBC prepares confirmations and summary periodic statements and performs cashiering functions including receipt and delivery of securities, receipt and payment of funds, and provision of custody for securities and funds.

Margin Disclosures

Benchmark is furnishing this document to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided to you.

When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your brokerage firm. If you choose to borrow funds from your firm, you will open a margin account with us. The securities purchased are the firm's collateral for the loan. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and as a result, we can take action such as issue a margin call and/or sell securities or other assets in any of your accounts to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- You can lose more funds than you deposit in the margin account. A decline in the value of securities purchased on margin may require you to provide additional funds to avoid the forced sale of those securities or other assets.
- We can force the sale of securities or other assets in your account(s). If the equity in your account falls below the maintenance margin requirements or the firm's higher "house" requirements, the firm can sell securities or other assets in any of your accounts to cover the margin deficiency. You will also be responsible for any shortfall after such a sale.
- We can sell your securities or other assets without contacting you. Most firms will attempt to notify customers of margin calls, but they are not required to do so. Even if a firm has provided a specific date to meet a margin call, it can still take steps to protect its financial interests, including immediately selling the securities.
- You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call. The firm has the right to decide which securities to sell in order to protect its interests.
- The firm can increase its "house" maintenance margin requirements at any time without advance written notice. These changes often take effect immediately and will result in the issuance of a maintenance margin call.
- You are not entitled to an extension of time on a margin call. While extensions may be available under certain conditions, a customer does not have a right to the extension.