

PAYMENT FOR ORDER FLOW DISCLOSURES

EQUITIES PAYMENT FOR ORDER FLOW DISCLOSURE

BHS routes customer equity orders via Pershing LLC (BHS' clearing agent), which may subsequently route those orders to other market makers or market centers (including their affiliates). In connection with such subsequent routes, Pershing may receive compensation which is not rebated to BHS.

BHS may also direct customer equity orders, via Pershing LLC, to national securities exchanges, alternative trading systems or other market centers. In directing in such manner, either by specific instruction or through third-party algorithmic models, BHS may receive (i) monetary rebates for executed shares on equity orders that add liquidity, and/or (ii) net rebates that offset aggregate exchange fees. Rebates are considered payment for order flow even if they do not fully offset aggregate exchange fees. In any period, rebates received by BHS from a given market center may exceed corresponding fees charged to BHS for such period. Such excess rebates paid to BHS would constitute payment for order flow.

OPTIONS PAYMENT FOR ORDER FLOW DISCLOSURE

BHS routes customer option orders to the various listed option exchanges via Pershing LLC. BHS does not accept direct payment for order flow from any of these exchanges. Nor does it participate in any rebates. Pershing LLC may receive compensation which is not rebated to BHS.