

# E\*TRADE Securities - Held NMS Stocks and Options Order Routing Public Report

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3rd Quarter, 2021

July 2021

## S&P 500 Stocks

### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.51	52.19	6.15	31.72	9.93

### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	33.48	38.88	41.10	21.54	38.57	331,894.99	20.0000	64,950.41	19.2903	92,319.02	28.5968	68,524.75	15.0327
Virtu Americas, LLC	23.11	30.08	25.13	11.36	22.83	258,418.62	20.0000	48,391.92	18.9711	39,108.57	25.9373	38,459.13	10.9296
G1X Execution Services, LLC	15.08	11.20	12.03	22.74	12.91	92,024.51	19.4844	17,489.78	19.1359	114,677.12	30.0971	24,014.19	21.2325
UBS Securities, LLC	10.86	9.16	9.85	12.35	15.68	60,426.98	19.9837	27,953.91	20.0766	42,778.07	30.1370	19,832.07	22.3062
Two Sigma Securities, LLC	10.24	6.97	7.85	17.07	7.10	59,449.80	19.4570	11,837.64	17.2034	52,131.24	26.5368	13,738.04	19.9839
Jane Street Capital	3.15	3.70	3.88	2.65	1.40	34,153.59	20.0052	6,907.17	20.0000	11,063.25	30.5458	11,819.96	21.3963
Cboe EDGX Exchange, Inc.	2.46	0.00	0.09	7.40	1.06	0.00	0.0000	20.84	3.1945	35,956.69	31.4611	0.00	0.0000
The Nasdaq Stock Market	1.60	0.00	0.07	4.90	0.45	0.00	0.0000	-953.77	-28.4440	21,897.94	31.5285	-235.43	-24.4268

### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

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## July 2021

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### Non-S&P 500 Stocks

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.17	47.52	10.16	33.41	8.91

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	33.10	38.71	39.62	21.91	37.69	1,886,311.80	19.2648	1,056,562.33	15.7040	523,628.10	23.8491	299,169.45	8.4071
Virtu Americas, LLC	22.59	29.80	27.39	11.18	21.48	1,610,539.35	19.1689	676,938.26	14.6664	220,413.39	20.2909	97,511.70	2.8094
G1X Execution Services, LLC	15.62	12.13	12.24	21.93	14.42	597,276.12	18.9521	281,594.47	16.1981	565,611.27	27.0446	125,406.50	20.5808
UBS Securities, LLC	10.81	8.95	9.44	12.43	16.19	350,005.44	19.2273	272,178.88	17.1630	249,731.63	26.3610	95,891.60	20.8357
Two Sigma Securities, LLC	10.11	6.84	7.42	16.39	7.11	332,912.97	18.8233	171,070.05	15.4007	293,614.64	22.1078	56,296.52	18.8628
Jane Street Capital	3.05	3.57	3.69	2.61	1.17	189,687.83	19.1350	96,575.32	16.3702	28,946.80	13.0367	11,819.96	21.3963
Cboe EDGX Exchange, Inc.	2.83	0.00	0.07	8.11	1.32	0.00	0.0000	447.17	7.6180	205,509.14	28.2853	0.00	0.0000
The Nasdaq Stock Market	1.88	0.00	0.13	5.43	0.63	0.00	0.0000	-17,469.51	-28.8000	141,551.16	29.7412	-1,450.29	-26.1447

#### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

## July 2021

### Options

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.96	17.22	7.25	37.71	37.82

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	35.90	37.84	37.73	37.84	32.72	2,357,692.00	44.9272	2,187,444.00	46.7605	1,942,174.00	45.2851	1,306,825.00	37.6814
Global Execution Brokers LP	26.59	25.32	25.33	25.16	28.83	708,401.64	43.4498	949,053.98	45.2768	1,601,356.11	45.6333	2,317,437.25	41.1303
Wolverine Execution Services, LLC	18.84	17.76	17.80	17.84	20.52	1,183,254.68	47.7547	918,087.73	47.9377	1,075,428.20	47.7356	1,397,776.21	47.7563
DASH/IMC	18.62	19.08	19.13	19.11	17.84	1,309,105.07	46.3630	941,475.00	46.9430	984,995.03	45.8276	1,124,152.29	37.9459
Morgan Stanley & Co., LLC	0.06	0.00	0.01	0.05	0.10	0.00	0.0000	0.00	0.0000	0.00	0.0000	0.00	0.0000

#### Material Aspects:

CITADEL SECURITIES LLC:



E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

E\*TRADE does not receive remuneration from Citadel for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Citadel passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Citadel does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Global Execution Brokers LP:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Global Execution Brokers LP ("SIG") to facilitate liquidity provision and price improvement opportunities for its customers. SIG generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from SIG in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and SIG do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to SIG.

E\*TRADE does not receive remuneration from SIG for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with SIG passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as SIG both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as SIG can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as SIG's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that SIG may collect for executing or facilitating the execution of E\*TRADE customer orders, SIG may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize SIG to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to SIG's independent order routing and best execution obligations. Exchange rebates provided to SIG for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. SIG does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although SIG's receipt of such rebates potentially increases SIG's revenue and thereby the source of funds SIG may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Wolverine Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Wolverine Execution Services, LLC ("Wolverine") to facilitate liquidity provision and price improvement opportunities for its customers. Wolverine generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Wolverine in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Wolverine do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Wolverine.

E\*TRADE does not receive remuneration from Wolverine for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Wolverine passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$231,456 in July, \$198,418 in August, and \$307,676 in September.

There is a potential conflict inherent to an options market maker such as Wolverine both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Wolverine can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Wolverine's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Wolverine may collect for executing or facilitating the execution of E\*TRADE customer orders, Wolverine may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Wolverine to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Wolverine's independent order routing and best execution obligations. Exchange rebates provided to Wolverine for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Wolverine does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Wolverine's receipt of such rebates potentially increases Wolverine's revenue and thereby the source of funds Wolverine may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### DASH/IMC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Dash Financial Technologies, LLC ("Dash") to facilitate liquidity provision and price improvement opportunities for its customers. Dash generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Dash (based upon the remuneration Dash receives from the liquidity providers with which it has arrangements as described below) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Dash do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Dash.

E\*TRADE does not receive remuneration from Dash for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract depending on the index option class and premium price, with Dash passing exchange fees for index option executions to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$172,895 in July, \$168,503 in August, and \$194,703 in September.

In connection with Dash's handling of E\*TRADE retail equity option orders, Dash has arrangements with multiple, unaffiliated liquidity providers, including IMC Execution Services LLC, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Dash routes E\*TRADE retail equity options orders to exchanges and may preference the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Dash with remuneration in connection with Dash's routing of E\*TRADE retail equity options orders, including through reciprocal order flow arrangements between Dash and such liquidity provider and/or payment per contract to Dash in return for E\*TRADE retail equity options orders that Dash routes or directs. Dash provides remuneration to E\*TRADE as described above based upon the compensation Dash receives from such liquidity providers.

There is a potential conflict inherent to Dash and/or the liquidity provider to which Dash routes orders both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay Dash (and for Dash, in turn, to pay E\*TRADE) for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Dash and the liquidity provider can also adjust the amount of such profit that the liquidity provider shares with Dash.

In addition to revenues that Dash may collect for executing or facilitating the execution of E\*TRADE customer orders, Dash may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Dash to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Dash's independent order routing and best execution obligations. Exchange rebates provided to Dash for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Dash and/or its liquidity provider does not pass through the fees charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index options fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Dash's and/or its liquidity provider's receipt of such rebates potentially increases Dash's and/or its liquidity provider's revenue and thereby the source of funds that may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Morgan Stanley & Co., LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Morgan Stanley & Co. LLC ("Morgan Stanley") to facilitate liquidity provision and price improvement opportunities for its customers. Morgan Stanley generates revenue from executing or facilitating the execution of E\*TRADE customer orders. E\*TRADE does not receive remuneration from Morgan Stanley for the orders it routes to Morgan Stanley and E\*TRADE and Morgan Stanley do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Morgan Stanley.

E\*TRADE does not receive remuneration from Morgan Stanley for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

Morgan Stanley may receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Morgan Stanley to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Morgan Stanley's independent order routing and best execution obligations. Exchange rebates provided and fees charged to Morgan Stanley for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. However, E\*TRADE is an affiliated company of Morgan Stanley, which is a Market Maker on various U.S. options exchanges and may realize profits from orders it routes for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley and E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

# August 2021

## S&P 500 Stocks

### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.65	51.22	6.02	32.31	10.44

### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	31.81	38.67	39.86	17.43	38.02	329,398.71	20.0000	72,134.84	19.1897	80,975.65	27.7220	64,062.19	15.9525
Virtu Americas, LLC	20.28	25.81	21.66	11.36	19.98	220,137.76	20.0000	41,838.70	18.0083	40,237.51	23.9275	33,597.06	12.2407
G1X Execution Services, LLC	17.55	12.95	13.56	26.48	14.73	103,422.39	19.4898	23,107.04	19.5211	122,893.74	30.2668	29,006.98	22.2013
UBS Securities, LLC	10.72	9.16	9.61	11.87	15.43	59,915.16	19.9836	28,053.11	20.2691	39,618.36	30.0307	20,757.36	22.1043
Two Sigma Securities, LLC	10.63	6.96	8.09	18.03	7.12	58,997.74	19.4320	12,622.25	17.9751	55,992.95	26.3152	13,457.86	20.6919
Jane Street Capital	4.90	6.44	7.07	2.59	3.23	59,092.74	20.0055	13,524.80	20.0000	10,676.13	30.8170	26,089.98	18.8795
Cboe EDGX Exchange, Inc.	2.49	0.00	0.10	7.35	1.07	0.00	0.0000	-12.79	-2.2268	38,267.63	31.5950	0.00	0.0000
The Nasdaq Stock Market	1.63	0.00	0.05	4.88	0.43	0.00	0.0000	-577.00	-28.7006	21,798.65	31.1157	-146.62	-22.9395

### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

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## August 2021

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### Non-S&P 500 Stocks

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.15	46.16	9.88	34.47	9.49

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	31.15	38.53	39.23	17.52	36.35	1,625,156.59	18.9035	983,647.50	15.2936	416,152.22	22.8985	268,280.72	8.6023
Virtu Americas, LLC	19.99	25.78	23.55	11.32	19.59	1,198,534.15	18.8207	513,042.65	13.7486	202,682.90	19.2825	89,627.87	3.1500
G1X Execution Services, LLC	17.42	12.93	12.84	25.21	15.79	553,296.24	18.5195	272,462.76	15.0919	640,061.12	26.5171	135,171.55	20.2107
UBS Securities, LLC	10.99	9.16	9.61	12.44	16.08	306,218.71	18.8076	250,283.17	16.4656	232,953.79	25.5805	94,618.73	20.7062
Two Sigma Securities, LLC	10.81	6.97	7.73	17.80	7.28	287,459.24	18.3908	169,660.28	14.9962	291,209.24	17.4948	54,391.04	18.7959
Jane Street Capital	4.92	6.63	6.93	2.64	2.83	297,911.23	18.8807	169,082.75	15.8983	56,917.09	26.9984	26,089.98	18.8795
Cboe EDGX Exchange, Inc.	2.91	0.00	0.07	8.02	1.46	0.00	0.0000	249.61	4.3774	193,172.31	27.6704	0.00	0.0000
The Nasdaq Stock Market	1.81	0.00	0.05	5.05	0.63	0.00	0.0000	-17,247.55	-28.3347	123,264.28	28.5346	-890.60	-23.0260

#### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:



E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

## August 2021

### Options

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.95	17.00	7.34	39.19	36.47

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	36.32	38.26	38.13	38.26	32.98	2,553,464.00	45.9430	2,177,657.00	47.0925	2,095,589.00	45.8309	1,284,435.00	37.3079
Global Execution Brokers LP	25.87	24.18	24.18	24.05	28.96	694,802.23	44.4046	947,130.25	45.8066	1,581,526.69	45.9543	2,361,793.86	41.4701
Wolverine Execution Services, LLC	19.06	18.39	18.45	18.48	20.12	1,275,284.18	47.7880	967,880.87	47.9097	1,124,530.99	47.7313	1,399,924.31	47.5643
DASH/IMC	18.68	19.17	19.22	19.15	17.85	1,396,439.28	46.8643	939,944.49	47.0935	1,033,874.93	46.2890	1,273,724.45	39.0916
Morgan Stanley & Co., LLC	0.06	0.00	0.02	0.06	0.10	0.00	0.0000	0.00	0.0000	0.00	0.0000	0.00	0.0000

#### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

E\*TRADE does not receive remuneration from Citadel for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Citadel passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Citadel does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Global Execution Brokers LP:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Global Execution Brokers LP ("SIG") to facilitate liquidity provision and price improvement opportunities for its customers. SIG generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from SIG in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and SIG do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to SIG.

E\*TRADE does not receive remuneration from SIG for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with SIG passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as SIG both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as SIG can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as SIG's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that SIG may collect for executing or facilitating the execution of E\*TRADE customer orders, SIG may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize SIG to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to SIG's independent order routing and best execution obligations. Exchange rebates provided to SIG for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. SIG does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although SIG's receipt of such rebates potentially increases SIG's revenue and thereby the source of funds SIG may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Wolverine Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Wolverine Execution Services, LLC ("Wolverine") to facilitate liquidity provision and price improvement opportunities for its customers. Wolverine generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Wolverine in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Wolverine do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Wolverine.

E\*TRADE does not receive remuneration from Wolverine for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Wolverine passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$231,456 in July, \$198,418 in August, and \$307,676 in September.

There is a potential conflict inherent to an options market maker such as Wolverine both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Wolverine can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Wolverine's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Wolverine may collect for executing or facilitating the execution of E\*TRADE customer orders, Wolverine may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Wolverine to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Wolverine's independent order routing and best execution obligations. Exchange rebates provided to Wolverine for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Wolverine does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Wolverine's receipt of such rebates potentially increases Wolverine's revenue and thereby the source of funds Wolverine may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### DASH/IMC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Dash Financial Technologies, LLC ("Dash") to facilitate liquidity provision and price improvement opportunities for its customers. Dash generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Dash (based upon the remuneration Dash receives from the liquidity providers with which it has arrangements as described below) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Dash do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Dash.

E\*TRADE does not receive remuneration from Dash for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract depending on the index option class and premium price, with Dash passing exchange fees for index option executions to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$172,895 in July, \$168,503 in August, and \$194,703 in September.

In connection with Dash's handling of E\*TRADE retail equity option orders, Dash has arrangements with multiple, unaffiliated liquidity providers, including IMC Execution Services LLC, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Dash routes E\*TRADE retail equity options orders to exchanges and may preference the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Dash with remuneration in connection with Dash's routing of E\*TRADE retail equity options orders, including through reciprocal order flow arrangements between Dash and such liquidity provider and/or payment per contract to Dash in return for E\*TRADE retail equity options orders that Dash routes or directs. Dash provides remuneration to E\*TRADE as described above based upon the compensation Dash receives from such liquidity providers.

There is a potential conflict inherent to Dash and/or the liquidity provider to which Dash routes orders both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay Dash (and for Dash, in turn, to pay E\*TRADE) for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Dash and the liquidity provider can also adjust the amount of such profit that the liquidity provider shares with Dash.

In addition to revenues that Dash may collect for executing or facilitating the execution of E\*TRADE customer orders, Dash may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Dash to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Dash's independent order routing and best execution obligations. Exchange rebates provided to Dash for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Dash and/or its liquidity provider does not pass through the fees charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index options fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Dash's and/or its liquidity provider's receipt of such rebates potentially increases Dash's and/or its liquidity provider's revenue and thereby the source of funds that may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

#### Morgan Stanley & Co., LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Morgan Stanley & Co. LLC ("Morgan Stanley") to facilitate liquidity provision and price improvement opportunities for its customers. Morgan Stanley generates revenue from executing or facilitating the execution of E\*TRADE customer orders. E\*TRADE does not receive remuneration from Morgan Stanley for the orders it routes to Morgan Stanley and E\*TRADE and Morgan Stanley do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Morgan Stanley.

E\*TRADE does not receive remuneration from Morgan Stanley for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

Morgan Stanley may receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Morgan Stanley to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Morgan Stanley's independent order routing and best execution obligations. Exchange rebates provided and fees charged to Morgan Stanley for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. However, E\*TRADE is an affiliated company of Morgan Stanley, which is a Market Maker on various U.S. options exchanges and may realize profits from orders it routes for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley and E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

## September 2021

### S&P 500 Stocks

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.63	51.43	5.46	32.07	11.04

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	30.87	38.68	37.64	15.40	36.07	283,295.64	20.0000	56,630.05	18.4367	73,162.80	27.9106	50,173.68	15.3818
Virtu Americas, LLC	19.46	23.92	21.59	11.25	21.50	178,987.09	20.0000	33,017.49	16.5300	38,379.22	24.6060	27,638.87	11.3312
G1X Execution Services, LLC	18.46	14.76	15.01	26.09	15.23	100,498.99	19.5972	19,638.38	19.5873	106,492.11	30.3311	26,742.59	22.4437
Two Sigma Securities, LLC	11.70	7.03	8.29	21.30	7.26	52,148.49	19.3828	9,933.02	17.3679	61,877.50	27.1549	11,453.04	21.2792
UBS Securities, LLC	9.22	6.47	7.88	12.20	14.02	38,066.65	19.9993	15,887.23	20.5271	38,044.18	30.0573	15,206.72	22.8621
Jane Street Capital	6.58	9.16	9.43	2.63	4.69	72,425.01	20.0023	14,330.45	20.0000	11,318.40	42.1915	8,410.11	20.6984
Cboe EDGX Exchange, Inc.	2.05	0.00	0.10	6.10	0.83	0.00	0.0000	13.69	2.7880	30,951.75	31.6067	0.00	0.0000
The Nasdaq Stock Market	1.66	0.00	0.07	5.03	0.40	0.00	0.0000	-630.93	-28.8071	19,734.73	32.4610	-294.70	-26.0855

#### Material Aspects:

CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

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## September 2021

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### Non-S&P 500 Stocks

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.21	46.49	10.33	33.18	10.00

#### Venues



Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	30.96	38.86	39.34	16.03	35.11	1,961,667.44	18.6870	1,084,659.51	13.1316	448,864.69	20.2555	316,503.19	7.8569
Virtu Americas, LLC	19.18	23.83	21.66	11.19	21.55	1,236,234.97	18.3265	500,788.98	11.0928	215,780.54	17.9741	115,580.02	2.8587
G1X Execution Services, LLC	17.94	14.32	13.97	25.07	15.17	702,138.31	18.2998	330,585.12	13.3454	766,558.69	25.1003	159,997.37	20.3737
Two Sigma Securities, LLC	11.74	7.06	7.97	20.74	7.55	358,858.68	18.2839	186,728.32	13.2868	358,107.76	21.8499	65,623.19	19.1786
UBS Securities, LLC	9.54	6.70	7.43	12.51	15.04	286,409.97	18.7435	215,910.34	15.4509	253,417.53	24.5991	100,107.39	19.7732
Jane Street Capital	6.52	9.23	9.52	2.63	3.75	466,807.53	18.4698	250,412.76	13.3410	56,840.90	24.4157	40,680.92	19.0597
Cboe EDGX Exchange, Inc.	2.35	0.00	0.06	6.70	1.21	0.00	0.0000	135.73	2.5745	189,227.45	26.3853	0.00	0.0000
The Nasdaq Stock Market	1.76	0.00	0.05	5.12	0.62	0.00	0.0000	-19,792.51	-27.3148	129,004.76	27.2439	-1,300.69	-24.8211

#### Material Aspects:

##### CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Citadel for NMS equity executions priced below \$1.00 per share. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

There is a potential conflict inherent to a market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Citadel receives for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Virtu Americas, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Virtu Americas, LLC ("Virtu") to facilitate liquidity provision and price improvement opportunities for its customers. Virtu generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Virtu in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Virtu for NMS equity executions priced below \$1.00 per share. E\*TRADE and Virtu do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Virtu.

There is a potential conflict inherent to a market maker such as Virtu both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Virtu can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Virtu's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Virtu may collect for executing or facilitating the execution of E\*TRADE customer orders, Virtu also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Virtu to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Virtu's independent order routing and best execution obligations. Exchange rebates provided to Virtu for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Virtu receives for executions of E\*TRADE customer orders, although Virtu's receipt of such rebates potentially increases Virtu's revenue and thereby the source of funds Virtu may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

G1X Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to G1X Execution Services, LLC ("G1X") to facilitate liquidity provision and price improvement opportunities for its customers. G1X generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from G1X in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from G1X for NMS equity executions priced below \$1.00 per share. E\*TRADE and G1X do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to G1X.

There is a potential conflict inherent to a market maker such as G1X both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as G1X can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as G1X's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that G1X may collect for executing or facilitating the execution of E\*TRADE customer orders, G1X also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize G1X to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to G1X's independent order routing and best execution obligations. Exchange rebates provided to G1X for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates G1X receives for executions of E\*TRADE customer orders, although G1X's receipt of such rebates potentially increases G1X's revenue and thereby the source of funds G1X may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Two Sigma Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Two Sigma Securities, LLC ("Two Sigma") to facilitate liquidity provision and price improvement opportunities for its customers. Two Sigma generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Two Sigma in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Two Sigma for NMS equity executions priced below \$1.00 per share. E\*TRADE and Two Sigma do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Two Sigma.

There is a potential conflict inherent to a market maker such as Two Sigma both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Two Sigma can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Two Sigma's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Two Sigma may collect for executing or facilitating the execution of E\*TRADE customer orders, Two Sigma also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Two Sigma to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Two Sigma's independent order routing and best execution obligations. Exchange rebates provided to Two Sigma for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Two Sigma receives for executions of E\*TRADE customer orders, although Two Sigma's receipt of such rebates potentially increases Two Sigma's revenue and thereby the source of funds Two Sigma may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

UBS Securities, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to UBS Securities, LLC ("UBS") to facilitate liquidity provision and price improvement opportunities for its customers. UBS generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from UBS in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from UBS for NMS equity executions priced below \$1.00 per share. E\*TRADE and UBS do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to UBS.

There is a potential conflict inherent to a market maker such as UBS both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as UBS can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as UBS's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that UBS may collect for executing or facilitating the execution of E\*TRADE customer orders, UBS also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize UBS to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to UBS's independent order routing and best execution obligations. Exchange rebates provided to UBS for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates UBS receives for executions of E\*TRADE customer orders, although UBS's receipt of such rebates potentially increases UBS's revenue and thereby the source of funds UBS may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Jane Street Capital:

E\*TRADE Securities LLC ("E\*TRADE") routes NMS equity orders to Jane Street Capital ("Jane Street") to facilitate liquidity provision and price improvement opportunities for its customers. Jane Street generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Jane Street in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.002 per share for non-directed, NMS equity market and marketable limit order executions priced at \$1.00 per share or more and \$0.0031 per share for non-directed, NMS equity non-marketable limit order executions priced at \$1.00 per share or more. E\*TRADE does not receive remuneration from Jane Street for NMS equity executions priced below \$1.00 per share. E\*TRADE and Jane Street do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Jane Street.

There is a potential conflict inherent to a market maker such as Jane Street both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, a market maker such as Jane Street can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. A market maker's (such as Jane Street's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Jane Street may collect for executing or facilitating the execution of E\*TRADE customer orders, Jane Street also receives remuneration from U.S. securities exchanges to which it routes or directs E\*TRADE customer orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. exchange rebate payments could, in theory, incentivize Jane Street to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Jane Street's independent order routing and best execution obligations. Exchange rebates provided to Jane Street for E\*TRADE customer executions are not passed through to E\*TRADE or its customers. E\*TRADE does not share directly in any such rebates Jane Street receives for executions of E\*TRADE customer orders, although Jane Street's receipt of such rebates potentially increases Jane Street's revenue and thereby the source of funds Jane Street may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Cboe EDGX Exchange, Inc.:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to Cboe EDGX Exchange, Inc. ("EDGX") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under EDGX's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because EDGX offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to EDGX rather than another venue in order to reach a higher tier. E\*TRADE and EDGX do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the EDGX Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to EDGX.

The fees E\*TRADE pays and rebates E\*TRADE receives from EDGX for NMS equity executions are determined based on EDGX's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by EDGX in the EDGX Fees Schedule, available at [https://www.cboe.com/us/equities/membership/fee\\_schedule/edgx/](https://www.cboe.com/us/equities/membership/fee_schedule/edgx/). Please note that EDGX's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, EDGX paid E\*TRADE standard rebate rates of \$0.0032 per share for executions priced at \$1.00 per share or more and \$0.003 per share for executions priced below \$1.00 per share. On executions that removed liquidity from EDGX qualified for tiered pricing E\*TRADE was not charged a per share fee for executions priced at \$1.00 per share or more or charged a per share fee for the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from EDGX in the amount of \$241,319 in July, \$231,127 in August, and \$231,637 in September.

E\*TRADE also participates in EDGX's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the EDGX retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on EDGX and may realize profits from orders it routes to EDGX for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

The Nasdaq Stock Market:

E\*TRADE Securities LLC ("E\*TRADE") routes marketable and non-marketable NMS equity limit orders to the Nasdaq Stock Market. ("NASDAQ") as specified in the above Public Order Routing Report disclosures. E\*TRADE either pays a fee or receives a rebate for each E\*TRADE customer order execution on the exchange, depending on whether the order added to or subtracted from liquidity on the exchange.

The fees and rebates referenced above are subject to volume pricing. To the extent that E\*TRADE meets the execution volume thresholds necessary to qualify for preferred pricing under NASDAQ's Fees Schedule in a given month, increased (rather than standard) rebate rates and decreased (rather than standard) fees will apply. Because NASDAQ offers higher rebates and lower fees based on a tiered volume model, there is a potential conflict in that such rebates and fees could, in theory, incentivize E\*TRADE to route a higher percentages of E\*TRADE customer orders to NASDAQ rather than another venue in order to reach a higher tier. E\*TRADE and NASDAQ do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules beyond the tiered volume model set forth in the NASDAQ Fees Schedule as described above; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to NASDAQ.

The fees E\*TRADE pays and rebates E\*TRADE receives from NASDAQ for NMS equity executions are determined based on NASDAQ's tiered volume model. Schedules delineating orders eligible for such rebates and the applicable rates are published publicly by NASDAQ in the NASDAQ Fees Schedule, available at [http://www.nasdaqtrader.com/trader.aspx?id=bx\\_pricing](http://www.nasdaqtrader.com/trader.aspx?id=bx_pricing). Please note that NASDAQ's publicly available Fees Schedule URL link and applicable rates may change without notice.

In general, during Q3 2021, NASDAQ paid E\*TRADE standard rebate rates of \$0.00325 per share for executions priced at \$1.00 per share or more and no per share charge for executions priced below \$1.00 per share. Executions that removed liquidity from NASDAQ qualified for tiered pricing and E\*TRADE was charged fees of \$0.003 per share for executions priced at \$1.00 per share or more and 0.30% of the total notional value of executions priced below \$1.00 per share. For Q3 2021, E\*TRADE received rebates (net of fees) from NASDAQ in the amount of \$146,831 in July, \$128, 889 in August, and \$130,249 in September.

E\*TRADE also participates in NASDAQ's retail order priority program under which eligible retail orders receive priority ahead of other available interest at a given price level or other enhanced execution benefits. E\*TRADE reviews customers' activity on a periodic basis to determine program eligibility and reserves the right to choose whether to participate in the NASDAQ retail order priority program. E\*TRADE is an affiliated company of Morgan Stanley & Co. LLC ("Morgan Stanley"), which is a Market Maker on NASDAQ and may realize profits from orders it routes to NASDAQ for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley. E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.

## September 2021

### Options

#### Summary

Non-Directed Orders as % of All Orders	Market Orders as % of Non-Directed Orders	Marketable Limit Orders as % of Non-Directed Orders	Non-Marketable Limit Orders as % of Non-Directed Orders	Other Orders as % of Non-Directed Orders
99.95	17.05	7.57	39.69	35.68

#### Venues

Venue - Non-directed Order Flow	Non-Directed Orders (%)	Market Orders (%)	Marketable Limit Orders (%)	Non-Marketable Limit Orders (%)	Other Orders (%)	Net Payment Paid/Received for Market Orders(USD)	Net Payment Paid/Received for Market Orders(cents per hundred shares)	Net Payment Paid/Received for Marketable Limit Orders(USD)	Net Payment Paid/Received for Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Non-Marketable Limit Orders(USD)	Net Payment Paid/Received for Non-Marketable Limit Orders(cents per hundred shares)	Net Payment Paid/Received for Other Orders(USD)	Net Payment Paid/Received for Other Orders(cents per hundred shares)
CITADEL SECURITIES LLC	36.06	38.03	37.96	38.04	32.51	2,449,316.00	46.4202	2,140,077.00	46.8646	2,086,829.00	45.6279	1,177,314.00	35.9216
Global Execution Brokers LP	25.00	23.41	23.42	23.32	27.96	716,928.10	45.5309	898,371.06	46.0797	1,515,816.49	45.7101	2,047,957.35	39.9479
DASH/IMC	19.21	19.94	19.96	19.93	17.90	1,380,910.20	46.9572	966,053.18	46.8671	1,065,410.86	45.9055	1,113,479.40	37.5878
Wolverine Execution Services, LLC	19.14	18.06	18.07	18.12	21.02	1,204,466.71	47.9309	981,180.49	47.9406	1,080,228.46	47.7468	1,411,655.45	48.0489
Matrix Executions, LLC / Simplex Trading, LLC	0.54	0.56	0.58	0.54	0.51	488.64	46.6260	35,375.04	46.3673	81,875.52	46.1924	19,596.96	39.1118
Morgan Stanley & Co., LLC	0.06	0.00	0.02	0.05	0.10	0.00	0.0000	0.00	0.0000	0.00	0.0000	0.00	0.0000

## Material Aspects:

### CITADEL SECURITIES LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Citadel Securities LLC ("Citadel") to facilitate liquidity provision and price improvement opportunities for its customers. Citadel generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Citadel in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Citadel do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Citadel.

E\*TRADE does not receive remuneration from Citadel for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Citadel passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as Citadel both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Citadel can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Citadel's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Citadel may collect for executing or facilitating the execution of E\*TRADE customer orders, Citadel may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Citadel to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Citadel's independent order routing and best execution obligations. Exchange rebates provided to Citadel for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Citadel does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Citadel's receipt of such rebates potentially increases Citadel's revenue and thereby the source of funds Citadel may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

### Global Execution Brokers LP:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Global Execution Brokers LP ("SIG") to facilitate liquidity provision and price improvement opportunities for its customers. SIG generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from SIG in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and SIG do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to SIG.

E\*TRADE does not receive remuneration from SIG for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with SIG passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$302,688 in July, \$267,250 in August, and \$296,000 in September.

There is a potential conflict inherent to an options market maker such as SIG both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as SIG can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as SIG's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that SIG may collect for executing or facilitating the execution of E\*TRADE customer orders, SIG may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize SIG to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to SIG's independent order routing and best execution obligations. Exchange rebates provided to SIG for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. SIG does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although SIG's receipt of such rebates potentially increases SIG's revenue and thereby the source of funds SIG may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

### DASH/IMC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Dash Financial Technologies, LLC ("Dash") to facilitate liquidity provision and price improvement opportunities for its customers. Dash generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Dash (based upon the remuneration Dash receives from the liquidity providers with which it has arrangements as described below) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Dash do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Dash.

E\*TRADE does not receive remuneration from Dash for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract depending on the index option class and premium price, with Dash passing exchange fees for index option executions to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$172,895 in July, \$168,503 in August, and \$194,703 in September.

In connection with Dash's handling of E\*TRADE retail equity option orders, Dash has arrangements with multiple, unaffiliated liquidity providers, including IMC Execution Services LLC, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Dash routes E\*TRADE retail equity options orders to exchanges and may preference the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Dash with remuneration in connection with Dash's routing of E\*TRADE retail equity options orders, including through reciprocal order flow arrangements between Dash and such liquidity provider and/or payment per contract to Dash in return for E\*TRADE retail equity options orders that Dash routes or directs. Dash provides remuneration to E\*TRADE as described above based upon the compensation Dash receives from such liquidity providers.

There is a potential conflict inherent to Dash and/or the liquidity provider to which Dash routes orders both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay Dash (and for Dash, in turn, to pay E\*TRADE) for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Dash and the liquidity provider can also adjust the amount of such profit that the liquidity provider shares with Dash.

In addition to revenues that Dash may collect for executing or facilitating the execution of E\*TRADE customer orders, Dash may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Dash to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Dash's independent order routing and best execution obligations. Exchange rebates provided to Dash for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Dash and/or its liquidity provider does not pass through the fees charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index options fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Dash's and/or its liquidity provider's receipt of such rebates potentially increases Dash's and/or its liquidity provider's revenue and thereby the source of funds that may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Wolverine Execution Services, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Wolverine Execution Services, LLC ("Wolverine") to facilitate liquidity provision and price improvement opportunities for its customers. Wolverine generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Wolverine in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Wolverine do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Wolverine.

E\*TRADE does not receive remuneration from Wolverine for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract, depending on the index option class and premium price, with Wolverine passing exchange fees for index option executions back to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$231,456 in July, \$198,418 in August, and \$307,676 in September.

There is a potential conflict inherent to an options market maker such as Wolverine both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the options market maker seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, an options market maker such as Wolverine can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. An options market maker's (such as Wolverine's) anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories.

In addition to revenues that Wolverine may collect for executing or facilitating the execution of E\*TRADE customer orders, Wolverine may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Wolverine to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Wolverine's independent order routing and best execution obligations. Exchange rebates provided to Wolverine for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Wolverine does not pass through the fees that it is charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index option fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Wolverine's receipt of such rebates potentially increases Wolverine's revenue and thereby the source of funds Wolverine may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Matrix Executions, LLC / Simplex Trading, LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Matrix Executions LLC ("Matrix") to facilitate liquidity provision and price improvement opportunities for its customers. Matrix generates revenue from executing or facilitating the execution of E\*TRADE customer orders. In exchange for such routing, E\*TRADE receives remuneration from Matrix (based upon the remuneration Matrix receives from the liquidity providers with which it has arrangements as described below) in the amounts outlined in the above Public Order Routing Report disclosures, calculated at a rate of \$0.48 per contract for simple and complex equity options orders. E\*TRADE and Matrix do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Matrix.

E\*TRADE does not receive remuneration from Matrix for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

In general, public, retail, or non-professional index options order execution fees range from \$0.00 to \$0.66 per contract depending on the index option class and premium price, with Matrix passing exchange fees for index option executions to E\*TRADE each month. For Q3 2021, E\*TRADE paid total fees on customer index option executions of \$0 in July, \$0 in August, and \$6,001 in September.

In connection with Matrix's handling of E\*TRADE retail equity option orders, Matrix has arrangements with multiple, unaffiliated liquidity providers, including Simplex Trading LLC, designed to facilitate liquidity provision and price improvement opportunities. Pursuant to these arrangements, Matrix routes E\*TRADE retail equity options orders to exchanges and may preference the liquidity providers on such applicable exchange, consistent with exchange-sponsored programs which are described in the fee schedules of each such options exchange. The liquidity providers provide Matrix with remuneration in connection with Matrix's routing of E\*TRADE retail equity options orders, including through reciprocal order flow arrangements between Matrix and such liquidity provider and/or payment per contract to Matrix in return for E\*TRADE retail equity options orders that Matrix routes or directs. Matrix provides remuneration to E\*TRADE as described above based upon the compensation Matrix receives from such liquidity providers.

There is a potential conflict inherent to Matrix and/or the liquidity provider to which Matrix routes orders both paying for order flow and providing price improvement, as the potential source of funds for each is the same, namely the anticipated profit the liquidity provider seeks to earn from executing or facilitating the execution of E\*TRADE customer orders. Accordingly, from such anticipated profit, the liquidity provider can (i) forgo a portion of such anticipated profit to provide price improvement; (ii) forgo a portion of such anticipated profit to pay Matrix (and for Matrix, in turn, to pay E\*TRADE) for order flow; or (iii) retain a larger portion of anticipated profit and not provide (or provide less) price improvement or not provide (or provide less) payment for order flow. The liquidity provider's anticipated profit must be allocated among these three sub-categories, such that an increased allocation to any one sub-category will result in a decreased allocation to one or more of the other categories. Matrix and the liquidity provider can also adjust the amount of such profit that the liquidity provider shares with Matrix.

In addition to revenues that Matrix may collect for executing or facilitating the execution of E\*TRADE customer orders, Matrix may also receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Matrix to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Matrix's independent order routing and best execution obligations. Exchange rebates provided to Matrix for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. Matrix and/or its liquidity provider does not pass through the fees charged by the U.S. options exchanges for E\*TRADE customer executions, other than the index options fees described above. E\*TRADE does not share directly in any profits from U.S. options exchange rebates for executions of E\*TRADE customer orders, although Matrix's and/or its liquidity provider's receipt of such rebates potentially increases Matrix's and/or its liquidity provider's revenue and thereby the source of funds that may use to provide price improvement to E\*TRADE customers, order flow payment to E\*TRADE, and/or a combination of such payments.

Morgan Stanley & Co., LLC:

E\*TRADE Securities LLC ("E\*TRADE") routes U.S.-listed options orders to Morgan Stanley & Co. LLC ("Morgan Stanley") to facilitate liquidity provision and price improvement opportunities for its customers. Morgan Stanley generates revenue from executing or facilitating the execution of E\*TRADE customer orders. E\*TRADE does not receive remuneration from Morgan Stanley for the orders it routes to Morgan Stanley and E\*TRADE and Morgan Stanley do not have any arrangements:

- A. that require E\*TRADE to meet certain volume thresholds or that provide incentives to E\*TRADE for meeting or exceeding certain volume thresholds;
- B. that require E\*TRADE to meet certain minimum volume thresholds or that provide disincentives to E\*TRADE for failing to meet certain minimum volume thresholds;
- C. for volume-based tiered payment schedules; or
- D. that require E\*TRADE to route any orders or a minimum number of orders to Morgan Stanley.

E\*TRADE does not receive remuneration from Morgan Stanley for index options executions or for Professional Customer orders, which are orders of customers who submit an average of 390 options orders per trading day, per calendar month, on a quarterly basis.

Morgan Stanley may receive remuneration from the U.S. options exchanges to which it routes or directs E\*TRADE customer options orders in the form of rebates. Although E\*TRADE has no knowledge of any facts to suggest that such is the case, these U.S. options exchange rebate payments could, in theory, incentivize Morgan Stanley to route higher percentages of E\*TRADE customer orders to particular venues over others, subject to Morgan Stanley's independent order routing and best execution obligations. Exchange rebates provided and fees charged to Morgan Stanley for E\*TRADE customer executions by the U.S. options exchanges are not passed through to E\*TRADE or its customers. However, E\*TRADE is an affiliated company of Morgan Stanley, which is a Market Maker on various U.S. options exchanges and may realize profits from orders it routes for execution. E\*TRADE may share directly or indirectly in any such profits generated by Morgan Stanley and E\*TRADE and Morgan Stanley order execution volumes are combined on a monthly basis for tiered pricing program incentive purposes.