



ORDER HANDLING AND EXECUTION DISCLOSURE STATEMENT

Apex Clearing Corporation ("Apex") is a U.S. broker-dealer registered with the Securities & Exchange Commission ("SEC") and Financial Industry Regulatory Authority ("FINRA"). This order handling and execution disclosure statement is being provided to you ("the customer") and your broker-dealer ("the client") to highlight and explain Apex's order handling and execution practices. This disclosure statement applies to orders routed to Apex in National Market System ("NMS") securities, mutual funds and Over-the-Counter ("OTC") securities. Apex reserves the right, at its sole discretion, to modify, suspend or cancel any portion of this disclosure statement (except portions that are designed to ensure compliance with Apex's regulatory obligations) without notice. Apex reserves the right, at its sole discretion, to reject orders on a customer-by-customer, client-by-client and/or symbol-by-symbol basis, at any time, and for any reason. Please review this document in its entirety. If you have further questions, please contact Apex's customer service department.

Order Handling Information

The following section provides important information on, and outlines some of the risks associated with, order handling:

Trade Desk Directed Orders - Default Order Handling Instructions

Orders routed to the Trading Desk for special handling are treated as "not held" by default, unless explicitly designated as "held." The default time-in-force ("TIF") for such orders is Day, unless explicitly designated otherwise.

Securities Eligible for Trading

NMS securities, select OTC securities and mutual funds are available for trading at Apex. NMS securities include common stock, options and exchange traded funds ("ETFs"). Apex can generally facilitate your OTC orders in the Pink Market, OTCQX or OTCQB. Please be aware that OTC securities orders may be rejected if the route does not allow for OTC security execution or if Apex does not transact in an OTC security.

Standard Hours of Operation

Please see below for Apex's standard hours of operation:

- **Regular (core session) market trading hours:** 9:30 a.m. ET – 4:00 p.m. ET
- **Hours of order acceptance*:** 24 hours a day, 5 days per week (Monday through Friday)
- **Hours of order execution*:** 24 hours a day, 5 days per week (Monday through Friday)
- **Apex trade support hours*:** 4:00 a.m. ET – 8:00 p.m. ET

*Hours of operation may differ according to order entry method and order route utilized.

Order Instructions

Please read below for information on order instructions, as well as some of the risks associated with each order type:

Order Types

Please be aware that different order types offer varying levels of control over the price and timing of your trade. Here is a list of acceptable order types and their respective definitions:

- **Market** - An order to buy or sell a security at the market's best available price.
- **Limit** - An order to buy or sell a security with a restriction on the maximum price to be paid (a buy limit order) or the minimum price to be received (a sell limit order). If the order is filled, in whole or in part, it will only be at the specified limit price or better. There is no assurance of execution, and Apex cannot guarantee that a limit order will be executed.
- **Immediate or Cancel (IOC)** - An order to buy or sell that must be immediately executed. Be aware that any portion of an IOC order that is not filled immediately will be cancelled.
- **Market on Open (MOO)** - A market order to buy or sell a security at market open. This order type is only good for market opening and does not last throughout the trading day.
- **Market on Close (MOC)** - A non-limit market order that is executed as near to the closing price as possible, either exactly at, or slightly after market close. The purpose of a MOC order is to get the last available price of the trading day. Please be advised that MOC orders are not available in all markets or for all securities. MOO/MOC orders have a cancellation limit of 5 minutes prior to auction.
- **Limit on Close (LOC)** - A limit order that is designated for execution at market close. The additional "on close" parameter means the order is only executed if the closing price is within the price limit of the order. Please be aware that this type of order is good only for market close and does not last throughout the trading day.
 - On Close Time Constraints - On close orders have specific time constraints. All on close orders must be received at New York Stock Exchange (NYSE) by 3:50 p.m. ET, unless entered to offset a published imbalance. NYSE rules prohibit cancellation or reduction in size after 3:50 p.m. ET.
- **Peg Limit** - A limit order that does not route with a working price and is pegged to a dynamic reference price.
- **Peg Market** - A pegged order to buy or sell with a working price that is pegged to the protected best offer (PBO) for buy orders or the protected best bid (PBB) for sell orders.
- **Stop** - An order to buy or sell a security at market price, once the security has traded at or through a specified price (the stop price). A stop order becomes a market order once the stop price is reached. Please be advised that stop orders may be triggered by short-lived, dramatic price changes. While you may receive prompt execution of a stop order that becomes a market order, during volatile market conditions, the execution price may differ significantly from your stop price. You are hereby informed that if a stop order is triggered under these circumstances, you may be forced to sell at an undesirable price, even though the price of the security may stabilize during the same trading day. Likewise, sell stop orders may exacerbate price declines in times of extreme volatility, and the activation of sell stop order may create downward pricing pressure on a security. Please be aware that if a sell stop order is triggered during a precipitous price decline, the order may execute well below the stop price.
- **Stop Limit** - A stop limit order that combines elements of both a stop order and a limit order, as the stop price triggers the limit price. Hence, a stop order with a limit price becomes a limit order when the security reaches the stop price. By using a stop limit order instead of a regular stop order, you receive additional certainty with respect to the price you receive for the security. Because Apex cannot sell at a price lower than the limit price (or buy for a price higher than the limit price), there is a possibility that your order will not be executed at all.

Time in Force (TIF)

Time in force is a special instruction used when placing a trade to indicate how long an order will remain active before it is executed or expires. Please see below for acceptable TIF instructions:

- **Day** - A “day” TIF instruction remains valid during the core trading session on the day the order was placed. Be aware that any unexecuted portion of a day order will be canceled at the end of regular market hours on the day the order was received.
- **Good Til Cancelled (GTC)** - GTC orders will remain open on Apex’s books until executed, canceled or after one hundred eighty calendar days from the date the original order was placed. Accordingly, Apex maintains GTC orders on file for a maximum of one hundred eighty calendar days. If a GTC order has not been canceled or executed during this period, it will automatically expire after the one hundred eightieth day from the date that the original order was accepted. Please note that GTC orders are only eligible for execution during regular market hours and will not be executed during pre-open or after-hours trading sessions.
- **Good Til Date (GTD)** - GTD orders will remain open on Apex’s books until executed, canceled or the earliest to occur of (i) the designated expiry time-in-force date and (ii) one hundred eighty calendar days from the date the original order was placed. Accordingly, Apex maintains GTD orders on file for a maximum of one hundred eighty calendar days. If a GTD order has not been canceled or executed during this period, it will automatically expire after the one hundred eightieth day from the date the original order was placed. Please note that GTD orders are only eligible for execution during regular market hours and will not be executed during after-hours or pre-open trading sessions.
- **Immediate or Cancel (IOC)** - An IOC order must be immediately executed in whole or in part. You are hereby advised that if the order cannot be executed in whole or in part, the order will be canceled back in its entirety. IOC orders are always treated as HELD orders, even if the client/customer specifies otherwise.
- **Fill or Kill (FOK)** - A FOK order is a conditional order to buy or sell a security that is either immediately executed in its entirety (at a specified price) or canceled back in its entirety.
- **Good Til Cross (GTX)** - GTX limit orders add liquidity to an order book. Upon execution, if any part of a GTX limit order crosses the spread and matches a resting order, then the entire GTX order is canceled back.
- **At the Open** - An order that executes at the core session opening time or is cancelled back.
- **At the Close** - An order that executes at the core session closing time or is cancelled back.