



17 State Street, 38<sup>th</sup> Floor New York, NY 10004

## Quarterly Order Routing Statistics

(Report Ending December 31, 2018)

Pursuant to SEC Rule 606, Clearpool Execution Services, LLC ("Clearpool") publishes, as applicable, routing statistics for its customers' non-directed orders in U.S. exchange-listed equity securities ("NMS Securities") which it sends to various market centers for execution. This report provides information regarding the principal routing venues the Firm utilizes for non-directed customer orders.

For each section, this report identifies the venues most often selected by the Firm, sets forth the percentage of various types of orders routed to the venues, and if applicable, discusses the material aspects of the Firm's relationship with the venues.

The SEC's final adopting release, along with the text of Rule 606, can be found at:

<http://www.sec.gov/rules/final/34-43590.htm>

The SEC's Frequently Asked Questions about Rule 606 can be found at:

<http://www.sec.gov/interps/legal/mrs1b13a.htm>

### Execution Quality

Clearpool routes customer orders to various broker-dealers, exchanges or market centers based on a number of factors. These include: size of order, trading characteristics of the security, execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automatic execution processing and reduced execution costs through concessions received from broker-dealers, exchanges or market centers. The order routing policies of the firm are intended to provide customers a quality of execution with an opportunity for price improvement and lower transaction costs.

Certain algorithms that utilize order aggregation technology may combine multiple customer orders in an effort to optimize liquidity opportunities, pricing discounts, or execution quality. Fills are provided on an even-split basis. In instances where a trade cannot be split, fills are provided on a round-robin basis in time priority. CES uses a variety of algorithms to route orders based on customer preferences and/or CES routing methodologies. CES will make order routing information on orders you placed through our trading system(s) available to you upon request in compliance with SEC Rule 606. If you would like more information, please contact our Client Services Department at (212) 531-8500.

Consistent with the requirements of Rule 606, the statistics provided in this report do not capture all of Clearpool's order flow. This report provides an overview of the Firm's order routing practices; however, it does not encompass all the factors to be considered in assessing execution quality.

### Non-Acceptance of Directed Orders

Clearpool does not accept directed orders or any designation of a market center by a customer. Orders will be routed by Clearpool in accordance with its own discretionary order routing practices notwithstanding any such direction.



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## **All Orders Treated as Not Held**

All orders routed to Clearpool are treated as "not held" regardless of any specification to the contrary. This means Clearpool is not held to the size and price of transactions reported to the consolidated tape or reflected in the National Best Bid and Offer ("NBBO"). Orders will be handled according to the protocols of the algorithm or execution strategy selected. CES uses a variety of algorithms to route orders based on customer preferences and/or CES routing methodologies. CES will make order routing information on orders you placed through our trading system(s) available to you upon request.

## **Payment for Order Flow Disclosure**

Clearpool receives order flow payments for directing customer orders in equity securities. Substantially all order-flow payments relate to liquidity rebates which are received directly from market centers or exchanges or indirectly, via pass-through agreements, from other broker-dealers.<sup>1</sup> Schedules delineating order eligible for such rebates and the applicable rates are published publicly by the various market centers and exchanges. Liquidity rebates are considered payment for order flow even though they may not offset Clearpool's liquidity charges relating to its order flow from market centers. CES may receive remuneration for directing orders to a broker or dealer and may route orders to market centers, including national securities exchanges, alternative trading systems, electronic communications networks, and broker-dealers that may offer credits for orders that provide liquidity and may assess fees for orders that take liquidity. In some cases, the credits offered by a market center may exceed the charges assessed, such that a market center may make a payment to CES in relation to orders directed to such market center. Such remuneration, if any, is considered compensation to us. In addition to the aforementioned liquidity rebates, the Firm may also receive remuneration from certain market venues under limited circumstances. These limited arrangements are generally pursuant to an agreement between the market venue and a particular client/customer of the Firm. The source and nature of any compensation received in connection with any particular transaction and the identities of the venues to which orders were routed for execution in the prior six months, whether orders were directed or non-directed orders, and the time of the transactions, if any, that resulted from such orders will be disclosed to Customers upon written request.

## **Execution Capacity Disclosure**

Clearpool may execute any order on an agency or riskless principal capacity at Clearpool's discretion and may act in more than one capacity on a given order.

## **Disclaimer**

**While Clearpool has made its best efforts to provide accurate information in this report, Clearpool does not guarantee or represent that this report is accurate or complete. Many factors may contribute to inaccuracies in this report. Clearpool disclaims any liability for incidental, consequential, direct or indirect damages that may result from reliance on this report.**

**For more information regarding Clearpool's order routing practices, please contact us at:**

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17 State Street, 38<sup>th</sup> Floor  
New York, NY 10004  
Attn: Operations Department  
Tel: (212) 531-8543

*Revised 12/2018*

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<sup>1</sup> *Rebates passed through from other broker-dealers may be discounted from the published rates of the respective market centers.*

**NYSE Listed Securities**

Routing Venue	Non-Directed (Total)%	Market Orders %	Limit Orders %	Other Orders %
Total	100	0	0	100
MLCO	15.90	0	0	15.90
IEXG	12.35	0	0	12.35
NYSE	8.03	0	0	8.03
UBSA	6.22	0	0	6.22
CDRG	5.48	0	0	5.48
EBXL	5.15	0	0	5.15
UBSS	5.12	0	0	5.12
NSDQ	3.80	0	0	3.80
INCA	3.68	0	0	3.68
DBAX	3.53	0	0	3.53
EDGA	3.05	0	0	3.05
BATY	2.67	0	0	2.67
BIDS	2.53	0	0	2.53
MSPL	2.31	0	0	2.31
ARCA	2.08	0	0	2.08
ECUT	1.93	0	0	1.93
JPMX	1.74	0	0	1.74
NQBX	1.50	0	0	1.50
SGMT	1.36	0	0	1.36
SOHO	1.33	0	0	1.33
ALTX	1.26	0	0	1.26

**Nasdaq Listed Securities**

Routing Venue	Non-Directed (Total)	Market Orders	Limit Orders	Other Orders
Total	100	0	0	100
MLCO	14.27	0	0	14.27
IEXG	12.20	0	0	12.20
NSDQ	8.69	0	0	8.69
CDRG	6.82	0	0	6.82
UBSA	6.08	0	0	6.08
UBSS	5.19	0	0	5.19
EBXL	4.98	0	0	4.98
INCA	4.07	0	0	4.07
DBAX	3.40	0	0	3.40
EDGA	3.09	0	0	3.09
ARCA	2.85	0	0	2.85
NYSE	2.78	0	0	2.78
SOHO	2.34	0	0	2.34
BIDS	2.31	0	0	2.31
BATY	1.88	0	0	1.88
MSPL	1.86	0	0	1.86

ECUT	1.61	0	0	1.61
EDGX	1.50	0	0	1.50
ALTX	1.47	0	0	1.47
JPMX	1.42	0	0	1.42
SGMT	1.30	0	0	1.30

### NYSE Arca Listed Securities

Routing Venue	Non-Directed (Total)	Market Orders	Limit Orders	Other Orders
Total	100	0	0	100
MLCO	12.64	0	0	12.64
IEXG	9.83	0	0	9.83
CDRG	7.09	0	0	7.09
ARCA	6.97	0	0	6.97
INCA	6.49	0	0	6.49
EBXL	5.05	0	0	5.05
UBSA	5.00	0	0	5.00
DBAX	4.76	0	0	4.76
EDGA	4.55	0	0	4.55
NSDQ	4.28	0	0	4.28
JSJX	3.96	0	0	3.96
UBSS	3.96	0	0	3.96
NYSE	2.36	0	0	2.36
BATY	2.20	0	0	2.20
SGMT	1.84	0	0	1.84
LATS	1.83	0	0	1.83
ECUT	1.63	0	0	1.63
MSPL	1.56	0	0	1.56
SOHO	1.51	0	0	1.51
EDGX	1.48	0	0	1.48
GSCO	1.37	0	0	1.37

### NYSE American Listed Securities

Routing Venue	Non-Directed (Total)	Market Orders	Limit Orders	Other Orders
Total	100	0	0	100
CDRG	17.70	0	0	17.70
MLCO	11.37	0	0	11.37
AMEX	7.56	0	0	7.56
IEXG	7.53	0	0	7.53
EBXL	6.13	0	0	6.13
UBSA	5.55	0	0	5.55
INCA	5.53	0	0	5.53
SOHO	3.22	0	0	3.22
EDGX	3.07	0	0	3.07

EDGA	2.96	0	0	2.96
DBAX	2.91	0	0	2.91
NSDQ	2.40	0	0	2.40
UBSS	2.25	0	0	2.25
ARCA	1.91	0	0	1.91
ECUT	1.61	0	0	1.61
BATY	1.53	0	0	1.53
KCGM	1.52	0	0	1.52
GSCO	1.38	0	0	1.38
BIDS	1.28	0	0	1.28
SGMT	1.24	0	0	1.24
NYSE	1.24	0	0	1.24
LATS	1.14	0	0	1.14

### BATS Listed Securities

Routing Venue	Non-Directed (Total)	Market Orders	Limit Orders	Other Orders
Total	100	0	0	100
IEXG	12.53	0	0	12.53
MLCO	9.96	0	0	9.96
UBSA	8.41	0	0	8.41
INCA	6.79	0	0	6.79
JSJX	6.11	0	0	6.11
EBXL	5.66	0	0	5.66
DBAX	5.51	0	0	5.51
CDRG	5.00	0	0	5.00
ECUT	4.85	0	0	4.85
UBSS	3.47	0	0	3.47
EDGA	3.46	0	0	3.46
BATY	3.42	0	0	3.42
NSDQ	2.90	0	0	2.90
NYSE	2.54	0	0	2.54
SGMT	2.17	0	0	2.17
LATS	2.16	0	0	2.16
MSPL	1.90	0	0	1.90
ARCA	1.83	0	0	1.83
NQBX	1.56	0	0	1.56
KCGM	1.51	0	0	1.51