



**Lighthouse
Financial**

A LIGHTHOUSE GLOBAL COMPANY
MEMBERS FINRA, SIPC, MSRB & NFA

Disclosure of Order Execution and Routing Practices

Securities and Exchange Commission Rule 606 of regulation NMS (Formerly SEC Rule 11Ac1-6) requires that all broker-dealers make publically available a quarterly report with regard to their order routing practices for non-directed orders. The Rule excludes from the quarterly report those orders that are directed by a customer to a particular exchange or market for execution.

The rule also requires that the report discloses any "material aspects" of their relationship with significant execution venues, in addition to a description of any payment for order flow arrangements.

In an effort to obtain the best execution, our client's orders are handled and routed to our clearing firms, as well as various market centers via electronic and manual communications channels.

In doing so, the firm must determine the size and type of order in regards to a combination of the following factors which determine to which venue orders are routed for execution:

- Anticipated execution price, based on a market center's structure and parameters for execution at the national best bid or offer (NBBO), and the opportunity for price improvement.
- Speed of order execution reports.
- Efficiency, reliability and support services provided.
- Peak capacity of order handling and execution systems as well as system backup and recovery capabilities.
- Ability of a market center to act as backup for other market centers.

Disclosure of Order Routing Information

Quarterly reports disclosing our order routing information can be viewed via the Transaction Auditing Group, Inc. (TAG Audit) Web site at <http://www.tagaudit.com> under the Public Rule 606 Tab

If you would like a written copy of these reports or would like to identify of the market center that your orders were routed to please email compliance@lhfg.net or call 212.277.8130.