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## **SEC Rule 606 and 607 (Disclosure of Payment for Order flow and Order Routing Information)**

Karmeq routes orders to our clearing firm, Apex Clearing. Pursuant to SEC Rule 606, Apex Clearing makes publicly available a quarterly report with regard to its routing of non-directed orders. For the purpose of this Rule, Apex Clearing has entered into an agreement with Quantum5 Market Surveillance (a Division of S3 Matching Technologies) to disclose all required information pertaining to this rule. This information can be accessed on the internet at:

<http://public.s3.com/rule606/apex/>.

SEC Rule 606(b) requires a broker dealer to disclose to its customers upon request, "the identity of the venue to which the customer's orders were routed for execution in the six months prior to the request, whether the orders were directed orders or non-directed orders, and the time of the transactions, if any, that resulted from such orders."

Pursuant to SEC Rule 607, Karmeq, LLC is required to disclosed at the time your account is opened and annually thereafter, our payment for order flow practices. Karmeq, LLC routes your equity orders to broker dealers or market centers (ie., primary exchanges or electronic communication networks ("ECN")) for execution. These broker dealers and market centers may include dealers who make markets in these securities. Karmeq, LLC may receive any compensation for routing equity orders to dealers. In exchange for routing your equity orders to certain market centers, we may receive monetary rebates per executed share for equity orders that add liquidity to its book and/or rebates for aggregate exchange fees. The rebates are considered payment for order flow even though it may not necessarily offset our aggregate payments for removing liquidity.