

# Rule 606 Report

## Q1 2019

### Listed Options

NON-DIRECTED ORDERS AS A PERCENTAGE OF TOTAL CUSTOMER ORDERS HAVING A MARKET VALUE LESS THAN \$50,000 0.0000%

PERCENTAGE OF NON-DIRECTED ORDERS THAT WERE	MARKET	LIMIT	OTHER (INCLUDES "NOT HELD")
	0.0000%	0.0000%	0.0000%

#### PERCENTAGE OF ORDERS ROUTED TO SIGNIFICANT VENUES

EXCHANGE	TOTAL NON-DIRECTED ORDERS	NON-DIRECTED MARKET ORDERS	NON-DIRECTED LIMIT ORDERS	NON-DIRECTED OTHER ORDERS
AMEX	0.0000%	0.0000%	0.0000%	0.0000%
ARCA	0.0000%	0.0000%	0.0000%	0.0000%
BATS	0.0000%	0.0000%	0.0000%	0.0000%
BOX	0.0000%	0.0000%	0.0000%	0.0000%
BX	0.0000%	0.0000%	0.0000%	0.0000%
CBOE	0.0000%	0.0000%	0.0000%	0.0000%
CTWO	0.0000%	0.0000%	0.0000%	0.0000%
EDGX	0.0000%	0.0000%	0.0000%	0.0000%
EMLD	0.0000%	0.0000%	0.0000%	0.0000%
GEM	0.0000%	0.0000%	0.0000%	0.0000%
ISE	0.0000%	0.0000%	0.0000%	0.0000%
MCRY	0.0000%	0.0000%	0.0000%	0.0000%
MIAX	0.0000%	0.0000%	0.0000%	0.0000%
MPRL	0.0000%	0.0000%	0.0000%	0.0000%
NSDQ	0.0000%	0.0000%	0.0000%	0.0000%
PHLX	0.0000%	0.0000%	0.0000%	0.0000%

## SEC Rule 606 Reports

Volant Execution, LLC (“VES”) has prepared this report (the “Report”) pursuant to Securities and Exchange Commission Rule 606, which requires all broker-dealers to make publicly available quarterly reports on their order routing practices. The Report provides information on VES’s routing of “non-directed orders,” which are orders that customers have not specifically instructed to be routed to a particular venue for execution. For these non-directed orders, VES has selected the execution venue on behalf of its customers. Absent specific client instructions, VES assesses execution venues to which it routes client orders based on one or more factors, including execution speed, transaction costs (fees and rebates), liquidity, potential opportunities for price improvement (prices superior than the national best bid or offer), and other factors.

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/mrslb13a.htm>.

The Rule requires four sections in the report; the first three sections are for NMS stocks, and the fourth section is for option contracts. VES routes options orders exclusively, so there is no stock routing information to report. The Report identifies the venues most often selected by VES and the percentage of various types of orders routed to those venues. The material aspects of VES’s relationships with these venues, if any, are discussed below. VES will make available to any customer the identity of the venue to which its order was routed for execution during the six months prior to the customer’s request, whether the order was directed or non-directed, and the time of the transaction, if any, that resulted from the order.

## Rule 606 Disclosures

Smart Order Routing orders are considered Not Held and are classified as “other” for the purposes of VES’s reporting pursuant to Rule 606.

*Affiliations.* Volant Liquidity, LLC, an affiliate of VES, is a market maker and trades principally in many listed options. Volant Liquidity, LLC is registered in some form of a market making capacity on each of the following option exchanges: BATS (BZX), BOX, Chicago Board of Options (CBOE), C2, International Securities Exchange (ISE), ISE Gemini, MIAX, Nasdaq OMX BX Options (BX Options), Nasdaq OMX PHLX (PHLX), Nasdaq Options Market, NYSE AMEX Options and NYSE Arca Options.

*Payment for Order Flow.* Certain venues may offer cash rebates and/or charge fees for executing orders. These rebates and fees differ by venue and are typically determined based on whether the order provided or removed liquidity, and may vary based on the volume of orders routed by VES to the particular venue. If the amount of these rebates exceeds the fees charged, VES will receive a net payment from the particular venue. In addition, VES participates in Exchange-sponsored listed options payment for order flow programs and accepts payment for order flow for certain listed options orders. In the course of providing liquidity, VES may also direct certain options orders to Volant Liquidity, LLC or third party market makers for execution.

*Order Routing Information.* Clients may contact VES for the identity of the venue to which such client’s orders were routed for execution during the preceding six months. Please submit your request in writing by sending an email to [support@volantexecution.com](mailto:support@volantexecution.com).

## Disclaimer

VES has endeavored to prepare these Reports in accordance with the requirements of Rule 606. Rule 606 is intended to provide investors with certain information regarding each broker-dealer's order handling practices. The Reports are not intended to and do not consider all factors relevant to an analysis of a broker-dealer's best execution and order routing practices. They alone do not create a reliable basis to address whether VES or any particular broker-dealer failed to obtain the most favorable terms reasonably available under the circumstances for customer orders.

VES has used best efforts to produce the Reports accurately and timely. However, preparation of the Reports requires compilation and analysis of a substantial amount of data. While VES has taken care in preparing the data presented in this report, the data has not been audited; accordingly, the Reports may contain inadvertent errors or other inaccuracies. Use of the Reports is strictly voluntary. VES shall not be liable for any person's use of the Reports or for any damages arising from the use of the Reports, including incidental and consequential damages. Any decision about whether to open an account or direct orders to VES should not be based solely on the information presented in this report, but on a broader evaluation of the full range of services and products we offer.