

Mark-Up/Mark-Down Disclosure Statement

FINRA Rule 2232 and MSRB Rule G-15 require firms to disclose the amount of mark-up or mark-down from “prevailing market prices” for trades with retail customers in all municipal, corporate and agency debt securities if the member executes an offsetting principal trade in the same security on the same trading day. The information disclosed will be the total mark-up or mark-down from the prevailing market price in both total dollars and percentage per transaction.

Please note the following:

- The prevailing market price for a security will not always be the same as Jefferies’ actual cost for the security.
- Mark-up and mark-down will take into account additional costs incurred by Jefferies, such as regulatory fees, so mark-up and mark-down will not necessarily be the same as Jefferies’ profit or loss on a transaction.
- Jefferies is required to pay you a price or sell you securities at a price that is fair and reasonable under market conditions at the time of the trade. If Jefferies paid more for a security than is fair and reasonable at the time of the trade, Jefferies may incur a loss and will then disclose the mark-up or mark-down.

The rules also require firms to disclose two additional items on all retail customer confirmations for municipal, corporate and agency debt security trades:

- A reference, and a hyperlink if the confirmation is electronic, to a web page hosted by FINRA or the MSRB, and
- The execution time of the transaction.

On the FINRA website, you will be able to compare your price with other trades in the same security, review any prospectus for your security, and check the current credit and other rating elements for your security.

On the MSRB website, you will be able to compare your price with other trades in the same security, review any offering document prepared for your security, check the current credit rating on your security and review any disclosure about your security prepared after the date of issue.

If you have any question about these disclosure rules, please contact your Jefferies Account Executive.