

SUPPLEMENTAL SCHEDULE TO FOCUS REPORT OR FOGS REPORT, AS APPLICABLE

SUPPLEMENTAL INVENTORY SCHEDULE

GENERAL INSTRUCTIONS

The Supplemental Inventory Schedule (SIS) is to be filed within 20 business days after the end of each firm's FOCUS reporting period by all FOCUS Part II, FOCUS Part IIA, and FOGS Part I filers with inventory positions (i.e., securities or commodities positions (long, short or both) which are required to be reported on the balance sheet pursuant to GAAP) as of the end of the reporting period, except for firms that:

- (1) have a minimum dollar net capital or liquid capital requirement, as applicable, of less than \$100,000; or
- (2) have inventory positions consisting only of money market mutual funds.

A firm with inventory positions consisting only of money market mutual funds must affirmatively indicate through functionality on the eFOCUS system that no filing is required for the reporting period.

Note: Report the gross long and short market values of all inventory positions as defined for each line item.

Note: Securities defined within the categories specified in lines 3 through 11 that are deemed to be "non-marketable," "not readily convertible to cash" or where "a ready market" is deemed not to exist with respect to such securities under SEA Rule 15c3-1 and the respective interpretations thereunder, are to be reported on line 13.a., b. or c. (Securities with No Ready Market).

SPECIFIC INSTRUCTIONS

Aggregate Securities and Commodities Positions

1. U.S. Treasury Securities

Report the market value of all securities issued by and guaranteed as to principal or interest by the United States government (i.e., direct obligations of the U.S. Treasury) including but not limited to bills, notes, bonds, Treasury Inflation-Protected Securities (TIPS), U.S. Treasury STRIPS (IO) or (PO), and Treasury floating rate notes.

2. U.S. Government Agency and U.S. Government-Sponsored Enterprises

a. Mortgage-Backed Securities issued by U.S. Government Agency and U.S. Government-Sponsored Enterprises

Report the market value of all securities that include, but are not limited to, mortgage-backed securities issued or guaranteed by, or which are the obligation of a United States federal agency, or a United States government-sponsored enterprise, including participation certificates, pass-through securities, CMOs, REMICS, and IOs or POs. For examples of securities issued by U.S. government agency and U.S. government-sponsored enterprises, see /01 and /011 of SEA Rule 15c3-1(c)(2)(vi)(A) in the *FINRA Interpretations of Financial and Operational Rules*.

b. Debt Securities issued by U.S. Government Agency and U.S. Government-Sponsored Enterprises

Report the market value of all debt securities issued or guaranteed as to principal or interest by any agency of the United States government including securities that are issued by, guaranteed

by, or are the direct obligation of a United States federal agency or a United States government-sponsored enterprise except mortgage-backed securities issued by such entities. For examples of securities issued by U.S. government agency and U.S. government-sponsored enterprises, see /01 and /011 of SEA Rule 15c3-1(c)(2)(vi)(A) in the *FINRA Interpretations of Financial and Operational Rules*.

3. Securities issued by States and Political Subdivisions in the U.S.

Report the market value of all securities issued by states (and political subdivisions thereof) of the United States including the District of Columbia, as well as counties, municipalities, school districts, irrigation, drainage and sewer districts. Also include securities issued by the government of Puerto Rico and of the U.S. territories and possessions and their political subdivisions. Include general obligations, revenue obligations, industrial development and similar obligations.

4. Foreign securities

Report the market value of all debt (line 4.a.) and equity (line 4.b.) securities issued or guaranteed as to principal or interest by a foreign sovereign government. In addition, report the market value of all securities issued by entities established under the laws of a foreign country (i.e., legally incorporated in a foreign country or issued by international organizations, even if these organizations are located in the United States) including ADRs, Eurodollar bonds as well as any structured products such as ETNs and ETFs that are issued by foreign entities as well as ETNs and ETFs whose underlying holdings are predominantly securities issued by foreign entities.

5. Money Market Instruments

Report the market value of all money market securities issued by entities established in the United States, which include but are not limited to banker's acceptances, bank certificates of deposit, commercial paper and money market mutual funds.

6. Private-Label Mortgage-Backed Securities

Report the market value of all mortgage-backed securities including residential and commercial mortgage-backed securities issued by any private issuer (i.e., any entity that is not a U.S. government agency or U.S. government-sponsored enterprise).

7. Other Asset-Backed Securities

Report the market value of all asset-backed securities issued by any private issuer (i.e., any entity that is not a U.S. government agency or U.S. government-sponsored enterprise) other than mortgage-backed securities reported on line 6 (Private-Label Mortgage-Backed Securities). Asset-backed securities include but are not limited to securities backed by credit card receivables, automobile loans and leases.

8. Corporate Obligations

Report the market value of all U.S. dollar-denominated debt securities issued by any corporations incorporated in the 50 states of the United States and the District of Columbia. Corporate obligations include but are not limited to non-convertible, convertible, floating rate debt securities and ETNs that are issued by a domestic issuer, as well as ETNs that are predominantly composed of debt securities issued by a domestic issuer.

9. Stocks and Warrants (other than arbitrage positions)

Report the market value of preferred and common stocks, warrants and ETFs issued by any domestic issuer and that are not traded on the firm's arbitrage trading desk.

10. Arbitrage

Report the market value of securities that are considered part of a "bona fide arbitrage." For purposes of the SIS, a security is considered part of a "bona fide arbitrage" if a security is convertible into or exchangeable for another security within a period of 90 days, subject to no conditions other than the payment of money, and the other securities into which such security is convertible or for which it is exchangeable, are short in the accounts of such broker or dealer.

11. Derivatives including Options

Reporting on lines 11.a.1.-5. and 11.b.1.-4. is required when either the total long or total short of all items under line 11 is greater than 10% of the total long or total short amounts reported on line 15 (Total) after excluding long and short amounts reported on line 1 (U.S. Treasury Securities) and line 2. (U.S. Government Agency and U.S. Government – Sponsored Enterprises). Otherwise, firms need only report the total of all long and short amounts of Derivatives including Options on line 11.

Note: Firms should net offsetting intracompany securities or swaps transactions between desks. No other netting should be done for purposes of reporting in this section, even if transactions are subject to bilateral netting agreements. When reporting mark-to-market receivables and payables, receivables should be reported in the long column and payables in the short column.

a. Centrally Cleared

1. Report the market value of all centrally cleared options.
2. Report the gross mark-to-market receivables and payables on all centrally cleared forward settling and delayed delivery transactions (including TBAs).
3. Report the gross mark-to-market receivables and payables on all centrally cleared security-based swaps and swaps transactions.
4. Report the gross mark-to-market receivables and payables on all futures transactions.
5. Report the gross mark-to-market receivables and payables on all other centrally cleared derivatives.

b. All Other

1. Report the market value of all options not otherwise reported on line 11.a.1, including the mark-to-market receivables or payables on swaptions contracts.
2. Report the gross mark-to-market receivables and payables on forward settling and delayed delivery transactions not otherwise reported on line 11.a.2 (including TBAs).
3. Report the gross mark-to-market receivables and payables on security-based swaps and swaps transactions not otherwise reported on line 11.a.3.
4. Report the gross mark-to-market receivables and payables on all other non-centrally cleared derivatives.

12. Spot Commodities

Report the market value of spot commodities.

13. Securities with no ready market

Report the value of securities for which there is no “ready market,” as defined in SEA Rule 15c3-1 and the respective interpretations thereunder. Include securities that are subject to marketplace blockage, and securities that cannot be publicly offered or sold because of statutory, regulatory, or contractual arrangements, or because of other restrictions.

14. Other Securities or Commodities

Report the market value of all other marketable securities not reported in lines 1 through 13.

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Supplemental Inventory Schedule
(Please read instructions before completing Form)

NAME OF BROKER-DEALER	13	SEC FILE NO.	14
ADDRESS OF PRINCIPAL PLACE OF BUSINESS	20	FIRM ID NO.	15
(No. and Street)	21	FOR PERIOD ENDING (MM/DD/YY)	25
(City)	(State)	(Zip Code)	23

NAME OF PERSON COMPLETING THIS REPORT	11290
TELEPHONE NO. OF PERSON COMPLETING THIS REPORT	11291

Aggregate Securities and Commodities Positions

	LONG		SHORT	
1. U.S. Treasury Securities		\$ 8200		\$ 8201
2. U.S. Government Agency and U.S. Government – Sponsored Enterprises		\$ 8210		\$ 8211
	LONG		SHORT	
a. Mortgage-Backed Securities issued by U.S. Government Agency and U.S. Government-Sponsored Enterprises	\$ 18001	\$ 18002		
b. Debt Securities issued by U.S. Government Agency and U.S. Government-Sponsored Enterprises	\$ 18003	\$ 18004		
3. Securities issued by States and Political Subdivisions in the U.S.		\$ 8220		\$ 8221
4. Foreign securities:				
a. Debt securities		\$ 8230		\$ 8231
b. Equity securities		\$ 8235		\$ 8236
5. Money Market Instruments		\$ 8240		\$ 8241
6. Private-Label Mortgage-Backed Securities		\$ 8250		\$ 8251
7. Other Asset-Backed Securities		\$ 8260		\$ 8261
8. Corporate Obligations		\$ 8270		\$ 8271
9. Stocks and Warrants (other than arbitrage positions)		\$ 8280		\$ 8281
10. Arbitrage		\$ 8290		\$ 8291
11. Derivatives including Options:		\$ 8295		\$ 8296
a. Centrally Cleared (See instructions)				
	LONG		SHORT	
1. Options	\$ 18005	\$ 18006		
2. Forward Settling and Delayed Delivery Transactions	\$ 18007	\$ 18008		
3. Security-Based Swaps and Swaps	\$ 18009	\$ 18010		
4. Futures	\$ 18011	\$ 18012		
5. Other	\$ 18013	\$ 18014		
b. All Other (See Instructions)				
1. Options	\$ 18100	\$ 18101		
2. Forward Settling and Delayed Delivery Transactions	\$ 18102	\$ 18103		
3. Security-Based Swaps and Swaps	\$ 18104	\$ 18105		
4. Other	\$ 18106	\$ 18107		
12. Spot Commodities		\$ 8330		\$ 8331
13. Securities with no ready market:				
a. Equity		\$ 8340		\$ 8341
b. Debt		\$ 8345		\$ 8346
c. Other (include limited partnership interests)		\$ 8350		\$ 8351
14. Other Securities or Commodities		\$ 8360		\$ 8361
15. Total		\$ 8370		\$ 8371