SUPPLEMENTAL QUARTERLY SCHEDULE TO FOCUS REPORT

DERIVATIVES AND OTHER OFF-BALANCE SHEET ITEMS

GENERAL INSTRUCTIONS

The Derivatives and Other Off-Balance Sheet Items Schedule (OBS) is intended to provide information that will permit FINRA to assess more effectively on an ongoing basis the potential impact off-balance sheet activities may have on firms’ net capital, leverage and liquidity, and ability to fulfill their customer protection and counterparty obligations. Subject to the de minimis exception, the OBS must be filed by (1) all FINRA members that self-clear their proprietary transactions or clear transactions for others or carry customer accounts; and (2) all other FINRA members that have, pursuant to SEA Rule 15c3-1, a minimum dollar net capital requirement equal to or greater than $100,000 and at least $10 million in reportable items.

De minimis exception from filing the OBS: If the aggregate of all gross amounts of off-balance sheet items is less than 10% of the firm’s excess net capital on the last day of the reporting period, the firm is exempted from this filing requirement. The term “excess net capital” means net capital reduced by the greater of the minimum dollar net capital requirement or 2% of combined aggregate debit items as shown in the Formula for Reserve Requirements pursuant to SEA Rule 15c3-3. A firm that claims the de minimis exception must affirmatively indicate through functionality on the eFOCUS system that no filing is required for the reporting period.

The OBS must be filed within 22 business days after the end of each calendar quarter.

SPECIFIC INSTRUCTIONS

1. Commitments
   A. Securities Underwriting
      Report the market value of open contractual commitments to issuer(s) at quarter-end, net of confirmed sales, including both registered and non-registered issuances not otherwise reported on the balance sheet.

      Note: Exclude U.S. Treasuries and direct obligations of U.S. Federal Agencies.

   B. Financing commitments not included on items 3F or 3G
      Report the dollar amount of any other commitments to lend funds that haven’t been identified on items 3F or 3G including margin lending or other undrawn loan commitments.

   C. Guarantees
      Report on line 10105 (as a credit) the notional dollar amount of all guarantees of third party and affiliate obligations that are not reflected on the balance sheet.
2. **Variable Interest Entities (VIEs)**
   
   A. **Unconsolidated VIEs**
      
      Report the gross amounts of assets and liabilities of unconsolidated VIEs in which the firm holds an interest.
      
   B. **Maximum exposure to loss relating to unconsolidated VIEs**
      
      The maximum exposure to loss assumes all assets in the unconsolidated VIEs are worthless and includes potential losses associated with off-balance sheet commitments such as unfunded liquidity commitments and other contractual arrangements.
      
      **Memo item: Investment in unconsolidated VIEs**
      
      Report any investment(s) that has been included on the balance sheet for any entity(ies) that is not consolidated in the audited consolidated financial statements and whose assets and liabilities are included on item 2A of this schedule.
      
   C. **Maximum exposure to loss relating to consolidated VIEs**
      
      Report the maximum exposure to loss in consolidated VIEs including retained interests and other exposures (e.g., derivatives and liquidity commitments).

3. **Off-Balance Sheet Financing Transaction**
   
   A. **Reverse Repos and Repos offset pursuant to ASC 210-20-45-11**
      
      Report the gross contract value that was netted pursuant to ASC 210-20-45-11.
      
      **Note:** Include the gross contract value of Buy/Sell-backs and Sell/Buy-backs that were netted pursuant to ASC 210-20-45-11.
      
   B. **Transactions offset pursuant to ASC 210-20-45-1**
      
      Report the gross contract value of transactions that have been netted pursuant to ASC 210-20-45-1.
      
   C. **Reverse Repos/Repos to maturity pursuant to ASC 860-10-40-5**
      
      Report the gross contract value of Reverse Repo or Bonds Borrowed contracts (as a debit) and the gross contract value of Repos or Bonds Loaned contracts (as a credit) that were derecognized from the balance sheet pursuant to ASC 860-10-40-5.
      
   D. **Securities Borrowed vs. Pledge agreements**
      
      Report the gross collateral market value of Non-Cash Securities Borrowed and Non-Cash Securities Loans agreements not included on the balance sheet pursuant to ASC 860.
      
   E. **Reverse Repo vs. Pledge agreements**
      
      Report the gross collateral market value of Non-Cash Reverse Repo and Repurchase agreements not included on the balance sheet pursuant to ASC 860.
F. **Forward starting Reverse Repurchase and Securities Borrowing agreements**
   Report the dollar amount of cash the broker-dealer has agreed to lend on forward starting Reverse Repo and Securities Borrowed transactions.

G. **Forward starting Repurchase and Securities Lending agreements**
   Report the dollar amount of cash the broker-dealer has agreed to borrow on forward starting Repurchase and Securities Lending transactions.

H. **Other**
   Report any other Off-Balance Sheet Financing agreements not otherwise included above.

4. **Non-Regular Way Settlement Trades**
   A. **When Issued Securities**
      Report the gross long and short notional values of securities positions purchased and sold on a “When Issued” basis and not otherwise included on the balance sheet.

   B. **Delayed Delivery/Delayed Settlement**
      Report the gross long and short notional values of all unsettled trades transacted on a Delayed Delivery/Delayed Settlement basis, not otherwise included on the balance sheet.

   C. **To Be Announced (TBA) transactions**
      Report the gross long and short notional values of all unsettled TBA transactions in securities issued by Freddie Mac (FHLMC), Fannie Mae (FNMA) and Ginnie Mae (GNMA).

   D. **TBA related fails not included on balance sheet**
      Report the gross long and short notional values of TBA transactions that have passed their contracted settlement date and are not included as fails on the balance sheet.

   E. **Other**
      Report the gross long and short notional value of any other Non-Regular Way settlement transactions not otherwise included on the balance sheet or on items 4A through D.

5. **Forwards**
   A. **Foreign Exchange**
      Report the gross amount stated in $USD, of all foreign exchange forwards committing the firm to purchase or sell foreign (non-$USD) currencies for a $USD exchange, where the predominant risk is foreign exchange risk.

      The term “foreign exchange forward” means a transaction that solely involves the exchange of two different currencies on a specific future date at a fixed rate agreed upon on the inception of the contract covering the exchange.

      **Note:** For purposes of the OBS, a foreign exchange forward is a contract with a settlement date greater than two business days following the trade date (i.e., > T+2).
B. **Other**
   Report the gross purchase and sale of other forward settling transactions, not otherwise included in the balance sheet.

6. **Total gross notional amount**
   Report in the appropriate column according to the contract’s underlying risk exposure: interest rate, foreign exchange, equity, commodity and other. Contracts with multiple underlying risks should be reported based upon the greatest risk at the origination of the contract. Credit derivatives should be excluded from items 6 through 9 and reported in items 10 through 13.

   Firms should net offsetting intracompany swaps between desks. No other netting should be done for purposes of reporting on this schedule, even if contracts are subject to bilateral netting agreements.
Gross Amounts
Debit or Long Market Value (000s)
$_________  $_________

Gross Amounts
Credit or Short Market Value (000s)
$_________  $_________

1. Commitments
A. Securities Underwriting $_________  $_________
B. Financing commitments not included on items 3F or 3G $_________  $_________
C. Guarantees $_________  $_________

2. Variable Interest Entities (VIEs)
A. Unconsolidated VIEs $_________  $_________
B. Maximum exposure to loss relating to unconsolidated VIEs $_________  $_________
   Memo item: Investment in unconsolidated VIEs $_________
C. Maximum exposure to loss relating to consolidated VIEs $_________  $_________

3. Off-Balance Sheet Financing Transactions
A. Reverse Repos and Repos offset pursuant to ASC 210-20-45-11 $_________  $_________
B. Transactions offset pursuant to ASC 210-20-45-1 $_________  $_________
C. Reverse Repos/Repos to maturity pursuant to ASC 860-10-40-5 $_________  $_________
D. Securities Borrowed vs. Pledge agreements $_________  $_________
E. Reverse Repo vs. Pledge agreements $_________  $_________
F. Forward starting Reverse Repurchase and Securities Borrowing agreements $_________  $_________
G. Forward starting Repurchase and Securities Lending agreements $_________  $_________
H. Other $_________  $_________

4. Non-Regular Way Settlement Trades
A. When Issued Securities $_________  $_________
B. Delayed Delivery/Delayed Settlement $_________  $_________
C. To Be Announced (TBA) transactions $_________  $_________
D. TBA related fails not included on balance sheet $_________  $_________
E. Other $_________  $_________

5. Forwards
A. Foreign Exchange $_________  $_________
B. Other $_________  $_________
**SUPPLEMENTAL QUARTERLY SCHEDULE TO FOCUS REPORT**  
**DERIVATIVES AND OTHER OFF-BALANCE SHEET ITEMS**  
For the period (MM/DD/YY) ending ______________  

### Derivatives

<table>
<thead>
<tr>
<th></th>
<th>Interest Rate Contracts (000s)</th>
<th>Foreign Exchange Contracts (000s)</th>
<th>Equity Derivative Contracts (000s)</th>
<th>Commodity and other Contracts (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Total gross notional amount</td>
<td>$_______ 10143</td>
<td>$_______ 10144</td>
<td>$_______ 10145 $_______ 10146</td>
</tr>
<tr>
<td>7.</td>
<td>Dollar amount in item 6 that is centrally cleared</td>
<td>$_______ 10147</td>
<td>$_______ 10148</td>
<td>$_______ 10149 $_______ 10150</td>
</tr>
<tr>
<td>8.</td>
<td>Total Mark-to-Market receivable (Debit)</td>
<td>$_______ 10151</td>
<td>$_______ 10152</td>
<td>$_______ 10153 $_______ 10154</td>
</tr>
<tr>
<td>9.</td>
<td>Total Mark-to-Market payable (Credit)</td>
<td>$_______ 10155</td>
<td>$_______ 10156</td>
<td>$_______ 10157 $_______ 10158</td>
</tr>
</tbody>
</table>

### Credit Derivatives

<table>
<thead>
<tr>
<th></th>
<th>Sold Protection (000s)</th>
<th>Purchased Protection (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>Total gross notional amount</td>
<td>$_______ 10159 $_______ 10160</td>
</tr>
<tr>
<td>11.</td>
<td>Dollar amount in item 10 that is centrally cleared</td>
<td>$_______ 10161 $_______ 10162</td>
</tr>
<tr>
<td>12.</td>
<td>Total Mark-to-Market receivable (Debit)</td>
<td>$_______ 10163 $_______ 10164</td>
</tr>
<tr>
<td>13.</td>
<td>Total Mark-to-Market payable (Credit)</td>
<td>$_______ 10165 $_______ 10166</td>
</tr>
</tbody>
</table>