

DISCLOSURE OF MATERIAL CONFLICTS OF INTEREST

This document provides you with information about some of the material conflicts of interest that may arise between you and INTL FCStone Markets, LLC (“IFM”) in connection with IFM performing services for you with respect to swap and over-the-counter (OTC) transactions (“Transactions”). Conflicts of interests can arise in particular when IFM has an economic or other incentive to act, or persuade you to act, in a way that favors IFM or its affiliates. Under applicable law, including regulations of the Commodity Futures Trading Commission (“CFTC”), not all swaps are required to be executed on an exchange or swap execution facility (each, a “Trading Facility”), even if a Trading Facility lists the swap for trading. In such circumstances, it may be financially advantageous for IFM or its affiliate to execute a swap with you bilaterally in the over-the-counter market rather than on a Trading Facility and, to the extent permitted by applicable law, we may have an incentive to persuade you to execute your swap bilaterally.

Under applicable law, you may be permitted to choose the CFTC-registered derivatives clearing organization (the “Clearing House”) to which you submit a swap for clearing. IFM may not be a member of, or may not otherwise be able to submit your swap to the Clearing House of your choice. IFM consequently has an incentive to persuade you to use a Clearing House of which IFM or its affiliate is a member. IFM or an affiliate of IFM may own stock in, or have some other form of ownership interest in, one or more U.S. or foreign Trading Facilities or Clearing Houses where your Transactions may be executed and/or cleared. As a result, IFM or its affiliate may receive financial or other benefits related to its ownership interest when Transactions are executed on a given Trading Facility or cleared through a given Clearing House, and IFM would, in such circumstances, have an incentive to cause Transactions to be executed on that Trading Facility or cleared by that Clearing House. Employees and officers of IFM or its affiliate may also serve on the board of directors or on one or more committees of a Trading Facility or Clearing House.

In addition, Trading Facilities and Clearing Houses may from time to time have in place other arrangements that provide their members or participants with volume, market-making or other discounts or credits, and may call for members or participants to pre-pay fees based on volume thresholds, or may provide other incentive or arrangements that are intended to encourage market participants to trade on or direct trades to that Trading Facility or Clearing House. IFM or its affiliate may participate in and obtain financial benefits from such incentive programs. When we provide execution services to you (either in conjunction with clearing services or in an execution-only capacity), we may direct orders to affiliated or unaffiliated market-makers, other executing firms, individual brokers or brokerage groups for execution. These parties may, where permitted, agree to price concessions, volume discounts or refunds, rebates or similar payments in return for receiving such business. Likewise, where permitted by law and the rules of the applicable Trading Facility, we may solicit a counterparty to trade opposite your order or enter into transactions for its own account or the account of other counterparties that may, at times, be adverse to your interests in Transactions. In such circumstances, that counterparty may make payments or pay a commission to IFM in connection with that transaction. The results of your transactions may differ significantly from the results achieved by us for our own account, our affiliates, or for other customers. In addition, where permitted by applicable law and the rules of the applicable Trading Facility, IFM and its directors, officers, employees and affiliates may act on the other side of your order or transaction by the purchase or sale for an account, or the execution of a transaction with a counterparty, in which IFM or a person affiliated with IFM has a direct or indirect interest, or may effect any such order with a counterparty that provides IFM or its affiliates with discounts related to fees for Transactions or other products. In cases where we have offered you a discounted commission or clearing fee for Transactions executed through IFM as agent or with IFM or its affiliate acting as counterparty, IFM or its affiliate may be doing so because of the enhanced profit potential resulting from acting as executing broker or counterparty.

IFM or its affiliate may act as, among other things, an investor, research provider, placement agent, underwriter, distributor, remarketing agent, structurer, securitizer, lender, investment manager, investment adviser, commodity trading advisor, municipal advisor, market maker, trader, prime broker or clearing broker. In those and other capacities, IFM, its directors, officers, employees and affiliates may take or hold positions in, or advise other customers and counterparties concerning, or publish research or express a view with respect to, Transactions or related financial instruments that may be the subject of advice from us to you. Any such positions and other advice may not be consistent with, or may be contrary to, your interests or to positions which are the subject of advice previously provided by IFM or its affiliate to you, and unless otherwise disclosed in writing or required pursuant to regulation, we are not necessarily acting in your best interest and are not assessing the suitability for you of any Transactions or related financial instruments. Acting in one or more of the capacities noted above may give IFM or its affiliate access to information relating to markets, investments and products. As a result, IFM or its affiliate may be in possession of information which, if known to you, might cause you to seek to dispose of, retain or increase your position in one or more Transactions or other financial instruments. IFM and its affiliate will be under no duty to make any such information available to you, except to the extent we have agreed in writing or as may be required under applicable law.