

FIXED INCOME TRADING

Earning Research Credit

While earning research credit on equity transactions is common practice, earning research credit on fixed income transactions is not as widely used. Using fixed income trades for research credit provides additional flexibility when looking for ways to meet your research objectives

ELIGIBILITY

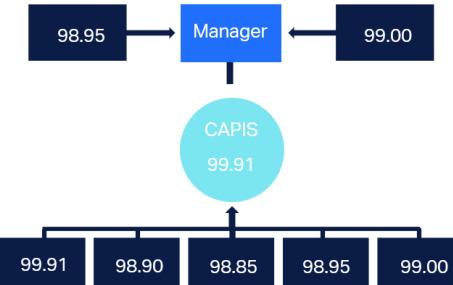
Earning soft dollar credit on fixed income trades has been an approved practice for nearly 40 years.

In its January 2006 Interpretive Release, the SEC again confirmed that earning research credits on fixed income Trades is permissible for trades executed on an agency basis.

In the Fall of 2013, the SEC issued a no-action letter confirming the permissible use of commissions generated by fixed income securities transactions, executed on an agency basis, to purchase research and brokerage services under Section 28(e) of the Securities Exchange Act of 1934.

TRADING PROCESS

The CAPIS fixed income desk uses its vast network of dealers to find the best possible price for you. We utilize a network of market makers including Wall Street's biggest firms as well as regional, niche dealers that provide liquidity for difficult trades that are typically off radar screen at the bigger firms. We identify and target dealers who have strengths in specific types of fixed income instruments, block sizes, and trade types. Dealers are then put in competition to achieve the best possible price.



NEW ISSUE AGENCY TRANSACTION

In addition to earning research credits on traditional secondary-market fixed income transactions, you can also purchase New Issue Agencies through CAPIS with a percentage of the selling concession credited to your CAPIS research account. You pay the public fixed offering price, just as if it were purchased from any other dealer, but receive research credit as well. FINRA and the SEC explicitly allow a member firm receiving a selling concession to provide research services to an investment manager related to the accounts managed by an investment manager.

BENEFITS OF WORKING WITH CAPIS

EXPERIENCE - We have been trading fixed income for research credit since 1981.

CCA/CSA CREDIT - We are one of the few firms that offer research credit for your agency fixed income trades.

NO CONFLICTS OF INTEREST - CAPIS does not execute for its own account and is always working in your best interest.