

## **IMPORTANT DISCLOSURES FOR RULE 262, 505, AND 506 OFFERINGS FOR WHICH JEFFERIES LLC ACTS AS A PLACEMENT AGENT**

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On March 12, 2014, pursuant to an offer of settlement by Jefferies LLC, the SEC entered an administrative order finding certain supervisory failures associated with its mortgage-backed securities department under Section 15(b)(4)(E) of the Securities Exchange Act of 1934. The administrative order censured Jefferies LLC and required the payment of disgorgement, prejudgment interest, and a civil penalty.

Coincident with Jefferies' offer of settlement with the SEC, Jefferies also entered into a non-prosecution agreement ("NPA") with the Justice Department related to the same conduct. Pursuant to the NPA, Jefferies stipulated to certain facts and agreed to pay a monetary penalty, with credit for certain restitution payments and the SEC penalty.

Jefferies received waivers from the SEC of any disqualifications under Regulations A, D (Rule 505 and 506), and E arising from the settlement, effective as of March 12, 2014. A more detailed description of Jefferies LLC's settlement with the SEC and the relief granted is available at <http://www.sec.gov/divisions/corpfin/cf-noaction/2014/jefferiesllc-3b-506d-031814.pdf>. The SEC Order is available at <http://www.sec.gov/litigation/admin/2014/34-71695.pdf>.