Extended Hours Trading Risk Disclosure – FINRA Rule 2265

Clients should be aware of the following risks when submitting orders for execution in the pre-market and post-market sessions:

1. Risk of Lower Liquidity. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because greater liquidity makes it easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for the securities purchased or sold. There may be lower liquidity in extended hours as compared with regular market hours. As a result, your order may be only partially executed, or not at all or you may receive an inferior price in the extended hours trading session.

2. Risk of Higher Volatility: Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than during regular market hours. As a result, your order may only be partially executed or not executed at all, or you may receive an inferior price in extended hours than you would during regular hours.

3. Risk of Changing Prices: The prices of securities traded in extended hours may not reflect the prices either at the end of regular market hours, or upon commencement of trading the following business day. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

4. Risk of Unlinked Markets: Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive a different price in one extended hours trading system than you would in another extended hours trading system.

5. Risk of News Announcements: Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

6. Risk of Wider Spreads: The spread refers to the difference between the price you can

buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours may result in wider than normal spreads in the extended hours session.

7. Risk that the Current Underlying Index Value or Intraday Indicative Value ("IIV") is Unavailable: For certain Derivative Securities Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. Since the underlying index value and IIV are not calculated or widely disseminated during the pre- market and post-market sessions, an investor who is unable to calculate implied values for certain Derivative Securities Products in those sessions may be at a disadvantage to market professionals.