R.F. Lafferty & Co., Inc.
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Extended Hours

The increased risks of extended hours trading are explained below. If you are not comfortable assuming these risks, you should not place extended-hours orders. To the extent that you enter such orders, you acknowledge you have carefully considered the risks of extended hours trading and whether it is appropriate for you.

Definition: Extended-hours trading is a means of trading before or after the regular trading session in certain NASDAQ and Listed securities through Electronic Communications Networks ("ECNs"). Options are not available for extended-hours trading. ECNs matches buy and sell orders at specified (Limit Order) prices. If you want to buy a stock through an ECN, but there are no sell orders to match the buy order, the order will not be executed until a matching sell order is received, and vice versa.

Extended-hours trades are not held to Time and Sales Hours. Pre-market trading is from 7 a.m. to 9:28 a.m. ET, Monday through Friday on days when the market is open (effective September 2013, pre-market trading begins at 6 a.m. ET). After-hours trading is from 4:02 p.m. to 8 p.m. ET, Monday through Friday on days when the market is open. On any day, extended-hours trading may be unavailable, delayed, interrupted, or terminated early without any prior notice. When the regular trading session closes at 1 p.m. ET, after-hours trading will generally be offered from 1:02 p.m. to 5 p.m. ET.

Limit Orders: You may only enter day limit orders for pre-market and after-hours trading. If your order is not executed, it will expire at the end of the relative trading session each day. Orders will not carry over to the next trading session. Extended-hours orders may be modified and canceled; however, these orders are subject to prior execution. You will be responsible for any execution at your original price. You will not be able to change an order from regular trading hours to extended-hours trading. Pre-market and after-hours trading are separate trading sessions and orders are not linked between the two sessions. Order qualifiers may not be used in extended hours trading sessions. All executed orders will be processed as a trade for that day subject to three-business-day settlement.

Risk of Lower Liquidity: Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders available in a market, the greater the liquidity. With greater liquidity it is easier for investors to buy or sell securities; therefore, investors are more likely to pay or receive a competitive price. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.

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 in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular trading hours.

Risk of Changing Prices: The prices of securities traded in extended-hours trading may not reflect either the price at the end of regular trading hours, or the opening price the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular trading hours.

Risk of Wider Spreads: The spread refers to the difference between a security's purchase price and its selling price. Lower liquidity and higher volatility in extended-hours trading may result in wider than normal spreads.

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

Risk of News Announcements: Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading 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 the security.

Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value: For certain derivative security products, an updated underlying index value or Intraday Indicative Value ("IIV") may not be calculated or publicly disseminated in extended-hours trading. Since the underlying index value and IIV are not calculated or widely disseminated outside regular trading hours, an investor who is unable to calculate implied values for certain derivative security products in those sessions may be at a disadvantage to market professionals.