

OTHER DISCLOSURES

“Held” or “Not Held Orders”

The purpose of this disclosure is to confirm our mutual understanding of the manner in which LaBranche Financial Services, LLC (“LFSL”) will handle orders in equity securities for its institutional and broker dealer clients. Unless stated otherwise or there are specific order instructions, terms or conditions to the contrary, it is LFSL ‘s understanding that all such orders entered with LFSL will be deemed to be handled and executed on a “Not Held” basis and LFSL will work such order accordingly

A **“Not Held”** Order provides LFSL with discretion to exercise our brokerage judgment regarding the price and/or time at which a trade is executed in order to seek to obtain the best execution of your order. “Not held” orders allows LFSL the flexibility and discretion to act in your best interest by working your order accordingly to seek to obtain the best execution possible under the surrounding facts and circumstances. Please be advised that according to FINRA rules, a “Not Held” order is not considered a priced order.

Please note that **“Held”** orders do not permit discretion in the handling of your order. In addition should your firm enter a market order or limit order, such “held” orders obligate LFSL to execute your market order immediately at the then prevailing market price or your limit order at your limit price (or better), which may not necessarily be the best price that can ultimately be obtained.

Should you have any questions or wish LFSL to treat your orders other than on a “Not Held” basis please contact your sales representative.

Extended Hours Trading Risk Disclosure Statement

In accordance with FINRA Rule 2265 no member shall permit a customer to engage in extended hours trading in the premarket session or the post-market session without disclosing to customers the risks specific to extended hours trading.

Customers should consider the following points before engaging in extended hours trading. "Extended hours trading" means trading outside of "regular trading hours." "Regular trading hours" generally means the time between 9:30 a.m. and 4:00 p.m. Eastern Standard Time.

- **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 with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. 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 when engaging 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 the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Unlinked Markets.** Depending on the extended hours trading system or the time of 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 a security.

- **Risk of Wider Spreads.** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

Net Price Trading

FINRA rules require that each broker dealer intending to trade on a net basis with a customer, notify the customer in writing prior to effecting such trade. You, as the customer, have the right to decline this arrangement prior to entering orders for execution with LaBranche Financial Services LLC (“LFSL”). Provided you do not decline, it will be deemed by LFSL that approval has been given by your firm for LFSL to execute your orders on a net and/or negotiated basis. Additionally, all orders entered for execution with LFSL is deemed to be entered with, and is executed on a “Not Held” basis, unless you specifically state otherwise.

A net trade takes place when a broker-dealer, at the request of the customer, while holding a customer order to buy (sell), executes a buy (sell) as principal at one price (from the street or another customer) and then executes an offsetting sell to (buy from) the customer at a different price. The difference between the price of the broker dealer’s transaction and the price of the offsetting transaction to the customer is the broker dealer’s compensation. Such compensation is generally not separately disclosed on the customer confirmation.