CaptiveX Securities LLC
Extended Hours Trading Risk Disclosure
March 18, 2025

Engaging in extended hours trading, which occurs outside of regular trading hours (typically 9:30 a.m. to 4:00 p.m. Eastern Time), involves unique risks that investors should carefully consider.

Risk of Lower Liquidity
Liquidity, or the ability of market participants to buy and sell securities, is often reduced during extended hours trading. Markets with fewer orders available tend to have lower liquidity, making it more challenging for investors to execute trades. As a result, your order may only be partially executed or may not be executed at all.

Risk of Higher Volatility
Extended hours trading may experience greater price volatility compared to regular trading hours. Heightened volatility can lead to larger price swings, increasing the likelihood that your order will only be partially executed, not executed at all, or executed at a less favorable price than during regular trading hours.

Risk of Changing Prices
Securities prices during extended hours trading may differ significantly from the closing prices of regular trading hours or the opening prices on the following trading day. This discrepancy may result in you receiving a less favorable price during extended hours trading.

Risk of Unlinked Markets
Prices displayed in a specific extended hours trading system may not reflect prices in other concurrently operating trading systems dealing in the same securities. These unlinked markets may lead to price discrepancies, potentially resulting in you receiving an inferior price in one system compared to another.

Risk of News Announcements
Issuers often release news or financial updates outside regular trading hours, which can significantly affect the prices of securities. If such announcements occur during extended hours trading, the combination of lower liquidity and higher volatility may exaggerate and temporarily distort the prices of affected securities.

Risk of Wider Spreads
Lower liquidity and increased volatility in extended hours trading can result in wider spreads—the difference between the bid (buy) price and the ask (sell) price of a security. Wider spreads may increase transaction costs and reduce the competitiveness of the price you pay or receive.

Investors participating in extended hours trading should be fully aware of these risks and understand how they may impact trading outcomes.