Blue Ocean encourages our Broker Dealer subscribers and their customers to consider the below risk points prior to Trading during Extended Hours Trading Sessions, meaning trading conducted outside of "regular trading hours", including the Blue Ocean Session which operates Sunday through Thursday 8:00 p.m. to 4:00 a.m. (subject to holiday trading hours). Subscriber customers should contact their Broker Dealer with further questions concerning extended hours trading.

- **Greater price volatility**: 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.
- **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
- **Wider bid/ask 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.
- **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 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.

- **Markets aren't linked during extended hours.** During extended hours, the price available at one trading venue might be inferior to the price available for the same security at the same time on other extended-hours trading venues. During regular trading hours, brokerage firms are generally required by SEC rules to fill customer orders for listed stocks at the best price at the time—known as the National Best Bid and Offer (NBBO). However, the NBBO is only published during regular trading hours, so this requirement doesn't apply to extended-hours trading. As a result, you might receive an inferior price in one extended-hours trading system than you would in another system.

- **Extended-hours trading doesn't change exchanges' official closing prices or determine the next day's opening prices.** The share prices recorded at 4 p.m. on the exchanges on a given day are considered the official closing prices for that day, regardless of what happens during extended-hours trading. These official closing prices are what investment funds use to calculate the value of their holdings at the end of regular trading hours. The next day's opening prices are generated based on supply and demand for the securities at or around the time markets open. The pricing dynamics at market open might differ from the prior extended-hours trading session, which creates the risk that the price you receive during the extended-hours period might be worse than during the following day's regular trading hours.

- **Your brokerage firm may set specific parameters for extended-hours trading.** Rules among brokerage firms about when and how customers can participate in extended-hours trading may vary. For instance, a firm might impose set times for such trading, restrict activity to a specific trading venue, or allow investors to trade only certain products. They might only accept limit orders during extended-hours trading and may have different policies regarding whether unexecuted extended-hours trades are canceled or carried over to the start of regular trading hours. They also might not offer extended-hours trading at all.