



FRACTIONAL SHARES TRADING RISK DISCLOSURE STATEMENT

Trading fractional shares of stocks can offer benefits such as lower barriers to entry into the market, but it also involves certain risks that investors should be aware of. Here are some of the risks of trading fractional shares of stocks:

- Fractional shares may not be as liquid as whole shares. Depending on the broker or trading platform, fractional shares may be illiquid, which means it may be difficult to buy or sell them quickly, especially during periods of high market volatility.
- Fractional shares may not be transferable to other brokerage firms. Some brokers may not allow investors to transfer their fractional shares to other brokerage firms, which could limit an investor's options if they decide to switch to a different broker.
- Fractional shares may not be eligible for certain shareholder benefits. Companies may offer shareholder benefits such as discounts on products or priority access to events to investors who own a minimum number of shares. Fractional shareholders may not be eligible for these benefits.
- Fractional shares may be subject to fewer voting rights. Some companies may limit the voting rights of fractional shareholders or require them to own a minimum number of shares to be eligible to vote on important matters.
- Fractional shares may be more volatile. Due to their smaller size, fractional shares may be more sensitive to market volatility, and changes in the market price of the stock may have a larger impact on the value of the fractional share.

It is important to understand the risks involved and carefully consider these factors before making any investment decisions. Investors should always do their own research and consult with a financial advisor before trading fractional shares of stocks.