



## **Electronic Routing and Trading Systems Disclosure Statement**

It is incumbent on all tastytrade customers to be knowledgeable of the significant differences between electronic order routing systems and the traditional, more manual order entry associated with the open outcry markets.

All customer trades entered through the tastytrade system are routed utilizing electronic order routing and trading systems. Therefore, customer orders are subject to the rules and regulations set forth by the various exchanges offering the system and product the tastytrade customer is trading.

All exchanges that offer electronic order routing systems have adopted rules to limit their liability in regards to potential software and communication system(s) failures, in which case, possible limitations may apply with respect to the amount of damages the customer may collect in the event of a system(s) failure at the exchange level. Customers should understand that it is their responsibility to review the rules and regulations published by the exchanges in which the customer plans to enter trades for execution.

Customers must understand that no exchange can fully guarantee that their order routing systems are able to avoid slower response times in periods of very high traffic volume.

tastytrade customers are expected to carefully review the applicable rules of the exchange's order routing system as well as the rules and regulations of the product the customer plans to trade before executing their first trade.

When trading via an electronic order routing and execution system, tastytrade customers are expected to understand that there are associated risks that can arise from a system or one of its components failing.

The customer must understand that in the event of a system or component failure, there may be a period of time when the customer will not be able to access the tastytrade system for placing new orders, cancellation or modification of existing orders, or viewing the receipt of order confirmations.

System or component failures may result in loss of customer orders and/or the customer's order priority.

The internet is subject to times of very high volume of traffic. Therefore, the customer should acknowledge the potential for a slow down of performance in the systems they employ when trading via the internet.

tastytrade customers should be prepared to employ other methods of order entry in the event that the electronic order routing system(s) experiences an outage or delay due to power failures, programming failures, volatile market conditions or heavy volume of trading which may result in delayed or slowed response times.

It is the responsibility of tastytrade customers that execute (or plan to execute) market orders to recognize that canceling this order type may prove to be difficult, or even impossible, to do when executing trades electronically.

Limit orders may reduce execution risk for customers. However, it is imperative that customers are fully aware that by no means do limit orders guarantee the execution of their order.