Margin Disclosure

US Customer Margin Disclosure Statement

RF Lafferty & Co., Inc. is furnishing this document to you to provide some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. This document is not intended to enumerate all of the risks entailed in trading in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price. If you choose to borrow funds, you will have to open a margin account with RFL. The securities purchased serve as RFL collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and as a result, RFL can take action, such as issue a margin call and/or sell securities in your account, in order to maintain the required equity in the account. It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

You can lose more funds than you deposit in the margin account. A decline in the value of securities that are purchased on margin may require you to provide additional funds to RFL to avoid the forced sale of those securities or other securities in your account RFL can force the sale of securities in your account. If the equity in your account falls below the maintenance margin requirements under the law, or the Clearing firm's higher "house" requirements, RFL can sell the securities in your account to cover the margin deficiency. You also will be responsible for any shortfall in the account after such a sale. RFL can sell your securities without contacting you. Some investors mistakenly believe that a broker must contact them for a margin call to be valid, and that the firm cannot liquidate securities in their accounts to meet the call unless the broker has contacted them first. This is not the case. RFL will attempt to notify its customers of margin calls, but we are not required to do so. However, even if RFL has contacted a customer and provided a specific date by which the customer must meet a margin call, RFL still can take necessary steps to protect its financial interest, including immediately selling the securities without notice to the customer.

You are not entitled to choose which security in your margin account is liquidated or sold to meet a margin call. Because the securities are collateral for the margin loan, RFL has the right to decide which security to sell in order to protect its interests. RFL can increase its "house" maintenance margin requirement at any time and is not required to provide advance written notice. Changes in RFL or the clearing firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause RFL to liquidate or sell securities in your account. You are not entitled to an extension of time on a margin call. While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to any such extension.

MEMBER: FINRA * SIPC *
MAIN OFFICE: 40 Wall Street * 19th Floor * New York, NY 10005
OFFICE: 3980 Tampa Road * Suite 202 * Oldsmar, FL 34677
NEW YORK CITY: Toll Free (800) 221-8601 * (212) 293-9090 * Fax: (646) 998-8063
FLORIDA: (813) 579-1304
WEB: www.rflafferty.com * EMAIL: info@rflafferty.com