

Stop Order Disclosure

The following Stop Order Disclosure is provided for purposes of education and notification. Should you have any questions about this notification, please contact TIAA Brokerage at 800-842-2252.

Consultants are available weekdays, 8 a.m. to 7 p.m. (ET).

- **Delays.** High volumes of trading at the market opening or intraday may cause delays in execution and executions at prices significantly away from the market price quoted or displayed at the time the order was entered. Our clearing broker may route to other broker-dealers for execution and the executing broker-dealers may adjust their order handling procedures in ways that impact order execution.
- **Types of Orders.** The brokers to whom our clearing broker routes market orders are required to execute them fully and promptly without regard to price and, while a customer may receive a prompt execution of a market order, the execution may be at a price significantly different from the current quoted price for that security. Limit orders will be executed only at the specified limit price or better and, while the customer receives price protection, there is the possibility that the order will not be executed.
- **Access.** Customers may suffer market losses during periods of volatility in the price and volume of a particular security when systems limitations result in the inability to place buy or sell orders. Our clearing broker strives to maintain resilient and fault-tolerant solutions providing continual access to liquidity; however, due to the nature of technology, there can be brief interruptions in service. Our clearing broker actively monitors the technology environment and endeavors to resolve issues promptly through various means such as redirecting network traffic.
- **Stop prices are not guaranteed execution prices.** A “stop order” becomes a “market order” when the “stop price” is reached and firms are required to execute a market order fully and promptly at the current market price. Therefore, the price at which a stop order ultimately is executed may be very different from the investor’s “stop price.” Accordingly, while a customer may receive a prompt execution of a stop order that becomes a market order, during volatile market conditions, the execution may be at a significantly different price from the stop price if the market is moving rapidly.
- **Stop orders may be triggered by a short-lived, dramatic price change.** Customers should be informed that, during periods of volatile market conditions, the price of a stock can move significantly in a short period of time and trigger an execution of a stop order (and the stock may later resume trading at its prior price level). Investors should understand that if their stop order is triggered under these circumstances, they may sell at an undesirable price even though the price of the stock may stabilize during the same trading day.
- **Sell stop orders may exacerbate price declines during times of extreme volatility.** The activation of sell stop orders may add downward price pressure on a security. If triggered during a precipitous price decline, a sell stop order also is more likely to result in an execution well below the stop price.
- **Placing a “limit price” on a stop order may help manage some of these risks.** A stop order with a “limit price” (a “stop limit” order) becomes a “limit order” when the stock reaches the “stop price.” A “limit order” is an order to buy or sell a security for an amount no worse than a specific price (i.e., the “limit price”). By using a stop limit

order instead of a regular stop order, a customer will receive additional certainty with respect to the price the customer receives for the stock. However, investors also should be aware that, because brokers cannot sell for a price that is lower (or buy for a price that is higher) than the limit price selected, there is the possibility that the order will not be executed at all. Investors are encouraged to use limit orders in cases where they prioritize achieving a desired target price more than getting an immediate execution irrespective of price.

For more information: <https://www.finra.org/investors/investing/investment-products/stocks/order-types>

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