



Firsttrade Securities Inc.

133-25 37th Ave., Flushing, NY 11354

Member FINRA/SIPC

# Options Application and Agreement 期權交易申請及合約

- 請用英文完整填寫所有適用欄目，並於下方簽名。不完整的表格會延遲處理。
- 期權交易權限不會自動提供。申請表格資料會經過第一理財專員審核，認定合適才會授權進行期權交易。
- 表格請寄至Firsttrade Securities Inc. 133-25 37<sup>th</sup> Ave. Flushing, NY 11354，或傳真至: +1-718-961-3919。您亦可掃描後將檔案寄至:NewAccounts@Firsttrade.com

<b>Account Name(s) 帳戶名稱</b> (請輸入英文，必須和您的現金或融資帳戶註冊姓名相同)	<b>Firsttrade Account Number 第一理財帳戶號碼</b> (若您還沒有第一理財帳戶請留空)
<input type="text"/>	<input type="text"/>

<b>Applicant Information 申請人資料</b>				<b>Co-Applicant's Name 共同申請人姓名 (共同持有帳戶使用)</b>			
Name 姓名 (個人帳戶請輸入名字,姓氏。公司或機構帳戶請輸入名稱)				Name 姓名 (個人帳戶請輸入名字,姓氏。公司或機構帳戶請輸入名稱)			
Age 年齡	Married 已婚 <input type="checkbox"/> Yes 是 <input type="checkbox"/> No 否	Number of Dependents 撫養人數 (包含自己)		Age 年齡	Married 已婚 <input type="checkbox"/> Yes 是 <input type="checkbox"/> No 否	Number of Dependents 撫養人數 (包含自己)	
Employment Status 就業現況 <input type="checkbox"/> Employed 在職 <input type="checkbox"/> Self-Emp 自營業 <input type="checkbox"/> Retired 退休 <input type="checkbox"/> Student 學生 <input type="checkbox"/> Homemaker 家管 <input type="checkbox"/> Not Employed 無業				Employment Status 就業現況 <input type="checkbox"/> Employed 在職 <input type="checkbox"/> Self-Emp 自營業 <input type="checkbox"/> Retired 退休 <input type="checkbox"/> Student 學生 <input type="checkbox"/> Homemaker 家管 <input type="checkbox"/> Not Employed 無業			
Employer 僱主 (若已退休，請填寫之前僱主)				Employer 僱主 (若已退休，請填寫之前僱主)			
Occupation/Position 職位		Type of Business 公司類型 (若您沒有職業，請填入收入來源，如退休金，信托基金等)		Occupation/Position 職位		Type of Business 公司類型 (若您沒有職業，請填入收入來源，如退休金，信托基金等)	

<b>Financial Status 財務現況</b>			<b>Financial Status 財務現況</b>		
Primary Applicant 主要申請人			Co-Applicant 共同申請人		
Annual Income 年收入	Liquid Net Worth 流動資產 (現金和股票等)	Total Net Worth 淨資產 (不包含自住房屋)	Annual Income 年收入	Liquid Net Worth 流動資產 (現金和股票等)	Total Net Worth 淨資產 (不包含自住房屋)

<b>Investment Experience 投資經驗</b>				<b>Investment Experience 投資經驗</b>			
Applicant's Experience 主要申請人投資經驗	Stocks 股票	Bonds 債券	Options 期權	Co-Applicant's Experience 共同申請人投資經驗	Stocks 股票	Bonds 債券	Options 期權
Years 交易年數				Years 交易年數			
Trades Per Year 每年交易次數				Trades Per Year 每年交易次數			
Average Size of Transaction 平均每筆交易金額:				Average Size of Transaction 平均每筆交易金額:			
Knowledge Level 投資知識 (請以英文填入下列選項之一) Limited 有限, Good 良好, Extensive 豐富, Professional trader 職業交易員				Knowledge Level 投資知識 (請以英文填入下列選項之一) Limited 有限, Good 良好, Extensive 豐富, Professional trader 職業交易員			

<b>Options Investment Objectives 期權投資目標 (可複選。若您申請第2或3級交易權限，必須勾選“投機”)</b>		
<input type="checkbox"/> Income 收入	<input type="checkbox"/> Speculation 投機	<input type="checkbox"/> Hedging 避險

<b>Type of Trading Requested 申請交易權限</b>		
<input type="checkbox"/> Level One 第一級 • Write Covered Calls • Write Cash-Secured Equity Puts	<input type="checkbox"/> Level Two 第二級 • Write Covered Calls • Write Cash-Secured Equity Puts • Purchase Calls & Puts	<input type="checkbox"/> Level Three 第三級 (需融資帳戶) • Write Covered Calls • Write Cash-Secured Equity Puts • Purchase Calls & Puts • Spread & Straddle • Write Uncovered Puts

<b>Option Agreement 期權合約</b>			
I hereby confirm that I have read the provisions of this option agreement and understand the contents thereof. I hereby expressly confirm all the information contained on this application, especially those concerning income, net worth and executing options transactions for my account. <b>BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE (1) THAT, IN ACCORDANCE WITH PARAGRAPH 23 of the Firsttrade Account Agreement and Information Guide, I AM AGREEING IN ADVANCE TO ARBITRATE ANY CONTROVERSIES WHICH MAY ARISE WITH YOU, AND (2) RECEIPT OF A COPY OF THIS AGREEMENT</b>			
X		X	
Applicant's Signature 主申請人簽名	Date 日期	Co-Applicant's Signature 共同申請人簽名	Date 日期

<b>Office Use Only 限第一理財使用</b>			
Type of Option Transaction Approved	Write Covered Calls <input type="checkbox"/>	Purchase Calls & Puts <input type="checkbox"/>	Spread & Straddle <input type="checkbox"/>
	Write Cash-Secured Equity Puts <input type="checkbox"/>		Write Uncovered Puts <input type="checkbox"/>
Approved by (Manager): _____	Date: _____		
Approved by (ROSFP): _____	Date: _____	Date OCC Disclosure Document Provided: _____	

## FIRSTRADE OPTIONS AGREEMENT

This option agreement sets forth our respective rights and obligations arising in connection with any transaction by you on my behalf including but not limited to, the purchase and sale of put and call options:

1. I wish to commit a portion of my funds to trading in options. I consider myself sophisticated in investment matters and am able to read and understand confirmation and monthly statements. I realize and understand that any form of option trading has a number of risks connected therewith. I understand that the risk associated with option trading is extremely high, and in maintaining an option account and engaging in option trading through the facilities of your firm, I am engaging in transactions of a speculative nature. In investing in an option contract, I am speculating that the price of the underlying security will not only move in the direction which I anticipate (i.e. the price will move up in the case of a call option and move down in the case of a put option), but that the price move of the underlying security will also exceed the premium which I pay for the option, commissions and other transaction costs. Thus, if the price movement is not sufficient, I could lose my entire investment in the option contract. If I write an option contract without depositing or owning the underlying security, I realize that my risk of loss is potentially unlimited. Notwithstanding this risk of loss I agree to honor all assignments and deliver to you the underlying security in the prescribed time, and if I fail to deliver the underlying security in the proper time, I designate you to act as my agent and buy in such stock at the current market price so that I may honor my commitment to deliver. I understand that my account will be debited for any loss and that you will charge me a commission and a fee for this service. I have sufficient income and other assets to sustain this risk inherent in such investments.

2. I understand that I may not write call (sell options) on restricted stock, which I own as an insider.

3. I am familiar with the risks of option trading, and you shall not be held liable for such risks in connection with the execution, handling, purchasing, selling, exercising, and endorsement or options for my account.

4. Where I am long an option which is about to expire in the money, you are authorized, in your sole discretion and without notification to me, to exercise the option and liquidate the underlying stocks for my account, using your best efforts. This is in no way to be construed as an obligation on your part to sell or exercise such option on behalf of my account, and I therefore waive any and all claims for damages or loss which I may incur at any time against you arising out of the fact that any option in my account(s) was not exercised, unless I instructed you to do so.

5. There are special risks associated with uncovered option writing that expose the investor to potentially significant losses. Therefore, this type of strategy may not be suitable for all customers approved for options transactions.

- The potential loss of uncovered call writing is unlimited. The writer of an uncovered call is in an extremely risky position and may incur large losses if the value of the underlying instrument increases above the exercise price.

- As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears the risk of loss if the value of the underlying instrument declines below the exercise price. Such loss could be substantial if there is a significant decline in the value of the underlying instrument.

- Uncovered option writing is thus suitable only for the knowledgeable investor who understands the risks, has the financial capacity and willingness to incur potentially substantial losses, and has sufficient liquid assets to meet applicable margin requirements. In this regard, if the value of the underlying instrument moves against an uncovered writer's options position, the investor's broker may request significant additional margin payments. If an investor does not make such margin payments, the broker may liquidate stock or options positions in the investor's account, with little or no prior notice in accordance with the investor's margin agreement.

- For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.

- If a secondary market in options were to be unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.

- The writer of an American-style option is subject to being assigned an exercise at any time after he/she has written the option until the option expires. By contrast, the writer of a European-style option is subject to exercise assignment only during the exercise period.

**NOTE:** It is expected that you will read the booklet entitled **CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS** available from your broker. In particular, your attention is directed to the chapter entitled *Risks of Buying and Writing Options*. This statement is **not** intended to enumerate all of the risks entailed in writing uncovered options.

5 a. I have previously received from you a disclosure document entitled "Characteristics And Risks Of Standardized Options" and any supplement thereto and I acknowledge your procedures regarding the latest hour at which exercise notices will be accepted by you. These procedures are as follows: Notice of exercise instructions must be given to you on normal business days not later than 4:45 p.m. Eastern Time. You will not be held liable for failure to tender an exercise if such notice is not received within the aforementioned time limitations. If I am an option writer, I understand that I am still liable for exercise against me within one business day following the expiration of the option contract.

6. I understand that should I have any open short position in options during the month of expiration which is in the money or near the exercise price, it is most likely it will be assigned on my short position and that as a writer of an option I may receive a Notice of Assignment as late as one or two business days following the expiration date. Therefore, I should not take any action until being assured by you that you have received all notices of Assignment for your accounts from the Option Clearing Corp., and that the particular open short Options in the accounts have or have not been called. I also understand that notices of Assignment for option contracts are allocated among customers on a random selection basis and that a more detailed description of your allocation procedure is available upon request.

7. I have read and am familiar with the disclosure document entitled "Characteristics And Risks Of Standardized Options" and any supplement thereto and agree to abide by all rules of the OCC, or any securities exchange rules governing option transactions, including but not limited to position and exercise limit rules. Under the position limit rules, unless some different provision has

been made by the OCC for a particular stock, no single investor or a group of investors acting in concert (regardless of whether the options are held in one or more accounts or through one or more brokers) may hold more than the allowable number of option contracts covering the same underlying stock or index on the CBOE or Amex, etc. Under the exercise limit rules, unless otherwise determined and announced by the OCC, no holder or group of holders acting in concert, within any five consecutive business days, may exercise more than the allowable number of options covering the same underlying security or index. The number of allowable contracts varies widely for different equity and index options.

8. I agree to maintain in my account(s) with you such margin as you deem necessary or advisable, which may be changed by you from time to time, for the protection of your position as endorser of option contracts issued pursuant to my orders, and to respond to any and all margin calls issued by you in connection with such account(s). If I fail to comply with your margin calls you are authorized, in your discretion and without notification to me, to take such action as you may deem appropriate to protect the position and obligation which you may have assumed at my request. This authorization is intended to include (without limitation thereby) the purchase and sale for my account and risk of any part or all of the shares represented by options endorsed by you at my request, and the purchase for my account and risk for such additional puts and calls as you may deem necessary to fully protect yourselves. Any securities and funds held by you in any account of mine with you shall be held by you as security for the performance by me of my obligation to you under this agreement.

9. This agreement is supplementary to a Margin Agreement simultaneously or heretofore entered into between us and shall in no event be deemed to abrogate or in any other way diminish any of your rights under the Margin Agreement; provided, however, that in the event of any conflict between the terms of this agreement and the terms of the Margin Agreement, the provisions of this agreement shall prevail.

10. You shall not be liable for loss caused directly or indirectly by government restriction, exchange or market rulings, war, strikes, or any other conditions beyond your control.

11. The provisions of this agreement shall apply to all put options, call options, or other options which may have been previously purchased, sold, executed, handled, endorsed or carried for my account(s) and shall also apply to all put options, call options or other options which you may hereafter purchase, sell, handle, endorse or carry for my account(s) and shall inure to the benefit of your firm as now or hereafter constituted.

12. You are under no obligation to convey to me any information relating to the underlying securities covered by any options in my account(s) or any securities related thereto, or any information relating to the option, whether such information is then or thereafter known or available. I understand that any information, advice or notification in respect to any option or any underlying securities or securities related thereto which you may give me and which you are not required to give by the terms of this agreement, express or implied, shall not be construed as creating an implied agreement or course of dealing between us and shall not impair the provisions of this or any other agreement between us.

### 13. AGREEMENT TO ARBITRATE ALL CONTROVERSIES

I represent that I understand the terms of the arbitration clause, as follows:

(a) Arbitration is final and binding on the parties.

(b) The parties are waiving their right to seek remedies in court, including the right to jury trial.

(c) Pre-arbitration discovery is generally more limited than and different from court proceedings.

(d) The arbitrators' award is not required to include factual findings or legal reasoning and the party's right to appeal or seek modification of rulings by the arbitrators is strictly limited.

(e) The panel of arbitrators will typically include a minority of arbitrators who were affiliated with the securities industry.

The undersigned agrees, and by carrying an account of the undersigned you agree, that all controversies which may arise between us, including but not limited to those involving any transaction or the construction, performance, or breach of this or any other agreement between us, whether entered into prior, on or subsequent to the date hereof, shall be determined by arbitration. Any arbitration under this agreement shall be concluded before the New York Stock Exchange, Inc. ("NYSE") or the Financial Industry Regulatory Authority. ("FINRA"), and in accordance with its rules then in force. I may elect in the first instance whether arbitration shall be conducted before the NYSE or the FINRA, but if I fail to make such election, by registered letter or telegram addressed to you at your main office, before the expiration of five days after receipt of a written request from you to make such election, then you may make such election. Judgment upon the award of arbitrators may be entered in any court, state or federal, having jurisdiction.

14. Class-action matters are excluded from arbitration proceedings conducted by the FINRA. Therefore, it is further agreed that the parties to this agreement shall not bring a putative or certified class-action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class-action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until; (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

15. I shall be responsible for all expenses incurred by you, including reasonable attorneys' fees in enforcing any provision of or collecting any amounts due you under this agreement.

16. Unless I give specific instructions as to where to direct orders, I hereby authorize you or the introducing broker to select the exchange or market to which my orders are directed.

17. I understand that firms clearing through you may from time to time purchase for their own account options, or securities underlying options, recommended to me.

18. I understand that my options count is subject to further review and acceptance.

Transactions in my account made prior to such review and acceptance are valid transactions, notwithstanding future restrictions or limitations you may place on my account.