FIRSTRADE
Member FINRA/SIPC

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

Firstrade Account Number 第一證券帳戶號碼
(若您還沒有第一證券帳戶請留空)

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Applicant Information 申請人資料

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）	Co-Applicant's Name 共同申請人姓名（共同持有帳戶使用）
Employment Status 就業現況 ☐ Employed 在職 ☐ Self-Emp 自營業 ☐ Retired 退休 ☐ Student 學生 ☐ Homemaker 家管 ☐ Not-Employed 無業	Employment Status 就業現況 ☐ Employed 在職 ☐ Self-Emp 自營業 ☐ Retired 退休 ☐ Student 學生 ☐ Homemaker 家管 ☐ Not-Employed 無業

Options Investment Objectives 期權投資目標

（可複選。若您申請第 2，3 或 4 級交易權限，必須勾選 "投機買賣"）

☐ Speculation 投機買賣 ☐ Growth 增值 ☐ Income 收入 ☐ Capital Preservation 資本保值

Investment Experience 投資經驗

☐ None 無 ☐ Limited 有限(1-2 年) ☐ Good 良好(3-5年) ☐ Extensive 豐富（超過5年）

Risk Tolerance 風險承受度

☐ Low 低 ☐ Medium 中等 ☐ High 高

Investment Time Horizon 預期達到投資目標時間

☐ Short 短期（3年以內） ☐ Average 中期（4-7年） ☐ Long 長期（8年或更久）

Type of Trading Requested 申請交易權限

☐ Level 1 第一級	☐ Level 2 第二級	☐ Level Three 第三級（需融資帳戶）(帳戶最低資產要求$2,000)	☐ Level Four 第四級（需融資帳戶）(帳戶最低資產要求$10,000)
• Write Covered Calls • Write Cash-Secured Equity Puts	• Write Covered Calls • Write Cash-Secured Equity Puts • Purchase Calls & Puts	• Write Covered Calls • Purchase Calls & Puts • Spreads & Straddles • Butterfly and Condor	• Write Covered Calls • Purchase Calls & Puts • Spreads & Straddles • Write Uncovered Puts • Butterfly and Condor

Important Information 重要信息

- 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證券專員審核，認定合適才會授權進行期權交易。
- 表格請傳真至+1-718-961-3919。您亦可掃描後將檔案通過第一證券網站內的客戶服務 ->表格中心 ->上傳文檔功能發送或電郵寄至 account.service@firstrade.com
- 在買賣期權之前， 投資者必須已閱讀期權公開說明手冊 "標準期權的特性與風險"． 該手冊解釋了關於期權交易的特性及風險。https://www.theocc.com/about/publications/character-risks.jsp

Option Agreement 期權合約

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. BY SIGNING THIS AGREEMENT, I ACKNOWLEDGE (1) THAT, IN ACCORDANCE WITH PARAGRAPH 23 of the Firstrade 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

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

Office Use Only 限第一證券使用

Type of Option Transaction Approved: Write Covered Calls ☐ Purchase Calls & Puts ☐ Spread & Straddle ☐ Write Cash-Secured Equity Puts ☐ Write Uncovered Puts ☐

Approved by (Manager):_____ Date:_____

Approved by (ROSFP):_____ Date:_____ Date OCC Disclosure Document Provided: _____

FIRSTRADE OPTIONS AGREEMENT

This option agreement sets forth the respective rights and obligations arising in connection with any transaction by you (Firstrade Securities Inc. and Apex Clearing Corporation) 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 within the applicable settlement timeframe, including the current T+1 (one business day after trade date) settlement cycle, 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 am aware of the high degree of risk involved in options transactions and have provided information to demonstrate that this account and the trading anticipated in connection therewith is not unsuitable for me in light of my investment objectives, financial situation and needs, experience and knowledge. I agree to advise you of any changes in my investment objectives, financial situation or other circumstances that may be deemed to materially affect the suitability of executing options transactions for my account.

3. I will read the disclosure document entitled the *Characteristics and Risks of Standardized Options* available through www.firstrade.com or directly from The Options Clearing Corporation at https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document, and any supplement thereto. I agree you shall not be held liable for risks such as those disclosed therein, including risks in connection with the execution, handling, purchasing, selling, and exercising of options for my account.

4. Any decisions I make to enter into options transactions are entirely my own, and are made without any investment advice from you.

5. I agree to abide by all rules of the Options Clearing Corporation ("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 any options exchange, including but not limited to Cboe, NYSE American, Nasdaq, or MEMX. Under the exercise limit rules, unless otherwise determined and announced by the OCC, no investor or group of investors 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.

6. 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.

7. 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, including intraday margin add-on charges that may result in margin calls during the trading day on shorter notice than traditional end-of-day margin calls. 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 become 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 having 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. The elimination of late exercise by the OCC means that all exercise decisions must be made within the standard cutoff times, with no opportunity for after-the-fact exercise submissions. As a result, assignment may occur with less advance notice than writers might otherwise expect.

- Short-dated and zero-days-to-expiration (0DTE) options pose heightened risk for uncovered writers due to increased sensitivity to changes in the underlying instrument's price (gamma risk). Uncovered writers of such options may experience sudden, large losses with very limited time to react or adjust positions.

- Under the current T+1 settlement cycle, when an uncovered writer is assigned, the writer must fulfill delivery or payment obligations within one business day after the trade date. Investors should ensure they maintain sufficient funds and borrowing capacity to meet settlement obligations promptly upon assignment.

NOTE: It is expected that you will read the booklet entitled CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS available at the Firstrade Form Center — Disclosures section, or directly from The Options Clearing Corporation at https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document. 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.

8. 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 4:00 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.

9. 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 as a writer of an option. 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 Options Clearing Corporation, 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.

10. I am aware of Apex's requirements and time limitations for accepting an exercise notice and expiration date. I understand that I may not receive actual notice of exercise until the week following exercise. I bear full responsibility for taking action to exercise or sell valuable options; however, in the absence of my notifying you to exercise a valuable options contract by 4:00 p.m. Eastern Time on the last business day prior to the expiration date of the options contract, I agree that Apex may exercise the options contract on my behalf. In the event of such exercise, the profit in excess of commission costs created thereby will be credited to my account. If I do not instruct you to exercise the valuable option by the time stated above, I waive any and all claims for damage or loss arising out of the fact that the option was not exercised. I understand that Apex utilizes a random method of allocation for all option(s) assignments received from the Options Clearing Corporation. Exercise assignment notices for options contracts are allocated among all customers' short positions within that series. This is accomplished by a procedure which randomly selects from among all customer short positions, including positions established on the day of assignment, those contracts which are subject to exercise. All American-style short positions are liable for assignment at any time. I understand that a more detailed description of this procedure is available upon request.

11. I hereby authorize Firstrade in its discretion, should Firstrade deem it necessary for Firstrade's protection for any reason, including the account holder's death, to buy, sell, or sell short for the account any risk, puts, calls or other forms of option and/or to buy, sell or sell short any part or all of the underlying shares represented by options endorsed by Firstrade for my account. I will reimburse any and all expenses incurred by Firstrade in connection with such transactions. I understand that when transactions on my behalf are to be executed and the options are traded in more than one marketplace, Firstrade may use its discretion in selecting the market in which to enter the order. All monies, securities, or other property which Firstrade may hold in my account shall be held subject to a general lien for the discharge of my obligations to Firstrade under this agreement or otherwise.

12. 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), including intraday margin calls that may be issued during the trading day in response to changes in market conditions or applicable margin add-on charges. 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. AGREEMENT TO ARBITRATE ALL CONTROVERSIES

I agree, 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 conducted before the Financial Industry Regulatory Authority ("FINRA"), and in accordance with its rules then in force. Judgment upon the award of arbitrators may be entered in any court, state or federal, having jurisdiction. I represent that I understand the terms of the arbitration clause, as follows:

(a) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
(b) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
(c) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
(d) The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
(e) The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.
(f) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
(g) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

18. Class-action matters are excluded from arbitration proceedings conducted by 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.

19. 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.

20. I understand that my options account 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. Additional Options FAQs are available through www.firstrade.com.

21. I will not hold you responsible for the availability, accuracy, timeliness, completeness, or security of trading securities through your platform. I therefore agree that you are not responsible for any losses I incur (meaning claims, damages, actions, demands, investment losses, or other losses, as well as any costs, charges, attorneys' fees, or other fees and expenses) in relation to this functionality. Furthermore, 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.

22. I understand that I may not write calls (sell options) on restricted stock which I own as an insider.

23. I agree that Firstrade is authorized, in its discretion, should Firstrade for any reason deem it necessary for its protection, to request and obtain a consumer credit report for Customer.

24. I understand that Firstrade maintains policies and procedures governing options trading, risk control, and account management designed to protect both the customer and the firm. These policies include, but are not limited to:
    - Options Liquidation Policy: On expiration day, option position(s) without sufficient account cash balance, buying power, or position(s) to support exercise or assignment may be subject to forced liquidation. Firstrade takes into consideration the value of a position, the implied risk, and the customer's current balance, buying power, and account equity to determine if a position can continue to be held. In some cases, Firstrade may determine that the risk of holding a position is too significant and will close the position on behalf of the customer.
    - Same-Day Expiring Options Trading: Restrictions apply to opening-position orders on same-day expiring options, including cutoff times after which such orders cannot be placed, edited, or will be automatically cancelled. Customers should familiarize themselves with these cutoff times to avoid unintended outcomes.
    - Exercise of Option Contracts: Customers who wish to exercise an option contract must submit exercise instructions in accordance with Firstrade's and Apex's established

procedures and within the applicable cutoff times. If no exercise instructions are received, in-the-money options may be automatically exercised at expiration in accordance with OCC rules, subject to account sufficiency. Customers are responsible for monitoring their positions and submitting timely instructions.

- Do-Not-Exercise Requests: Customers who hold long option contracts and wish to prevent automatic exercise at expiration must submit a do-not-exercise request in accordance with Firstrade's established procedures and within the applicable cutoff times.
- Firm Risk Management Actions: Firstrade reserves the right, in its sole discretion and without prior notification to the customer, to take protective actions including but not limited to closing, liquidating, or restricting option positions when Firstrade determines that such action is necessary to manage risk, comply with regulatory requirements, or protect the firm. Such actions may be taken at any time, including but not limited to expiration day.

Detailed information regarding Firstrade's options trading policies and procedures, including specific cutoff times, exercise and do-not-exercise instructions, liquidation procedures, and same-day expiring options trading rules, is available at the Firstrade Help Center at https://help.firstrade.info/en/collections/9344035-options-trading. I acknowledge that it is my responsibility to review and understand these policies, and that such policies may be updated from time to time. Continued use of Firstrade's options trading platform constitutes my acceptance of the then-current policies and procedures.

25. In connection with any transaction in options which have been or may be purchased, sold, exercised or endorsed for my account with Firstrade which clears through Apex Clearing Corporation, I have read and agree to the terms and conditions listed on Apex's Option Agreement.

IMPORTANT NOTICE: Options trading involves significant risk and is not appropriate for all investors. Uncovered option writing exposes the investor to potentially unlimited loss. Before trading options, you are expected to read the booklet entitled *Characteristics and Risks of Standardized Options*, which describes the risks associated with options trading. In particular, your attention is directed to the chapter entitled "Risks of Buying and Writing Options." This booklet is available at the Firstrade Form Center — Disclosures section, or directly from The Options Clearing Corporation at: https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document.

Option Spread Risk Disclosure

期權價差交易風險聲明

Before using our spread order entry screen, options spread traders must understand the additional risks associated with this type of trading.

While it is generally accepted that spread trading may reduce the risk of loss of trading of the outright purchase of a standardized option contract, an investor/trader MUST understand that the risk reduction can lead to other risks.

1. Early exercise and assignment can create risk and loss. Spreads are subject to early exercise or assignment that can remove the very protection that the investor/trader sought. This can lead to margin calls and greater losses than anticipated when the trade was entered. Under the current T+1 settlement cycle, the compressed settlement timeline means that investors/traders have a significantly shorter window to respond to assignment notices, meet margin obligations, and manage resulting positions. Additionally, the elimination of late exercise by The Options Clearing Corporation means that all exercise decisions must be made within the standard cutoff times, with no opportunity for after-the-fact exercise submissions.

2. Intraday margin requirements may amplify risk. In addition to standard margin requirements, spread positions may be subject to intraday margin add-on charges designed to address risks arising from intraday and overnight trading activity. These intraday margin assessments may result in margin calls during the trading day, potentially requiring investors/traders to deposit additional funds or liquidate positions on shorter notice than traditional end-of-day margin calls. Early assignment on one leg of a spread may trigger additional intraday margin obligations that exceed the originally anticipated risk of the position.

3. Execution of spread orders is "not held" and discretionary. Spreads are not standardized contracts as are exchange traded puts and calls. Spreads are the combination of standardized put and call contracts. There is NO spread market in securities that are subject to such benchmarks such as "time and sales" or "NBBO" (National Best Bid/Offer) and therefore the "market" cannot be "held" to a price.

4. Spreads are executed differently than "legged" orders. Spreads are used by strategists as examples of risk protection, profit enhancement and as a basis for results and return on investments. However, these strategies assume that the trade can actually be executed as a spread when market forces may and can make the actual execution impossible. Spreads are bona-fide trades and not "legged" or "paired" of individual separate trades. For example: options prices on cross-markets are misleading for the spread trader. An option may be offered

on one exchange and bid on another exchange that can lead the trader to believe that their spread trade should be filled, when, in fact, the bids and offers must be on the SAME exchange. All bona-fide spreads are routed and executed on "one" exchange.

5. Spreads are entered on a single exchange and are acted upon by a market maker. Spreads are executed at the discretion of a market maker and when cancelled or filled require that the market maker take manual action and require manual reporting at times. Delays for reporting of fills and cancels may create additional risks in fast or changing markets. Spreads entered through Firstrade's spread order entry screen are ALWAYS entered as spreads and as such are subject to the market risk and conditions as explained above.

6. Settlement risk under T+1. The standard settlement cycle for equity transactions is one business day after the trade date (T+1). In the context of spreads, this accelerated settlement timeline requires that investors/traders be prepared to meet delivery and payment obligations more quickly following exercise or assignment. Investors/traders should ensure they maintain sufficient funds or securities in their accounts to meet potential settlement obligations arising from spread positions within the T+1 timeframe.

IMPORTANT NOTICE: Options trading involves significant risk and is not appropriate for all investors. Options strategies, including spreads, can result in the loss of the entire amount invested and, in some cases, losses may exceed the initial investment. Before trading options, you are expected to read the booklet entitled *Characteristics and Risks of Standardized Options*, which describes the risks associated with options trading, including the specific risks of spread transactions, early exercise, and assignment. This booklet is available at the Firstrade Form Center — Disclosures section, or directly from The Options Clearing Corporation at: https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document.

By using Firstrade's spread order entry screen, you acknowledge that you have received, read, and understand the risks described in this Option Spread Risk Disclosure and the *Characteristics and Risks of Standardized Options*.

期權價差交易風險聲明

在使用本公司價差交易下單介面之前，期權價差交易者必須了解此類交易所涉及的額外風險。

雖然一般認為價差交易可能降低直接買入標準化期權合約所面臨的損失風險，但投資者/交易者必須了解，降低風險的同時可能引發其他風險。

1. 提前行權與被指派可能造成風險及損失。價差交易可能面臨提前行權或被指派的情況，從而消除投資者/交易者原本尋求的保護。這可能導致追加保證金通知，以及超出建倉時預期的更大損失。在現行 T+1 結算週期下，縮短的結算時限意味著投資者/交易者在收到指派通知後，用於回應指派通知、履行保證金義務及管理持倉的時間將大幅縮短。此外，美國期權結算公司（The Options Clearing Corporation）已取消逾時行權機制，所有行權決定必須在標準截止時間內作出，不再允許事後補交行權指令。

2. 盤中保證金要求可能加劇風險。除標準保證金要求外，價差持倉可能須繳納盤中保證金附加費用，以應對盤中及隔夜交易活動所產生的風險。此類盤中保證金評估可能導致交易日內的追加保證金通知，要求投資者/交易者在比傳統日終追加保證金更短的時間內存入額外資金或平倉。價差交易中一方合約的提前被指派可能觸發超出原始預期持倉風險的額外盤中保證金義務。

3. 價差交易委託為「非固定持有」且具有自由裁量性質。價差交易並非如交易所上市的認沽權及認購權般屬於標準化合約，而是由標準化認沽權及認購權合約組合而成。證券市場中並不存在受「時間與成交紀錄」（time and sales）或「全國最佳買賣報價」（NBBO, National Best Bid/Offer）等基準約束的價差市場，因此價差交易的「市場價格」無法被「固定」於某一價位。

4. 價差交易的執行方式不同於「分腿」委託。策略分析師常以價差交易作為風險保護、利潤增強及投資回報分析的範例。然而，這些策略假設交易能夠以價差方式實際執行，而市場力量可能使實際執行變得不可能。價差交易為真實完整的交易，而非將個別交易「分腿」或「配對」。例如：跨市場的期權價格對價差交易者而言可能產生誤導。某一期權可能在某交易所有賣出報價，而在另一交易所有買入報價，這可能使交易者誤以為其價差交易應被成交，但實際上買賣報價必須在同一交易所內。所有真實的價差交易均在「一個」交易所內路由及執行。

內容以英文為準，中文翻譯僅供客戶參考

5. 價差交易在單一交易所輸入並由做市商處理。價差交易由做市商自行裁量執行，取消或成交時可能需要做市商採取人工操作及人工回報。在快速變動的市場中，成交及取消的回報延遲可能產生額外風險。透過第一證券（Firstrade）價差交易下單介面輸入的委託**始終**以價差方式提交，因此受上述市場風險及條件所約束。

6. T+1 結算風險。股票交易的標準結算週期為交易日後一個營業日（T+1）。在價差交易的情境下，此加速結算時限要求投資者/交易者在行權或被指派後，須更快速地準備履行交割及付款義務。投資者/交易者應確保其帳戶中保有足夠的資金或證券，以在 T+1 時限內履行因價差持倉所產生的潛在結算義務。

重要通知：期權交易涉及重大風險，並非適合所有投資者。包括價差交易在內的期權策略可能導致全部投資金額的損失，在某些情況下，損失可能超過初始投資額。在進行期權交易之前，您應閱讀名為《標準化期權的特性與風險》*Characteristics and Risks of Standardized Options* 的手冊，其中說明了與期權交易相關的風險，包括價差交易、提前行權及被指派的特定風險。該手冊可於第一證券表格中心——揭示書專區取得，或直接從美國期權結算公司網站取得：
https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document

使用第一證券價差交易下單介面，即表示您確認已收到、閱讀並理解本**期權價差交易風險聲明**及《標準化期權的特性與風險》*Characteristics and Risks of Standardized Options* 的手冊中所述之風險。

Risk Disclosure for Uncovered Option Writers

無擔保期權賣方風險聲明

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

1. 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.
2. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a 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.
3. 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. Additionally, uncovered option positions may be subject to intraday margin add-on charges designed to address risks arising from intraday and overnight trading activity. These intraday margin assessments may result in margin calls during the trading day, potentially requiring investors to deposit additional funds or face liquidation of positions on shorter notice than traditional end-of-day margin calls.
4. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.
5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.
6. The writer of an American-style option is subject to being assigned an exercise at any time after he 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. The elimination of late

exercise by The Options Clearing Corporation means that all exercise decisions must be made within the standard cutoff times, with no opportunity for after-the-fact exercise submissions. As a result, assignment may occur with less advance notice than writers might otherwise expect.

7. Settlement risk under T+1. Under the current T+1 settlement cycle, the standard settlement period for equity transactions is one business day after the trade date. When an uncovered writer is assigned, the writer must fulfill delivery or payment obligations within this compressed timeframe. For uncovered call writers, this means delivering shares of the underlying instrument by the next business day; for uncovered put writers, this means accepting and paying for shares of the underlying instrument by the next business day. Investors should ensure they maintain sufficient funds and borrowing capacity to meet settlement obligations promptly upon assignment.

8. Short-dated and zero-days-to-expiration (0DTE) options pose heightened risk for uncovered writers. Options approaching expiration, and in particular 0DTE options, are subject to rapid and significant price movements due to increased sensitivity to changes in the underlying instrument's price (gamma risk). Uncovered writers of such options may experience sudden, large losses with very limited time to react or adjust positions. The compressed timeframe of short-dated options also reduces the opportunity to manage risk through closing transactions or rolling positions.

IMPORTANT NOTICE: Options trading involves significant risk and is not appropriate for all investors. Uncovered option writing exposes the investor to potentially unlimited loss. Before trading options, you are expected to read the booklet entitled *Characteristics and Risks of Standardized Options*, which describes the risks associated with options trading. In particular, your attention is directed to the chapter entitled "Risks of Buying and Writing Options." This booklet is available at the Firstrade Form Center — Disclosures section, or directly from The Options Clearing Corporation at: https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document.

This statement is not intended to enumerate all of the risks entailed in writing uncovered options. By using Firstrade's options trading platform for uncovered option writing, you acknowledge that you have received, read, and understand the risks described in this Risk Disclosure for Uncovered Option Writers and the *Characteristics and Risks of Standardized Options*.

無擔保期權賣方風險聲明

Uncovered option writing 賣出無擔保期權涉及特殊風險，可能使投資者面臨重大損失。因此，此類策略可能不適合所有已獲批准進行期權交易的客戶。

1. 賣出無擔保認購期權的潛在損失是無限的。無擔保認購期權的賣方處於極高風險的境地，若標的工具的價值上漲超過行權價格，可能遭受巨大損失。

2. 與賣出無擔保認購期權相同，賣出無擔保認沽期權的風險同樣重大。無擔保認沽期權的賣方在標的工具的價值跌破行權價格時將面臨損失風險。若標的工具的價值出現大幅下跌，此類損失可能相當嚴重。

3. 因此，賣出無擔保期權僅適合具備相關知識、了解風險、具有承受潛在重大損失的財務能力及意願，且擁有充足流動資產以滿足適用保證金要求的投資者。在此方面，若標的工具的價值朝不利於無擔保賣方期權持倉的方向變動，投資者的經紀商可能要求追加大額保證金。若投資者未能繳付該等保證金，經紀商可依據投資者的保證金協議，在幾乎不予或完全不予事先通知的情況下，對投資者帳戶中的股票或期權持倉進行平倉。此外，無擔保期權持倉可能須繳納盤中保證金附加費用，以應對盤中及隔夜交易活動所產生的風險。此類盤中保證金評估可能導致交易日內的追加保證金通知，要求投資者在比傳統日終追加保證金更短的時間內存入額外資金，否則可能面臨持倉被平倉。

4. 對於組合賣出策略，即投資者同時賣出同一標的工具的認沽期權及認購期權，潛在風險是無限的。

5. 若期權的二級市場變得無法使用，投資者將無法進行平倉交易，期權賣方將持續承擔義務直至到期或被指派。

6. 美式期權的賣方在賣出期權後至期權到期前的任何時間均可能被指派行權。相比之下，歐式期權的賣方僅在行權期間內可能被指派行權。美國期權結算公司（The Options Clearing Corporation）已取消逾時行權機制，所有行權決定必須在標準截止時間內作出，不再允許事後補交行權指令。因此，被指派的發生可能比賣方預期的更為突然。

7. T+1 結算風險。在現行 T+1 結算週期下，股票交易的標準結算期限為交易日後一個營業日。當無擔保賣方被指派時，賣方必須在此壓縮的時限內履行交割或付款義務。對於無擔保認購期權賣方，這意味著須在下一個營業日前交付標的工具的股份；對於無擔保認沽期

權賣方，這意味著須在下一個營業日前接收並支付標的工具的股份。投資者應確保保有充足的資金及借貸能力，以便在被指派時及時履行結算義務。

8. 短期及當日到期（0DTE）期權對無擔保賣方構成更高風險。臨近到期的期權，特別是當日到期（0DTE）期權，因對標的工具價格變動的敏感度增加（Gamma 風險），可能出現快速且劇烈的價格波動。賣出此類期權的無擔保賣方可能在極短時間內遭受突發的巨額損失，且幾乎沒有時間作出反應或調整持倉。短期期權的壓縮時限亦減少了透過平倉交易或轉倉來管理風險的機會。

重要通知： 期權交易涉及重大風險，並非適合所有投資者。賣出無擔保期權可能使投資者面臨潛在的無限損失。在進行期權交易之前，您應閱讀名為[《標準化期權的特性與風險》*Characteristics and Risks of Standardized Options* 的手冊，其中說明了與期權交易相關的風險。請特別留意「買入及賣出期權的風險」("Risks of Buying and Writing Options") 章節。該手冊可於第一證券表格中心——揭示書專區取得，或直接從美國期權結算公司網站取得：
https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document

本揭示書並非旨在列舉賣出無擔保期權所涉及的全部風險。使用第一證券期權交易平台進行無擔保期權賣出，即表示您確認已收到、閱讀並理解本《無擔保期權賣方風險揭示書》及[《標準化期權的特性與風險》*Characteristics and Risks of Standardized Options* 中所述之風險。

CUSTOMER OPTIONS AGREEMENT

In connection with any transactions in options which have been or may be purchased, sold, exercised or endorsed for the undersigned's account with an introducing broker(s) which clears through Apex Clearing Corporation, the undersigned agrees as follows:

1. **Definitions.** "Introducing broker" means any brokerage firm which introduces security transactions on behalf of the undersigned, which transactions are cleared through Apex, whether one or more. "Obligations" means all indebtedness, debit balances, liabilities or other obligation of any kind of the undersigned to Apex, whether now existing or hereafter arising. "Options" means all types of options, including puts, calls, equity, debt, index or otherwise. "Securities and other property" shall include, but shall not be limited to money, securities, commodities or other property of every kind and nature and all contracts and options relating thereto, whether for present or future delivery. "Apex" refers to Apex Clearing Corporation.
2. **Limits.** The undersigned shall not, acting alone or in concert with others, exceed the position/exercise limits set forth by any exchange or market or by any other regulatory authority having jurisdiction.
3. **Authority, Execution of Orders, Security Interest.** The undersigned hereby authorizes Apex in its discretion, should Apex deem it necessary for Apex's protection for any reason, including death of the undersigned, to buy, sell, or sell short for the undersigned's account any risk, puts, calls or other forms of option and/or to buy, sell or sell short any part or all of the underlying shares represented by options endorsed by Apex for the undersigned's account. Any and all expenses incurred by Apex in connection with such transactions shall be reimbursed by the undersigned to Apex. The undersigned understands and acknowledges that when transactions on the undersigned's behalf are to be executed and the options are traded in more than one marketplace Apex may use its discretion in selecting the market in which to enter the undersigned's order unless the undersigned specifically instructs otherwise. All monies, securities, or other property which Apex may hold in any account of the undersigned shall be held subject to a general lien for the discharge of the undersigned's obligations to Apex under this Agreement or otherwise. The decision to enter into options transactions was made entirely by the undersigned without any investment advice from Apex or the introducing broker.
4. **Notice, Exercise, Random Allocation.** The undersigned is aware of Apex's requirements and time limitations for accepting an exercise notice and expiration date. The undersigned understands that the undersigned may not receive actual notice of exercise until the week following exercise. The undersigned bears full responsibility for taking action to exercise or sell valuable options; however, in the absence of the undersigned notifying the introducing broker to exercise a valuable options contract by 3 P.M. Central Standard Time on the last business day prior to the expiration date of the options contract, and the introducing broker instructing Apex to sell valuable options on the undersigned's behalf within such time, the undersigned agrees that Apex may exercise the options contract on the undersigned's behalf. In the event of such exercise, the profit in excess of commission costs created thereby will be credited to the undersigned's account. In the event that the commissions to be charged for such an expiration transaction exceeds the proceeds to be realized, the undersigned agrees and hereby relinquishes the undersigned's ownership in said option to Apex, and Apex may exercise such option for its own account. If the undersigned does not instruct the introducing broker to exercise the valuable option by the time stated above, and Apex for whatever reason, does not exercise such option on the undersigned's behalf, the undersigned hereby waives any and all claims for damage or loss which the undersigned might at the time or any time thereafter have against Apex arising out of the fact that the option was not exercised. The undersigned is aware that Apex utilizes a random method of allocation for all option(s) assignments received from the Option Clearing Corporation. Exercise assignment notices for options contracts are allocated among all customers' short options, including positions established on the day of assignment, those contracts which are subject to exercise. All American short positions are liable for assignment at any time. The undersigned understands that a more detailed description of this procedure is available upon request by the undersigned.
5. **Uncovered Options.** The undersigned agrees that in connection with any uncovered options(s) for the undersigned's account, uncovered options are prohibited in IRA accounts. The undersigned agrees not to sell, during the life of the options in the account, the underlying securities collateralizing such options, including any cash or securities which may accrue on the underlying covered securities until such options are closed, exercised or expired or the undersigned has met the collateral requirements established by Apex and or the introducing broker for carrying uncovered options. The undersigned also agrees that the introducing broker and or Apex, in its respective sole discretion, may refuse any order to sell such underlying securities received from the undersigned or by means of a "give up" basis through another firm unless, prior to such sale, the undersigned has met the collateral requirements established by Apex and/or the introducing broker for carrying uncovered options Apex has the right, in its sole discretion, to permit the undersigned to apply the proceeds of such sale to such collateral requirements.
6. **Risks.** The undersigned is aware of the high degree of risk involved in options transactions and has given the introducing broker, in strict confidence, information to demonstrate that this account and the trading anticipated in connection therewith is not unsuitable for the undersigned in light of the undersigned's investment objectives, financial situation and needs, experience and

knowledge. The undersigned agrees to advise the introducing broker of any changes in the undersigned's investment objectives, financial situation or other circumstances that may be deemed to materially affect the suitability of executing options transactions for the undersigned's account.

7. **Options Account Form, Disclosure Documents.** The undersigned has reviewed the contents of the options account form and represents that they are accurate. Although certain types of transactions are indicated as anticipated, Apex and the introducing broker may execute any other types of transactions for the undersigned's account upon the undersigned's instructions. The undersigned has received an Options Disclosure Document relating to options on the categories of underlying securities which the undersigned has been approved for trading.

8. **Accounts Carried as Clearing Broker.** The undersigned understands that Apex is carrying the accounts of the undersigned as clearing broker by arrangement with the undersigned's introducing broker through whose courtesy the account of the undersigned has been introduced to Apex. Until receipt from the undersigned of written notice to the contrary, Apex may accept and rely upon the introducing broker for (a) orders for the purchase or sale in said account of securities and other property, and (b) any other instructions concerning the undersigned's accounts. The undersigned represents that the undersigned understands that Apex acts only to clear trades introduced by the undersigned's introducing broker and to effect other back office functions for the undersigned's introducing broker. The undersigned confirms to Apex that the undersigned is relying for any advice concerning the undersigned's accounts solely on the undersigned's introducing broker. The undersigned understands that all representatives, employees and other agents with whom the undersigned communicates concerning the undersigned's account are agents of the introducing broker, and not Apex's representatives, employees or other agents. The undersigned understands that Apex will not review the undersigned's accounts and will have no responsibility for trades made in the undersigned's accounts, including but not limited to for appropriateness or suitability Apex shall not be responsible or liable for any acts or omissions of the introducing broker or its representatives, employees or other agents. The execution of any such trades shall not be deemed to be an approval of such trades.

9. **ARBITRATION AGREEMENT. THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:**
   a. **ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORM IN WHICH A CLAIM IS FILED;**
   b. **ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.**
   c. **THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS;**
   d. **THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD UNLESS, IN AN ELIGIBLE CASE, A JOINT REQUEST FOR AN EXPLAINED DECISION HAS BEEN SUBMITTED BY ALL PARTIES TO THE PANEL AT LEAST 20 DAYS PRIOR TO THE FIRST SCHEDULED HEARING DATE.**
   e. **THE PANEL OF ARBITRATORS MAY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**
   f. **THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.**
   g. **THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.**

THE FOLLOWING ARBITRATION AGREEMENT SHOULD BE READ IN CONJUNCTION WITH THE DISCLOSURES ABOVE. ANY AND ALL CONTROVERSIES, DISPUTES OR CLAIMS BETWEEN THE CUSTOMER AND YOU, OR THE INTRODUCING BROKER, OR THE AGENTS, REPRESENTATIVES, EMPLOYEES, DIRECTORS, OFFICERS OR CONTROL PERSONS OF YOU OR THE INTRODUCING BROKER, ARISING OUT OF, IN CONNECTION WITH, FROM OR WITH RESPECT TO (a) ANY PROVISIONS OF OR THE VALIDITY OF THIS AGREEMENT OR ANY RELATED AGREEMENTS, (b) THE RELATIONSHIP OF THE PARTIES HERETO, OR (c) ANY CONTROVERSY ARISING OUT OF YOUR BUSINESS, THE INTRODUCING BROKER'S BUSINESS OR THE CUSTOMER'S ACCOUNTS, SHALL BE CONDUCTED PURSUANT TO THE CODE OF ARBITRATION PROCEDURE OF THE FINANCIAL INDUSTRY REGULATORY AUTHORITY ("FINRA"). THE DECISION AND AWARD OF THE ARBITRATOR(S) SHALL BE CONCLUSIVE AND BINDING UPON ALL PARTIES, AND ANY JUDGMENT UPON ANY AWARD RENDERED MAY BE ENTERED IN A COURT HAVING JURISDICTION THEREOF, AND NEITHER PARTY SHALL OPPOSE SUCH ENTRY.

No person shall 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.

10. **Other Agreements.** The undersigned agrees to be bound by the terms of Apex's Retirement Custodial Account Agreement, Apex's Customer Account Agreement and/or Apex's Customer Margin and Short Account Agreement. The undersigned understands that copies of this agreement are available from Apex and, to the extent applicable, are incorporated by reference herein. The terms of this other agreement is in addition to the provisions of this Agreement and any other written agreements between Apex and the undersigned.
11. **Data Not Guaranteed.** The undersigned expressly agrees that any data or online reports is provided to the undersigned without warranties of any kind, express or implied, including but not limited to, the implied warranties of merchantability, fitness of a particular purpose or non-infringement. The undersigned acknowledges that the information contained in any reports provided by Apex are obtained from sources believed to be reliable but is not guaranteed as to its accuracy or completeness. Such information could include technical or other inaccuracies, errors or omissions. In no event shall Apex or any of Apex's affiliates be liable to the undersigned or any third party for the accuracy, timeliness, or completeness of any information made available to the undersigned or for any decision made or taken by the undersigned in reliance upon such information. In no event shall Apex or Apex's affiliated entities be liable for any special incidental, indirect or consequential damages whatsoever, including, without limitation, those resulting from loss of use, data or profits, whether or not advised of the possibility of damages, and on any theory of liability, arising out of or in connection with the use of any reports provided by Apex or with the delay or inability to use such reports.
12. **Credit Check.** Apex is authorized, in Apex's discretion, should Apex for any reason deem it necessary for Apex's protection to request and obtain a consumer credit report for the undersigned.
13. **Miscellaneous.** The undersigned is aware of and agrees that this Agreement and all transactions in the undersigned's accounts shall be governed by the constitution, rules, regulations, customs, usages and bylaws of the Options Clearing Corporation and the Financial Industry Regulatory Authority, and all exchanges or other facilities upon which options are traded for the account of the undersigned. If any provisions of this Agreement are held to be unenforceable, it shall not affect any other provisions of this Agreement. The headings of each section of this Agreement are descriptive only and do not modify or qualify any provision of this Agreement. This Agreement and its enforcement shall be governed by the law of the state of Texas and shall cover individually and collectively all accounts which the undersigned has previously opened, now has open or may open or reopen with Apex, or any introducing broker, and any and all previous, current and future transactions in such accounts. Except as provided in this Agreement, no provision of this Agreement may be altered, modified or amended unless executed in writing by Apex's authorized representative. This Agreement and all provisions shall inure to the benefit of Apex and Apex's successors, whether by merger, consolidation or otherwise, Apex's assigns, the undersigned's introducing broker, and all other persons specified in Paragraph 9. Apex shall not be liable for losses caused directly or indirectly by any events beyond Apex's reasonable control, including without limitation, government restrictions, exchange or market rulings, and suspension of trading or unusually heavy trading in securities, a general change in economic, political or financial conditions, war or strikes. Apex may transfer the accounts of the undersigned to Apex's successors and assigns. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the undersigned.

SUPPLEMENTAL PROVISIONS

A. **Pledging.** The undersigned understands that under Section 408(e)(4) of the Internal Revenue Code of 1986, as amended, if the undersigned pledges any portion of the undersigned's IRA as collateral for a loan, the amount so pledged will be treated as a distribution, and may be included in the undersigned's gross income for the taxable year in which the undersigned pledges the assets to the extent it represents earnings or be subject to excise taxes.

B. **Prohibited Transactions.** The undersigned understands that the extension of credit through margin, short selling positions, and uncovered options are not permitted in IRA accounts. If the undersigned or the undersigned's beneficiary engage in a prohibited transaction with the undersigned's IRA, as described in Section 4975 of the Internal Revenue Code of 1986, as amended, the undersigned's IRA may lose its tax-deferred or tax-exempt status, and the undersigned must generally include the value of the earnings in the undersigned account in gross income for the taxable year the undersigned engages in the prohibited transactions.

C. **ERISA.** The undersigned hereby represents, warrants, and covenants that the undersigned's IRA is not subject to the Employee Retirement Income Security Act of 1974, as amended, and the undersigned will not engage in any transaction in the undersigned's IRA that involves any extension of credit by Apex.

D. **No Advice.** The undersigned has been provided with an opportunity to consult with the undersigned's tax adviser regarding the advisability of holding options or conducting options strategies in the undersigned's IRA account. The undersigned has not and will not rely on Apex for legal or tax advice in connection with engaging in options transactions in the undersigned's IRA. The undersigned will not hold Apex responsible for any adverse tax consequences or penalties that the undersigned or the undersigned's IRA may incur in connection with options transactions.

E. **Obligations.** The undersigned understands that the undersigned is solely responsible for ensuring that sufficient assets are maintained in the undersigned's IRA to cover all potential obligations arising from the holding of options and conducting any options strategies, including any potential assignment and exercise. The undersigned acknowledges responsibility for not conducting options transactions that can result in liabilities or obligations in excess of the undersigned's IRA account balance. Apex shall not be responsible for the dishonor of any transaction due to an insufficient balance in the undersigned IRA. If an assignment creates a short position or debit balance, Apex is authorized to immediately cover deficit in the undersigned's IRA with other assets in the undersigned IRA account.

F. **Indemnification.** By signing this Agreement, the undersigned hereby agrees to indemnify and hold Apex, Apex's affiliates, and their respective officers, directors, employees and agents, and their respective successors and assigns, harmless from and against any and all losses (including but not limited to consequential damages), liabilities, tax consequences (including excise taxes, penalties and interest), demands, claims and expenses, attorneys' fees, damages (including consequential, incidental, special or exemplary) arising out of any actions or omissions by Apex, or Apex's agents in connection herewith, which are not caused by Apex's gross negligence or willful misconduct. This provision shall survive the termination of this Agreement and shall be binding upon, and inure to the benefit of, each party's respective successors, assigns, heirs, and personal representatives.

G. **Option Levels.** Each qualifying customer account may choose not to be enrolled in any options level. However, if enrolled, an account can only be enrolled in one options level at a time. Each level grants access to specific strategies, along with all strategies from earlier levels. For example, a Level 3 account can also trade Level 1 and 2 strategies.

Options levels range from 1 to 6 and are defined as the following:

Level	Strategy
1	Covered Calls
	Buy-writes
	Covered Call Roll-ups / Roll-downs
2	Married Puts
	Long Calls
	Long Puts
	Covered Puts
	Long Straddles
	Long Strangles
3	Equity Debit Spreads
	Equity Credit Spreads
	Equity Calendar / Diagonal Spreads
	Index Debit Spreads
	Index Credit Spreads
	Index Calendar / Diagonal Spreads
4	Naked (Short) Equity Puts
5	Naked (Short) Equity Calls
6	Naked (Short) Index Calls
	Naked (Short) Index Put

DISCLOSURE: CHARACTERISTICS AND RISKS OF STANDARDIZED OPTIONS

Please review the most current OCC (Options Clearing Corporation) and Apex Fintech Solutions disclosures relating to options trading:

OCC Options Disclosure Document
https://www.theocc.com/company-information/documents-and-archives/options-disclosure-document

Apex Fintech Solutions Disclosures
https://apexfintechsolutions.com/legal/disclosures/

DISCLOSURE: SPECIAL STATEMENT FOR UNCOVERED OPTION WRITERS

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

1. 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.
2. As with writing uncovered calls, the risk of writing uncovered put options is substantial. The writer of an uncovered put option bears a 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.
3. 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 no prior notice in accordance with the investor's margin agreement.
4. For combination writing, where the investor writes both a put and a call on the same underlying instrument, the potential risk is unlimited.
5. If a secondary market in options were to become unavailable, investors could not engage in closing transactions, and an option writer would remain obligated until expiration or assignment.
6. The writer of an American-style option is subject to being assigned an exercise at any time after he 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 given to you at the time you opened your account. Additional copies are also available upon request 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.