



E1

ASSET
MANAGEMENT
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OPTION ACCOUNT AGREEMENT

Account Name _____ Account Number _____

Option Disclosure Document Sent/Date _____

This Option Agreement is attached to and part of the Agreement (“Agreement”) between your broker and the undersigned (“I”, “My” & “Me”). In consideration of Legent’s acceptance of My account (“Account”) under the Option Agreement, I agree to the following supplemental terms and provisions.

Acknowledgment. I acknowledge that I have received and read the booklet entitled “Characteristics and Risks of Standardized Options” issued by the Options Clearing Corporation (“OCC”), and I am familiar with and understand the risks, duties and responsibilities associated with options trading. In the event that I request Level 4, Level 5, or Level 6 Option Trading, I further acknowledge having received written disclosure describing the additional risks associated with uncovered options trading entitled “Special Statement for Uncovered Option Writers.” I further acknowledge that any options trading activity engaged in pursuant to this Option Agreement will be governed by the rules and regulations of the Securities and Exchange Commission (“SEC”), the Financial Industry Regulatory Authority (“FINRA”), the OCC and the several exchanges. I further agree not to take any action, either alone or in concert with others, to violate the position or exercise limits that the exchanges or marketplaces may establish from time to time as set forth in the booklet, “Characteristics and Risks of Standardized Options.”

Purchase and Sale of Options. In the event that I purchase or write any option position, I agree:

- a. to pay a commission upon the opening of an option position and to pay a second commission upon the exercise or closing of that option position;
- b. to deliver the securities subject to an option at such time as Legent determines and, in the event that I do not deliver the underlying securities, I authorize Legent to act as My agent to purchase replacement securities at the then-current market price in order that delivery to the exercising holder of My call option is effectuated;
- c. with respect to the purchase of an option position, to be solely responsible for providing notice to My broker of My intention to exercise the right of purchase or sale no later than 3 p.m. Central Time on the business day preceding the date of expiration of such option, and that My broker is not obligated to exercise an option on My behalf, but may do so; and
- d. in the event it becomes necessary to allocate between two (or more) persons who have established an option position as seller, Legent shall have sole discretion to determine which seller actually shall receive notice of such allocation, and that I am bound by this “random selection” system of allocation.

Remedies. In the event I fail to satisfy any cash or collateral call, Legent may, in its discretion and without notice to Me, take any steps necessary to protect Legent’s position, including and without limitation, (i) buying and/or selling short, or short exempt, for My account and at My risk, all or any portion of the shares or instruments represented by options endorsed by Legent for My account, and (ii) engaging in any other lawful transaction reasonably calculated to protect Legent’s position.

Uncovered Sale of Options. I specifically acknowledge that the sale of any call option without depositing the underlying securities may subject Me to a significant loss.

Your Investment Experience						
Annual Income		Net Worth (excluding residence)		Liquid Net Worth		Tax Bracket
<input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,001 - \$50,000 <input type="checkbox"/> \$50,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$200,000 <input type="checkbox"/> \$200,001 - \$500,000 <input type="checkbox"/> \$500,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000 (please specify) _____		<input type="checkbox"/> Under \$50,000 <input type="checkbox"/> \$50,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$500,000 <input type="checkbox"/> \$500,001 - \$1,000,000 <input type="checkbox"/> \$1,000,001 - \$3,000,000 <input type="checkbox"/> Over \$3,000,000 (please specify) _____		<input type="checkbox"/> Under \$25,000 <input type="checkbox"/> \$25,001 - \$50,000 <input type="checkbox"/> \$50,001 - \$100,000 <input type="checkbox"/> \$100,001 - \$200,000 <input type="checkbox"/> \$200,001 - \$500,000 <input type="checkbox"/> \$500,001 - \$1,000,000 <input type="checkbox"/> \$1,000,001 - \$3,000,000 <input type="checkbox"/> Over \$3,000,000 (please specify) _____		<input type="checkbox"/> 0% <input type="checkbox"/> 15% <input type="checkbox"/> 28% <input type="checkbox"/> 31% <input type="checkbox"/> 38% <input type="checkbox"/> Above 38% <input type="checkbox"/> Other _____
Investment Objective			Investment Experience		Risk Exposure	Investment Knowledge
<input type="checkbox"/> Current Income Preservation of capital with a primary consideration on current income <input type="checkbox"/> Balanced A balance between capital appreciation and current income with the primary consideration being current income <input type="checkbox"/> Growth & Income A balance between capital appreciation and current income with the primary consideration being capital appreciation <input type="checkbox"/> Growth Capital appreciation through quality equity investments and little or no income <input type="checkbox"/> Maximum Growth Maximum capital appreciation with higher risk and little to no income <input type="checkbox"/> Speculation Maximum total return involving a higher degree of risk through investment in a broad spectrum of securities			<input type="checkbox"/> Mutual Funds (yrs _____) <input type="checkbox"/> Variable Products (yrs _____) <input type="checkbox"/> Bonds (yrs _____) <input type="checkbox"/> Stocks (yrs _____) <input type="checkbox"/> Options (yrs _____) <input type="checkbox"/> Other (please specify) _____ yrs _____ <input type="checkbox"/> None		<input type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> Aggressive <input type="checkbox"/> Speculative	<input type="checkbox"/> Limited <input type="checkbox"/> Good <input type="checkbox"/> Excellent
			Source of Account Funding			
			<input type="checkbox"/> Investments <input type="checkbox"/> Compensation <input type="checkbox"/> Retirement Assets <input type="checkbox"/> Gift <input type="checkbox"/> Donations <input type="checkbox"/> Insurant Payout <input type="checkbox"/> Other (please specify) _____ <input type="checkbox"/> Inheritance <input type="checkbox"/> Social Security Benefits <input type="checkbox"/> Legal Settlement <input type="checkbox"/> Spouse/Parent <input type="checkbox"/> Lottery/Gaming <input type="checkbox"/> Business Revenue <input type="checkbox"/> Sale of Business Property			
<input type="checkbox"/> Risk Level 1 Covered Call Writing <input type="checkbox"/> Risk Level 2 Covered Call Writing Buying Puts & Calls <input type="checkbox"/> Risk Level 3 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) <input type="checkbox"/> Risk Level 4 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Puts		<input type="checkbox"/> Risk Level 5 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Equity Puts & Calls <input type="checkbox"/> Risk Level 6 Covered Call Writing Buying Puts & Calls Combinations (Spreads, Straddles) Selling Uncovered Equity/Index Puts & Calls		Date of Birth: _____ Marital Status: _____ Employer / Position: _____ # of Dependents: _____		
<p>I hereby request that my broker ("My Broker") and Legent Clearing LLC ("Legent") amend the account in the name(s) listed as account owner(s) on this OPTION application and to that purpose endorse this account as an OPTION ACCOUNT.</p> <p>By signing below, I acknowledge that I have received, read, understand and agree to be bound by the terms & conditions as set forth in the MAIN Customer Agreement as currently in effect and as amended from time to time. I represent that I am of required legal age to enter into this Agreement. I understand and acknowledge that Legent does not provide investment, tax, legal, accounting, financial or other advice.</p> <p>Please Note: Legent and/or My Broker will verify information provided on this form through a third-party provider in accordance with the USA Patriot Act.</p> <p>I UNDERSTAND THAT THIS ACCOUNT IS GOVERNED BY A PRE-DISPUTE ARBITRATION AGREEMENT, WHICH IS SET FORTH IN SECTION 28 OF PAGE 3 OF THE MAIN CUSTOMER AGREEMENT. I ACKNOWLEDGE THAT I HAVE RECEIVED AND READ THE PRE-DISPUTE ARBITRATION AGREEMENT.</p> <p>By signing below, I acknowledge that I have received, read and understand the Option Account Agreement and acknowledge having received and read the booklet entitled "Characteristics and Risks of Standardized Options" issued by the Options Clearing Corporation ("OCC")</p>						
Account Name			Account Number			
Account Holder's Signature		Date	Joint Holder's Signature		Date	
Broker Signature		Date	CROP Signature		Date	
Approved Risk Level	<input type="checkbox"/> Level 1	<input type="checkbox"/> Level 2	<input type="checkbox"/> Level 3	<input type="checkbox"/> Level 4	<input type="checkbox"/> Level 5	<input type="checkbox"/> Level 6