

# Banc of America Securities LLC

## CUSTOMER OPTIONS APPLICATION INDIVIDUAL, JOINT & PERSONAL TRUST ACCOUNTS

### General Information:

Account Name: \_\_\_\_\_ Manager Code: \_\_\_\_\_ Account #: \_\_\_\_\_ RR #: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_

Occupation: \_\_\_\_\_ Employer \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Marital Status: Single  Married  Divorced  Widowed  # of Dependents: \_\_\_\_\_

Joint Party/ Spouse Occupation: \_\_\_\_\_ Employer: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Is client a control person of a publicly traded company, i.e., a senior officer, director or 10% shareholder? Yes  No

If "Yes" specify the company: \_\_\_\_\_

Does anyone have trading authority? Yes  No

If "Yes" attach authority form for the agent. Name: \_\_\_\_\_

### Account Holder's Financial and Investment Information:

1. Estimated Annual Income: \_\_\_\_\_

2. Estimated Net Worth, exclusive of residence: \_\_\_\_\_

3. Estimated Liquid Net Worth: \_\_\_\_\_

4. Investment Experience – Enter the number of years experience investing with:

Covered Options \_\_\_\_\_ Buying Options \_\_\_\_\_ Uncovered Options \_\_\_\_\_ Equities \_\_\_\_\_ Bonds \_\_\_\_\_ Commodities \_\_\_\_\_

5. How does client consider his/her financial sophistication?

High  Moderate  Unsophisticated

6. Does client understand the theory behind options and the financial risks involved? Yes  No

7. Other Current Brokerage Accounts: Name of Firm(s) \_\_\_\_\_

8. If trust account, provide Total Trust Value \_\_\_\_\_  
(Also complete items 4–6 for the Trustee and attach copy of Trust agreement)

### Trading Options:

#### Investment Objectives (check as many as apply):

If more than one checked then rank in accordance of importance (i.e., 1 = highest).

Speculation \_\_\_\_\_ Trading Profits \_\_\_\_\_ Income \_\_\_\_\_ Safety of Principal \_\_\_\_\_ Hedging \_\_\_\_\_

#### Anticipated type(s) of Option Transactions:

Covered Writing  Buying Options  Spreads/Straddles  Uncovered Puts Writing  Uncovered Calls Writing

**Date OCC disclosure provided to Client:** \_\_\_\_\_ (email: <http://www.cboe.com/resources/odd/charrisk.pdf>)

Name of Registered Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Registered Options Principal: \_\_\_\_\_ Date: \_\_\_\_\_

CUSTOMER'S SIGNATURES REQUIRED ON THE REVERSE PAGE. ALL PARTIES MUST SIGN.

The Federal Arbitration Act will apply to any dispute subject to arbitration under this ARBITRATION AGREEMENT, notwithstanding any contrary choice of law provision in this Agreement. I specifically acknowledge and agree that in addition to and without waiver of this binding ARBITRATION AGREEMENT, BAS shall be entitled to provisional remedies, including the remedies of prejudgment writs of attachment, or injunction, available in any court having jurisdiction.

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;
- (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 Account Agreement except to the extent stated herein.

- 8. This agreement and its enforcement shall be governed by the laws of the State of New York (without regard to any principles of the conflicts of laws) and its provisions shall be continuous; shall cover individually and collectively all accounts which I may open or reopen with you, and shall enure to the benefit of your present organization, and shall be binding upon me and/or my estate, executors, administrators and assigns.
- 9. All other agreements existing between us or hereafter made, which, by their terms apply to all accounts of mine with you, shall be applied to my options accounts where they are not in conflict with this agreement. Should a conflict exist it shall be resolved in favor of this agreement. Otherwise, the provisions of each agreement shall be applicable.

By signing below, I (we) acknowledge and agree specifically to the terms set forth in this Agreement including, but not limited to, the Arbitration Agreement which can be found on page 2 item 7.

I have completed the Customer Options Application on the reverse side and I hereby declare that the information provided therein is true, accurate and complete. I represent that I am of full age and that no one else has any interest in my account or accounts with you.

IF JOINT ACCOUNT, BOTH PARTIES MUST SIGN. Persons signing on behalf of others please indicate title or capacity in which you have signed.

Client's Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

Joint Party / Spouse's Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

## OPTION AGREEMENT

This agreement is in connection with puts, calls, and other forms of options which you may purchase, sell, exercise or endorse for my account. I acknowledge that I received and read a copy of the current Option Disclosure Statement of the Options Clearing Corporation. I realize that options exchanges are intended to provide a secondary market where options positions can be liquidated at any time, but there is no guarantee that such liquidity will be consistently available. I further understand the risks of buying and selling options and that options are not for everybody and that their suitability is dependent upon the circumstances of the individual investor.

I am aware that exercise assignment notices for short option contracts are allocated among Banc of America Securities LLC's customers pursuant to a procedure which utilizes a Random Selection Method. For American style listed options, all short option positions are liable for assignment at any time. For European style listed options, all short option positions are liable for assignment only at expiration. I may request a more detailed description of this method at any time.

In consideration of your handling options transactions for my account, I agree that:

1. I will be bound by the rules, regulations, customers and usages of the Exchange or market where the transaction takes place and its clearing house, if any.
2. You are under no obligation to convey to the undersigned any information relating to the underlying securities covered by the option or any securities related thereto, or any information relating to the options whether such information is then or thereafter known or available.
3. I will not, acting alone or in concert with other, directly or indirectly, hold, control, or write in excess of the number of options contracts fixed from time to time by the exchanges or market as the position limit for one or more classes or series or options.
4. I will not exercise a long position in any option contract where, acting alone or in concert with others, directly or indirectly, I have or will have exercised in excess of the number of option contracts be fixed from time to time by the exchanges or market as the position limit for one or more classes or series of options.
5. I hereby authorize you in your discretion, should I die or should you deem it necessary for your protection, to buy, sell, or sell short for any account and risk, puts, call, or other forms of options and/or to buy, sell or sell short any part or all of the underlying shares represented by options endorsed by you for my account. Any and all expenses incurred by you in connection with such transactions will be reimbursed by me.
6. All monies, securities, or other property which you may hold in any account of mine shall be held subject to a general lien for the discharge of my obligations to you under this agreement.
7. **ARBITRATION. All disputes hereunder will be submitted to arbitration. I am aware that:**
  - **Arbitration is final and binding on the parties.**
  - **The parties are waiving their right to seek remedies in court, including the right to jury trial.**
  - **Pre-arbitration discovery is generally more limited than and different from court proceedings.**
  - **The arbitrator's award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.**
  - **The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.**

### ARBITRATION AGREEMENT

Any dispute with respect to my Account shall be subject to and governed by the following **ARBITRATION AGREEMENT**:

To the extent permitted by law, any controversy arising out of or relating to my Account, my relationship with BAS or this Agreement or the breach thereof shall be submitted to arbitration conducted under the Constitution and Rules of the Board of Governors of the New York Stock Exchange, Inc. or the Code of Arbitration Procedure of the National Association of Securities Dealers ("NASD"). An arbitration must be commenced by service upon the other party or parties of a written demand for arbitration or a written notice of intention to arbitrate, including selection of the arbitration tribunal. If I initiate the demand for arbitration and do not make such election by registered mail addressed to BAS at its main office within five (5) days thereafter, then BAS may make such election on my behalf. If BAS initiates arbitration, it may select the arbitration tribunal. Judgment upon any award rendered by the arbitrator(s) shall be final, and may be entered in any court having jurisdiction. This **ARBITRATION AGREEMENT** does not constitute a waiver of my right to a judicial forum in instances in which such a waiver should be void under the applicable federal or state laws, including the Federal Arbitration Act.