

Supplemental Options Spreads Agreement for Fidelity Individual Retirement Accounts

Instructions

1. Review and sign "spread agreement" to add options spread trading on a new or existing retirement account.
2. Complete the accompanying options application to add an account or authorized agent (third party with trading authorization). An updated options application is required if the initial option approval on the requested account is beyond three months of the original approval date or if within those three months your financial situation has changed.

The purpose of this agreement is to allow Fidelity Brokerage Services LLC and National Financial Services LLC (together, "Fidelity") to accept instructions for the purchase and sale of certain put and call options and options strategies in a Fidelity IRA, a Fidelity IRA Rollover, a Fidelity SEP-IRA, a Fidelity Roth IRA or a Fidelity SIMPLE IRA (hereinafter "Fidelity IRA"). This agreement, which is designated by Fidelity as a form of margin agreement, provides you with important terms and conditions for conducting put and call options strategies that are generally known as options spreads in your Fidelity IRA ("Options Spreads"). You must agree to the terms and conditions of this *Supplemental Options Spreads Agreement*, as well as to the *Fidelity Options Trading Agreement*, in order to trade options in your Fidelity IRA.

1. RESTRICTIONS.

- (a) Approval of spreads in retirement is conditioned upon the approval of your account for options level 2.
- (b) Spread positions in retirement accounts require a minimum of \$5,000 to be set aside in an interest-bearing account referred to in your balances as "Cash Spread Reserve."
- (c) You must meet the initial and maintenance requirements for your options positions at all times or your positions may be closed by Fidelity.
- (d) Fidelity may close your position without notice if you fail to meet the requirements for the spread.
- (e) You are subject to all other restrictions and conditions in this agreement as defined below.
- (f) Cash-Settled Indexes are not eligible for spread trading in retirement accounts.

2. AUTHORIZATION. You authorize Fidelity to accept instructions from you or your authorized agent regarding the purchase and sale of options and the implementation of Options Spreads in your Fidelity IRA only to the extent permitted by the applicable Fidelity IRA Custodial Agreement and under applicable law and regulations.

3. SUITABILITY. You acknowledge that investing in options can be very risky. You acknowledge that your decision to trade in options in your Fidelity IRA is solely your decision and Fidelity has not directly or indirectly solicited you to trade in options or to develop or implement Options Spreads. You also acknowledge that Fidelity has not recommended any options trades, including puts or calls or other options trades or Options Spreads, in your Fidelity IRA. While Fidelity will implement Options Spreads instructions it receives from you, you understand and agree that Fidelity is not responsible for determining the appropriateness or suitability of the investments relating to this agreement that you purchase or sell in your Fidelity IRA.

4. RETIREMENT ACCOUNT LIMITATIONS

AND REPRESENTATIONS. You acknowledge and agree to the following terms, conditions and representations:

- (a) Margin borrowing will not be made available in your Fidelity IRA because of applicable regulatory limitations.

- (b) You are solely responsible for ensuring that sufficient assets are maintained in your Fidelity IRA to cover all potential obligations arising from the holding of options and conducting any options strategies, including Options Spreads.
- (c) It is your responsibility not to enter into options or conduct or implement Options Spreads that can result in obligations in excess of your Fidelity IRA account balance.
- (d) An obligation in your Fidelity IRA in excess of your applicable Fidelity IRA account balance can result in a taxable distribution of the IRA assets and the imposition of excise taxes.
- (e) When options are held, or Options Spreads are conducted or implemented, in your Fidelity IRA, you agree to maintain a sufficient cash balance in your Fidelity IRA to satisfy all obligations that may arise from those options or Options Spreads and during the time that such options are held or Options Spreads are conducted in your Fidelity IRA. You further understand and acknowledge that amounts available for purchases within your Fidelity IRA may be limited due to amounts needed to satisfy options or Options Spreads obligations.
- (f) Fidelity shall not be responsible for the dishonor of any transaction due to an insufficient balance in your Fidelity IRA.
- (g) To the extent that options or conducting Options Spreads create a short or debit position in your Fidelity IRA core account, such short or debit position will immediately be covered with other assets from your Fidelity IRA.
- (h) You assume full responsibility for reviewing the terms of the investment and hereby represent that maintaining options and conducting Options Spreads in your Fidelity IRA does not and will not violate the terms and conditions of the applicable Fidelity IRA Custodial Agreement and Disclosure Statement, nor constitute a prohibited transaction as defined under ERISA and the Internal Revenue Code (IRC) and related regulations, interpretations and guidance and is otherwise in compliance with all applicable laws, rules and regulations.
- (i) You have been provided with an opportunity to consult with your tax adviser regarding the advisability of holding options or conducting Options Spreads in your Fidelity IRA.

5. ADDITIONAL REPRESENTATIONS. You represent and warrant the following: (1) you have determined that it is suitable for you to trade options and conduct Options Spreads in your Fidelity IRA; (2) you will not engage in any transaction or conduct or implement any Options Spreads in your Fidelity IRA that would result in any hypothecation or extension of credit by Fidelity or its affiliates; and (3) you have not relied on Fidelity or any of its affiliates for any investment research, advice (including but not limited to investment, business, legal or tax advice) or information in connection with options trading or strategies pertaining to your Fidelity IRA.

6. INDEMNIFICATION. By signing below, you hereby agree to indemnify and hold Fidelity, its affiliates, and their respective officers, directors, employees and agents, and their respective successors and assigns, harmless from and against any and all losses, liabilities, tax consequences, demands, claims and expenses, attorneys' fees, damages (including consequential, incidental, special or exemplary) arising out of any actions by Fidelity, you, or your agents in connection herewith, which are not caused by Fidelity'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.

7. RECEIPT OF COMMUNICATIONS. Communications may be sent to you at the address of record listed in your application or at such other address as you may hereafter provide and all communications so sent, whether by mail, telegraph, messenger or otherwise, shall be deemed given to you personally, whether actually received or not. You understand that you should promptly and

carefully review the transaction confirmations and monthly statements and promptly notify Fidelity of any errors.

8. MODIFICATION OR TERMINATION OF ACCOUNT.

You understand that no provision of this agreement can be amended or waived except in writing signed by an authorized representative of Fidelity and that this agreement shall continue in force until its termination by you is acknowledged in writing by an authorized representative of Fidelity, or until written notice of termination by Fidelity shall have been mailed to you at your address last provided to Fidelity. You will remain responsible for all charges, debit items, or other transactions initiated or authorized by you, whether arising before or after termination. You understand that Fidelity may at any time, and in its sole discretion, cease to permit trading in options or conducting Options Spreads in your Fidelity IRA account and may, upon thirty (30) days' written notice to you, amend the terms of this *Supplemental Options Spreads Agreement*.

9. APPLICABLE RULES AND REGULATIONS. If any provision hereof is or at any time should become inconsistent with any present or future law, rule or regulation of any securities exchange, or of any sovereign government or a regulatory body thereof and if any of these bodies has jurisdiction over the subject matter of this agreement, the said provision shall be deemed to be superseded or modified to conform to such law, rule or regulation, but in all other respects this agreement shall continue and retain in full force and effect.

10. EXTRAORDINARY EVENTS. Fidelity shall not be liable for loss caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, strikes or other conditions beyond its control, including, but not limited to, extreme market volatility or trading volumes.

11. CHOICE OF MARKETPLACE. You understand and acknowledge that when options and securities may be traded in more than one marketplace, in the absence of any specific instructions, Fidelity may, subject to applicable regulatory requirements, use its discretion in selecting the market in which to enter your orders.

12. GOVERNING LAW. THIS AGREEMENT AND ITS ENFORCEMENT SHALL BE GOVERNED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS TO THE EXTENT NOT SUPERSEDED BY FEDERAL LAW; SHALL COVER INDIVIDUALLY AND COLLECTIVELY ALL FIDELITY ACCOUNTS WHERE APPROPRIATE THAT YOU MAY OPEN OR REOPEN WITH FIDELITY; SHALL INURE TO THE BENEFIT OF FIDELITY'S SUCCESSORS AND ASSIGNS, WHETHER BY MERGER, CONSOLIDATION OR OTHERWISE, AND FIDELITY MAY TRANSFER YOUR ACCOUNT TO ITS SUCCESSORS AND ASSIGNS, AND THIS AGREEMENT SHALL BE BINDING UPON YOUR HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS, AND THEIR ASSIGNS.

13. PREDISPUTE ARBITRATION. This agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

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.

Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.

The arbitrators do not have to explain the reason(s) for their award.

The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

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.

The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

All controversies that may arise between you and us concerning any subject matter, issue, or circumstance whatsoever (including, but not limited to, controversies concerning any account, order or transac-

tion, or the continuation, performance, interpretation, or breach of this or any other agreement between you and us, whether entered into or arising before, on, or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member, as you may designate. If you designate the rules of a United States self-regulatory organization or United States securities exchange and those rules fail to be applied for any reason, then you shall designate the prevailing rules of any other United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member. If you do not notify us in writing of your designation within five (5) days after such failure or after you receive from us a written demand for arbitration, then you authorize us to make such designation on your behalf. The designation of the rules of a self-regulatory organization or securities exchange is not integral to the underlying agreement to arbitrate. You understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class action 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.

By signing below, you hereby acknowledge that you have read, understood, and agree to be bound by the terms and conditions in this *Supplemental Options Spreads Agreement*. You acknowledge that you have been advised by Fidelity to consult a tax advisor before completing any transaction involving options. You have not received any tax advice from Fidelity and understand that the transaction is neither allowed nor disallowed by the Internal Revenue Code.

Should any adverse consequences result from any transaction involving options trading and options strategies, you will not hold Fidelity responsible in any way. This agreement is binding on successors and assigns.

SIGNATURE(S) REQUIRED

SIGNATURE OF _____ Date (month, day, year)
PRIMARY ACCOUNT HOLDER

SIGNATURE OF _____ Date (month, day, year)
AUTHORIZED AGENT/ADVISOR

Account Number -

If you do not have an account at Fidelity, this *Supplemental Options Spreads Agreement* must be accompanied by a new account application and an options application.

New Account — number not yet assigned



Smart move.®