

# FULL THIRD PARTY AUTHORIZATION AND CERTIFICATION

In addition to completing this form, you must complete the following steps:

1. Provide a clear and legible copy of the authorized agent's government issued, non-expired photo identification such as a U.S. Passport, Driver's License, State ID, or Military ID with this form.
2. Complete an Associated Person Profile for the agent to whom you are granting trading authority. To access the "Associated Person Profile" area, please visit our website and:  
**Login to your account, visit the "Profile" section listed under the Account tab, and then select "Add Person to your Account" listed under Related Links.**

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Account Title

Account Number ("Account")

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Name of Agent and Attorney-in-Fact Being Given Trading Authorization

## Authorization

The undersigned account holder ("Customer") hereby authorizes the person that Customer, in his/her/its sole discretion has designated above ("Agent") as Customer's agent and attorney-in-fact with respect to securities, futures, and/or forex trading in Customer's account at optionsXpress, Inc. on margin or otherwise. This authorization includes, but is not limited to, the discretion, power and authority of the third party Agent for Customer's Account to:

1. buy, sell (including short sales), exchange, convert, tender, trade or otherwise acquire or dispose of stocks, bonds and any other securities;
2. exchange, convert, tender, trade, buy and/or sell, or otherwise acquire or dispose of, offset, deliver or receive the underlying commodity futures contracts (including, but not limited to security futures, financial futures, interest rate futures, metal futures, currency futures, energy futures and housing futures), options on futures, and single stock futures;
3. purchase and/or sell options contracts (exchange traded or over-the-counter, puts, calls, etc.), to open new option positions or close existing positions, to exercise options contracts, to sell options contracts either a covered or uncovered writer, and to make agreements relating to the same;
4. order, execute, facilitate, manage, and control, and authorize optionsXpress to carry, settle or clear customer's cash or spot foreign currency transactions including on margin and through the over the counter foreign exchange markets, and
5. enter into all agreements for Customer's Account including, but not limited to the User/Customer Terms & Conditions, Customer Forex Account Agreement and Customer Futures Account Agreement, and other agreements relating to the same.

Customer agrees that optionsXpress, in its sole discretion, may restrict Customer's account from further activity, but is not obligated to review or monitor instructions from Agent relating to trading for Customer's account, which Customer agrees is self-directed and at Customer's sole responsibility and risk.

This authorization entitles all persons, without further review, inquiry or investigation, and regardless of the date of the authorization, to rely on the assumption that the assets included in Customer's account were duly and properly transferred, endorsed, sold, assigned, set over and delivered, and that this authorization remains in full force and effect. The parties agree that in all such transactions arising out of or relating to this authorization, optionsXpress is authorized to follow the Instructions of Agent in every respect concerning Customer's Account and Agent is authorized to act for Customer in the same manner and with the same force and effect as Customer might or could do with respect to such transactions, as well as with respect to all other things necessary or incidental thereto, **including the power to deposit,**

**transfer and withdraw any money, securities, foreign currency, commodity futures, or other property in the name of Customer or otherwise by ACH, check, wire transfer or any other means.**

Customer hereby ratifies and confirms any and all transactions with optionsXpress heretofore or hereafter made by Agent on behalf of or for Customer's Account. In connection with this authorization of Agent, Customer represents and warrants that Customer is prepared to take short term profits or losses, in the event of the above described securities, options, foreign currency, and futures transactions. Customer understands that, due to the short-term nature of options, Agent may trade options to a greater degree than stocks and/or bonds and that Customer will be charged a commission each time a trade is effected. Customer further understands that option trading has a number in inherent risks connected there with and Customer is fully prepared financially to undertake such risks. Customer understands that futures trading via the Internet entails substantial risk, that the leveraged nature of futures trading means that any market movement may have a disproportional effect on deposited funds, and Customer is fully prepared financially to undertake such risks. In addition to standard industry disclosures contained in the Customer Forex Account Agreement, Customer is aware that margined currency trading is one of the riskiest forms of investment available in the financial markets and may not be suitable for all investors. A forex account with optionsXpress permits Customer to trade foreign currencies on a highly leveraged basis (which could be up to approximately 50 times your account equity or as otherwise permitted by applicable regulation). In a 50 x 1 leverage circumstance, an initial deposit of US\$2,000 may enable the trader to take a maximum position with US\$100,000 notional market value. The funds in an account trading at maximum leverage can be completely lost, if the position(s) held in the account has more than a one percent swing in value. Given the possibility of losing an entire investment, speculation in the foreign exchange market should only be conducted with risk capital funds that if lost will not significantly affect Customer's personal or institution's financial well being. Customer may wish to study currency trading further and further consider the risks thereof before making or continuing an investment of this nature. Customer must, and agrees that Customer does realize that Customer could sustain a total loss of all funds deposited with optionsXpress as initial margin as well as substantial amounts of capital, when trading currencies, should the market go against Customer's investment. If Customer wishes to continue with Customer's investment or trading OTCFX, Customer acknowledges that the funds committed are purely risk capital and loss of Customer's investment will not jeopardize or effect Customer's style of living nor will it detract from Customer's future retirement program or any other lifestyle or financial need or comfort level. Additionally, Customer fully understands the nature and risks of currency investments, and Customer's obligations to others will not be neglected should Customer suffer investment losses.

Customer further understands that Agent may buy and sell securities, forex or commodity futures for Agent's own account and/or act as Agent for other persons in such transactions. Customer understands that the same security, forex or commodity future will not always be bought or sold for the same price for each account.

Customer specifically and intentionally directs optionsXpress to follow the instructions of Agent, who shall be solely responsible for suitability of investments, timing of purchases and sales and all other matters arising out of or relating to Customer's Account and optionsXpress shall have no responsibility or obligation therefore.

### **Indemnification**

Customer and Agent each agree to indemnify and hold harmless optionsXpress and its parent, successors, assigns, and affiliates, and its and their directors, officers, employees, and agents, from and against all claims, actions, awards, cost, and liabilities, including but not limited to, attorneys' fees, arising out of or relating to

1. optionsXpress' reliance on this authorization, including but not limited to, acts or omissions of Customer or Agent, including those relating to orders, instructions (whether written or oral), and executions;

2. optionsXpress' reliance on this authorization, acts or omissions of Agent, any breach by Agent of the terms of this authorization, executions of transactions in accordance with Agent's instructions, and any dispute involving Agent and Customer;
3. any and all losses arising in the account relating to this authorization and/ or debit balance due on Customer's account. Customer and Agent each agree to pay to optionsXpress any amounts due pursuant to this indemnification provision without notice, setoff, or demand. Customer agrees that this authorization and the indemnity contained herein are in addition to (and in no way limit or restrict) any rights that optionsXpress may have at law or in equity or under any other agreements between optionsXpress and Customer, including, but not limited to the User/Customer Terms and Conditions, Margin Agreement, Futures Agreement, or other agreements which may be available on optionsXpress' website, and as updated.

These indemnification provisions shall survive the termination of this authorization.

### **Termination of Authority**

This authorization shall remain in full force and effect until a written notice of revocation or termination of this authorization or of the death or incapacity of Customer is received by optionsXpress at its main office in Chicago, Illinois, but such revocation or termination shall not affect any liability in any way resulting from transactions initiated prior to such revocation or termination.

### **Additional Terms Applicable to Agent**

In addition to and without limiting the terms and conditions set forth elsewhere in this authorization or any other agreement between optionsXpress and Customer or Agent and Customer, Agent agrees that Customer shall have full authority at all times to take actions, place orders and direct the account. Agent represents and warrants to optionsXpress that he/she/it shall not take any action that exceeds the authority granted by Customer pursuant to this authorization or in any other agreement between Agent and Customer. Agent represents and warrants that Agent shall comply with all applicable laws and regulations relating to registration, exemption or otherwise and including, but not limited to the federal securities, forex, and commodities laws. Agent specifically consents that optionsXpress may perform a credit, background or other check of Agent for the permissible purpose of optionsXpress permitting agent's authority hereunder. Agent will immediately notify optionsXpress of the death, incapacity or other circumstances which would render this authorization void.

### **Additional Terms**

This Agreement shall be deemed to be made in Chicago, Illinois and shall be governed by the laws of the State of Illinois. **NEITHER CUSTOMER NOR AGENT SHALL OBJECT TO CHICAGO, ILLINOIS AS HEARING SITUS.**

Customer and Agent will comply with all applicable laws, rules and regulations, as amended from time to time.

**CUSTOMER CONFIRMS CUSTOMER'S AGREEMENT TO ARBITRATE ANY DISPUTES IN ACCORDANCE WITH THE ARBITRATION PROVISIONS SET FORTH IN THE APPLICABLE USER/CUSTOMER AGREEMENT TERMS & CONDITIONS, CUSTOMER FOREX ACCOUNT AGREEMENT AND CUSTOMER FUTURES ACCOUNT AGREEMENT. AGENT AGREES THAT ANY AND ALL CONTROVERSIES WHICH MAY ARISE RELATED TO THIS AUTHORIZATION OR OTHERWISE INVOLVING AGENT AND OPTIONSXPRESS SHALL BE DETERMINED BY ARBITRATION CONDUCTED BEFORE THE NFA, IN THE CASE OF FUTURES AND/ OR FOREX AND FINRA IN THE CASE OF SECURITIES, AND IN ACCORDANCE WITH ITS ARBITRATION RULES THEN IN FORCE AND TO THE EXTENT APPLICABLE, PURSUANT TO THE ILLINOIS ARBITRATION ACT. CUSTOMER AND AGENT EACH SPECIFICALLY AGREE TO ARBITRATE ALL SUCH CONTROVERSIES BEFORE THE NFA OR FINRA IN CHICAGO, ILLINOIS, AND FURTHER AGREE THAT NEITHER PARTY SHALL OBJECT TO SUCH VENUE OR TO THE JURISDICTION OF THE STATE OF ILLINOIS.**



- 2) Only have clients who are residents of the state within which I maintain my principal place of business; or
- 3) Only have clients who are insurance companies;
- 4) Am a charitable organization (or a person employed by a such an organization) who provides advice to a charitable organization or trust; or
- 5) Am a church plan (a plan described in section 414(e) of the Internal Revenue Code) or an employee of volunteer of such a plan, who provides advice to such a plan.

**OR**

- I am currently registered with the SEC as an Investment Advisor, and/ or
- I am currently registered in any and all applicable states pursuant to state law.

Agent's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **FUTURES OR FOREX AGENT CTA CERTIFICATION**

**(To be completed by Agent)**

- I am exempt from registering as a CTA because I:

(check all that apply):

- Have provided advice to 15 or fewer persons over the past 12 months and do not hold myself out to the public as a CTA.
- Am a dealer, processor, solicitor broker or seller in cash market transactions of any commodity (or product thereof) or of over the counter foreign currency and my commodity trading or over the counter foreign currency advice is solely incidental to the conduct of my cash market business.
- Am a non-profit, voluntary membership, trade association or farm organization and my commodity trading or over the counter foreign currency advice is solely incidental to the conduct of its business as such association or organization.
- Am a foreign-based entity, located outside the U.S. and I only solicit non-U.S. citizens.
- I am currently registered with the CFTC as a Commodity Trading Advisor and
- I have furnished Customer with a copy of my CTA disclosure document.

(Please attach a copy of the disclosure document.)

My NFA ID number is: \_\_\_\_\_ (Agent)

Agent's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

optionsXpress, Inc. (Member SIPC) and Charles Schwab & Co., Inc. (Member SIPC) are separate but affiliated companies and subsidiaries of The Charles Schwab Corporation.