



## Options Disclosure

A stock option is a contract that gives the owner the right, but not the obligation, to buy or sell a particular stock at a fixed price (the strike price) for a specific period of time (the expiration date). The contract also obligates the seller or writer to meet the terms of delivery if the contract right is exercised by the owner.

Options involve risks and are not suitable for all investors as the special risks inherent to options trading may expose investors to potentially rapid and substantial losses. Options trading privileges are subject to review and approval by Thompson Davis & Co., Inc.

Prior to buying or selling an option, a person must read *Characteristics and Risks of Standardized Options and Supplements*, which is published by the Options Clearing Corporation. It is available electronically at <http://www.optionsclearing.com/about/publications/character-risks.jsp>, or you may call us at 804-644-6380 to request a paper copy. This document is periodically updated with additional supplements.

If, after careful consideration, you decide that you are interested in trading options, please contact your Thompson Davis & Co. financial advisor for an application to do so.