

## **Sarna Finance LLC**

### **Option Exercise and Assignment Disclosure**

1. If you exercise an options contract or if you receive an exercise notice, you are required to pay the aggregate cost of exercise or deliver the underlying security as provided for in the option contract.
2. Sarna is not obligated to give you prior notification of option expiration dates or cut-off times for delivering exercise instructions.
3. With respect to any options contract that is, by its terms, exercisable prior to the expiration date of the option (i.e., an American-style options), Sarna will accept exercise instructions for same day exercise on business days prior to 4:00 P.M. E.S.T for index option contracts and prior to 4:00 P.M. E.S.T. for equity option contracts.
4. Subject to any modifications made to the applicable cut-off times, Sarna will accept exercise instructions (including instructions to not exercise options contracts that would otherwise be automatically exercisable) until 4:00 P.M. E.S.T. on the actual expiration date. With respect to any options contract that has a Saturday or other non-business day's expiration date, Sarna will accept exercise instructions only until 4:00 P.M. E.S.T. on the business day preceding the expiration date.
5. You are responsible for providing exercise instructions prior to the cut-off times noted above unless modified by the OCC, a securities exchange, and by Sarna. You have the sole responsibility to (1) understand the applicable cut-off times for delivering exercise instructions on any option contracts held in your account, and (2) for delivering exercise instructions to Sarna prior to the applicable cut-off times.
6. The Options Clearing Corporation (OCC) has established that all equity option contracts and index option contracts that are in-the-money by \$.01 or more at expiration will be automatically exercised upon expiration unless you submit contrary exercise instructions prior to the applicable exercise cut-off time.