



## Exchange Traded Options Product Disclosure Statement

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## About This PDS

This PDS has been issued by tastytrade Australia Pty Ltd (ABN 61 623 542 969, AFSL 508867) and covers Exchange Traded Options (ETOs) available through the tastytrade platform. It is designed to help you understand what ETOs are, how they work, what they cost, and the risks involved — so you can decide whether they are right for you. It is general information only and does not take into account your personal objectives, financial situation or needs. You should read it in full before making any decision to trade. This PDS does not constitute and is not intended to replace independent professional financial advice. tastytrade Australia strongly recommends that you obtain independent financial, tax and legal advice prior to making any decision to trade or invest in the products referenced in this PDS.

This PDS and the ETOs referred to in this PDS are available to persons in Australia who are clients of tastytrade Australia. The distribution of this PDS to persons outside of Australia may be restricted by that jurisdiction. This PDS does not constitute an offer or invitation. In any place where, or to any person whom, an offer or invitation would not be lawful according to the laws of the relevant jurisdiction.

**ETOs are not like stocks.** They are leveraged, exchange-traded derivatives. As a buyer, your maximum loss is limited to the premium paid. As a writer (seller), your losses can substantially exceed the premium received — uncovered call positions carry theoretically unlimited risk. Before trading ETOs you must understand the difference between buying and writing options, the effect of time decay and volatility on option value, the risk of early assignment, and how margin requirements work. If you are not sure whether ETOs are right for you, please seek independent financial advice before proceeding.

tastytrade Australia is a self-directed platform. Our staff are not authorised to provide investment, trading or tax advice, and nothing in this PDS or on our platform constitutes a personal recommendation. All trading decisions are yours. Before you begin trading ETOs, we strongly recommend reading the Characteristics and Risks of Standardized Options document published by the Options Clearing Corporation (OCC), available at [tastyworks.com.au/disclosures](https://www.optionsclearing.com/disclosures).

The information in this PDS is current as at the issue date. We may update it from time to time — where changes are not materially adverse, we may do so on our website rather than by issuing a new document. The current version of this PDS is always available at [tastytrade.com.au](https://tastytrade.com.au). If you have questions about this PDS, contact us at [support@tastytrade.au](mailto:support@tastytrade.au) or +61 02 8317 1402. A paper copy is available free of charge on request.

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## 1. About tastytrade Australia

tastytrade Australia Pty Ltd ABN 61 623 542 969, AFSL 508867 ('tastytrade Australia', 'TA', 'us' or 'we', including our appointed agents or delegates where appropriate) is an innovative provider of online trading services for self-directed investors. tastytrade Australia is focused on providing flexible access to Exchange Traded Options (ETOs) and other financial products through our trading platform.

ETO trading through our platform is subject to an agreement between you and tastytrade Australia ('the Agreement'). The Agreement sets out your rights and obligations relating to the various services offered, and it is important that you read and understand it prior to signing the application form and entering into the Agreement.

We have appointed tastytrade, Inc. ('tastytrade US', 'TT US' or 'Service Provider') to provide various administration and account management services in support of the ETO trading services provided by us, including but not limited to the maintenance and operation of the trading platform. tastytrade US is also responsible for the execution and clearing of trades placed through our platform. tastytrade US is a US registered introducing broker servicing self-directed investors. tastytrade US is a Delaware C-Corporation located in Chicago, Illinois and is regulated by FINRA (Financial Industry Regulatory Authority), the SEC (Securities and Exchange Commission), the NFA (National Futures Association), and the CFTC (Commodity Futures Trading Commission) and is a member of FINRA, NFA, and SIPC (Securities Investor Protection Corporation).

Through tastytrade US, we have appointed Apex Clearing Corporation ('Apex') as the custodian of securities and other assets held in your account. Apex is a US incorporated company regulated by FINRA, the SEC, the NFA, and the CFTC and is a member of FINRA, NFA, and SIPC. tastytrade US only supports trading in US exchange-listed securities. We do not support trading in OTC or penny stocks, foreign exchange-listed stocks, mutual funds, or unlisted securities.

tastytrade Australia operates as a self-directed online platform. We do not provide personal financial advice, and our staff are not authorised to direct client trading decisions. All investment decisions are made by clients independently, using a computer or mobile device to place orders that are transmitted to the relevant US exchange for execution.

Unless otherwise stated, all figures displayed on the tastytrade platform and in any reports, statements, confirmations, or other communications you receive are denominated in US dollars (USD). This includes account balances, position values, profit and loss, fees, margin requirements, and interest charges. You should be aware that the equivalent value in Australian dollars will vary with movements in the AUD/USD exchange rate.

## 2. What Products Does This PDS Cover?

This PDS covers Exchange Traded Options (ETOs) available on US exchanges accessible through our platform. ETOs are not traded on ASX or other Australian exchanges through our platform. All products covered by this PDS are US exchange-listed.

In broad terms, an ETO is a type of derivative which gives the buyer of the option (the taker) the right, but not the obligation, to buy or sell the underlying at a specified price on or before a specified date. On the opposite side, the seller (the writer) has the obligation to perform the contract — that is, either buy or sell the underlying — if the buyer exercises.

### Types of Options Covered by This PDS

#### Equity Options

Equity options are options over US exchange-listed financial products, including shares of listed companies and Exchange Traded Funds (ETFs). On exercise, one party must take delivery of the underlying security. Equity options on US exchanges are generally American style — that is, they may be exercised by the buyer at any time up to and including the expiry date.

#### Index Options

Index options are options over an index such as the S&P 500 (SPX), Russell 2000 (RUT), or NASDAQ 100 (NDX). Index options are generally cash settled — on exercise, the buyer receives a cash amount determined by the difference between the exercise level and the settlement level set by the relevant exchange. Index options on US exchanges are generally European style — that is, they may only be exercised on the expiry date.

#### Futures and Futures Options

Futures and Futures Options are not covered by this PDS. They are available to clients with The Works trading level only and are subject to a separate Product Disclosure Statement. Please refer to the tastytrade Australia Futures and Futures Options Product Disclosure Statement [INSERT DOCUMENT REFERENCE] before trading these products. Futures accounts are not protected by SIPC.

tastytrade US only supports trading in US exchange-listed products. Further information about available products can be found at [tastytrade.com.au](https://tastytrade.com.au).

## 3. Basic Features of Exchange Traded Options

### Options are Standardised

The terms and specifications of ETOs — other than the premium, which is determined by market supply and demand — are set by the relevant US exchange. Contract specifications include the underlying asset, contract size, strike price intervals, exercise style, and expiry dates. It is important that you review the contract specifications for any options you propose to trade before doing so.

### Deliverable and Cash Settled Options

Options are either deliverable or cash settled. Equity options are deliverable — on exercise, one party is required to transfer the underlying shares to the other at the exercise price. Index options are cash settled — on exercise, the parties settle their obligations by the payment and receipt of a cash amount determined by the difference between the exercise level and the settlement level.

## Buyers (Takers) and Sellers (Writers)

Every option contract has both a buyer (taker) and a seller (writer). The taker pays a premium to acquire the right to exercise the option. The writer receives the premium and accepts the corresponding obligation to perform if the taker exercises. The risk profiles of buyers and writers are fundamentally different:

- Buyers have defined risk — their maximum loss is limited to the premium paid.
- Writers can face losses substantially greater than the premium received, including theoretically unlimited losses on uncovered call positions.

## Call Options and Put Options

### Call Options

A call option gives the buyer (taker) the right, but not the obligation, to buy the underlying asset at the strike price on or before the expiry date. If the taker exercises, the writer is required to sell the underlying at the strike price.

### Put Options

A put option gives the buyer (taker) the right, but not the obligation, to sell the underlying asset at the strike price on or before the expiry date. If the taker exercises, the writer is required to buy the underlying at the strike price.

## Exercise Style

Equity options on US exchanges are generally American style, meaning they can be exercised by the buyer at any time up to and including the expiry date. Index options on US exchanges are generally European style, meaning they can only be exercised on the expiry date. You should confirm the exercise style for any option you intend to trade before doing so.

## Opening and Closing Positions

You open a position by buying or writing an option. You close a position by entering into an option in the same series but in the opposite direction. For example, if you have an open position as a buyer (taker), you close it by entering into an option in the same series as a seller (writer). The two positions offset, and you no longer hold an open position.

## Exercise and Assignment

Assignment can only occur on short (written) option positions. When the holder of a long option exercises their right, the writer is assigned an obligation to buy or sell the underlying at the strike price. For American-style equity options, assignment can occur at any time prior to expiry, not just at expiry. Assignment may occur at an unfavourable time, including overnight or in connection with a dividend event.

tastytrade Australia notes a flat fee of USD \$5 per leg applies for exercise and assignment. Please refer to Section 7 for full fee details.

## Expiry

Options expire on the date set by the relevant exchange. Options that expire out-of-the-money expire worthless, and the premium paid is lost. Clients should actively manage positions approaching expiry to avoid unintended outcomes.

## Adjustments

The terms of an option contract may be adjusted by the relevant exchange or clearing house in response to corporate actions affecting the underlying asset, such as stock splits, rights issues, or special dividends. You should monitor your positions and any exchange announcements that may result in adjustments to the contracts you hold.

## No Dividends or Entitlements

Holding an option does not entitle you to dividends or other rights attaching to the underlying asset. Only holders of the underlying shares or securities themselves receive such entitlements. However, dividends can affect option pricing and the risk of early assignment on short call positions.

## Duration

Option contracts may have a product tenor of up to several years. Exchange traded option contracts generally have contract maturity dates that follow a pre-determined cycle set by the relevant exchange. Many underlyings offer a wide selection of expiration dates spanning over a year, commonly referred to as LEAPS (Long-term Equity Anticipation Securities).

## Clearing Arrangements

Trades executed through our platform are cleared through Apex Clearing Corporation. Apex, as the clearing firm, acts as the central counterparty to trades registered with it. This means that once a contract is registered, the original contract between buyer and seller is replaced by two contracts with Apex as the counterparty to each side. This process, known as novation, reduces counterparty risk by ensuring the clearing firm guarantees settlement.

For Options transactions executed on US exchanges, positions are held by Apex in an account for its clients. You should be aware that there may be important differences in practices, procedures, and regulations between different exchanges and jurisdictions.

## Use of Client Securities as Collateral for Margin

Where you hold a margin account and have open positions, the securities held in your account may be used as collateral to support your margin obligations. Losses from margin lending can exceed the amount deposited into the account. Our right to recover amounts owing is limited to the marketable securities held in the client's account(s).

You should read the Margin Disclosure document available on the tastytrade Australia disclosures page at [tastyworks.com.au/disclosures](http://tastyworks.com.au/disclosures) before trading on margin.

## Concepts to Understand Before Trading

Before trading ETOs, clients should ensure they understand the following concepts. These are drawn from the eligibility criteria set out in the tastytrade Australia Target Market Determination (TMD) for Exchange Traded Options, which should be read in conjunction with this PDS.

- The rights and obligations of option buyers (takers) and writers, and the difference between defined-risk and undefined-risk strategies.
- How leverage and margin work in the context of exchange-traded options, including the potential for losses to exceed the amount deposited.
- The effect that time has on an option's value, including time decay and the finite lifespan of an ETO contract.
- How the volatility of the underlying asset affects the price and value of an option, including the potential for rapid and wide price fluctuations in response to unforeseen events or changes in conditions.
- The likelihood of early exercise and assignment and the most probable timing of such an event, particularly in relation to dividend events and in-the-money positions.
- The liquidity of an option, the role of market makers, and the effect liquidity may have on your ability to enter and exit a position.
- How to assess worst-case scenarios and margin requirements for any strategy or position.

Clients who cannot demonstrate sufficient knowledge of these concepts may not be approved for ETO trading or may be limited to a lower trading level. Please refer to the tastytrade Australia Target Market Determination (TMD) for Exchange Traded Options for full eligibility criteria.

### Educational Material

tastytrade Australia recommends that you familiarise yourself with the Characteristics and Risks of Standardized Options document published by the Options Clearing Corporation (OCC) before trading options. This document is available through the OCC website and is provided to clients as part of account opening. You should also refer to the educational resources available at [tastytrade.com](http://tastytrade.com) for information about options strategies and risk management. A copy of the Characteristics and Risks of Standardized Options document is also available on the tastytrade Australia disclosures page at [tastyworks.com.au/disclosures](http://tastyworks.com.au/disclosures).

## 4. Trading Levels and Account Types

ETOs are available across multiple trading levels. Each level permits different strategies with different risk profiles. A client may only trade strategies permitted by their approved level.

Strategy / Feature	Cash	Limited	Basic (Margin)	The Works
Buy Stocks and ETFs	✓	✓	✓	✓
Buy Options (Calls and Puts)	✓	✓	✓	✓
Sell Covered Calls	✓	✓	✓	✓
Sell Cash-Secured Puts	✓	✓	✗	✗
Defined-Risk Spreads	✗	✗	✓	✓
Sell Naked Puts	✗	✗	✓	✓
Sell Naked Calls	✗	✗	✗	✓
Short Sell Stock	✗	✗	✗	✓
Futures and Futures Options (see separate PDS)	✗	✗	✗	✓
Account Type	Cash	Margin	Margin	Margin
Min. Annual Income	Any	Any	Any	USD \$50,000+
Min. Liquid Net Worth	Any	Any	Any	USD \$50,000+

### Notes:

- A margin account is required for all levels above Cash.
- The Works tier requires both income and liquid net worth thresholds to be met. Meeting only one is insufficient.
- All applicants must pass a knowledge and suitability assessment before trading permissions are activated.
- Futures and Futures Options require The Works level and are covered by a separate PDS.

## 5. Benefits of Trading ETOs

The following are some potential benefits of trading ETOs. The consequences of options trading are specific to each individual. We recommend you obtain independent financial, taxation and legal advice on whether ETO trading is appropriate for your circumstances.

### **Range of Strategies**

ETOs offer a broad range of strategies that can be tailored to different market outlooks. Options can be used to speculate on share, index, or other markets; to hedge against fluctuations in an underlying share portfolio or other financial exposures; and to increase income earned from a portfolio through the collection of premium. The inherent flexibility of options stems from the ability to both buy and sell contracts, enabling positions targeting specific directional, volatility-based, or income-generating outcomes.

### **Defined Risk for Buyers**

When purchasing an option, the maximum amount you can lose is limited to the premium paid. This makes long option positions a defined-risk way to gain leveraged exposure to movements in an underlying asset.

### **Income Generation**

Writing options allows traders to collect premium upfront. Strategies such as covered calls and cash-secured puts can generate income against an existing portfolio or a cash position, subject to the associated risks and obligations.

### **Hedging**

Options may be used to hedge against fluctuations in an underlying share portfolio or against other financial exposures. For example, purchasing put options over shares you already hold can provide a degree of downside protection if the value of those shares falls.

### **Capital Efficiency**

Options allow traders to gain leveraged exposure to an underlying asset for a fraction of its total value. On a margin account, certain strategies can be established without fully funding the notional position, further improving capital efficiency. Leverage has served to multiply returns in percentage terms but can equally multiply losses.

## 6. Significant Risks

### Warning

Exchange Traded Options are complex instruments carrying a high degree of risk. You may lose more than your initial investment. You should not trade ETOs unless you understand the nature of the product and the extent of your exposure to loss. The risks below are not exhaustive. You should seek independent advice before trading.

### Loss of Premium

If you purchase an option and the underlying does not move in the anticipated direction before expiry, the option may expire worthless. In this scenario, you lose the entire premium paid.

### Losses Exceeding Premium — Writers

Writers of options face potential losses substantially greater than the premium received. Writers of uncovered (naked) call options face theoretically unlimited risk as there is no ceiling on how high a stock price can rise. Writers of uncovered put options face risk up to the full value of the underlying asset less the premium received.

### Leverage Risk

Options are leveraged instruments. A small movement in the price of the underlying can result in a disproportionately large movement in the value of an options position. Leverage has served to multiply losses in percentage terms, and you could sustain a total loss of your option premium as a result of fluctuations in the market.

### Time Decay

An option's value erodes as expiry approaches, all else being equal. This is known as time decay. For buyers of options, time decay works against you. For writers of options, time decay generally works in your favour. Options have a fixed expiry date, after which they are worthless.

### Volatility Risk

Option values are materially affected by the implied volatility of the underlying asset. Volatility can change rapidly in response to market events and may significantly affect the value of your positions even if the underlying price has not moved.

### Assignment Risk

As a writer of options, you may be assigned at any time prior to expiry on American-style contracts. Assignment requires you to fulfil your obligation to buy or sell the underlying at the strike price. This can occur overnight or during a market gap. The likelihood of early assignment increases when an option moves in-the-money, and particularly in the case of short call positions in the lead-up to an ex-dividend date.

### Liquidity Risk

Under certain market conditions, it may become difficult or impossible to close an open ETO position. Wide bid-ask spreads, low trading volumes, and extreme market volatility can all impair liquidity. You may not be able to close a position at a price reflecting its theoretical value, or at all.

### Margin Risk

If you hold a margin account, you are required to maintain a minimum level of equity relative to open positions at all times. tastytrade Australia may adjust margin requirements at any time without prior notice. If your account falls below the required margin level, your positions may be liquidated without notice at prevailing market prices. Any resulting loss is your responsibility.

### Currency Risk

ETOs available through our platform are priced in US dollars. Fluctuations in the AUD/USD exchange rate will affect the value of your account and positions as expressed in Australian dollars. You may incur losses due to adverse currency movements in addition to any trading losses. Your facility is invested in companies listed on US exchanges and denominated in US dollars, and the relative strength or weakness of the US dollar against the Australian dollar will affect your account's performance as expressed in Australian dollars.

### Platform and Technology Risk

Our platform relies on technology systems operated by tastytrade US. Technical failures, internet disruptions, or platform outages may affect your ability to place, modify, or close orders. You should be aware of alternative means of placing orders, including contacting our support team directly, in the event the platform is unavailable.

### Foreign Jurisdiction Risk

Options available through our platform are traded on US exchanges and are subject to the rules of those exchanges and applicable US law. ASIC and Australian exchanges do not regulate the activities of US exchanges, nor do they have power to compel enforcement of the rules of a US exchange or applicable US laws. Generally, transactions on US exchanges are governed by applicable US law.

### Regulatory and Legislative Risk

Changes to applicable law, ASIC regulations, US regulatory requirements, or product intervention orders may affect the availability of products or strategies, margin requirements, or the terms on which you may trade. Tax legislation or marginal tax rates may change and have an adverse impact on your tax position. As your account is located in the US, you may be subject to both US and Australian tax laws.

## 7. Costs and Fees

The following fees are sourced directly from tastytrade Australia's published commissions and fees schedule at [tastyworks.com.au/commission-and-fees](https://tastyworks.com.au/commission-and-fees). All fees are subject to change without prior notice. tastytrade reserves the right to modify any fees and pass through any third party fees necessary to effectively manage your account without prior notice.

### Commission

Product	Commission
<b>Options on Stock</b>	\$1.00 per contract to open / \$0.00 to close. All stock options trades incur a clearing fee of \$0.10 per contract. Equity option commission capped at \$10 per leg.
<b>Stock</b>	\$0.00 to open / \$0.00 to close. All stock trades incur a clearing fee of \$0.0008 per share.
<b>Cryptocurrencies (see note)</b>	Not covered by this PDS. Cryptocurrency trading is subject to separate terms and conditions. For reference: 1% of total

	crypto purchase to open / 1% of total crypto sale to close. Commissions capped at \$10 per order ticket.
<b>Futures and Futures Options (see note)</b>	Not covered by this PDS. Please refer to the tastytrade Australia Futures and Futures Options Product Disclosure Statement [INSERT DOCUMENT REFERENCE].

### Trade-Related Fees

Fee Type	Amount
<b>Option Exercise / Assignment</b>	\$5 per leg
<b>Options Regulatory Fee (ORF)</b>	\$0.02135 per contract
<b>FINRA TAF — Options Sales</b>	\$0.002 per contract
<b>FINRA TAF — Stock Sales</b>	\$0.000119 per share
<b>SEC Fee</b>	\$22.10 per \$1,000,000 in sales
<b>Clearing Fees — Options</b>	\$0.10 per contract
<b>NFA Fee</b>	\$0.02 per contract

### Single-Listed Exchange Proprietary Index Options Fees

Symbol	Description	Fee Per Contract
<b>SPX</b>	S&P 500 Index	\$0.65
<b>RUT</b>	Russell 2000 Index	\$0.18
<b>VIX</b>	CBOE Market Volatility Index	\$0.65
<b>OEX</b>	S&P 100 Index (American-style exercise)	\$0.40
<b>XEO</b>	S&P 100 Index (European-style exercise)	\$0.40
<b>DJX</b>	Dow Jones Industrial Average Index 1/100	\$0.18
<b>NDX</b>	NASDAQ 100 Index	\$0.18
<b>XSP</b>	Mini-SPX Index	\$0.00 / \$0.04

Note: XSP contract fees are \$0.00 for less than 10 contracts per leg and \$0.04 for 10 contracts per leg or more.

The full fee schedule is available at [tastyworks.com.au/commission-and-fees](https://tastyworks.com.au/commission-and-fees). Fees are denominated in US dollars unless otherwise stated.

## 8. Margin Requirements and Margin Calls

A margin account allows you to trade certain ETO strategies that require collateral rather than full cash funding. Use of margin is subject to the terms of your account agreement. Margin accounts provide access to leverage, which can amplify both gains and losses. You can lose more funds than you deposit in the margin account.

## Initial and Maintenance Margin

When opening a position that requires margin, you must satisfy the initial margin requirement — the amount of buying power required to establish the position. The initial requirement for stock trades is typically 50% of the position's value. To continue holding the position, you must satisfy the maintenance requirement — the minimum equity that must be held relative to the position, which in most cases is 25% of the position's value when holding long shares. When trading options, the maintenance requirement will be the initial requirement and will vary by options strategy.

## Types of Margin Calls

### Required Maintenance Call (RM Call)

An RM call is issued when your account equity falls below the maintenance requirement for your open positions. When your maintenance excess closes negative, your account does not have sufficient equity. An RM call can be satisfied by depositing additional funds or by closing positions to free up equity. Unsatisfied calls that become past due may result in position liquidation.

### Regulation-T Call (RT Call)

An RT call may be issued when an account lacks sufficient equity to satisfy the initial margin requirement following an options assignment or exercise. This most commonly occurs from early assignment on a short equity or ETF option, or from auto-exercise of a long option at expiration. Like an RM call, it can be satisfied by deposit or by closing positions. Unsatisfied RT calls may result in position liquidation.

## Position Liquidation

If you do not satisfy a margin call within the required period, tastytrade Australia reserves the right to liquidate one or more of your open positions without prior notice, at prevailing market prices. Liquidation may occur at unfavourable prices and any resulting loss is your responsibility. We may also adjust margin requirements at any time without notice, which may trigger immediate liquidation of under-margined accounts.

### Margin Warning

Margin increases your exposure to loss. You can lose more than you deposit. A decline in the value of securities purchased on margin may require you to provide additional funds to the firm to avoid forced sale of those securities or other securities in your account. Market volatility can cause positions to deteriorate rapidly, triggering margin calls at short notice. You are responsible for monitoring your account and maintaining adequate equity at all times.

## 9. Client Money

Client funds held in your account are held by Apex Clearing Corporation in accordance with applicable US securities law and the rules of FINRA. Apex is a member of SIPC. Your account is held in the US and is subject to US law and regulations governing the holding of client money.

You should be aware that the protections available to clients under US law may differ from those available under Australian law. In particular, the protections available to retail clients under the Corporations Act 2001 (Cth) with respect to client money may not apply to assets held in your account with Apex.

Please note that Futures and Futures Options accounts are not protected by SIPC. Please refer to the tastytrade Australia Futures and Futures Options PDS for further information.

## 10. Compensation Arrangements

tastytrade US is a member of the Securities Investor Protection Corporation (SIPC). SIPC provides limited protection to customers of SIPC-member broker-dealers if the firm fails financially. SIPC protection covers up to USD \$500,000 per customer (including up to USD \$250,000 for cash claims) in the event of a broker-dealer failure.

SIPC protection does not protect against losses from market fluctuations, fraud, or bad investment decisions. It covers only the return of missing customer property (securities and cash) in the event of a broker insolvency.

Futures and Futures Options accounts are not protected by SIPC. Please refer to the tastytrade Australia Futures and Futures Options PDS for further information about compensation arrangements applicable to those products. Cryptocurrency accounts are not protected by SIPC or the FDIC.

tastytrade Australia is an Australian financial services licensee. In the event of a dispute, Australian clients may have access to compensation or dispute resolution through AFCA (see Section 14).

## 11. No Cooling Off Rights

There are no cooling off arrangements for ETOs described in this PDS. Once you have entered into an ETO, you do not have a right to withdraw from that contract.

You may request to discard any non-transmitted order or request to cancel a transmitted order. However, due to the nature of exchange-based trading, while you may request to cancel an order, such a request may not be successful if your order has already traded against another order in the time between when you request the cancellation and when that instruction is processed by the relevant exchange.

## 12. Taxation

### General

The taxation implications of trading ETOs will depend on your individual circumstances. This PDS does not constitute taxation advice. You should obtain independent professional tax advice specific to your own circumstances before trading ETOs.

As your account is located in the US, you may be subject to both US and Australian tax laws. Tax legislation or marginal tax rates may change and may have an adverse impact on your tax position. The information below is provided as a general guide only.

### Goods and Services Tax (GST)

Financial services, including the acquisition of ETOs, are generally input-taxed under Australian GST law and are not subject to GST. However, certain fees or charges relating to your account may be subject to GST. You should obtain independent advice on the GST treatment of your specific circumstances.

### US Foreign Account Tax Compliance Act (FATCA)

As an Australian resident investing through a US broker-dealer, you may be subject to reporting obligations under FATCA. You will be required to provide information about your tax residency status as part of the account opening process. You should seek independent tax advice if you are uncertain about your obligations under FATCA or any applicable double tax agreement between Australia and the United States.

### 13. How to Apply

ETO trading is available to individuals aged 18 years or older, as well as eligible trusts and companies, who are assessed as eligible under our Client Qualification Policy and have successfully completed the knowledge and suitability assessment. Superannuation funds are currently excluded.

To apply for ETO trading permissions, visit [tastytrade.com.au](https://tastytrade.com.au) and complete the online application. You will be required to:

- Open or hold an account with tastytrade Australia;
- Apply for the relevant trading level (Cash, Limited, Basic, or The Works) depending on the strategies you wish to trade;
- Provide personal identification and verify your identity in accordance with our AML/CTF obligations;
- Disclose your financial circumstances, including your income and liquid net worth — The Works requires a minimum annual income of USD \$50,000 and minimum liquid net worth of USD \$50,000, both thresholds must be met;
- Complete a knowledge and suitability assessment demonstrating adequate understanding of ETOs, including the rights and obligations of buyers and writers, how leverage and margin work, time decay and volatility, the risk of early assignment, and how to assess worst-case scenarios for any strategy; and
- Agree to the terms and conditions governing your account.

If you do not satisfy the requirements for your nominated trading level, permissions for that level will not be activated. You may apply to upgrade your trading level at any time, subject to meeting the applicable requirements.

Before applying, you may wish to seek independent financial advice to determine whether ETO trading is appropriate for your individual circumstances.

## 14. Complaints and Dispute Resolution

### Internal Complaints Process

tastytrade Australia is committed to responding to complaints promptly, fairly, consistently, and professionally. Our Complaints Policy is available at [tastytrade.au/external-complaints-policy](https://tastytrade.au/external-complaints-policy).

If you have a concern about a product or service, please contact our support team in the first instance. If you are not satisfied with the outcome, you may escalate your complaint to the Compliance Department at [compliance@tastytrade.au](mailto:compliance@tastytrade.au). We will acknowledge your complaint promptly and endeavour to resolve it within the timeframes set out in our Complaints Policy.

### Australian Financial Complaints Authority (AFCA)

If your complaint is not resolved within the period specified in our Complaints Policy, or if you are unhappy with our final response, you may refer your complaint to AFCA. AFCA provides a free and independent external dispute resolution service.

<b>Organisation</b>	Australian Financial Complaints Authority (AFCA)
<b>Postal Address</b>	GPO Box 3, Melbourne VIC 3001
<b>Telephone</b>	1800 931 678
<b>Email</b>	<a href="mailto:info@afca.org.au">info@afca.org.au</a>
<b>Website</b>	<a href="http://www.afca.org.au">www.afca.org.au</a>

## 15. Privacy

tastytrade Australia collects, uses, and discloses personal information in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles. We collect personal information for the purposes of providing financial services, meeting AML/CTF obligations, and managing your account. Personal information may be disclosed to tastytrade US, Apex, and other service providers where necessary to deliver our services.

Our Privacy Policy is available at [tastytrade.com.au](https://tastytrade.com.au). If you have a query about how we handle your personal information, please contact us at [support@tastytrade.au](mailto:support@tastytrade.au).

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### tastytrade Australia Pty Ltd

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