

Working With Option Trades in Simply Track

Option Symbol Naming Convention

Simply Track uses following standard to consider a transactions as an Option trade. An Option trade must contain underlying stock symbol, followed by a space, followed by the expiration month and year, followed by a space, followed by the strike price, followed by a space, followed by the word "PUT" or "CALL."

AAPL MAR05 45 CALL

Option trades during import

If there is enough information to detect options trades in your trade history files then simply track automatically detects option trades during the import process and convert Option symbols into above-mentioned naming standard and then multiplies quantity (contracts) by 100.

Option trades during Wash Sale calculations

Simply Track treats option trades as substantially identical securities for underlying stocks during wash sale calculations. What this means is if you have a loss an option or stock then buy back same option or stock then you have wash sale.

Note: If your broker does not provide enough information to properly identify the options, or if only the option ticker symbol is available in the trade history, then Simply Track cannot possibly match these to the underlying stock during wash sale calculations.

Adding Option Trades:

To manually enter option trade into Simply Track portfolio use following procedure.
On the main window click on

Trades->Add Trade..

Then **Click** on check box *“Check this box to add option trade”*

You should see the window as shone in fig(O)

Fig (O1)

To add 2 contracts of Apple computer MAY05 40 CALL option of the trade date 03/02/2005 use following procedure

Symbol: AAPL
NAME: AAPL MAY05 40 CALL (The format is important, ST uses this for Wash Sale calculations)

Strategy: Open Long (i.e you are buying CALL options)
Contracts: 2 (Do not multiply contracts with 100, ST automatically does for you)
Price : 38 (Enter Option purchase price)

Date: 03/02/2005
Fee: 2

Importing Option Trades:

➤ Preparing input file with Option trades:

If there is enough information to detect options trades in your trade history files then simply track automatically detects option trades during the import process and convert Option symbols into Simply Track naming convention (ex: AAPL MAR05 45 CALL). The current version of Simply track (2.4.x) should automatically detect option trades from, Option Xpress, Interactive Brokers, Trade Station formats. If you are having account with

one of these brokers then importing options trades into Simply Track should be relatively easy task.

You can also prepare Option trades in Excel sheet as shown below and use Simply Track generic import process to import your Option Trades into Simply Track portfolio.

| | A | B | C | D | E | F | G | H |
|----|------------|----------|--------------------|-------------|-------|----------|---------|---|
| 1 | Date | Buy/sell | Ticker | Shares/Cont | Price | Comm+Fee | Sec Fee | |
| 2 | 12/1/2003 | Short | QQQQ FEB04 38 CALL | 10 | 2.2 | 15 | 0 | |
| 3 | 12/1/2003 | Buy | QQQQ JAN04 34 PUT | 10 | 2.2 | 15 | 0 | |
| 4 | 12/30/2003 | Short | QQQQ FEB04 37 CALL | 10 | 1 | 15.05 | 0 | |
| 5 | 1/16/2004 | Cover | QQQQ FEB04 37 CALL | 10 | 1.875 | 15 | 0 | |
| 6 | 1/9/2004 | Buy | QQQQ SEP04 39 CALL | 10 | 2.35 | 15 | 0 | |
| 7 | 3/12/2004 | Sell | QQQQ SEP04 39 CALL | 10 | 1.2 | 15.05 | 0 | |
| 8 | 5/24/2004 | Buy | QQQQ DEC04 34 PUT | 10 | 2.2 | 15 | 0 | |
| 9 | 5/24/2004 | Buy | QQQQ JUN04 34 PUT | 10 | 2.2 | 15 | 0 | |
| 10 | 6/14/2004 | Sell | QQQQ DEC04 34 PUT | 10 | 1.65 | 15.04 | 0 | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |

You can download Simply Track Sample File with Option trades from following link

http://www.vbssol.com/ST_GEN_OPT1.xls

➤ **Importing Option trades using Generic import:**

Once you have the input file ready with option trades then you can use Simply Track generic import process to import your trades into Simply Track as outlined below.

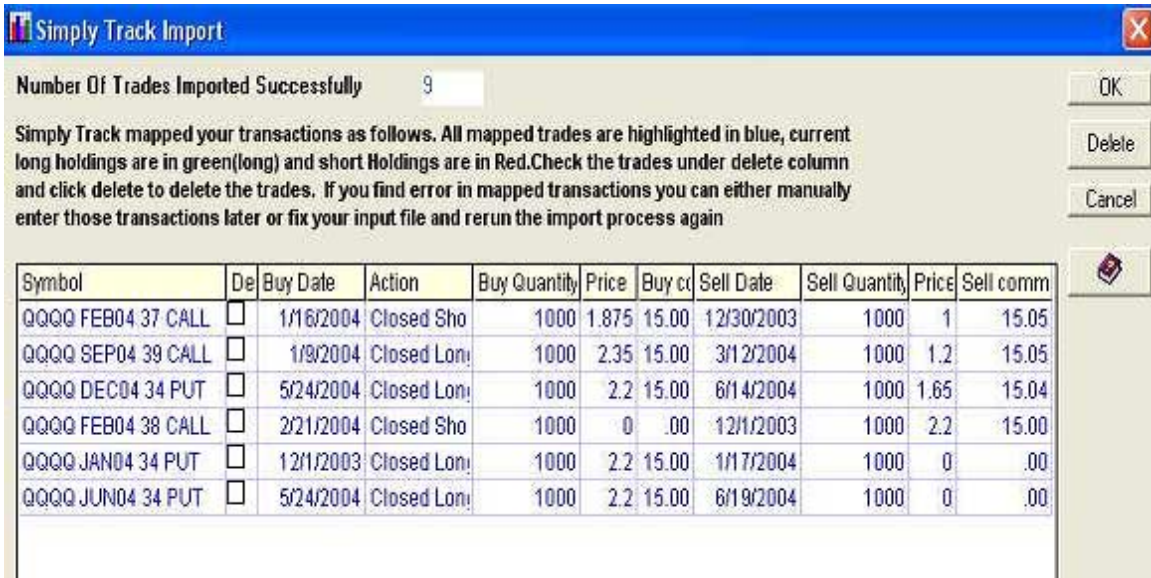
On the main window click on

File Import->Click on Next

*In the next Screen where you map columns you will enter 1,2,3,4,5,6,0,0 and Click Next
Click on Open and brose for your input file and choose the file that contains your option trades.*

Click on Import-> to import your trades into Simply Track.

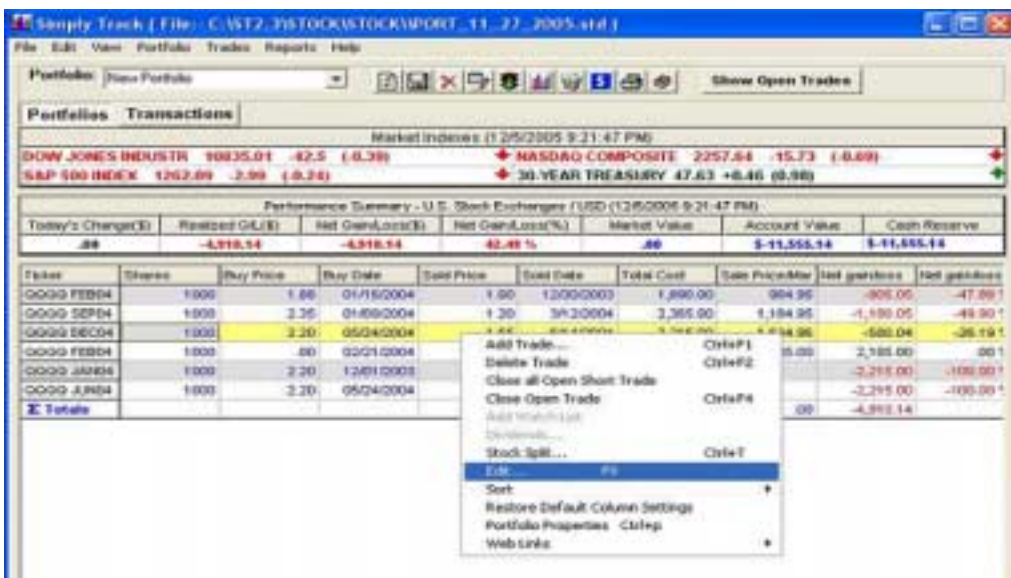
During the import imply track matches every sell trade with buy trades as “closed long” and every short trade with covered trade as “closed short”. In addition Simply track also **automatically expires all Open Option trades** with 3 Sunday of the option expire month.



Editing Option Trades:

To edit option trade in Simply Track portfolio use following procedure.

On the Simply Track Portfolio Grid click on the cell you want to edit and then right click to edit the trade as show below.



The Edit screen should look similar to Add Trade screen as shown in the figure (O1) above. In this screen you can edit *Strategy, Contracts, Price, Date, Fee* fields as required .

Expiring Option Trades:

During the import process Simply Track **automatically expires all Open Option trades** with 3 Sunday of the option expire month. If you enter Options manually and want to expire the options you can do it by clicking

Trades->Expire Options..

Simply Track will find all open option positions and evaluate the option expiration date versus the current date. If an option has expired, Simply Track close out the option at zero cost. If there aren't any option records available for expiry, a **"There are No options to expire"** pop-up window will appear. Click **OK** to close the window. If there are open Option then Click on Show All Trade button to make sure all open options are closed.

Option Trades in Wash Sale and Schedule D Reports:

Simply Track calculates Wash Sale between the options and underlying stocks as shown below during wash sale or Schedule D report.

| SCHEDULE D-1 (Form 1040) Department of the Treasury Internal Revenue Service (99) | | Continuation Sheet for Schedule D (Form 1040) > See instructions for Schedule D (Form 1040). > Attach to Schedule D to list additional transactions for lines 1 and | | | | OMB No. 1545-0046 2005 Attachment Sequence No. 12A |
|---|---|--|---|--|---|--|
| Waste(s) shown on Form 1040 | | Your social security number | | | | |
| Your Name | | 111111111 | | | | |
| Part I Short-Term Capital Gains and Losses--Assets Held One Year or Less | | | | | | |
| (a) Description of property (Example: 100 sh. XYZ Co.) | (b) Date acquired (Mo., day, yr.) | (c) Date sold (Mo., day, yr.) | (d) Sale price (see page D-4 of the instructions) | (e) Cost or other basis (see page D-4 of the instructions) | (f) Gain or (loss) (See Subpart D (losses) (G) | |
| 4 contr.(L) AAPL MAY05 40 CALL Wash Sale Adj - - 400 | 03/08/2005 | 05/21/2005 | 00 | 13,600.00 | -13,600.00 | |
| 4 contr.(L) AAPL JUN05 40 CALL Wash Sale Adj - - 200 | 05/26/2005 | 06/18/2005 | 00 | 29,200.00 | -29,200.00 | |
| 2 contr.(L) AAPL JUL05 50 CALL Wash Sale Adj - - 200 | 06/23/2005 | 07/16/2005 | 00 | 23,600.00 | -23,600.00 | |
| 20 contr.(L) AAPL NOV05 60 CALL | 10/04/2005 | 11/19/2005 | 00 | 10,000.00 | -10,000.00 | |
| 2 Totals. Combine columns (d), (f) and (g). Enter here and on Schedule D, line 2 | | | .00 | | -48,200.00 | |
| For Paperwork Reduction Act Notice, see Form 1040 instructions. | | Cat. No. 10424E | | Schedule D-1 (Form 1040) 2005 | | |