

**QUIZ 4**

**Correct Answers are highlighted**

1.  A protective put is bought against

a.  a long stock position

b.  short stock position

c.  another put

d.  against calls

2.  A short put has positive

a.  gamma

b.  vega

c.  delta

3.  If the put is in the money on expiration, a trader will

a.  not have to do anything

b.  being put stock and own it

c.  being put stock and be short it

4.  Selling a credit put spread has

a.  more risk than puts

b.  more reward than puts

c.  blowout risk

d.  have less risk and less reward than puts

5.  Selling puts naked are for a trader who is

a.  someone who wants stock at a cheaper price

b.  someone who thinks the stock will rage higher

c. someone who thinks the stock will tank

d. none of the above