

RUN CLUB ACADEMY • EARLY ENROLLMENT PACK 02

THE HOT GIRL'S GUIDE TO TRADING OPTIONS

Sixty words you will hear in the Run Club, explained the way your smartest friend would.

FROM LV • EDUCATION, NOT ADVICE

BEFORE YOU START

WHY A GLOSSARY?

Hi, it's LV.

When I started, the words were the wall. Everyone in the room said theta and strike and IV crush like it was nothing, and I nodded along and understood maybe half. A word you half-understand is worse than one you have never heard, because you stop asking.

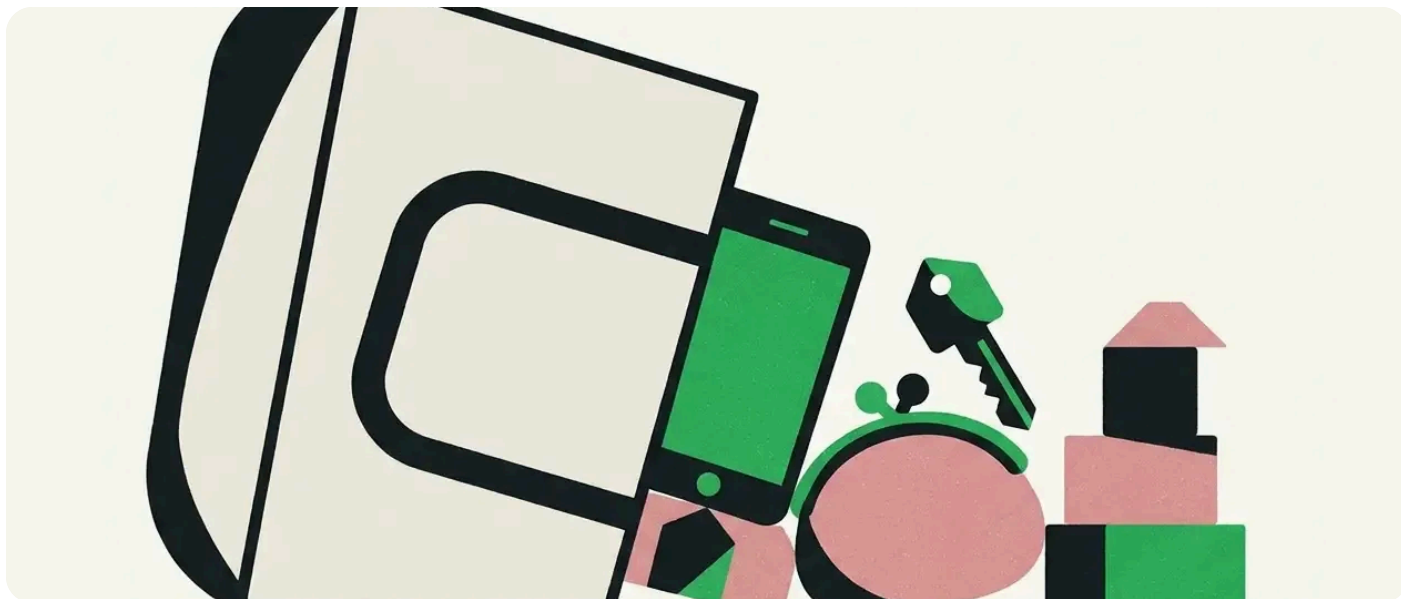
So here are the sixty words you will hear in the Run Club, the way I would explain them to you over brunch. Every one has a plain meaning, what it actually looks like on a chart, and something from real life it is like. Read it front to back once, then keep it by the laptop.

One promise from me: nothing in here tells you what to buy or sell. This is how the game works, and where the risk lives. The decisions are always yours.

— LV

HOW EACH CARD WORKS

1. **The word** and what it plainly means.
2. **On a real chart:** what it looks like when you trade, losses included.
3. **Think of it like...** the everyday version, so it sticks.



PART 01 · 7 WORDS

THE BASICS

Share

A small piece of a company that you can buy and own.

ON A REAL CHART

You buy 2 shares of a company at \$50 each. You own \$100 worth of it, and nothing is won or lost until you sell.

THINK OF IT LIKE...

Owning one brick in a building everyone wants to live in. The building gets more popular, your brick is worth more. It gets a bad review, same brick, smaller number.

Ticker

The short code a company trades under.

ON A REAL CHART

Apple is AAPL, Nike is NKE, NVIDIA is NVDA. You type the ticker into your broker to find it.

THINK OF IT LIKE...

The name he is saved as in your phone. Four letters, zero confusion, everyone in the group chat knows exactly who you mean.

Publicly traded

A company anyone is allowed to buy a piece of: Apple, Nike, Target, Ulta.

ON A REAL CHART

You can buy Ulta shares from your phone today. You cannot buy a piece of your local salon, because it is privately owned.

THINK OF IT LIKE...

A boutique that sells slices of itself to anyone who walks in, instead of keeping it in the family like your aunt's nail salon.

Account

The money you have set aside at your broker for trading, and everything it currently holds.

ON A REAL CHART

A \$5,000 account. By LV's size rule, no single trade in it is bigger than about \$500.

THINK OF IT LIKE...

Your monthly budget. Every trade is a line item, and no single line item gets to eat rent, groceries and brunch.

Broker

The app or company you place your trades through. They hold your account.

ON A REAL CHART

You open an account with a broker, move money in, and every buy or sell goes through their app.

THINK OF IT LIKE...

The bank you keep your trading money at. You never walk into the stock market; you tap the app and it goes for you.

Paper trading

Practising with pretend money on a real broker, before you risk your own.

ON A REAL CHART

Same screen, same live prices, same buttons. You place the trade, set the stop, and nothing real is at risk.

THINK OF IT LIKE...

Trying the dress on in the fitting room. Walk in it, sit in it, check the back in the three-way mirror. Then decide if your real money comes out.

The open

The start of the regular trading day: 9:30 in the morning, Eastern time.

ON A REAL CHART

LV does her work in the first two hours after the open and is usually finished by 11:30 Eastern.

THINK OF IT LIKE...

Doors opening at a sample sale. The first hour is chaos and elbows; by lunch it is calm and half the racks are picked over.



PART 02 · 14 WORDS

OPTIONS

Option

An agreement that gives you the right to buy or sell at a set price, for a limited time.

ON A REAL CHART

You pay a small amount now for the right to buy a stock at \$100 any time before Friday.

THINK OF IT LIKE...

A holding deposit on the apartment. It locks the price for a while. Sign the lease or walk away, but the deposit is gone either way.

Call

An option you buy when you think the price is going UP.

ON A REAL CHART

A stock is \$98 and you think it climbs this week, so you buy a \$100 call. If it does not climb before expiration, the call can expire worth nothing.

THINK OF IT LIKE...

Phone UP. He calls, you pick the phone UP. Calls are for when you think price is going up.

Put

An option you buy when you think the price is going DOWN.

ON A REAL CHART

A stock is \$98 and you think it drops this week, so you buy a \$95 put. If it does not drop in time, you lose what you paid.

THINK OF IT LIKE...

Phone DOWN. Conversation over, you PUT the phone down. Puts are for when you think price is going down.

Premium

What you pay for the contract. When you buy an option, it is also the most you can lose.

ON A REAL CHART

You pay \$2.00 a share for a call, so the premium is \$200. If it expires worthless, the \$200 is gone and nothing more.

THINK OF IT LIKE...

The non-refundable deposit on a lash appointment. Show up or ghost, that money is already spent.

Contract

One option. You are holding the right to buy or sell shares, not the shares themselves.

ON A REAL CHART

"I bought two contracts" means two options, each covering 100 shares.

THINK OF IT LIKE...

A concert ticket. It is not the concert; it is the right to go. And the morning after the show, it is just a screenshot.

Strike price

The price your contract locks in.

ON A REAL CHART

A \$100 call gives you the right to buy at \$100, whatever the stock trades at later.

THINK OF IT LIKE...

The number on the gift card. Whatever the store does to prices later, your card still says that number.

100 shares

What one options contract represents. Always one hundred.

ON A REAL CHART

A contract quoted at \$1.50 costs \$150, because the price is per share and there are 100 of them.

THINK OF IT LIKE...

Eggs come by the dozen. You cannot buy one egg; the carton is the unit, every single time. Same with contracts and their 100 shares.

Expiration

The date and time your contract runs out.

ON A REAL CHART

A contract expiring Friday is worth nothing after Friday's close if it has not reached its strike.

THINK OF IT LIKE...

The expiry date on your Sephora coupon. Midnight comes, and the coupon is just a piece of paper with a nice font.

ODTE

Zero days to expiration. The contract dies at today's closing bell.

ON A REAL CHART

At 3pm a ODTE contract that is not working has an hour to live, and almost nobody wants to buy it from you.

THINK OF IT LIKE...

A same-day flash-sale code. Not good tomorrow. Tonight, or never, and it will not wait for you to think about it.

In the money

The price has passed your strike, so the contract is worth something on its own.

ON A REAL CHART

The stock is at \$105 and you hold a \$100 call: it is \$5 in the money.

THINK OF IT LIKE...

A \$50-off voucher on the \$200 boots you already wanted. Worth something right now, before you even walk in.

Out of the money

The price has not reached your strike yet, so the contract has no value of its own, only time.

ON A REAL CHART

The stock is at \$98 and you hold a \$100 call: it is out of the money.

THINK OF IT LIKE...

A \$50-off voucher that only works on items over \$100, and all you want is the \$30 top. A real voucher. Worth nothing to you today.

At the money

The strike is at, or very close to, the current price.

ON A REAL CHART

The stock is at \$100.20 and you look at the \$100 strike: at the money.

THINK OF IT LIKE...

Jeans that fit perfectly today. Whether they still fit next month depends on what happens between now and then.

Intrinsic value

The part of an option's price that is real right now, because it is in the money.

ON A REAL CHART

Stock at \$105, \$100 call: \$5 of its price is intrinsic value.

THINK OF IT LIKE...

The cash already loaded on the gift card. Whatever the store does, that part is really there.

Time value

The part of an option's price that is only hope and time. It shrinks to zero by expiration.

ON A REAL CHART

A call priced at \$6 with \$5 of intrinsic value has \$1 of time value, and that \$1 is melting.

THINK OF IT LIKE...

Paying for a late check-out. You are buying extra hours. Use them or not, they are gone at 2pm.



PART 03 · 9 WORDS

PRICE AND TIME

Theta decay

Your contract quietly losing value just because time is passing. It speeds up near expiration.

ON A REAL CHART

Nothing moves all day and your call is still worth less at the close than it was at the open.

THINK OF IT LIKE...

Fresh flowers on the kitchen island. Do absolutely nothing and they still wilt, and the last two days they droop fastest.

Implied volatility

How big a move the market is pricing in. Higher volatility makes options more expensive.

ON A REAL CHART

Right before a company reports earnings, its options often cost more, because everyone expects a big move.

THINK OF IT LIKE...

Flights on Thanksgiving weekend. Same seat, higher price, because everyone expects everyone to be flying.

IV crush

The sudden drop in option prices after the big event everyone was waiting for has passed.

ON A REAL CHART

The company reports, the stock moves the way you guessed, and your call still loses value because the expected move is gone.

THINK OF IT LIKE...

Buying the party dress the day after the party. Same dress, but nobody is paying party prices anymore.

Delta

Roughly how much an option's price moves when the stock moves \$1.

ON A REAL CHART

A call with a delta of 0.40 moves about 40 cents per share (about \$40 per contract) for each \$1 the stock moves.

THINK OF IT LIKE...

A dimmer switch, not a light switch. Turn the stock up one notch and the option only brightens part of a notch.

Breakeven

The price where you have made nothing and lost nothing, once you count what you paid.

ON A REAL CHART

A \$100 call bought for \$2 breaks even at \$102 at expiration.

THINK OF IT LIKE...

Reselling the couch for exactly what you paid. No better off, no worse, and you still had to carry it down the stairs.

Bid

The highest price someone is offering to pay right now.

ON A REAL CHART

An option shows bid \$1.20: that is what you would get if you sold this second.

THINK OF IT LIKE...

What the consignment store offers you for your bag. It is always lower than you hoped.

Ask

The lowest price someone is willing to sell at right now.

ON A REAL CHART

An option shows ask \$1.30: that is what you would pay if you bought this second.

THINK OF IT LIKE...

The price tag on that same bag sitting in the consignment store window.

Spread

The gap between the bid and the ask. A wide spread costs you on the way in and the way out.

ON A REAL CHART

Bid \$1.20, ask \$1.30: a 10-cent spread, which is \$10 per contract gone the moment you buy and sell.

THINK OF IT LIKE...

The gap between what the consignment store pays you and what it sells your bag for. That gap is how the store pays its rent.

Liquidity

How easily you can get in and out at a fair price.

Lots of buyers and sellers means good liquidity.

ON A REAL CHART

Big names like Apple have tight spreads and busy options. A tiny company's options can be hard to sell at all.

THINK OF IT LIKE...

Size medium on the sale rack versus the one lonely XXS. The medium is gone by noon; the XXS will still be there at Christmas.



PART 04 · 14 WORDS

READING A CHART

Chart

A picture of what a price has done over time.

ON A REAL CHART

A daily chart of a year shows about 250 candles, one for every trading day.

THINK OF IT LIKE...

Your cycle tracker. You are reading the pattern over weeks, not panicking about one day.

Wick

The thin line above or below a candle's body, showing how far the price swung before it settled.

ON A REAL CHART

A long wick under a candle means price dropped hard in that slice, then buyers pushed it back up.

THINK OF IT LIKE...

The mascara smudge at the end of the night. You look fine now, but it tells everyone the evening had a moment.

Candle

One slice of time on a chart: where the price opened, where it closed, and how far it swung.

ON A REAL CHART

Green: it closed higher than it opened. Red: it closed lower.

THINK OF IT LIKE...

One day of your life summed up in a single outfit: where it started, where it ended, and the highs and lows in between.

Timeframe

How much time each candle stands for: 1 minute, 5, 15, an hour, a day.

ON A REAL CHART

On a 15-minute chart, one candle is 15 minutes of price action.

THINK OF IT LIKE...

Checking your screen time by the hour, the day or the week. Same scrolling, very different story.

Resistance

A price ceiling where sellers keep turning up and stop it rising further.

ON A REAL CHART

Price keeps reaching \$105 and turning back. \$105 is resistance.

THINK OF IT LIKE...

The low kitchen cabinet you keep bumping your head on. Same height, every time, until someone finally fixes it.

Volume

How many shares or contracts actually traded. It tells you whether a move was real or thin.

ON A REAL CHART

A 3% jump on almost no volume may be noise. The same jump on heavy volume is the whole street agreeing.

THINK OF IT LIKE...

One friend whispering a rumour versus the whole group chat blowing up about it. Volume is how many people are talking.

Range

The space between support and resistance, where price bounces back and forth.

ON A REAL CHART

A stock swinging between \$98 and \$105 for two weeks is in a range.

THINK OF IT LIKE...

Pacing the hallway on a phone call. Wall to wall, back and forth, until something changes.

Support

A price floor where buyers keep turning up and stop it falling further.

ON A REAL CHART

Price keeps dropping to \$98 and bouncing. \$98 is support.

THINK OF IT LIKE...

The floor of a trampoline. Price keeps bouncing off about the same spot, until the day the springs give.

Breakout

Price pushing through support or resistance and staying there. Volume is what makes it believable.

ON A REAL CHART

After two weeks under \$105, price closes at \$107 on heavy volume.

THINK OF IT LIKE...

The toddler who finally figures out the baby gate. Everything is different now, and you need a new plan.

Trend

The general direction over time: higher highs and higher lows is up; lower highs and lower lows is down.

ON A REAL CHART

Each dip stops higher than the last one: an uptrend.

THINK OF IT LIKE...

Hemlines over the years. Up a bit, down a bit, but step back and you can see which way they are heading.

Gap

When today opens far above or below where yesterday closed, leaving an empty space on the chart.

ON A REAL CHART

A stock closes at \$50 and, after news overnight, opens at \$46.

THINK OF IT LIKE...

Coming home from a girls' trip to find the kids rearranged the living room. It all happened while you were not watching.

Pullback

A short move against the trend before it carries on.

ON A REAL CHART

In an uptrend, price slips from \$110 to \$106, then climbs again.

THINK OF IT LIKE...

Walking in heels on cobblestones: two steps forward, one wobble back, still heading the same way down the street.

Catalyst

A reason for price to move: earnings, news, a product launch, a big announcement.

ON A REAL CHART

LV's early trades had no catalyst. That is part of why she calls her first winning trade a bad trade.

THINK OF IT LIKE...

The screenshot that starts the group-chat drama. Something always sets it off.

Earnings

A company's quarterly report of how the business did. Prices often move hard around it.

ON A REAL CHART

Options usually cost more before earnings and drop in price right after (see IV crush).

THINK OF IT LIKE...

Report-card day for the company. Everyone waits for it, and nobody reacts calmly.



PART 05 · 4 WORDS

PLACING A TRADE

Market order

Buy or sell right now at whatever price is available.

ON A REAL CHART

Fast, but on a wide spread or a fast move you can get a worse price than you saw.

THINK OF IT LIKE...

Grabbing the first Uber in the rain, surge pricing and all. You get the ride; you do not get to pick the fare.

Limit order

Buy or sell only at your price or better. It might not fill.

ON A REAL CHART

A limit to buy at \$1.25: you pay \$1.25 or less, or you do not get in.

THINK OF IT LIKE...

Telling the Marketplace seller: this is my price, message me if you change your mind. You might get it. You might not.

Stop loss

**A price you choose in advance where you get out.
It works whether you are watching or not.**

ON A REAL CHART

You buy at \$2.00 with a stop at \$1.75: if it falls there, you are out with a small loss instead of a big one.

THINK OF IT LIKE...

The auto shut-off on your curling iron. You do not have to stand there to stop it burning the house down.

Trailing stop

**A stop that moves up behind the price as it rises,
and never moves back down.**

ON A REAL CHART

A 10% trailing stop follows a rising price and closes the trade if it ever falls 10% from its high.

THINK OF IT LIKE...

Walking a step behind a toddler with your hands out. You move when she moves, and you catch her if she falls.



PART 06 · 12 WORDS

RISK AND YOU

Position size

How much of your whole account any one trade is allowed to be. LV's rule: no more than about 10%.

ON A REAL CHART

On a \$10,000 account, no single trade over \$1,000.

THINK OF IT LIKE...

How much of the grocery budget goes on one lottery ticket. The answer is never all of it.

A plan for the win

Deciding where you will take profit BEFORE you are in the trade.

ON A REAL CHART

LV had no target the morning she did nothing, so she had nothing to measure against, and it turned.

THINK OF IT LIKE...

Deciding what the tax refund is for before it lands. Otherwise it quietly turns into takeout and random cart items.

Risk to reward

What you stand to lose if you are wrong, compared with where your plan for the win is.

ON A REAL CHART

Risking \$50 to your stop with a target \$100 away is a 1-to-2. Being wrong is still possible every single time.

THINK OF IT LIKE...

Deciding whether the drive across town is worth it for the sale, before you get in the car, not after you are in traffic.

Scaling out

Taking part of a trade off at your plan, and leaving a smaller piece on.

ON A REAL CHART

Four contracts: close three at your target, let one run with its stop moved up.

THINK OF IT LIKE...

Boxing most of the leftovers for the freezer and leaving one plate out for later.

Drawdown

How far your account has fallen from its high point.

ON A REAL CHART

An account that went from \$10,000 to \$8,500 is in a 15% drawdown.

THINK OF IT LIKE...

How far the jeans are from buttoning after the holidays. You name the number honestly, then you work back.

Runner

A trade that is working, where the price keeps moving your way after you are in.

ON A REAL CHART

"Cut losses short, let the runners run": small losses, and room for the good ones.

THINK OF IT LIKE...

The one plant on the windowsill that is finally thriving. You leave it alone instead of repotting it out of nerves.

Revenge trading

Jumping into a new trade to win back a loss, fast, while you are still upset.

ON A REAL CHART

You lose \$300 at 9:45 and take a bigger trade at 9:50 with no setup. Now it is \$700.

THINK OF IT LIKE...

Texting your ex at 2am to prove a point. It never goes the way you pictured.

Falling knife

Buying more of something on the way down, hoping to average your way out of a loss.

ON A REAL CHART

LV bought more calls as NVIDIA fell, and the position went to zero: close to \$300,000 lost.

THINK OF IT LIKE...

Buying a second pair of the shoes that already gave you blisters, because now they are on sale.

Overtrading

Taking trades because you are bored, restless or feel you should, not because there is a reason.

ON A REAL CHART

Twelve trades before lunch, most of them small losses and fees.

THINK OF IT LIKE...

Adding things to cart because you are bored, not because you need anything. The boredom is expensive.

FOMO

Fear of missing out: chasing a move after it has already happened.

ON A REAL CHART

A stock is up 8% by 10am and you buy at the top because everyone is talking about it.

THINK OF IT LIKE...

Paying triple for the viral lip oil the week it sold out everywhere, and seeing it restocked on sale a month later.

Leverage

Controlling a large amount with a small amount of money. It makes moves bigger both ways.

ON A REAL CHART

One contract controls 100 shares for a fraction of their price, so a small move in the stock is a big move in the contract.

THINK OF IT LIKE...

A stiletto heel: a tiny change at the bottom makes a big difference at the top, and it is much easier to twist an ankle.

Trading journal

A written record of each trade: why you took it, your stop, your plan for the win, what happened, how you felt.

ON A REAL CHART

Three weeks of notes show every one of your losses came after 11:30. That is a rule waiting to be written.

THINK OF IT LIKE...

Your skincare journal. You never know what is actually breaking you out until you write it down every day.

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Education, not financial advice. Trading carries real risk, and you can lose money, including all of what you put into an option. Nothing in this guide tells you what to buy or sell, and no result is promised. Examples use made-up round numbers to show how things work.

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