



**Application for Corporate Membership  
CBOT Rule 106.J. Equity Member Firm  
Agreement for Membership**

1. Applicant \_\_\_\_\_
  
2. Indicate the membership(s) and number of CME Group Inc. shares which will be used for the applicant's membership privileges.
  - Full Division and 8,000 shares
  - Associate Division and 1,750 shares
  - Four Full Division and two Associate Division and 8,000 shares  
(check one)
  
3. Indicate if the membership(s) and CME Group Inc. shares will be purchased or assigned.

Memberships will be: <ul style="list-style-type: none"><li><input type="checkbox"/> Purchased</li><li><input type="checkbox"/> Assigned (check one)</li></ul>	Shares will be: <ul style="list-style-type: none"><li><input type="checkbox"/> Purchased</li><li><input type="checkbox"/> Assigned (check one)</li></ul>
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4. Indicate whether the above membership(s) will be held by the member firm or a principal or employee of the member firm.
  - Membership will be held by the member firm
  - Membership(s) will be held by a principal or employee of the member firm  
(check one)
  
5. Indicate the CBOT Rule 106.J. Equity Membership being applied for. If firm is applying for CBOT Rule 106.J. Equity Closely Held Membership, it must submit verification of the employment status of all non-CBOT member owners.
  - CBOT Rule 106.J. Equity Corporate Member Firm
  - CBOT Rule 106.J. Equity FCM Member Firm
  - CBOT Rule 106.J. Equity Closely Held Member Firm  
(check one)

Completed applications along with all supporting documentation and the Application for Corporate Membership – Corporate Information should be submitted to:  
CME Group Inc.  
Audit Department  
20 S. Wacker Drive  
Chicago, IL 60606



**Attestation, Authorization and Agreement for Membership**

On behalf of my organization, I make this application for CBOT Rule 106.J. Equity Member Firm corporate membership on Chicago Board of Trade, Inc. ("CBOT").

I represent that my organization meets all of the requirements for CBOT Rule 106.J. Equity Member Firm corporate membership which is applied for.

I do hereby agree that, if my organization is accepted as a corporate member of CBOT, it will comply with and agrees to be bound by the Bylaws, Certificate of Incorporation, Rules and Regulations of CBOT and all amendments thereto.

I further acknowledge and agree to abide by the requirements for such corporate membership including the requirements regarding member firm trading activity. I also agree to comply with all of the rules of CBOT including CBOT Rule 850 - Exchange Service Fees. I further represent that all current and future member firm trading activity of my organization will conform to the requirements for such trading activity established by CME Group Inc.

I authorize CME Group Inc. to obtain information from sources that CME Group Inc. deems appropriate in order to adequately evaluate and process this application.

I attest that the information provided in this Application and the Application for Corporate Membership - Corporate Information is accurate and complete. I further acknowledge that confirming inaccurate and/or incomplete information may subject me to CME Group Inc. disciplinary action and/or penalties.

Signed and accepted by a duly authorized representative of \_\_\_\_\_.  
(Organization)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Chicago Board of Trade, Inc.**  
**CBOT Rule 106.J. Equity Member Firm**  
**Member Firm Trading Attestation**

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(CBOT Rule 106.J. Equity Member)

The trades of a CBOT Rule 106.J. Equity Member Firm (“CBOT Rule 106.J.”) may receive preferential fee rates in the division of membership held – less than charged to non-member customers. Only the entity holding the CBOT Rule 106.J. membership is entitled to the preferential fees on its member firm trades. The reduced fee benefit does not flow downward to 100% owned subsidiaries or to affiliates of the CBOT Rule 106.J.

In order for CBOT Rule 106.J. members to receive preferential fees on CBOT trades, all member firm trading must be conducted in accordance with CBOT fee policy requirements as noted in CBOT Rule 850 – Exchange Service Fees at <http://www.cmegroup.com/cmegroup/rulebook/CBOT/I/8/8.pdf>.

A member firm trading account is evidenced through:

- The financial benefit and risk shall be solely of the member firm – only firm capital is at risk of loss.
- No non-owner traders may make any contributions or payments to the member firm or member firm trading account nor have any capital at risk in connection with their trading of the member firm account.
- All contributions by owners of the member firm are subject to risk of loss from any and all trading and business activities of the firm.
- All profits and losses of the member firm account are written off to the income of the member firm and are taxed to the member firm in accordance with IRS regulations.
- All trading must be done in member firm trading accounts held in the name of the CBOT Rule 106.J.

Further, CBOT Rule 106.J. trading activity must be conducted by traders including operators/administrators of Automated Trading Systems (“ATS”) that are:

- Bona-fide W-2 employees (or equivalent W-2 of a foreign jurisdiction) of the CBOT Rule 106.J.;
- Independent contractors and other self-employed individuals whose total compensation (that is, all compensation) is reported on a IRS Form 1099 (or equivalent document of a foreign jurisdiction) of the member firm;
- Owners with \$200,000 in bona-fide capital;
- Individual members of CBOT trading within their division of membership;
- Registered Commodity Trading Advisors (“CTAs”), exempt CTAs under CFTC Regulations 4.14(a)(4), 4.14(a)(5), 4.14(a)(8)(i)(D) or 4.14(a)(10), and Investment Managers authorized by the Financial Services Authority (“FSA”).

All CBOT Rule 106.J. traders must be assigned unique trader IDs, those IDs and the associated CBOT Rule 106.J. trader must be appropriately registered in CBOT’s Exchange Fee System and all Globex trades (orders) must be identified with the registered ID of the trader executing the trade.

**Chicago Board of Trade, Inc.**  
**CBOT Rule 106.J. Equity Member Firm**  
**Member Firm Trading Attestation**

In addition, CBOT Rule 106.J. trading must meet the following requirements:

- Traders cannot be responsible for losses beyond their share of profits earned and maintained in the account which have not yet been distributed to the trader.
- The firm must be allocated both a portion of the profits and losses of the member firm account.
- The profit split on agreements with any trader, including owners acting as traders, may not exceed 80/20 (i.e. 80% to the trader/20% to the firm).
- Non-owner traders cannot leave their share of profits in the firm for greater than one year without becoming an equity owner.
  - Non-owner trader's share of capital in an account may not exceed the trader's share of net profit/loss in the previous 12 month period.
  - If a trader leaves their share of any profits in the account for greater than one year, they must become an equity owner.
- The member firm may not require or accept security deposits from its traders.
- Traders may not contribute subordinated debt, unless the individual is a partner, member of a limited liability company, or shareholder of the member firm.

I represent that all current and future member firm trading activity of the CBOT Rule 106.J. receiving preferential clearing fee rates will conform to the requirements for such trading activity established by CME Group Inc.

I attest that the above information is true and correct. I further acknowledge that confirming incorrect information may subject me to CME Group Inc. disciplinary action and/or penalties.

Signed and accepted by a duly authorized representative of my organization.

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Signature

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Print Name

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Title

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Date

**MEMBER FIRM  
DESIGNATED SPOKESPERSON AND AUTHORIZED SIGNOR ACKNOWLEDGEMENT**

CME and CBOT requires that member firms designate a representative who shall be authorized to deal with the Exchanges with respect to the membership owned or leased by the firm and who shall be authorized to represent the member firm before the Exchanges. Such authorized representative shall be responsible to the Exchanges as if such person was a member as defined by Rule 400.

Member Firm Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Country \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone Number \_\_\_\_\_ Tax I.D. # \_\_\_\_\_

Email Address\* \_\_\_\_\_

**Name and Signature of Officers Authorized to act on behalf of the firm:**

Name (please print)	Signature	Designated Spokesperson	Authorized Signor
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\*General Correspondence will be sent electronically.