



**Electronically Traded FX Bank Incentive Program
Questions & Answers
December 2011**

1. What is the electronically traded FX (“eFX”) Bank Incentive Program?

The e-FX* Bank Incentive Program (BIP) allows participating commercial banks anywhere in the world to receive discounted fees for their CME proprietary FX electronic trades on the CME Globex® electronic trading platform. This program became effective on June 1, 2004, and has been extended until December 31, 2012.

** FX = Foreign Exchange/Currency*

Banks can trade CME electronically-traded FX for a combined cost of 54 cents per side (44 cents Clearing fee, and 10 cents CME Globex fee), representing a 69 percent discount over standard fee rates.

2. What happens at the end of the period?

When the program expires, the BIP participants that wish to continue to receive discounted fees will be required to apply for Rule CME 106H membership and to fulfill the membership holding requirement by purchasing one membership or leasing two memberships in the division in which it seeks to continue to receive reduced rates.

3. How does a bank qualify for the program?

To qualify for the BIP, a bank must:

- Complete a BIP application and be approved by CME (refer to question #9)
- Execute all trades in the bank's name
- Register all participating traders who must be bona fide employees or independent contractors of the bank
- Have a relationship with a CME clearing firm

4. What trading fees are charged by the Exchange for trading by a BIP participant?

Trades done by the BIP participants will be charged the following fees:

CME electronically-traded FX	Rate
CME Globex Transaction fee	10 ¢
CME Clearing Fee	44 ¢
Total Fee	54 ¢

5. Are there any geographic restrictions on participation?

No. the BIP is a global program and all qualified commercial banks are eligible.

6. Do banks applying for the BIP program have to submit any financial statements?

Yes. Banks are required to submit their most recent certified financials with their BIP application. If a certified financial statement is not available, BIP applicants may submit any published financial statement with its application including those published on its web site. All financial statements submitted must be in English.

7. How do banks apply for the BIP? What are the next steps? Are clearing firms involved at the start?

For more information or to obtain enrollment material, please see our web page at:
<http://www.cmegroup.com/company/membership/files/FXBankIncentiveProgramApplication.pdf>

Banks can apply directly by executing and submitting an application along with all the supporting documents.

Please send the application directly to:

Audit Department
CME Group
A CME/Chicago Board of Trade Company
20 South Wacker Drive
Chicago IL, 60606

For questions regarding your application, please call the Audit Department (312) 930-3230 or fax your inquiries to (312) 930-3242. We do encourage bank customers to notify their clearing firms about their intention to apply for this program as early as possible.

If you're located outside of the U.S. you can also receive information about this program from our international offices:

- London office +44 (0) 20 7623 2550 Email cmeeurope@cmegroup.com
- Asia-Pacific offices:
Tokyo +81 3 5403 4828 or Sydney +61 2 9231 7475 or Singapore +65 6593 5555
 - E-mail to cmeasia@cmegroup.com

CME Group staff at these offices can provide you with additional information and assist you through the application process. However, as indicated above, all applications must be submitted to the CME Group's Audit Department in Chicago.

8. How long is the approval process?

Once the application, all supporting documents and the application fee are received, the review process starts and generally takes 4-6 weeks. CME staff will consider the applicant's business reputation, financial resources and proprietary trading activity in approving the applicant and reserves the right to reject any applicant. The decision of CME staff is final.

9. If my firm is approved as a BIP does it still need a clearing firm?

Yes. All trades at CME are done through Exchange-approved clearing member firms. All BIP participants must maintain their own separate account on the books of a clearing member firm for their proprietary trades. BIP accounts may not be maintained in a non-disclosed omnibus account.

10. How will my clearing member firm be notified that my firm has been approved as a BIP participant?

While we will do our best to notify the appropriate staff at any clearing firms you have included in your application, the responsibility to inform your clearing firm(s) remains with you. Because the BIP discounted rates will be applicable at any clearing firm you utilize, we may not know about all of your clearing relationships. As a result, you must notify your clearing firms when you receive your approval notification.

Note: After approval, the clearing firm should then activate the bank and its participants in CME's Exchange Fee System ("EFS"), as the final step in the registration and set-up process.

11. How does a firm register traders to receive discounted fees?

The BIP's clearing member firm must assign a unique workstation operator id to each trader. Then the Fee Administrator at the respective clearing member firm must register both the account number and the workstation operator id (also known as the Tag 50 ID) in CME's Exchange Fee System ("EFS"). The fee system requires the following information:

- Workstation Operator ID (i.e. Tag 50) assigned by the Clearing Firm
- Trader Name
- Date of Birth (MM/DD/YYYY)
- Email address (Optional)
- Trading Location (Country of primary residence)
- Account details (i.e. account number and account owner)

Both the workstation operator ID and the account must be registered within EFS in order to receive the reduced rate. If proper registration does not occur, participants will receive the non-member rate.

Note: The assigned workstation operator id must be included on each electronic transaction in order to receive the discounted fees; otherwise the above registration steps will not be successful. Please refer to the following advisory for more details:

<http://www.cmegroup.com/tools-information/lookups/cmearchive/trading/RA-07-05.html>