



Application for Emerging Market Bank Incentive Program Participation

Thank you for your interest in CME Group's Emerging Market Bank Incentive Program ("EMBIP"). EMBIP enables banks located in emerging market countries to receive discounted fees for qualified products. These incentives apply only to electronic proprietary trades conducted by qualified registered traders in accordance with CME Group policies. For more information and a complete list of requirements for EMBIP firm eligibility, please review CME Group's EMBIP Questions & Answers Guide.

Please review and follow all directions contained in this application packet carefully. **Please note: incomplete information will extend the application review process. Prior to submitting the application, each applicant should:**

1. Ensure that ALL questions on the Application for Emerging Market Bank Incentive Program Participation ("Application") have been thoroughly reviewed and completely answered.
2. Ensure that ALL documents as noted on Page 5, question #16 are submitted with the Application.
3. Ensure the following forms are executed by authorized signors of the applicant:
 - Attestation, Authorization, and Agreement for Membership
 - CME Group Inc. EMBIP Firm Trading Attestation
 - Designated Spokesperson and Authorized Signor Acknowledgement

If you have questions about the Application or supporting documents, please contact EMBIP@cmegroup.com.

A scanned copy of the Application and all applicable supporting documentation can be e-mailed to EMBIP@cmegroup.com or to firmapplications@cmegroup.com; it may also be sent to the mailing address below:

CME Group Inc.
c/o Financial and Regulatory Surveillance Department
20 S. Wacker Drive
Chicago, IL 60606
U.S.A.

CME Group Inc. policies require all directors, officers, employees, consultants and agents ("Representatives") to treat as confidential and to use a reasonable degree of care to maintain the confidential nature of all information received from an applicant in conjunction with an application for member firm status on a CME Group Exchange (i.e., CME, CBOT, NYMEX and COMEX). Such confidential information may only be disclosed to CME Group representatives who have a need to know such information and who are bound by these policies or who agree to protect the confidential information from unauthorized use and disclosure. CME Group Inc. acknowledges that such confidential information may not be disclosed to any third party person or entity (except pursuant to administrative or judicial process) without the prior written consent of the applicant providing such confidential information.

January 2015



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

1. Organization's Full Legal Name _____

2. Firm Type (check one)

_____ Commercial Bank

_____ Government Bank

3. Type of organization (check one)

<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Private Corporation
<input type="checkbox"/>	Limited Partnership	<input type="checkbox"/>	Public Corporation
<input type="checkbox"/>	General Partnership	<input type="checkbox"/>	Other:
<input type="checkbox"/>	Proprietorship	<input type="checkbox"/>	
<input type="checkbox"/>	Organized under the laws of:	<input type="checkbox"/>	

4. Date Established _____

5. Main Address _____

Phone Number _____ Web Site Address _____

6. Indicate the name(s), title(s) and contact information of individuals authorized to represent the organization before the Exchange(s) and its Committees.

Phone Number _____ E-Mail Address _____



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

7. Please respond to the following:

	Yes	No
A. Has your organization or its principals ever been denied registration, or had a registration suspended, revoked, or conditioned by a governmental or regulatory authority?	<input type="checkbox"/>	<input type="checkbox"/>
B. Has your organization or its principals ever been denied membership or clearing privileges by any commodity or securities exchange/clearing organization?	<input type="checkbox"/>	<input type="checkbox"/>
C. Has any commodity exchange, securities exchange, clearing organization or other self-regulatory body ever fined, suspended, conditioned, or revoked privileges of your organization or its principals?	<input type="checkbox"/>	<input type="checkbox"/>
D. Has your organization or its principals ever been convicted, pled guilty, entered a plea of "no contest" or entered into a voluntary settlement as to any violation of any criminal or penal code?	<input type="checkbox"/>	<input type="checkbox"/>
E. Is your organization or its principals subject to any investigation or have any charges been brought by any governmental or regulatory authority or exchange/clearing organization for violation of its laws or rules?	<input type="checkbox"/>	<input type="checkbox"/>
F. Does your organization or its principals currently have any judgments, liens, attachments, or other encumbrances filed against it?	<input type="checkbox"/>	<input type="checkbox"/>

If your response is "Yes" to any of the above, please describe below and provide supporting documentation.

Application for Emerging Market Bank Incentive Program Participation (EMBIP)

8. Does your organization engage in futures and options for customer business?

9. Is your organization subject to any restrictions which would prohibit it from becoming an incentive program participant?

10. Is your organization registered in any capacity with a regulatory agency? If so, indicate the nature and country of the registration(s), your primary regulator(s) and the regulator's Web Site(s).

11. List all commodity or security exchanges/clearing organizations, at which membership privileges are held or pending. Please indicate the type of membership held (e.g. clearing or non-clearing).

12. List all CME Group Inc. membership or incentive programs held or pending. If applicable, please indicate the type of membership held (e.g. clearing or non-clearing).



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

13. Describe the nature of your organization's anticipated firm trading activity:
- a. Please list CME Group products that you intend to trade:

 - b. Please indicate whether your trading activity will utilize an automated trading system (ATS).

 - c. Please indicate whether trading activity will be for speculative or for hedging purposes.

 - d. Please indicate if you will day trade, carry positions overnight, or a combination.

14. Indicate the CME, CBOT, NYMEX and/or COMEX clearing member(s) that will clear your organization's firm trades and the trading account number(s).

Clearing Member

Account Number

15. Indicate the name(s), title(s) and contact information of individuals authorized to act on behalf of the applicant regarding this application and to contact for questions concerning the application.

Name

Phone Number

E-Mail Address

Application for Emerging Market Bank Incentive Program Participation (EMBIP)

16. Please include with this application the following:

- Company organizational documents (e.g. Certificate of Incorporation, Memorandum of Association, Articles of Incorporation, Articles of Association, Limited Liability Company Operating Agreement, Partnership Agreement, as applicable).
- Most recent Certified Financial Statement. If a Certified Financial Statement is not available, please submit a financial statement indicating the assets, liabilities, and capital of the company or a recent tax return filing.
- A copy of a recent account statement(s) from a CME, CBOT, NYMEX and/or COMEX clearing member indicating that the organization's account is opened and funded.
- A chart detailing the organization's ownership including percentages of ownership.
- A listing of firm traders and, as applicable, evidence of employment for employee-traders.
- Trader agreements, if applicable.

Please note: while official translations are not required, all supporting documents must be submitted in English.



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

Attestation, Authorization and Agreement for Membership

On behalf of my organization, I make this application for CME Group Inc. EMBIP. I represent that my organization meets all of the requirements for EMBIP which is applied for.

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

I further acknowledge that my organization meets all of the requirements for EMBIP as outlined in CME Group Inc.'s EMBIP Questions & Answers located on CME Group Inc.'s website at <http://www.cmegroup.com/company/membership/files/EMBIPQA.pdf>. I further acknowledge to abide by CME Group Inc.'s Fee Policy Bulletins located on CME Group Inc.'s website at <http://www.cmegroup.com/tools-information/fee-policy-bulletins.html> regarding Firm Trading Policies. I further represent that all current and future 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 understand that any person or firm that obtains EMBIP status by fraudulent representations or concealment, or by any material misstatement, shall be subject to suspension or expulsion pursuant to CME Group Inc. Rules and Regulations, as applicable.

I hereby consent to use by CME Group Inc. and its affiliates of proprietary data or other personal information regarding Applicant received by CME Group Inc. and its affiliates from time to time through the conduct of their businesses, including any data submitted to them to fulfill regulatory obligations, for commercial, business and marketing purposes. Without the prior consent of Applicant, CME Group Inc. and its affiliates will not reveal to non-affiliated third-parties on a non-aggregated, non-anonymized basis any of the following information that is obtained from Applicant to fulfill regulatory obligations: (i) personally identifiable information, (ii) detailed transaction data, (iii) position data, (iv) investigative materials, or (v) financial source documents, except (w) as necessary to fulfill its regulatory obligations, (x) as permitted by law, (y) as required or requested by regulatory authority or (z) pursuant to a valid court order, subpoena or equivalent legal instrument.

The Program and its terms are subject to all applicable regulatory processes and approvals, and the completion of such processes, and receipt of such approvals, are conditions precedent to the effectiveness of this Application. CME Group, Inc., shall have the right, in its sole discretion, but not the obligation, to monitor Applicant's trading activity in the Products to ensure compliance with the terms of the Program and this Application. CME Group, Inc., reserves the right to disqualify any trade that it deems inappropriate to include in the Program from the rights and obligations of this Application.



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

I attest that the information provided in this Application 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



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

CME Group Inc. EMBIP Firm Trading Attestation

The trades of a CME Group Inc. EMBIP firm may receive preferential fee rates – less than charged to non-member customers. Only the entity maintaining EMBIP status is entitled to the preferential fees on its EMBIP firm trades. The reduced fee benefit does not flow downward to 100% owned subsidiaries or to affiliates of the EMBIP firm.

In order for EMBIP firms to receive preferential fees on CME, CBOT and NYMEX trades, all trading activity must be conducted in accordance with the Questions & Answers Guide for EMBIP and must be in accordance with CME Group Inc.'s Fee Policy Bulletins which can be found on CME Group Inc.'s website at <http://www.cmegroup.com/tools-information/fee-policy-bulletins.html>. In addition, qualified EMBIP firms and all EMBIP traders must be located outside of North America.

Requirements (Absolutes)

An EMBIP firm trading account is evidenced through:

- The financial benefit and risk shall be solely of the EMBIP firm – only firm capital is at risk of loss.
- Traders may make any contributions or payments to the EMBIP firm or EMBIP firm trading account, nor have any capital at risk in connection with their trading of the EMBIP firm account.
- All profits and losses of the EMBIP firm account are written off to the income of the EMBIP firm and are taxed to the EMBIP firm in accordance with applicable regulations.
- All trading must be done in EMBIP firm trading accounts held in the name of the EMBIP.

Further, EMBIP trading activity must be conducted by traders that are:

- Bona-fide employees of the EMBIP.

All EMBIP traders must be assigned unique trader IDs, those IDs and the associated EMBIP trader must be appropriately registered in CME Group Inc.'s Exchange Fee System and all Globex trades (orders) must be identified with the registered ID of the trader executing the trade.

CME Group Inc. EMBIP Firm Trading Attestation

In addition, EMBIP firm 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 EMBIP 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).

Application for Emerging Market Bank Incentive Program Participation (EMBIP)

- For EMBIP firm trading conducted by a team of traders, the profit split to the team in total may not exceed 80/20 (i.e. 80% to the trader team/20% to the firm).
- Further the 80% limit on profit splits to a trader or team of traders includes any individual who has a specific interest in its profitability including those involved in the training/supervision of the account(s) and/or trader(s).
- Non-owner traders cannot leave their share of profits in the firm for greater than 24 months 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 24 month period.
 - If a trader leaves their share of any profits in the account for greater than 24 months, they must become an equity owner.
- The firm is prohibited from:
 - Setting minimum account balances for its traders.
 - Charging margin on positions to traders.
 - Charging fees on draws taken by traders.
 - Requiring or accepting security deposits from its traders.

Best Practices

CME Group Inc. recognizes that certain business practices may be utilized when conducting customer business as well as EMBIP firm trading activities. The Best Practices were established to allow firms to utilize certain business practices (most not allowed in the past) which are generally prohibited. In order to do so, the EMBIP firm must clearly demonstrate to CME Group Inc. their application of these non-compliant practices is not inconsistent with CME Group Inc.'s goal of providing preferential fees only for EMBIP firm trading activity. Such practices will be reviewed individually and in the aggregate in relation to the firm's entire trading activities and operation.

Review of such non-compliant practices will reflect the following key principles of CME Group Inc.'s EMBIP firm trading policies. First and foremost, the trading activity eligible for preferential fees must be conducted for the account and sole benefit of the EMBIP firm itself. The trading activity of individual customers/traders conducted in the name of the firm is not eligible for discounted EMBIP firm fees to prevent the "selling" of EMBIP firm rates. Further, an EMBIP firm may only profit/benefit from the EMBIP firm trading activity through the performance of the trade and not from any other source such as a commission or charge for trade execution.

Non-compliance with the Best Practices below is generally prohibited as it is indicative of the selling of rates and/or profiting from sources other than the performance of the EMBIP firm trade.

CME Group Inc. EMBIP Firm Trading Attestation

As such, while the Best Practices are not absolutes as the Requirements are, any non-compliance of the Best Practices will be carefully reviewed with the burden of responsibility on the EMBIP participant to clearly support and demonstrate to CME Group Inc.'s satisfaction that the trading is of the EMBIP participant itself. Under limited circumstances in reviewing the totality of the EMBIP participant's trading operations and the violative practice(s), CME Group



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

Inc. may deem the EMBIP participant's trading activities in accordance with CME Group Inc.'s policies for EMBIP participant trading activity that is eligible for EMBIP fees. **Please check the box next to each practice which you do not comply with regarding your EMBIP firm trading:**

- ☐ The firm may not charge interest on debit balances to traders nor may it pay interest on credit balances to traders except where an options trading strategy is utilized in which interest on the premium is a key component of the overall profitability of the strategy.
- ☐ The firm may not pay interest on holdbacks where holdbacks are permitted.
- ☐ The firm may not pay interest on capital contributions.
- ☐ The firm may not allocate expenses to trades or traders in excess of actual direct and indirect expenses of the individual EMBIP firm trades or traders. Only actual expenses incurred may be allocated – a markup on expenses is not permitted. Further, opportunity costs may not be allocated. EMBIPs must maintain and provide adequate supporting calculations and documentation of such allocated expenses and their reasonableness.
- ☐ A firm may not charge a fee for capital usage to individual traders of the firm's accounts.
- ☐ A firm may not charge a fee for the cost of capitalizing the firm (and thus the firm's trading accounts) to individual traders.
- ☐ Individual owners and investing LLCs (as permitted) of an EMBIP may not have a specific interest in the profitability of an EMBIP account or group of accounts other than an EMBIP account that the individual owners or owners of the investing LLC trade or provide direct supervision/training to.

I represent that all current and future EMBIP firm trading activity of my organization, an EMBIP firm, 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.

Signature

Print Name

Title

Date



Application for Emerging Market Bank Incentive Program Participation (EMBIP)

DESIGNATED SPOKESPERSON AND AUTHORIZED SIGNOR ACKNOWLEDGEMENT

CME Group Inc. requires that firms designate a representative who shall be authorized to deal with the Exchanges with respect to the membership owned or leased by the firm, as applicable and who shall be authorized to represent the Emerging Market Bank Incentive Program (EMBIP) 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.

EMBIP Firm Name _____

Address _____

City _____ State _____ Country _____ Zip Code _____

Phone Number _____ Tax I.D. # _____

E-mail 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.