



**Application for Corporate Membership
CME Qualified Affiliate / Qualified Subsidiary Member Firm
Agreement for Membership**

1. Organization's Full Legal Name _____

2. Please indicate the type of membership being applied for (check one)

CME Rule 106.I. Qualified Affiliate Member Firm

CME Rule 106.J. Qualified Subsidiary Equity Member Firm

CME Clearing Qualified Subsidiary Equity Member Firm

3. Please indicate the affiliated CME 106.J. Equity Member Firm or CME Clearing Member Firm under which the applicant is qualified.

4. Tax Identification Number _____

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 CME and its Committees and to contact for questions concerning the application.

Phone Number _____ E-Mail Address _____



7. Please respond to the following:

Question	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.

8. Attach an ownership chart detailing the organization's and its affiliated CME member firm's ownership including percentages of ownership.

Completed applications along with all supporting documentation should be submitted to:

CME Group Inc.
 Financial and Regulatory Surveillance Department
 20 S. Wacker Drive
 Chicago, IL 60606



Attestation, Authorization and Agreement for Membership

On behalf of my organization, I make this application as a CME Group, Inc. Member Firm. I represent that my organization meets all of the requirements of corporate membership which is applied for.

I do hereby agree that, if my organization is accepted as a Member Firm, it will comply with and agrees to be bound by the Bylaws, Certificate of Incorporation, Rules and Regulations of CME 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 and 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 Member Firm Trading Policies. 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 understand that any person or firm that obtains a CME membership by fraudulent representations or concealment, or by any material misstatement, shall be subject to suspension or expulsion pursuant to CME Rules and Regulations, as applicable.

I understand that Applicants applying for membership hereby consents to use by CME Group and its affiliates of proprietary data or other personal information regarding the Member Firm received by CME Group 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 the applicant, CME Group 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 the Member Firm 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.

Further, I understand that in order to be eligible for membership with any of the following DCMs (Chicago Mercantile Exchange, Inc., Chicago Board of Trade, Inc., New York Mercantile Exchange, Inc., and Commodity Exchange, Inc.) applicants must ensure that their request for membership is lawfully made in accordance with the laws of the jurisdiction in which they are located. Should such a request be made unlawfully, each of the DCMs shall have the right to terminate said membership. In this situation, the sale of membership process currently described under Rule 132 of the rulebook of the Relevant DCM shall be followed.



Attestation, Authorization and Agreement for Membership

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

CME Group, Inc.
Member Firm Trading Attestation

(Member Firm)

The trades of a member firm on a CME Group Inc. exchange may receive preferential fee rates – less than charged to non-member customers. Only Member Firms which are properly approved by CME Group Inc. are entitled to the preferential fees on their member firm trades. The reduced fee benefit does not flow to affiliates which have not been approved by CME Group Inc.

In order for Member Firms to receive member fees, all member firm trading must be conducted in accordance with CME Group Inc.'s Fee Policy Bulletins on CME Group Inc.'s website at <http://www.cmegroup.com/tools-information/fee-policy-bulletins.html> for Member Firm Trading Policies.

Requirements (Absolutes)

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 Member Firm.

Further, Member Firm 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 Member Firm; or
- Independent contractors and other self-employed individuals who maintain at least \$250,000 in holdbacks whose total compensation (that is, all compensation) is reported on an IRS Form 1099-MISC (“1099-MISC”) (or equivalent document of a foreign jurisdiction) and/or on an IRS Form 1099-B (“1099-B”) of the Member Firm; or
- Owners who maintain at least \$250,000 in bona-fide capital and holdbacks; or
- Individual members of CME Group Inc. Exchange trading within their division of membership; or
- CME Rule 106.I. or CME 106.F. Related Party Transfer members; or
- Registered Commodity Trading Advisors (“CTAs”), exempt CTAs under CFTC Regulations 4.14(a)(4), 4.14(a)(8)(i)(D) or 4.14(a)(10), and Investment Managers authorized by the Financial Conduct Authority (“FCA”).

All Member Firm traders must be assigned unique trader IDs, those IDs and the associated Member Firm trader must be appropriately registered in CME Group Inc.'s Exchange Fee

CME Group, Inc.
Member Firm Trading Attestation

System and all Globex trades (orders) must be identified with the registered ID of the trader executing the trade.

In addition, Member 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 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).
 - For Member 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 Member 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 Member 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 member firm trading activities. The Best Practices were established to allow member firms to utilize certain business practices (most not allowed in the past) which are generally prohibited. In order to do so, the member 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 member fees only for member 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 member firm trading policies. First and foremost, the trading activity eligible for member fees must be conducted for the account and sole benefit of the member firm itself. The trading activity of individual customers/traders conducted in the name of the firm is not eligible for discounted member firm fees in order to prevent arcade type trading under the guise of member firm trading and to prevent the "selling" of member firm rates. Further, a member firm may only profit/benefit from the member 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 arcade type trading, the selling of rates, and/or profiting from sources other than the performance of the member firm trade. As such, while the Best Practices are not absolutes as the

CME Group, Inc.
Member Firm Trading Attestation

Requirements are, any non-compliance of the Best Practices will be carefully reviewed with the burden of responsibility on the member firm to clearly support and demonstrate to CME Group Inc.'s satisfaction that the trading is of the member firm itself. Under limited circumstances in reviewing the totality of the member firm's trading operations and the violative practice(s), CME Group Inc. may deem the member firm's trading activities in accordance with CME Group Inc.'s policies for member firm trading activity that is eligible for equity member fees. **Please check the box next to each practice which you do not comply with regarding your Member 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 member firm trades or traders. Only actual expenses incurred may be allocated – a mark-up on expenses is not permitted. Further, opportunity costs may not be allocated. Member firm 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 member firm's accounts.
- A firm may not charge a fee for the cost of capitalizing the firm (and thus the member firm's trading accounts) to individual traders.
- Individual owners and investing LLCs (as permitted) of a member firm may not have a specific interest in the profitability of a member firm account or group of accounts other than a member firm 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 member firm trading activity of my organization receiving member 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



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

CME Group Inc. 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.