

Name: \_\_\_\_\_



## **CUSTOMER ACCOUNT DOCUMENTS**



TRANSACT FUTURES  
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SUITE 240A  
CHICAGO, IL 60604

(TRANSACT FUTURES is a Division of YORK BUSINESS ASSOCIATES, L.L.C.)

**TRANSACT FUTURES**  
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## **RISK DISCLOSURE STATEMENT FOR FUTURES AND OPTIONS**

*This brief statement does not disclose all of the risks and other significant aspects of trading in futures and options. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Trading in futures and options is not suitable for many members of the public. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances.*

### **Futures**

1. **Effect of ‘Leverage’ or ‘Gearing.’** Transactions in futures carry a high degree of risk. The amount of initial margin is small relative to the value of the futures contract so that transactions are ‘leveraged’ or ‘geared.’ A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit; this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss and you will be liable for any resulting deficit.
2. **Risk-reducing orders or strategies.** The placing of certain orders (e.g. ‘stop-loss’ orders, where permitted under local law, or ‘stop-limit’ orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as ‘spread’ and ‘straddle’ positions may be as risky as taking simple ‘long’ or ‘short’ positions.

### **Options**

3. **Variable degree of risk.** Transactions in options carry a high degree of risk. Purchasers and sellers of options should familiarize themselves with the type of option (i.e. put or call) which they contemplate trading and the associated risks. You should calculate the extent to which the value of the options must increase for your position to become profitable, taking into account the premium and all transaction costs.

The purchaser of options may offset or exercise the options or allow the options to expire. The exercise of an option results either in a cash settlement or in the purchaser acquiring or delivering the underlying interest. If the option is on a future, the purchaser will acquire a futures position with associated liabilities for margin (see the section on Futures above). If the purchased options expire worthless, you will suffer a total loss of your investment which will consist of the option premium plus transaction costs. If you are contemplating purchasing deep-out-of-the-money options, you should be aware that the chance of such options becoming profitable ordinarily is remote.

Selling (‘writing’ or ‘granting’) an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will be liable for additional margin to maintain the position if the market moves unfavorably. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obligated to either settle the option in cash or to acquire or deliver the underlying interest. If the option is on a future, the seller will acquire a position in a future with associated liabilities for margin (see the section on Futures above). If the position is ‘covered’ by the seller holding a corresponding position in the underlying interest or a future or another option, the risk may be reduced. If the option is not covered, the risk of loss can be unlimited.

Certain exchanges in some jurisdictions permit deferred payment of the option premium, exposing the purchaser to liability for margin payments not exceeding the amount of the premium. The purchaser is still subject to the risk of losing the premium and transaction costs. When the option is exercised or expires, the purchaser is responsible for any unpaid premium outstanding at that time.

## **Additional risks common to futures and options**

4. **Terms and conditions of contracts.** You should ask the firm with which you deal about the term and conditions of the specific futures or options which you are trading and associated obligations (e.g. the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise). Under certain circumstances the specifications of outstanding contracts (including the exercise price of an option) may be modified by the exchange or clearing house to reflect changes in the underlying interest.

5. **Suspension or restriction of trading and pricing relationships.** Market conditions (e.g. illiquidity) and/or the operation of the rules of certain markets (e.g. the suspension of trading in any contract or contract month because of price limits or 'circuit breakers') may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions. If you have sold options, this may increase the risk of loss.

Further, normal pricing relationships between the underlying interest and the future, and the underlying interest and the option may not exist. This can occur when, for example, the futures contract underlying the option is subject to price limits while the option is not. The absence of an underlying reference price may make it difficult to judge 'fair' value.

6. **Deposited cash and property.** You should familiarize yourself with the protections accorded money or other property you deposit for domestic and foreign transactions, particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specified legislation or local rules. In some jurisdictions, property which had been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall.

7. **Commission and other charges.** Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

8. **Transactions in other jurisdictions.** Transactions on markets in other jurisdictions, including markets formally linked to a domestic market, may expose you to additional risk. Such markets may be subject to regulation which may offer different or diminished investor protection. Before you trade should inquire about any rules relevant to your particular transactions. Your local regulatory authority will be unable to compel the enforcement of the rules of regulatory authorities or markets in other jurisdictions where your transactions have been effected. You should ask the firm with which you deal for details about the types of redress available in both your home jurisdiction and other relevant jurisdictions before you start to trade.

9. **Currency risks.** The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

10. **Trading facilities.** Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

11. **Electronic trading.** Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risk associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

12. **Off-exchange transactions.** In some jurisdictions, and only then in restricted circumstances, firms are permitted to effect off-exchange transactions. The firm with which you deal may be acting as your counterparty to the transaction. It may be difficult or impossible to liquidate an existing position, to assess the value, to determine a fair price or to assess the exposure to risk. For these reasons, these transactions may involve increased risks. Off-exchange transactions may be less regulated or subject to a separate regulatory regime. Before you undertake such transactions, you should familiarize yourself with applicable rules and attendant risks.

# **ELECTRONIC TRADING AND ORDER ROUTING SYSTEMS**

## **DISCLOSURE STATEMENT**

Electronic trading and order routing systems differ from traditional open outcry pit trading and manual order routing methods. Transactions using an electronic system are subject to the rules and regulations of the exchange(s) offering the system and/or listing the contract. Before you engage in transactions using an electronic system, you should carefully review the rules and regulations of the exchange(s) offering the system and/or listing contracts you intend to trade.

### **DIFFERENCES AMONG ELECTRONIC TRADING SYSTEMS**

Trading or routing orders through electronic systems varies widely among different electronic systems. You should consult the rules and regulations of the exchange offering the electronic system and/or listing the contract traded or order routed to understand, among other things, in the case of trading systems, the system's order matching procedure, opening and closing procedures and prices, error trade policies, and trading limitations or requirements; and in the case of all systems, qualifications for access and grounds for termination and limitations on the types of orders that may be entered into the system. Each of these matters may present different risk factors with respect to trading on or using a particular system. Each system may also present risks related to the system access, varying response times, and security. In the case of internet-based systems, there may be additional types of risks related to system access, varying response times and security, as well as risks related to service providers and the receipt and monitoring of electronic mail.

### **RISKS ASSOCIATED WITH SYSTEM FAILURE**

Trading through an electronic trading or order routing system exposes you to risks associated with system or component failure. In the event of system or component failure, it is possible that for a certain time period, you may not be able to enter new orders, execute existing orders, or modify or cancel orders that were previously entered. System or component failure may also result in loss of orders or order priority.

### **SIMULTANEOUS OPEN OUTCRY PIT AND ELECTRONIC TRADING**

Some contracts offered on an electronic trading system may be traded electronically and through open outcry during the same trading hours. You should review the rules and regulations of the exchange offering the system and/or listing the contract to determine how orders that do not designate a particular process will be executed.

### **LIMITATION OF LIABILITY**

Exchanges offering an electronic trading or order routing system and/or listing the contract may have adopted rules to limit their liability, the liability of FCMs, and software and communication system vendors and the amount of damages you may collect for system failure and delays. These limitations of liability provisions vary among the exchanges. You should consult the rules and regulations of the relevant exchange(s) in order to understand these liability limitations.

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\*Each exchange's relevant rules are available upon request from the industry professional with whom you have an account. Some exchange's relevant rules also are available on the exchange's internet home page.



Integrating Technology, Clearing + Support

# TRANSACTION FUTURES

## CUSTOMER APPLICATION

Please complete each of the following sections.

Account Number: \_\_\_\_\_

Account Name		Social Security # or Fed. Tax ID#	
Account Mailing Address		Telephone Number(s)	
City	State	Zip Code	Country

No. Years Experience: Commodity Futures Trading _____	If individual or joint account: Age: _____
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Please List Brokerage Firms at Which You Currently Maintain or Have Previously Maintained Investments:  
Circle "C" for Commodities; "S" for Securities; "B" for Both — Circle "A" for Active; "I" for Inactive:

(Brokerage Firm)	(City, State)	(Account Type)	(Active/Inactive)	(Avg. \$ Amt. of Equity)	(Account No.)
1. _____	_____	C S B	A I	\$ _____	_____
2. _____	_____	C S B	A I	\$ _____	_____
3. _____	_____	C S B	A I	\$ _____	_____

Account Type:

Individual ( )

Corporation ( )

Limited Liability Company ( ) (Please provide a copy of your LLC Operating Agreement)

Other (Explain): \_\_\_\_\_

Nature of Trading: Non-Discretionary....( ) Discretionary....( )	If Discretionary, who maintains the Power of Attorney? Name: _____ Address: _____ City: _____ State: _____ Zip: _____
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**Note: If this is a discretionary account, please complete discretionary forms.**

Trading Objectives: Hedging....( )      Speculation....( )	If Non-discretionary, what will be the primary basis of your trading decisions? Own Research....( )      Advice of Broker....( )      Other: _____
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If Hedge Account, what is the nature of your business?

Producer....( )      Refiner....( )      Dealer....( )      User....( )      Other (Explain): \_\_\_\_\_

If Hedge Account, indicate the type(s) of commodities to be hedged:

( )....Financial Instruments/Currencies (specify): \_\_\_\_\_

( )....Metals (specify): \_\_\_\_\_      ( )....Agricultural Products (specify): \_\_\_\_\_

( )....Stock indices (specify): \_\_\_\_\_      ( )....Other: \_\_\_\_\_

**TRANSACT FUTURES**, a division of **YORK BUSINESS ASSOCIATES, L.L.C.**, requires financial statements from our customers in order to open a commodity trading account.

The attached financial statements are:      Audited....( )                      Unaudited....( )                      As of (Month/Day/Year)....( / / )

Customer's Fiscal Year Ends (Month/Day/Year)....( / / )

Bank Accounts and Money Market Funds:

Financial Institution	City, State	Account Number	Account Type
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

Bank Reference:

(Name & Address)	(Contact)	(Telephone No.)	(Account No.)
_____	_____	_____	_____
_____	_____	_____	_____

Trade References:

(Name & Address)	(Contact)	(Telephone No.)	(Account No.)
_____	_____	_____	_____
_____	_____	_____	_____

Financial Profile:	Estimated Annual Income	Estimated Net Worth	Estimated Liquid Net Worth (excluding residence)	Federal Tax Bracket
	<input type="checkbox"/> Under \$20,000 <input type="checkbox"/> \$20,000 – \$50,000 <input type="checkbox"/> \$50,001 – \$100,000 <input type="checkbox"/> Over \$100,000	<input type="checkbox"/> Under \$50,000 <input type="checkbox"/> \$50,000 – \$100,000 <input type="checkbox"/> \$100,001 – \$250,000 <input type="checkbox"/> \$250,001 – \$500,000 <input type="checkbox"/> Over \$500,000	<input type="checkbox"/> Under \$50,000 <input type="checkbox"/> \$50,000 – \$100,000 <input type="checkbox"/> \$100,001 – \$250,000 <input type="checkbox"/> \$250,001 – \$500,000 <input type="checkbox"/> Over \$500,000	<input type="checkbox"/> 15% <input type="checkbox"/> 20% <input type="checkbox"/> Over 28%

Does anyone else have a financial interest in, guarantee, or control of this account? Yes....( )                      No....( )	If Yes, then who, and describe relationship: Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Relationship: _____
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Is the customer, any principal or any affiliate:

(1) A member of the NFA or any exchange?                      Yes....( )    No....( )

(2) Registered with the CFTC or NFA?                              Yes....( )    No....( )

(3) An employee of or related to any employee of any brokerage firm, the CFTC, NFA, or any exchange?                      Yes....( )    No....( )

If Yes, Please explain: \_\_\_\_\_

Has the customer or any principal currently, or within the last three years been involved in any investigations or court proceedings including bankruptcy involving any governmental or regulatory agency or private party?                      Yes....( )    No....( )

If Yes, Please explain: \_\_\_\_\_

(Attach separate sheet if necessary.)

THE UNDERSIGNED HAS REVIEWED THE INFORMATION CONTAINED ON THIS APPLICATION AND VERIFIES THAT IS TRUE AND CORRECT, AND FURTHER AGREES TO PROMPTLY NOTIFY **TRANSACT FUTURES** OF ANY MATERIAL CHANGES TO THE INFORMATION PROVIDED ON THIS FORM.

Date: \_\_\_\_\_                      Name of Account: \_\_\_\_\_

Customer Signature: \_\_\_\_\_

Customer Signature: \_\_\_\_\_

## **CUSTOMER AGREEMENT**

**Accompanying this Customer Agreement is a “Risk Disclosure Statement for Futures” which is required to be provided to you by the Commodity Futures Trading Commission (“CFTC”). Please read the Risk Disclosure Statement carefully before signing the related acknowledgments contained herein.**

In consideration of TRANSACT FUTURES, a division of YORK BUSINESS ASSOCIATES, L.L.C. (“TRANSACT”) acting as broker with respect to one or more accounts (the “Account”) for the undersigned (“Customer”), Customer hereby agrees that all transactions which TRANSACT may agree to execute or clear for or carry in Customer’s Account for the purchase or sale of commodities (including, without limitation, currencies, financial instruments, and indices), whether for immediate delivery, deferred delivery or for delivery or cash settlement under the terms of futures contracts, including foreign futures, options on futures, cash commodities, security futures, and any similar instrument (collectively “Commodity Interests”), shall be subject to the following terms and conditions:

### **1. AUTHORIZATION**

Customer authorizes TRANSACT to (a) purchase and sell Commodity Interests upon Customer’s oral, written or electronic instructions; and (b) employ any clearing members and floor brokers as Customer’s agents in connection with the execution, clearing, carrying, delivery and settlement of any such transactions. TRANSACT shall not be responsible to Customer in any case for a floor broker’s inability to execute orders. TRANSACT shall not be responsible in any way for floor brokers selected by Customer. If this is a joint account, 'Customer" shall refer to each account owner. All obligations arising hereunder shall be joint and several and may be enforced by TRANSACT against any or all account owners. Each account owner shall have full authority to act on behalf of the account and Customer authorizes TRANSACT to follow the instructions of any account owner as if such person were the sole account owner.

All orders placed by Customer may be executed on any exchange or other market where such business is transacted and, unless otherwise instructed, TRANSACT or its agent is authorized to execute such orders upon any exchange or other market that, in the discretion of TRANSACT or such agent, may be deemed to be most desirable.

Customer shall be bound by, and TRANSACT may rely on and act in accordance with, any oral or written instructions which TRANSACT believes, in good faith, to have been given by Customer or an authorized employee, agent, officer or other representative of Customer. TRANSACT may maintain a list in any form it deems fit and continue to rely upon authorized signatures provided by Customer and contained in any such list unless and until it receives written notification of any change.

Customer agrees that all telephone conversations with TRANSACT may, without further warning, be recorded and may be used as evidence in the event of any dispute. Such recordings will be and remain the sole property of TRANSACT and will, in the absence of manifest error, be accepted by Customer as evidence of the orders, instructions, communications or conversations so recorded. The period of retention of such recordings shall be at the sole discretion of TRANSACT.

### **2. SUBJECT TO EXCHANGE RULES AND LAW**

All transactions by TRANSACT on Customer’s behalf shall be subject to the applicable constitution, by-laws, rules, resolutions, regulations, customs, usages, rulings and interpretations of the exchange or other market, and any applicable clearinghouse on which such transactions are executed or cleared (collectively the “Exchange”) by TRANSACT or its agent for Customer’s Account, and to all applicable governmental acts and statutes and to rules and regulations made thereunder. TRANSACT shall not be liable to Customer as a result of any action taken by TRANSACT or its agent to comply with any of the foregoing. Any failure by TRANSACT to comply with any of the foregoing shall not relieve Customer of any obligations under this agreement nor be construed to create rights hereunder in favor of Customer against TRANSACT.

### **3. COMMISSIONS, FEES AND OTHER CHARGES**

Customer agrees to pay TRANSACT and authorizes TRANSACT to withdraw from the Account: (a) brokerage and commission charges on any transactions executed by TRANSACT or its agent on Customer’s behalf (including,

without limitation, the purchase or sale of a Commodity Interest and the exercise or offset of an option) at such rate as is agreed upon by TRANSACT and Customer from time to time; (b) any costs or expenses incurred in connection with the execution of any such transaction, including, without limitation, any charges imposed by an Exchange, clearinghouse or regulatory body, taxes imposed by a governmental authority, charges for providing additional account statements and charges for research or responding to governmental inquiries or investigations; (c) any deficit balances in Customer's account as well as interest on any such deficit balances at the rate of two percent (2%) per annum over the prime rate in effect from time to time as listed in The Wall Street Journal; (d) any other charges agreed upon between Customer and TRANSACT; and (e) TRANSACT's attorneys' fees and costs incurred in collecting amounts due under this Agreement or in defending against any claim brought by Customer in any suit, arbitration or reparations proceeding.

#### **4. MARGIN**

Customer agrees to deposit and maintain in the Account original and variation margin or collateral and option premiums, as required by TRANSACT from time to time in its discretion. If TRANSACT determines that additional margin is required, Customer agrees to deposit such additional margin upon demand within a reasonable time. For purposes of this Agreement, "reasonable time" shall ordinarily mean within one hour of demand, but may be less if market conditions so warrant. Customer acknowledges and agrees that margin requirements established by TRANSACT for Customer's Account may be changed in the discretion of TRANSACT at any time and may exceed the margin required of TRANSACT by an Exchange or the margin required by TRANSACT of its other customers. No previous margin requirement shall establish any precedent nor shall TRANSACT be bound by any previous requirement. If requested by TRANSACT, all margin deposits shall be made immediately by bank wire transfer, and Customer shall provide TRANSACT with any information requested by TRANSACT to confirm such transfers. TRANSACT shall not be liable to Customer for the loss of any property belonging to Customer which results, directly or indirectly, from the bankruptcy, insolvency, liquidation, receivership, custodianship, or assignment for the benefit of creditors of any bank, clearing broker, Exchange, clearing organization or other entity.

#### **5. SECURITY INTEREST**

Any and all securities, Commodity Interests, cash or other property belonging to Customer and held by TRANSACT or its agent shall be subject to a general lien and security interest for the discharge of Customer's obligations to TRANSACT. The term "property" as used herein means securities of any kind, monies, Commodity Interests, and any other property at any time held in Customer's Account or otherwise by TRANSACT.

Except as prohibited by CFTC regulations, all property now or hereafter held or carried by TRANSACT for Customer may, from time to time, without notice to Customer, be pledged, hypothecated, loaned or invested by TRANSACT to or with TRANSACT or others, separately or with any other property. TRANSACT shall not be required to retain in its possession for delivery a like amount of, or to pay interest or to account to Customer for any profits on, such property. All transactions for or on Customer's behalf shall be deemed to be included in a single Account whether or not such transactions are segregated on TRANSACT's records into separate accounts, either severally or jointly with others.

#### **6. LIQUIDATION**

Customer acknowledges and agrees that TRANSACT may close out Customer's open Commodity Interests in whole or in part, buy or sell Commodity Interests or other property to create a spread, roll Customer's position or otherwise hedge Customer's position, sell any or all of Customer's property held by TRANSACT, buy any securities or other property for Customer's Account to cover existing short positions, and cancel any outstanding orders and commitments made by TRANSACT on behalf of Customer and terminate this Agreement, all without prior to demand or notice to Customer in the event that: (a) Customer is subject to a rehabilitation, bankruptcy, insolvency, receivership or similar action or proceeding; (b) Customer's Account is garnished or attached; (c) Customer takes any action to effect a dissolution, liquidation, reorganization, winding up of its affairs or any similar event; (d) Customer fails to deposit or maintain initial margin or premiums or fails to provide variation margin and/or collateral, as TRANSACT may deem adequate for its protection; (e) Customer fails to perform any of its obligations hereunder, including those respecting delivery, exercise or settlement under any Commodity Interest held in the Account; (f) it is determined that, or TRANSACT has reasonable cause to believe that, any information or assertion provided or made to TRANSACT is, or becomes, or will become, in any material way inaccurate or misleading; (g) TRANSACT determines, in its sole discretion, that the collateral or margins deposited with TRANSACT to secure Customer's position are inadequate; (h) TRANSACT determines, in its sole discretion, that liquidation of Customer's Account is necessary for TRANSACT's own protection; or (i) TRANSACT learns that Customer, if an individual, has died. Any such sale, purchase or cancellation may be made at TRANSACT's sole discretion on the

Exchange where such business is transacted, at public auction or by private sale, without advertising the same. Customer shall remain liable for the amount of any deficiency resulting from any transaction described above.

In the event of any of the occurrences stated above or if TRANSACT believes, in its sole and absolute discretion, that execution of any Customer order would contravene any applicable law or Exchange rule or would otherwise be inappropriate, TRANSACT may delay or refuse to execute any order to purchase or sell Commodity Interests for Customer's Account.

## **7. ELECTRONIC TRADING**

TRANSACT may in its discretion make available to Customer an electronic trading system for trading certain Commodity Interests (the "System") under the terms and conditions stated in this Agreement. Customer understands that the System may be accessed through the Internet LAN, or in some instances, by direct dial. Some of the information available on the System may be produced by TRANSACT, and some may be provided by various independent sources believed to be reliable ("Information Providers"). Customer acknowledges that the accuracy, completeness, timeliness, and correct sequencing of the information concerning Customer's trading and Account activity, the quotes, market and trading news, charts, trading analysis and strategies, and other information that may be added from time to time, (collectively referred to as the "Information,") is not guaranteed by TRANSACT or the Information Providers. Customer agrees that neither TRANSACT nor the Information Providers shall have any liability for the accuracy, completeness, timeliness or correct sequencing of the Information or for any decision made or action taken by Customer in reliance upon the Information or the System, or for any interruption of any Information provided by the System, or for any aspect of the System.

All orders that Customer initiates are Customer's responsibility. If Customer does not receive affirmative notification that the order has been either accepted or rejected for placement, it is Customer's responsibility to notify TRANSACT immediately. Customer shall be responsible for monitoring all of Customer's orders until execution is confirmed or cancellation is acknowledged by TRANSACT. Customer must cause any notification from TRANSACT to be printed and retained as hard copy evidence of the same.

Customer understands that while accessing the system through the Internet or otherwise generally is dependable, technical problems or other conditions may delay or prevent Customer from entering or canceling an order on the System, or likewise may delay or prevent an order transmitted through the System from being executed. TRANSACT shall not be liable for, and Customer agrees not to hold or seek to hold TRANSACT liable for, any technical problems, System failures and malfunctions, System access issues, System capacity issues, high Internet traffic demand, security breaches and unauthorized access beyond the reasonable control of TRANSACT, and other similar computer problems and defects. TRANSACT does not represent, warrant or guarantee that Customer will be able to access or use the System at times or locations of Customer's choosing, or that TRANSACT will have adequate capacity for the System as a whole or in any geographic location. TRANSACT does not represent, warrant or guarantee that the System will provide uninterrupted and error free service. TRANSACT does not make any warranties or guarantees, express or implied, with respect to the System or its content, including without limitation, warranties of merchantability or fitness for a particular purpose. TRANSACT shall not be liable to Customer for any loss, cost, damage or other injury, whether in contract or tort, arising out of or caused in whole or in part by Customer's use of or reliance on the System or its content. In no event will TRANSACT be liable to Customer or any third party for any punitive, consequential, special or similar damages even if advised of the possibility of such damage. In some jurisdictions, the liability of TRANSACT shall be limited in accordance with this Agreement to the extent permitted by law. TRANSACT reserves the right to suspend service and deny access to the System without prior notice during scheduled or unscheduled System maintenance or upgrading.

Customer acknowledges that all orders placed through the System are at Customer's sole risk. Customer further acknowledges that TRANSACT may set minimum equity requirements and/or limits as to the maximum number of allowable contracts for such orders. Acceptance of an order for placement does not constitute an agreement or representation by TRANSACT that there is sufficient margin in Customer's account to support the resulting position. Customer hereby acknowledges Customer's responsibility to keep apprised of current margin requirements in connection with all trading activities, agrees to post all required margin for trades ordered by Customer, and agrees to be liable for the losses incurred on all trades ordered by Customer, regardless of whether there is sufficient margin posted when the trade is ordered. TRANSACT may refuse to accept any order transmitted or attempted to be transmitted through the System for any reason, including Customer's failure to post adequate margin. TRANSACT is not responsible for any delay or failure to provide the System, or for any failure or inability to execute any order in the event that there is a restriction on Customer's account or that Customer fails to make a margin deposit. TRANSACT reserves the right to report acceptance, rejection, and execution of Customer's orders by e-mail and/or telephone, as determined in the sole discretion of TRANSACT.

The Information provided by the Information Providers is the property of the Information Providers or others and may be protected by copyright. Customer agrees not to reproduce, retransmit, disseminate, sell or distribute the Information in any manner without the express written consent of TRANSACT and the relevant Information Provider(s); and not to use the Information for any unlawful purpose.

Upon approval of Customer's access to the System, TRANSACT may provide Customer with one or more of an individual password and user identification and/or an access card, key or other physical device ("Access Materials"). The Access Materials will enable Customer to access the System and transmit buy and sell orders through the System. Customer shall maintain the confidentiality, and prevent the unauthorized use of, the Access Materials at all times. Customer accepts full responsibility for the use and protection of the Access Materials, which includes, but is not limited to, all orders entered into the System using the Access Materials and changes in Customer's account information that are entered using the Access Materials. Customer accepts full responsibility for monitoring Customer's Account. Should Customer become aware of any deliberate or inadvertent disclosure, loss, theft or unauthorized use of Customer's Access Materials, Customer shall notify TRANSACT immediately. Customer will not access or attempt to access the System using the Access Materials of any other person. Any and all materials that TRANSACT provides to Customer in connection with the System are the property of TRANSACT and are intended for Customer's sole and individual use. Customer shall not resell or permit access to the System to others and agrees not to copy any such materials for resale to others. Customer further agrees not to delete any copyright notices or other indications of protected intellectual property rights from materials that Customer prints or downloads from the System. All such materials are provided "AS IS", without any warranty of any kind, whether express or implied, including warranties of merchantability, fitness for a particular purpose, non-infringement and title.

Customer agrees that use of the System is at Customer's own risk. Customer shall be responsible for providing and maintaining the means by which to access the System, which may include without limitation a personal computer, modem and telephone or other access line. Customer shall be responsible for all access and service fees necessary to connect to the System and is responsible for all charges incurred in accessing the System. Customer further assumes all risks associated with the use and storage of information on Customer's personal computer. **The System includes an automatic feature that monitors all positions in the account. If daily losses in the account reach a predetermined limit, the feature is designed to liquidate all positions in the account. If such automatic liquidation occurs at a time when the relevant market is illiquid, substantial losses may result. There is no certainty that the System will actually liquidate when the predetermined daily loss is reached; there is no certainty that the System may not commence liquidation even if the predetermined daily loss has not been reached (for example, if the System receives bad quote data). Customer acknowledges and understands that any automatic liquidation feature may be imperfect. Nevertheless, Customer authorizes any such automatic liquidation by the System and agrees that Customer shall be solely responsible for any such losses arising directly or indirectly as a result of such automatic liquidation.**

TRANSACT reserves the right to terminate Customer's access to the System in its sole discretion, without notice and without limitation, for any reason whatsoever, including but not limited to the unauthorized use of Customer's Access Materials or breach of this Agreement.

All express or implied conditions, warranties or undertakings, whether oral or in writing, in law or in fact, including warranties as to satisfactory quality and fitness for a particular purpose regarding the Information or any aspect of the System (including but not limited to Information access and order execution) are excluded to the extent permitted by law.

## **8. FOREIGN CURRENCY TRANSACTIONS**

In the event that Customer instructs TRANSACT to enter into any transaction which is denominated in a foreign currency: (a) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency shall be for Customer's account and risk; and (b) unless another currency is designated in the confirmation for such transaction, all margin deposits for such contract and any debit or credit made in Customer's Account as a result of liquidating such a contract shall be in United States dollars at a rate of exchange determined by TRANSACT in its sole discretion on the basis of the then prevailing rates of exchange for such foreign currency. In no event shall TRANSACT be required to effect, or be responsible for, the conversion of funds in anticipation of changes in prevailing rates of exchange.

## **9. SUBORDINATION AGREEMENT (APPLIES ONLY TO ACCOUNTS WITH FUNDS HELD IN FOREIGN CURRENCY)**

Funds of customers trading on United States contract markets may be held in accounts denominated in a foreign currency with depositories located outside the United States or its territories if the customer is domiciled in a foreign country or if the funds are held in connection with contracts priced and settled in a foreign currency. Such accounts are subject to the risk that events could occur which would hinder or prevent the availability of these funds for distribution to customers. Such accounts also may be subject to foreign currency exchange rate risks. Customer hereby authorizes the deposit of funds into such foreign depositories. If Customer is domiciled in the United States, this authorization permits the holding of funds in regulated accounts offshore only if such funds are used to margin, guarantee, or secure Commodity Interest positions or accrue as a result of such positions. In order to avoid the possible dilution of other customer funds, Customer hereby agrees that Customer's claims based on such funds will be subordinated as described below in the unlikely event both of the following conditions are met: (1) TRANSACT is placed in receivership or bankruptcy, and (2) there are insufficient funds available for distribution denominated in the foreign currency as to which Customer has a claim to satisfy all claims against those funds. If both of the conditions listed above occur, any claim against TRANSACT's assets attributable to funds held overseas in a particular foreign currency may be satisfied out of segregated customer funds held in accounts denominated in dollars or other foreign currencies only after each customer whose funds are held in dollars or in such other foreign currencies receives its *pro rata* portion of such funds. In no event may Customer receive more than its *pro rata* share of the aggregate pool consisting of funds held in dollars, funds held in the particular foreign currency, and non-segregated assets of TRANSACT.

## **10. NOTICES, CONFIRMATIONS AND STATEMENTS**

All communications to Customer shall be to Customer's mailing address or, with Customer's consent, to an email address specified by Customer to such other place as Customer advises TRANSACT in writing except that confirmations of transactions and orders and correction notices may be given to Customer orally. Communications sent electronically shall be deemed duly given when transmitted. Communications sent by mail shall be deemed duly given at 9:00 a.m. (Central Standard Time) on the business day immediately following the date of mailing. Confirmations of transactions and orders, correction notices and monthly statements of account shall be conclusive and final unless Customer timely notifies TRANSACT to the contrary, and notification shall be deemed to be timely only if (a) in the case of an oral report, at the time the report of execution is given to Customer; (b) in the case of a written confirmation, within one business day of the date the communication is deemed to have been duly given; and (c) in the case of a monthly statement of account, within five business days of the date the communication is deemed to have been duly given.

## **11. DELIVERY AND EXERCISE INSTRUCTIONS**

With regard to futures or forwards transactions, liquidating instructions on open positions in a current delivery month must be given to TRANSACT at least five business days prior to the first notice day in the case of long positions, and at least five business days prior to the last trading day in the case of short positions. Alternatively, sufficient funds to take delivery or the necessary delivery documents must be delivered to TRANSACT within the same period described above. If funds, documents or instructions are not received, TRANSACT may, without notice, either liquidate Customer's position or make or receive delivery on behalf of Customer upon such terms and by such methods as TRANSACT, in its sole discretion, determines. If TRANSACT takes delivery of any property for Customer's account, Customer agrees to pay all delivery, storage, insurance, interest and related charges, and to guarantee and hold TRANSACT harmless against any loss it may suffer, directly or indirectly, from a decline in the value of such property. Customer expressly acknowledges that, particularly in volatile markets, the making or accepting of delivery may involve a higher degree of risk than liquidating a position by offset.

If, at any time, Customer fails to deliver to TRANSACT any property previously sold on Customer's behalf, or TRANSACT shall deem it necessary (whether by reason of the requirements of any exchange, clearing house or otherwise) to replace any securities, contracts, financial instruments, or other property previously sold or delivered by TRANSACT for the account of Customer with other property of like or equivalent kind or amount, Customer hereby authorizes TRANSACT, in its sole judgment, to borrow or to buy any property necessary to make delivery thereof, or to replace any such property previously delivered, or to deliver the same to such other party or to whom delivery is to be made. TRANSACT may subsequently repay any borrowing or purchase thereof with property purchased or otherwise acquired for the amount of Customer. Customer shall pay TRANSACT for any cost, loss and damages from the foregoing, including, but not limited to, consequential damages, penalties and fines which TRANSACT may incur or which TRANSACT may sustain from its inability to borrow or buy any such property. Customer agrees that any transaction made by TRANSACT in the cash market in connection with making or taking

delivery for Customer is made solely for the account and risk of Customer. Customer agrees to accept all such cash market transactions and acknowledges that it shall have no recourse against TRANSACT for any such cash market transaction made for Customer's account, notwithstanding the fact that a better cash market bid or offer may potentially have existed at the time such cash market transaction were made.

With regard to options transactions, Customer understands that some exchange clearing houses have established exercise requirements for the tender of exercise instructions and that options will become worthless in the event that Customer does not deliver instructions by such expiration times. At least two business days prior to the last trading day in the case of long and short positions in options, Customer agrees that Customer will either give TRANSACT instructions to liquidate, exercise, or allow the expiration of such options, and will deliver to TRANSACT sufficient funds required in connection with exercise. If such instructions or such funds, are not received by TRANSACT prior to the expiration of the option, TRANSACT may permit an option to expire. Customer also understands that certain exchanges and clearing houses automatically exercise some "in-the-money" options unless instructed otherwise. Customer acknowledges full responsibility for taking action either to exercise or to prevent exercise of an option contract, as the case may be; TRANSACT is not required to take any action with respect to an option, including without limitation any action to exercise a valuable option contract prior to its expiration or to prevent the automatic exercise of an option, except upon Customer's express instructions. Customer further understands that TRANSACT also has established exercise cut-off times, which may be different from the times, established by the contract markets in clearing houses. In the event that timely exercise and assignment instructions are not given, Customer hereby agrees to waive any and all claims for damage or loss Customer might have against TRANSACT arising out of the fact that an option was or was not exercised. Customer understands that TRANSACT randomly assigns exercise notices to Customers, that all short option positions are subject to assignment at any time, including positions established on the same day that exercises are assigned, and that exercise assignment notices are allocated randomly from among all Customers' short option positions which are subject to exercise.

## **12. CUSTOMER ACKNOWLEDGMENTS**

Customer acknowledges and agrees that: (a)(i) any market recommendations and information communicated to Customer by TRANSACT do not constitute an offer to sell or the solicitation of an offer to buy any commodity or futures contract; (ii) such recommendations and information, although based upon information obtained from sources believed by TRANSACT to be reliable, may be incomplete and may not be verified; and (iii) TRANSACT makes no representation, warranty or guaranty as to and shall not be responsible for, the accuracy or completeness of any information or trading recommendation furnished to Customer. Accordingly, Customer will make its own judgment and decision with respect to any transactions and no representation or warranty is given by TRANSACT as to the value, merits or suitability of any investment purchased or transaction undertaken by Customer; (b) TRANSACT, its managing directors, officers, employees and/or affiliates, may hold positions in Commodity Interests, including those Commodity Interests that are the subject of information or recommendations furnished to Customer, which may or may not be consistent with the recommendations furnished by TRANSACT to Customer; (c) TRANSACT shall have the right to limit the size and number of open contracts (net or gross) held in Customer's Account, refuse the acceptance of orders for new positions and/or require Customer to reduce open positions; (d) TRANSACT shall have no fiduciary obligations to Customer, and the duties and obligations of TRANSACT to Customer are limited to those expressly set forth in this Agreement; (e) TRANSACT is acting solely as Customer's broker in accordance with the terms of this Agreement and is not otherwise acting as an agent or a fiduciary to Customer and has no discretionary authority or control over the Account; (f) TRANSACT has no financial or other obligations as a principal to Customer under the terms of this Agreement in connection with any transaction in Commodity Interests executed, cleared or carried by TRANSACT for Customer; (g) TRANSACT may place orders for Commodity Interests through one or more electronic, automated trading systems (each an "ATS") maintained or operated by an Exchange, and Customer agrees that TRANSACT shall not be liable or obligated to Customer for any loss, damage, liability, cost or expense, including, but not limited to, loss of profits, loss of use or incidental or consequential damages, incurred or sustained by Customer and arising in whole or in part, directly or indirectly, from any fault, delay, omission, inaccuracy or termination of an ATS or TRANSACT's inability to enter, cancel or modify an order on behalf of Customer on or through an ATS; (h) TRANSACT may, in its sole discretion, decline to accept from other brokers Commodity Interests executed by such brokers on an Exchange for Customer and proposed to be "given-up" to TRANSACT for clearance or carrying in Customer's Account; (i) TRANSACT has not undertaken and will not undertake an independent evaluation of whether futures trading or each transaction entered into by Customer hereunder is appropriate for Customer, and TRANSACT is relying solely on Customer's representations in this regard; (j) TRANSACT shall not pay interest on credit balances unless otherwise agreed between Customer and TRANSACT; and (k) Customer will, following a request by TRANSACT, promptly provide to TRANSACT copies of its latest audited accounts (if applicable) and any such other financial or other information as TRANSACT may reasonably request. TRANSACT makes no representation, warranty or guarantee with respect to tax consequences of Customer's transactions.

### **13. CUSTOMER REPRESENTATIONS**

Customer hereby represents and warrants as follows: (a) Customer has the legal authority and is duly authorized and empowered to execute and deliver this Agreement and to open accounts and effect transactions in Commodity Interests through TRANSACT, such transactions do not and will not violate any applicable law, or any judgment, decree, order or agreement to which Customer or its property is subject, and this Agreement is binding on and enforceable against Customer in accordance with its terms; (b) Customer has reviewed the registration requirements of the Commodity Futures Trading Commission ("CFTC") and the membership requirements of National Futures Association ("NFA") and it (and/or any person acting with respect to Customer) is either appropriately registered and a member of NFA or is not required to be registered with the CFTC or a member of NFA; (c) no person or entity has any interest in or control of any Account to which this Agreement pertains other than Customer, unless Customer has disclosed such interest or control to TRANSACT in writing; (d) the financial and other information provided to TRANSACT by Customer on or prior to the date hereof fairly presents, and any such information provided to TRANSACT by Customer after the date hereof will fairly present, the financial condition of Customer as of the respective dates as of which such information is given; (e) unless otherwise disclosed by Customer to TRANSACT in writing, Customer represents that neither it nor any of its managing directors, officers, employees and/or affiliates is a member or employee of any Exchange or of any corporation of which any Exchange owns a majority of the capital stock or is an employee of any other futures commission merchant or introducing broker; (f) Customer has determined that the trading of Commodity Interests is appropriate for Customer and is prudent in all respects; (g) Customer shall promptly notify TRANSACT in writing if any representation made or any information provided by Customer materially change or cease to be true and correct; (h) Customer, if an entity, is not a commodity pool as defined in the Commodity Exchange Act, as amended or, if Customer is a commodity pool, Customer shall provide to TRANSACT its disclosure document or applicable exemption letters; and (i) if applicable, Customer has carefully examined the provisions of the documents by which it has given trading authority or control over its account to its account manager, understands fully the obligations which it has assumed by executing those documents, understands that TRANSACT is in no way responsible for any loss to Customer occasioned by the actions of the account manager and that TRANSACT does not, by implication or otherwise, endorse the operating methods of such account manager, and further understands that the Chicago Board of Trade and Chicago Mercantile Exchange have no jurisdiction over a non-member who is not employed by one of its members and that if Customer gives to such individual or organization authority to exercise any of Customer's rights over its account, Customer does so at its own risk.

### **14. LIMITATIONS OF LIABILITY AND INDEMNIFICATION**

Neither TRANSACT nor its officers, directors and/or employees shall have any responsibility for compliance by Customer with any law or regulation governing Customer's conduct.

Neither TRANSACT nor its directors or employees shall be under any liability whatsoever for any loss or damage sustained by Customer, including any consequential loss, loss of profit or loss of trading opportunity, as a result of any actual or proposed transactions or as a direct or indirect result of any services provided by TRANSACT hereunder, including, without limitation, any loss or damage resulting, directly or indirectly, from: (a) any failure or delay or default on the part of Customer or any third party, including any Exchange or clearing house, in providing accurate information or performing its functions; (b) any event or circumstance beyond the reasonable control of TRANSACT including, but not limited to, (i) any failure or defective performance of any communication, settlement, computer or accounting system or equipment; or (ii) delays in the transmission and execution of any order due to suspension or termination of trading, the breakdown or failure of the System or of any other transmission or automated execution or communication facilities, or (iii) any governmental, judicial, administrative, Exchange or regulatory or self-regulatory organization order, restriction or ruling; or (c) strikes or similar labor action; or (d) any reliance placed by Customer on any market or other information supplied to Customer by TRANSACT. Such information may be unverified and no representation or warranty is given as to the accuracy or reasonableness of such information.

Nothing in this section will exclude any liability of TRANSACT for any loss suffered by Customer that is caused by the gross negligence, intentional misconduct or fraud of TRANSACT.

In the event that TRANSACT is a party to any claim, dispute or loss in connection with Customer's obligations or liabilities arising from the Account, this Agreement, Customer's use of the System or Customer's violation of any third party's rights, including, but not limited to, copyright, proprietary and privacy rights, Customer shall indemnify and reimburse TRANSACT for all losses, damages, fines, penalties, and expenses incurred, including TRANSACT's reasonable attorneys' fees and expenses. TRANSACT shall have the exclusive right to defend, settle or compromise any claim or demand instituted by any third party against TRANSACT or against TRANSACT and Customer.

Customer hereby waives any and all rights Customer may have independently to defend, settle or compromise any such claims or demands and agrees to cooperate to the best of Customer's ability with TRANSACT with respect thereto, but TRANSACT may, in its sole discretion, authorize and require Customer to defend, settle or compromise any such claim or demand as TRANSACT deems to be appropriate at Customer's cost, expense and liability.

#### **15. HEDGE ACCOUNT AGREEMENT AND ELECTION**

If Customer has indicated on the Customer Application that this is a hedge account, Customer represents and warrants to TRANSACT that the Account is carried with TRANSACT for the purpose of hedging commodities as defined in the rules and regulations of the CFTC. The Account will be treated accordingly by Customer with the understanding that Customer will notify TRANSACT in writing if any transactions in the Account are not hedging transactions. Customer agrees that positions carried in the Account will be strictly for hedge purposes, and not for speculation, and further agrees that TRANSACT will rely on this representation that all trades made in the Account will be *bona fide* hedges and that TRANSACT shall have no obligation to inquire into or verify the nature of such trades or incur any liability if, in fact, they may not be such.

If account is a hedge account, Customer must specify whether, in the unlikely event of its broker's bankruptcy, Customer prefers that the trustee liquidate open contracts without seeking Customer's instructions. The trustee should (Check one):

Attempt to contact Customer for instructions regarding the disposition of open contracts in the account.

Liquidate open contracts without seeking Customer's instructions.

#### **16. CREDIT INVESTIGATIONS; ANTI-MONEY LAUNDERING PROVISIONS**

Customer authorizes TRANSACT or its agent to investigate Customer's credit standing and in connection therewith to contact such banks, financial institutions and credit agencies as TRANSACT shall deem appropriate to verify information regarding Customer. Upon reasonable request made in writing by Customer to TRANSACT, Customer shall be allowed to review any records maintained by TRANSACT relating to Customer's credit standing, and Customer also shall be allowed, at Customer's sole cost and expense, to copy such records. TRANSACT and Customer acknowledge that anti-money laundering requirements established by the USA PATRIOT ACT or any regulations established thereunder by applicable governmental agencies or self-regulatory organization shall apply to the Account. Accordingly, Customer shall promptly provide any documents or certifications requested by TRANSACT which TRANSACT believes is necessary or advisable to obtain for anti-money laundering compliance purposes.

#### **17. TERMINATION**

Either party may terminate this Agreement upon notice to the other party. Any termination of this Agreement will not prejudice any accrued rights or obligations relating to any transaction effected prior to termination, any right or remedy available to TRANSACT, or any provision of this Agreement intended to survive termination. Additionally, if Customer owes any amounts to TRANSACT at the time of the termination of this Agreement, TRANSACT may retain or keep possession of any balances in Customer's account in satisfaction of such amounts owed by Customer to TRANSACT or until Customer otherwise pays all amounts owing to TRANSACT.

#### **18. DESIGNATION OF AGENT FOR SERVICE OF PROCESS (APPLIES TO FOREIGN TRADERS AND FOREIGN BROKERS ONLY.)**

CFTC Rule 15.05 provides that a futures commission merchant that executes transactions for the account of a foreign trader or foreign broker will be deemed to be the agent of that foreign trader or foreign broker for purposes of accepting delivery of any communication issued by or on behalf of the CFTC. The futures commission merchant is then required to transmit promptly any such communication to the foreign trader or foreign broker. A foreign trader or foreign broker may, however, designate an agent other than its futures commission merchant. Such alternate designation must be evidenced by a written agreement, which must be provided to the futures commission merchant prior to the opening of the account, and which the futures commission merchant, in turn, must forward to the CFTC. Accordingly, for any foreign trader or foreign broker Customer, unless Customer makes the alternate designation described above, TRANSACT will be deemed Customer's agent (and, if Customer is a broker, the agent of each Customer holding a position in Customer's account) for purposes of receiving and transmitting all CFTC communications to Customer pursuant to CFTC Rules 15.05 and 21.03. This includes, but is not limited to, special calls for information. In the event of a special call for information, TRANSACT shall be required to provide the information set forth in CFTC Regulation 21.03(e). Customer should be aware that failure to respond to a special

call may cause the CFTC to prohibit execution of trades (other than offsetting trades) for Customer for contracts having the expiration date(s) and month(s) set forth in the special call.

## **19. TRADING LIMITATIONS**

TRANSACT at any time in its sole discretion may limit the number of positions which Customer may maintain or acquire through TRANSACT and TRANSACT is under no obligation to effect any transaction for Customer's accounts which would create positions in excess of the limit which TRANSACT has set. Furthermore, TRANSACT may require Customer to reduce open positions at any time. Customer agrees not to exceed the position limits established by the Commodity Futures Trading Commission ("CFTC") or any contract market, whether acting alone or with others, and to promptly advise TRANSACT if Customer is required to file any reports on positions.

## **20. INTRODUCING BROKER**

If the name of the an introducing broker is entered in the space provided at the end of this Agreement, Customer is using such firm as an introducing broker ("IB"). IB's account executive(s) are Customer's broker(s) for purposes of solicitation and the taking and conveying of orders for execution. The IB will supervise its employees for compliance with all applicable rules and regulations in connection with the IB's activities undertaken in connection with this Agreement. Unless TRANSACT receives from Customer prior written notice to the contrary, TRANSACT may accept from the IB, without any inquiry or investigation: (a) orders for the purchase or sale of Commodity Interests, securities and other property in Customer's Account on margin or otherwise and (b) any other instructions concerning Customer's Account or the property therein. Customer understands and agrees that TRANSACT shall have no responsibility or liability to Customer for any acts or omissions of the IB, its officers, employees or agents. Customer agrees that the IB and its employees are third-party beneficiaries of this Agreement and that the terms and conditions hereof, including the Arbitration Agreement, if executed, shall be applicable to all matters between or among Customer, its agents, Customer's IB and its employees and TRANSACT and its employees.

## **21. MISCELLANEOUS**

This Agreement, including the Arbitration Agreement, shall be governed by the laws of the State of Illinois. Any litigation or arbitration arising out of or relating to Customer's account shall, at TRANSACT's discretion, be litigated or arbitrated in Chicago, Illinois and Customer hereby consents to the jurisdiction of the state and federal courts in Chicago, Illinois, for this purpose.

No suit, arbitration, reparations proceeding, claim or action arising out of or relating to this Agreement or the Account covered by this Agreement may be maintained by any party to this Agreement unless commenced within two years after the claim or cause of action has accrued.

This Agreement, including all authorizations, shall inure to the benefit of TRANSACT, its successors and assigns and shall be binding upon Customer and Customer's legal representatives, executors, trustees, administrators, successors and assigns.

If any part, term or provisions of this Agreement is held by any body of competent jurisdiction to be illegal or in conflict with any law or regulations, the validity of the remaining portions or provisions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular portion held to be invalid.

For purposes of this Agreement and notwithstanding any expression or inference herein to the contrary, as used herein, the term "Customer" shall include each and every signatory hereto (other than TRANSACT), the parties intending hereby to create joint and several liability on the part of said signatories for the full performance and fulfillment of all of the duties, obligations, covenants, representations and warranties of Customer hereunder and for the breach of any of them.

This Agreement may be amended by TRANSACT by written notice to Customer; use of TRANSACT's services following such notice shall be deemed to constitute agreement to any such amendment by Customer. No other amendment to this Agreement shall be effective unless reduced to writing and signed by both Customer and a properly authorized executive of TRANSACT. This instrument embodies the entire Agreement of the parties, superseding any and all prior agreements, and there are no terms, conditions or obligations other than those contained herein. Notwithstanding the above, Customer acknowledges that Customer, upon execution of this Agreement and from time to time, may enter into certain additional agreements with, or receive certain disclosure documents from, TRANSACT as required by applicable law or Exchange rule or as may be customary in the

Commodity Interest brokerage industry. Customer acknowledges that such other agreements or documents shall be valid and binding upon Customer.

The rights and remedies conferred upon TRANSACT shall be cumulative, and the exercise or waiver of any shall not preclude the exercise of additional rights and remedies.

Customer authorizes TRANSACT to transfer and assign Customer's account and this Agreement to another futures commission merchant in accordance with applicable CFTC regulations. Customer may not transfer or assign this Agreement without TRANSACT's prior written consent.

**22. INDEMNIFICATION**

Customer hereby agrees to indemnify TRANSACT and hold TRANSACT harmless from any liability, cost or expense (including attorneys' fees and expenses and any fines or penalties imposed by any governmental agency, contract market, exchange, clearing organization or other self-regulatory body) which TRANSACT may incur or be subjected to with respect to Customer's account or any transaction or position therein. Without limiting the generality of the foregoing, Customer agrees to reimburse TRANSACT on demand for any cost of collection incurred by TRANSACT in collecting any sums owing by Customer under this agreement and any cost incurred by TRANSACT in successfully defending against any claims asserted by Customer, including all attorneys' fees, interest and expenses.

**23. ACKNOWLEDGMENT OF DISCLOSURES AND SIGNATURE**

CUSTOMER HEREBY UNDERSTANDS THE CUSTOMER ACCOUNT AGREEMENT AND CONSENTS AND AGREES TO ALL OF THE TERMS AND CONDITIONS OF AGREEMENT SET FORTH ABOVE. CUSTOMER ACKNOWLEDGES THAT TRADING IN COMMODITY INTERESTS IS SPECULATIVE, INVOLVE A HIGH DEGREE OF RISK AND IS APPROPRIATE ONLY FOR PERSONS WHO CAN ASSUME RISK OF LOSS IN EXCESS OF THEIR MARGIN DEPOSIT. **CUSTOMER ACKNOWLEDGES THAT CUSTOMER HAS READ, UNDERSTANDS AND ACCEPTS THE RISKS OF USING THE TRANSACT SYSTEM, INCLUDING AUTOMATIC LIQUIDATION (SEE PAGE 8 AND 9).**

\_\_\_\_\_  
**Printed Customer Name**

\_\_\_\_\_  
**Printed Name of Signatory**

By: \_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title of Signatory**

\_\_\_\_\_  
**Date**

\_\_\_\_\_

If Customer is using an Introducing Broker to enter orders, fill in the name and contact details of the Introducing Broker in the space provided below.

\_\_\_\_\_  
Introducing Broker

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Address and telephone number

## Acknowledgement of Receipt of Risk Disclosure Statements

Customer hereby acknowledges receipt and Customer's understanding of each of the following documents prior to the opening of the account:

Rick Disclosure Statement for Futures and Options (pp. 1 and 2)

By: \_\_\_\_\_

Electronic Trading And Order Routing Systems  
Disclosure Statement (p. 3)

By: \_\_\_\_\_

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### Optional Election

The following provision, which is set forth in this agreement, need not be entered into to open the Account. To accept the specified provision, sign where indicated.

SUBORDINATION AGREEMENT  
(Agreement Paragraph 9)

By: \_\_\_\_\_

## **Authorization for Transactions in Which TransAct May Be on the Other Side**

The undersigned consents to transactions whereby other customers of TRANSACT, TRANSACT, its managing directors, officers, employees and/or any affiliate or parent company of TRANSACT or any floor broker utilized by TRANSACT may be on the opposite side of orders in Commodity Interests placed for such Customer's Account provided that such transactions are in conformity with regulations of the Commodity Futures Trading Commission and the by-laws, rules and regulations of the Exchange on which such orders are executed.

By: \_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name of Signatory**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Title of Signatory**

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## **Consent to Electronic Transmission of Statements**

By signing below, Customer consents to the electronic delivery of confirmation, purchase-and-sale and monthly statements (collectively, "Statements"). Customer understands that no hard copy of such Statements shall be sent to Customer by regular mail. Customer's consent to electronic delivery of Statements shall be effective until further notice; Customer shall have the right to revoke such consent at any time. There is no special cost to Customer to receive Statements by electronic delivery. Unless otherwise specified below, delivery will be by e-mail to the e-mail address listed.

By: \_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name of Signatory**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Title of Signatory**

\_\_\_\_\_  
**E-mail Address to Send Statements**

**CONSENT TO JURISDICTION (Must be signed by all accounts)**

All actions or proceedings arising with respect to any controversy arising out of this Agreement or orders entered or transactions effected for Customer's accounts shall be litigated, at the discretion and election of TRANSACT, only in courts whose situs is within Chicago, Illinois and Customer hereby submits to the jurisdiction of the courts of the State of Illinois, located in Chicago, Illinois, and the jurisdiction of the United States District Court of the Northern District of Illinois, Eastern Division. Customer shall accept court service of process by registered or certified mail addressed to the address provided in the Customer Application or to such other address as Customer has supplied to TRANSACT in writing, and such service shall constitute personal service of such process. Customer waives any right Customer may have to transfer or change the venue of any litigation brought against Customer by TRANSACT.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Signatory

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Signatory

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**DISCLOSURE STATEMENT RELATING TO NON-CASH MARGIN**

THIS STATEMENT IS FURNISHED TO YOU BECAUSE RULE 190.10(C) OF THE COMMODITY FUTURES TRADING COMMISSION REQUIRES IT FOR REASONS OF FAIR NOTICE UNRELATED TO THIS COMPANY'S CURRENT FINANCIAL CONDITION.

1. YOU SHOULD KNOW THAT IN THE UNLIKELY EVENT OF THIS COMPANY'S BANKRUPTCY, PROPERTY, INCLUDING PROPERTY SPECIFICALLY TRACEABLE TO YOU, WILL BE RETURNED, TRANSFERRED OR DISTRIBUTED TO YOU, OR ON YOUR BEHALF, ONLY TO THE EXTENT OF YOUR PRO RATA SHARE OF ALL PROPERTY AVAILABLE FOR DISTRIBUTION TO CUSTOMERS.
2. FURTHER NOTICE CONCERNING THE TERMS FOR THE RETURN OF SPECIFICALLY IDENTIFIABLE PROPERTY WILL BE BY PUBLICATION IN A NEWSPAPER OF GENERAL CIRCULATION.
3. THE COMMISSION'S REGULATIONS CONCERNING BANKRUPTCIES OF COMMODITY BROKERS CAN BE FOUND AT 17 CODE OF FEDERAL REGULATIONS PART 190.

**THE FOLLOWING ARBITRATION AGREEMENT IS OPTIONAL AND MAY BE DECLINED BY CUSTOMER. PLEASE REVIEW THESE PROVISIONS CAREFULLY BEFORE SIGNING.**

## **ARBITRATION AGREEMENT**

Any controversy or claim arising out of or relating to Customer's account including any claim against TRANSACT FUTURES, a division of YORK BUSINESS ASSOCIATES, L.L.C. ("TRANSACT"), or any past or present officer, shareholder, affiliate, agent, alleged agent, employee or associated person of TRANSACT, or any other person for whose acts TRANSACT is alleged to be liable, including any dispute regarding the scope and applicability of this section, shall be settled by arbitration upon either 1) the contract market on which the disputed transaction was executed or could have been executed, 2) National Futures Association or 3) the American Arbitration Association. Any award rendered thereon by the arbitrators shall be final and binding on each and all of the parties thereto and their personal representatives and judgment may be entered in any court having jurisdiction thereof.

Notification of your intent to arbitrate must be sent by certified mail to TRANSACT at its office in Chicago, Illinois. At such time as you may notify TRANSACT that you intend to submit a claim to arbitration, or at such time as TRANSACT notifies you of its intent to submit a claim to arbitration, you will have the opportunity to elect a qualified forum for conducting the proceeding from a list TRANSACT will provide to you within 10 days of receipt of such notice. If you fail to make a selection within 45 days of receipt of such list, TRANSACT then has the right to make a selection from the list.

TRANSACT acknowledges that it will be required to pay any incremental fees which may be assessed by a qualified forum for provision of a mixed panel, unless the arbitrators determine that the Customer has acted in bad faith in initiating or conducting that proceeding.

**THREE FORUMS EXIST FOR THE RESOLUTION OF COMMODITY DISPUTES: CIVIL COURT LITIGATION, REPARATIONS AT THE COMMODITY FUTURES TRADING COMMISSION (CFTC) AND ARBITRATION CONDUCTED BY A SELF-REGULATORY OR OTHER PRIVATE ORGANIZATION.**

**THE CFTC RECOGNIZES THAT THE OPPORTUNITY TO SETTLE DISPUTES BY ARBITRATION MAY IN SOME CASES PROVIDE MANY BENEFITS TO CUSTOMERS, INCLUDING THE ABILITY TO OBTAIN AN EXPEDITIOUS AND FINAL RESOLUTION OF DISPUTES WITHOUT INCURRING SUBSTANTIAL COSTS. THE CFTC REQUIRES, HOWEVER, THAT EACH CUSTOMER INDIVIDUALLY EXAMINE THE RELATIVE MERITS OF ARBITRATION AND THAT YOUR CONSENT TO THIS ARBITRATION AGREEMENT BE VOLUNTARY.**

**BY SIGNING THIS AGREEMENT YOU: (1) MAY BE WAIVING YOUR RIGHT TO SUE IN A COURT OF LAW; AND (2) ARE AGREEING TO BE BOUND BY ARBITRATION OF ANY CLAIMS OR COUNTERCLAIMS WHICH YOU OR TRANSACT MAY SUBMIT TO ARBITRATION UNDER THIS AGREEMENT. YOU ARE NOT, HOWEVER, WAIVING YOUR RIGHT TO ELECT INSTEAD TO PETITION THE CFTC TO INSTITUTE REPARATIONS PROCEEDINGS UNDER SECTION 14 OF THE COMMODITY EXCHANGE ACT WITH RESPECT TO ANY DISPUTE WHICH MAY BE ARBITRATED PURSUANT TO THIS AGREEMENT. IN THE EVENT A DISPUTE ARISES, YOU WILL BE NOTIFIED IF TRANSACT INTENDS TO SUBMIT THE DISPUTE TO ARBITRATION. IF YOU BELIEVE A VIOLATION OF THE COMMODITY EXCHANGE ACT IS INVOLVED AND IF YOU PREFER TO REQUEST A SECTION 14 "REPARATIONS" PROCEEDING BEFORE THE CFTC, YOU WILL HAVE 45 DAYS FROM THE DATE OF SUCH NOTICE IN WHICH TO MAKE THAT ELECTION.**

**YOU NEED NOT SIGN THIS AGREEMENT TO OPEN AN ACCOUNT WITH TRANSACT. SEE 17 CFR 180.1-180.5.**

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Signatory

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Signatory

**FORM OF RESOLUTIONS FOR CORPORATION'S BOARD OF DIRECTORS**

*Corporations (whether for profit, not for profit, municipal or otherwise), foundations, and other customers which have a governing body (e.g., a Board of Directors) are required to have such governing body adopt the resolutions set forth below, or its equivalent under applicable law, authorizing the opening of an account and to submit to TRANSACT a Secretary's or Clerk's Certificate as set forth below certifying as to such resolutions. Alternatively, Customers may use their own form of authorizing resolution if acceptable to TRANSACT.*

**CERTIFIED COPY OF RESOLUTIONS**

I, being the duly appointed Secretary of the below-named corporation ("Corporation"), organized and existing under and by virtue of the laws of the State listed below, do hereby certify that the following Resolutions are true and complete copies of Resolutions adopted at a meeting of the Board of Directors of said corporation duly called and held on the date set forth below, at which a quorum was present and voting, that said Resolutions are not in conflict with the Charter and By-Laws of Corporation, that said Resolutions are reflected in the minutes of the Board of Directors, and that all agreements signed pursuant to said Resolutions shall be, continuously thereafter from the date they are executed, official records of the corporation:

BE IT RESOLVED that TRANSACT FUTURES, a division of YORK BUSINESS ASSOCIATES, L.L.C. ("TRANSA CT") is hereby designated as a Broker authorized to establish one or more accounts on behalf of Corporation for the purpose of trading in futures contracts, options forward contracts, commodities, and all related instruments and transactions, including securities, and that TRANSACT is authorized to act on behalf of this corporation upon the written or oral direction of any officer hereof.

BE IT RESOLVED, that the President, any Vice President, the Secretary and the Treasurer of this Corporation, and each of them, are hereby authorized and directed to make, execute and deliver a Customer Agreement with TRANSACT and any other documents required by TRANSACT to open and maintain an account or accounts with TRANSACT on behalf of this corporation.

BE IT RESOLVED, that any one of the following individuals is hereby authorized to enter orders for our accounts, to confirm the correctness of transactions, and to deal fully with TRANSACT with respect to such accounts:

\_\_\_\_\_  
Name of Authorized Individual

and that this authorization shall remain in effect until such time as TRANSACT receives WRITTEN NOTICE from this Corporation of additions or deletions.

\_\_\_\_\_, \_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary Signature

\_\_\_\_\_  
Corporation Name

\_\_\_\_\_  
Secretary Name (Printed)

\_\_\_\_\_  
State of Incorporation

\_\_\_\_\_  
Date Resolution Adopted

## PARTNERSHIP ACCOUNT AGREEMENT

In consideration of TRANSACT carrying an account(s) in the name of \_\_\_\_\_ ("Partnership"), which the undersigned are general partners, for the execution and clearance of orders involving the purchase and sale of Commodity Contracts (as defined in the Customer Agreement) and in conjunction with the terms and conditions of the Customer Agreement, we agree, represent and consent to the following:

1. \_\_\_\_\_ and \_\_\_\_\_ general partner(s) of the Partnership, shall have full authority for the Account:
  - (a) To buy, sell and trade in Commodity Interests;
  - (b) To deposit with and withdraw from the Account money, commodities, checks and other negotiable instruments, securities and other property, including withdrawals to or for the individual use or account of the partner directing the sale or of any partner;
  - (c) To receive and acquiesce in the correctness of notices, confirmations, requests, demands and communications of every kind;
  - (d) To settle, compromise, adjust and give releases with respect to any and all claims, demands, disputes, and controversies; and
  - (e) To make agreements and take any other action relating to the Account and any of the foregoing matters.

This enumeration of specific authority shall not in any way limit or affect any other authority, which any general partner of the Partnership might otherwise have. If an independent party has been authorized to trade this account, a signed TRANSACT Power of Attorney agreement form must be attached (See page 25).

2. Each general partner of the Partnership, whether now or subsequently admitted to the Partnership, is jointly and severally liable for any and all obligations arising out of the transactions in the Account and is bound by all terms and conditions of the Customer Agreement and all related documents signed on behalf of the Partnership.
3. Upon the death of any of the general partners, or in the event of any of the events listed in paragraph 10 of the Customer Agreement, TRANSACT is authorized to take action in regard to the Account as TRANSACT in its sole discretion, deems advisable to protect itself against any liability, damage or loss. Each general partner is responsible for notifying TRANSACT immediately of the death of any general partner and of any material change in the Partnership.
4. All accounts which any general partner of the Partnership has with TRANSACT, whether individually or jointly, and the funds and property therein, are pledged with and to TRANSACT and shall be subject to a general lien and security interest for the payment of any liability the account may have to TRANSACT. At any time, in TRANSACT's discretion and without prior demand, notice, tender or call to any general partner, TRANSACT may apply and transfer any or all funds or other property in any general partner's account to the Account in order to discharge all or any part of any debts, deficits or other obligations incurred in or by the Account.
5. Each general partner is at least 21 years of age; the Partnership has authority to open the Account; and the transactions contemplated are not prohibited by the governing documents of the Partnership or applicable law. The Partnership is a duly organized and a validly existing partnership under the laws of the state in which it is formed.
6. In addition to the indemnities provided in the Customer Agreement, the general partners, the Partnership, and their respective successors and assigns will indemnify and hold harmless TRANSACT, its agents, and their respective successors and assigns from any and all loss, damage or liability arising out of claims that actions or instructions of any general partner were not duly authorized by the Partnership or were incurred because at any time any representation or warranty contained herein or in the Customer Agreement or in any other related document was not true and correct.
7. The authority granted herein is a continuing one and shall remain in full force and effect until TRANSACT shall receive written notice of revocation or modification. This agreement in no way limits or restricts any rights which TRANSACT may have under any other agreement with the Partnership or any general partner.

**PARTNERSHIP ACCOUNT AGREEMENT** – (Continued)

8. Attached is a true and correct copy of the partnership agreement of the Partnership and, if applicable, the certificate of limited partnership of the Partnership. If there is no written partnership agreement, check this box.
9. None of these provisions may be changed orally and no provision hereof shall in any respect be altered or modified unless such amendment is committed to writing and signed by an authorized TRANSACT officer. Furthermore, no waiver, change, alteration or modification may be implied from any course of dealing between TRANSACT and you or from any failure or delay by TRANSACT to assert its rights under this Agreement on any occasion(s).

SIGNATURES OF ALL GENERAL PARTNER(S)

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

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

X \_\_\_\_\_  
Signature

X \_\_\_\_\_  
Signature

Date \_\_\_\_\_

Date \_\_\_\_\_

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

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

X \_\_\_\_\_  
Signature

X \_\_\_\_\_  
Signature

Date \_\_\_\_\_

Date \_\_\_\_\_

**IF A POOL (EXEMPT & NON-EXEMPT, ALIKE),  
ALL RELEVANT DISCLOSURE DOCUMENTS AND/OR  
EXEMPTION LETTERS ARE TO BE SUBMITTED.**

**(PLEASE SIGN THIS PAGE)**

## FORM OF LIMITED LIABILITY COMPANY AUTHORIZATION

*LLCs are required to have their board of managers or equivalent governing person(s) adopt the resolutions set forth below, or its equivalent under applicable law, authorizing the opening of an account and to submit to TRANSACT a Secretary's or Clerk's Certificate as set forth below certifying as to such resolutions. Alternatively, Customers may use their own form of authorizing resolution if acceptable to TRANSACT.*

### CERTIFIED COPY OF RESOLUTIONS

I, being the duly appointed Secretary, Manager and/or Member of the below-named LLC ("LLC"), organized and existing under and by virtue of the laws of the State listed below, do hereby certify that the following Resolutions are true and complete copies of Resolutions adopted at a meeting of the Board of Managers or Members of said LLC duly called and held on the date set forth below, at which a quorum was present and voting, that said Resolutions are not in conflict with the LLC Agreement of said LLC, that said Resolutions are reflected in the minutes of the LLC, and that all agreements signed pursuant to said Resolutions shall be, continuously thereafter from the date they are executed, official records of the LLC:

BE IT RESOLVED that TRANSACT FUTURES, a division of YORK BUSINESS ASSOCIATES, L.L.C. ("TRANSACT") is hereby designated as a Broker authorized to establish one or more accounts on behalf of said LLC for the purpose of trading in futures contracts, options, forward contracts, commodities, and all related instruments and transactions, including securities, and that said Broker is authorized to act on behalf of this corporation upon the written or oral direction of any officer hereof.

BE IT RESOLVED, that the below-named officers, Managers, or Members of this LLC, and each of them, are hereby authorized and directed to make, execute and deliver a Customer Agreement with TRANSACT, and any other documents required by TRANSACT to open and maintain an account or accounts with TRANSACT on behalf of this LLC.

BE IT RESOLVED, that any one of the following individuals is hereby authorized to enter orders for our accounts, to confirm the correctness of transactions, and to deal fully with TRANSACT with respect to such accounts:

\_\_\_\_\_  
Name of Authorized Individual

and that this authorization shall remain in effect until such time as TRANSACT receives WRITTEN NOTICE from this LLC of additions or deletions.

\_\_\_\_\_, \_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary Signature

\_\_\_\_\_  
LLC Name

\_\_\_\_\_  
Secretary Name (Printed)

\_\_\_\_\_  
State of Organization

\_\_\_\_\_  
Date Resolution Adopted

**A copy of the current LLC Operating Agreement and a complete list of all members with their mailing addresses must accompany this authorization.**

# FORM W-9

Form **W-9**  
 (Rev. December 2000)  
 Department of the Treasury  
 Internal Revenue Service

## Request for Taxpayer Identification Number and Certification

**Give form to the  
 requester. Do not send  
 to the IRS.**

Please print or type

Name (See <b>Specific Instructions</b> on page 2.)	
Business name, if different from above (See <b>Specific Instructions</b> on page 2.)	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ? .....	
Address (number, street, and apt. or suite no.)	Requester's name and address (Optional)
City, State, and ZIP code	

Part I	Taxpayer Identification Number (TIN)										
Enter Your TIN in the appropriate box. For individuals, this is your social security number (SSN). <b>However, for a resident alien, sole proprietor, or disregarded entity, see the Part 1 instructions on page 2.</b> For other entities, it is your employer Identification number (EIN). If you do not have a number, See <b>How To Get a TIN</b> on page 2. <b>Note:</b> <i>If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter</i>											
	Social security number <table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>										
or											
	Employer identification number <table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td><td style="width: 10%;"></td> </tr> </table>										

	List account number(s) here (Optional)
Part II	For U.S. Payees Exempt From Backup Withholding (See the instructions on page 2)
?	

### Part III Certification

Under Penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

**Certification Instructions.-** You must cross out item **2** above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item **2** does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

<b>Sign Here</b>	<b>Signature of U.S. Person ?</b>	<b>Date ?</b>

# Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.  
 ▶ Give this form to the withholding agent or payer. Do not send to the IRS.

**Do not use this form for:**

- A U.S. citizen or other U.S. person, including a resident alien individual . . . . . W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States . . . . . W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

**Note:** *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary . . . . . W-8IMY

**Note:** See instructions for additional exceptions.

**Instead, use Form:**

## Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner	2 Country of incorporation or organization
3 Type of beneficial owner: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Disregarded entity <input type="checkbox"/> Partnership <input type="checkbox"/> Simple trust <input type="checkbox"/> Grantor trust <input type="checkbox"/> Complex trust <input type="checkbox"/> Estate <input type="checkbox"/> Government <input type="checkbox"/> International organization <input type="checkbox"/> Central bank of issue <input type="checkbox"/> Tax-exempt organization <input type="checkbox"/> Private foundation	
4 Permanent residence address (street, apt. or suite no., or rural route). <b>Do not use a P.O. box or in-care-of address.</b>	
City or town, state or province. Include postal code where appropriate.	Country (do not abbreviate)
5 Mailing address (if different from above)	
City or town, state or province. Include postal code where appropriate.	Country (do not abbreviate)
6 U.S. taxpayer identification number, if required (see instructions) <input type="checkbox"/> SSN or ITIN <input type="checkbox"/> EIN	7 Foreign tax identifying number, if any (optional)
8 Reference number(s) (see instructions)	

## Part II Claim of Tax Treaty Benefits (if applicable)

9 I certify that (check all that apply):

- a  The beneficial owner is a resident of ..... within the meaning of the income tax treaty between the United States and that country.
- b  If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).
- c  The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).
- d  The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).
- e  The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, \$500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article ..... of the treaty identified on line 9a above to claim a ..... % rate of withholding on (specify type of income):.....  
 Explain the reasons the beneficial owner meets the terms of the treaty article: .....

## Part III Notional Principal Contracts

11  I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

## Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

**Sign Here** ▶

.....  
 Signature of beneficial owner (or individual authorized to sign for beneficial owner)      Date (MM-DD-YYYY)      Capacity in which acting

**THIS DISCRETIONARY ACCOUNT TRADING AUTHORIZATION AND SUBSEQUENT ACKNOWLEDGMENTS ARE TO BE COMPLETED ONLY IF CUSTOMER IS REPRESENTED BY AND ACTING THROUGH AN ACCOUNT MANAGER/COMMODITY TRADING ADVISOR.**

Customers that authorize other persons to trade in futures contracts and option contracts on their behalf must either (1) complete and execute the Trading Authorization set forth below or (2) furnish TRANSACT with such other authorization acceptable to TRANSACT under which Customer gives trading authority over Customer's Account to a third party.

**DISCRETIONARY ACCOUNT TRADING AUTHORIZATION**

To: TRANSACT FUTURES

The undersigned Customer ("Customer") hereby authorizes the below-named Account Manager as Customer's agent and attorney-in-fact to buy and sell (including short sales) securities, futures contracts, commodities, forward contracts, and/or contracts relating to the same on margin or otherwise in accordance with your terms and conditions for Customer's account and risk in Customer's name or number on your books.

You are authorized to follow the instructions of the aforesaid agent in every respect concerning Customer's account with you, and to make transfers and/or deliveries of securities and payment of monies to such agent or as such agent may order and direct. In all matters necessary or incidental to the conduct of the account of Customer, the aforesaid agent is authorized to act for customer in the same manner and with the same force and effect as Customer might or could do.

Customer hereby ratifies and confirms any and all transactions with you heretofore or hereafter made by the aforesaid agent on behalf of or for the account of Customer.

This authorization is in addition to (and in no way limits or restricts) any rights you may have under any other agreement between Customer and you.

This authorization is a continuing one and shall remain in full force and effect until revoked by Customer by a written notice to TRANSACT FUTURES, a division of YORK BUSINESS ASSOCIATES, L.L.C., but such revocation shall not affect any liability in any way resulting from transactions initiated prior to the receipt of such notice of revocation by you. This authorization shall inure to the benefit of your present firm and of any successor firm or firms irrespective of any change or changes at any time in personnel thereof or for any cause whatsoever, and of the assigns of your present firm or any successor firm.

Customer acknowledges that it has received from its agent and attorney-in-fact either a disclosure document or an explanation why a disclosure document is not required, as set forth in the Account Manager Acknowledgment.

\_\_\_\_\_  
NAME OF ACCOUNT MANAGER/AGENT  
AND ATTORNEY-IN-FACT

\_\_\_\_\_  
ADDRESS OF ACCOUNT MANAGER/AGENT AND ATTORNEY-IN-FACT

Customer

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name of Signatory

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Signatory

**ACCOUNT MANAGER ACKNOWLEDGMENT**

The undersigned Account Manager, which is authorized to exercise discretion and to act on behalf of Customer with respect to Customer's account, acknowledges and agrees as follows:

1. Account Manager is duly authorized and empowered to execute and deliver this Acknowledgment and to effect transactions through TRANSACT as contemplated by the foregoing Customer Agreement and accompanying agreements and disclosures.
2. Account Manager has reviewed the registration requirements of the Commodity Exchange Act and National Futures Association pertinent to commodity pool operators and commodity trading advisors and warrants that it is in compliance with such requirements with respect to Customer's account as applicable.
3. Account Manager represents that it has provided to Customer a disclosure document concerning Account Manager's trading advice or a written statement explaining why Account Manager is not required under applicable law to provide such a disclosure document to Customer: (check one)

    ? Account Manager has provided a disclosure document to Customer

    ? Account Manager is not required to provide a disclosure document to Customer for the following reason:

-----  
-----

Account Manager

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



*Integrating Technology, Clearing + Support*

## TRANSACT FUTURES

### NOTICE OF YOUR FINANCIAL PRIVACY RIGHTS

This is our privacy notice for our customers. When we use the words "you" and "your" we mean all of our consumers or customers who have a continuing relationship with us, such as customers who maintain a futures account with us.

We will tell you the sources for nonpublic personal information we collect on our customers. We will tell you what measures we take to secure that information.

First, we'll define some terms:

**We, our, and us** means YORK Business Associates, LLC.

**Nonpublic personal information** means information about you that we collect in connection with providing a financial product or service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records.

An **affiliate** is a company we own or control, a company that owns or controls us, and a company that is owned or controlled by the same company that owns or controls us. Ownership does not mean complete ownership, but means owning enough to have control.

A **nonaffiliated third party** is a company that is not an affiliate of ours.

#### INFORMATION THAT WE COLLECT

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms, or through telephone conversations with you
- Information about the services you receive from, or your transactions with, us or our affiliates
- Information about the services you receive from, or your transactions with, **nonaffiliated third parties**
- Information from a consumer reporting agency

#### INFORMATION THAT WE DISCLOSE

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

#### THE CONFIDENTIALITY, SECURITY AND INTEGRITY OF YOUR NONPUBLIC PERSONAL INFORMATION

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

## FUTURES ACCOUNT AGREEMENT CHECKLIST

	<u>Page</u>	<u>Signature/fill in</u> <u>Page</u>
<b>FOR ALL ACCOUNTS:</b>		
• Customer Information	5	5, 6
• Customer Agreement	7	16
• Hedge Election (if applicable)	13	14
• Acknowledgement of Receipt of Risk Disclosure Statements	17	17
• Subordination Agreement (optional)	17	17
• Authorization for Transactions in which TRANSACT May Be on the Opposite Side of Customer Trades	18	18
• Consent to Electronic Transmission of Statements	18	18
• Consent to Jurisdiction	19	19
• Arbitration Agreement (optional)	20	20
• Resolutions for Corporations (if applicable)	21	21
• Partnership Account Agreement (if applicable)	22	22, 23
• Resolutions for LLCs (if applicable)	24	24
• IRS Form W-9	25	25
• IRS Form W-8 (if applicable)	26	26
 <b>FOR DISCRETIONARY ACCOUNTS ONLY:</b>		
• Trading Authorization	27	27
• Account Manager Acknowledgement	28	28

### ADDITIONAL REQUIRED FINANCIAL INFORMATION FOR ALL ACCOUNTS:

- All customers must submit their current audited financial statements with these Agreements. Pension Funds must submit their current Form 5500 filed with the Internal Revenue Service.