



## FCSTONE, LLC CORPORATE CUSTOMER ACCOUNT

### INSTRUCTIONS FOR COMPLETING FORMS

1. Read and retain for your own file the **Risk Disclosure Statement for Futures and Options**.
2. Complete fully the **Corporate Customer Account Agreement** identified as Page 1 of 9 and list all senior officers on page 2 of 9 using a duplicate copy of this page if needed for additional individuals.
3. Read and initial each of the next six pages (3 of 9 through 8 of 9) of the **Customer Agreement**.
4. Complete the **Signature Page** identified as Page 9 of 9 by doing the following:
  - a. Insert the corporation's name and the date, and include the authorized officer's signature at the top of the page regarding Account Authorization and Treatment of Funds.
  - b. If this is a hedge account, list in the middle of the page the commodities you will be hedging.
  - c. Have the authorized officer initial where applicable the lines pertaining to receipt of the CFTC Disclosure Statements and/or Elections. Please note that your receipt of the Disclosure Statement must be acknowledged before an Account may be opened.
  - d. Insert the corporation's name and the date, and include the authorized officer's signature at the bottom of the page.
5. Read and sign the **Authorization for Delivery of Statements by Electronic Media** if you wish to receive your statements by e-mail or fax.
6. Read and sign the **Electronic Trading and Order Routing Systems Disclosure Statement**.
7. Complete the **Certified Corporate Resolutions** form. Please note that signatures are needed by the President, Vice President, Secretary and Treasurer on the third page, and that this certificate should then be signed by the Secretary and acknowledged by the President.
8. Read and sign the **Arbitration Agreement**. Note that this Agreement does not need to be signed in order to open an account.
9. Complete the **Automated Clearing House ("ACH") and Wire Transfer Instructions**.
10. Complete the **IRS Form W-9**.
11. Provide a copy of the corporation's **Articles of Incorporation** and **most recent financial statement**.
12. Due to customer identification requirements associated with anti-money laundering regulations, we may require additional documentation relating to the opening of this account including but not limited to a **legible photocopy of a government issued photo ID for each individual listed** and a **certificate of good standing from the state of incorporation**. While not initially required, we encourage you to provide this information to prevent delays in the opening of the account.
13. After signing, initialing and dating where necessary, keep a copy for your file and return all documents (except the Risk Disclosure Statement for Futures and Options) to:

FCStone, LLC  
Client Service Center  
1251 NW Briarcliff Parkway  
Suite 800  
Kansas City, MO 64116
14. Please note that a new account will not be established unless all of the necessary documents have been completed, signed and returned.

## 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 'leverage' 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 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 option 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 terms 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 specific 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 you should enquire 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 risks associated with the system including the failure of hardware and software. The result of my 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.



**CORPORATE CUSTOMER ACCOUNT AGREEMENT**

Sales Code \_\_\_\_\_ Account Number \_\_\_\_\_

*ALL QUESTIONS ON THIS SECTION OF THE ACCOUNT FORM SHOULD BE ANSWERED*

Firm Name \_\_\_\_\_ TIN (EIN) \_\_\_\_\_

Address \_\_\_\_\_ Year Established \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Nature of Business \_\_\_\_\_ Phone \_\_\_\_\_

Bank Reference \_\_\_\_\_ Bank Account Number \_\_\_\_\_

Bank Address \_\_\_\_\_

*Address to which account statements should be sent (if different from corporate address above)*

C/o \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Working Capital \_\_\_\_\_ Net Worth \_\_\_\_\_

*Please attach most recent financial statement.*

Years of Experience in the following areas: \_\_\_\_\_ Futures \_\_\_\_\_ Futures Options \_\_\_\_\_ Stocks  
\_\_\_\_\_ Stock Options \_\_\_\_\_ Bonds \_\_\_\_\_ Other

Will this account be traded on your behalf by anyone other than you?  NO  YES (If YES, please complete and attach a Managed Account Authorization form.)

Does any other person/entity control the trading of this account? YES  NO

Have a financial interest in this account? YES  NO

Guarantee this account? YES  NO

If you have answered YES to any of the above, please give name(s) of person(s): \_\_\_\_\_

Is there currently pending or has there ever been any litigation, disputed accounts or other matters between commodity or securities brokers, exchanges, or federal or state regulatory bodies and you? NO  YES   
(IF YES, please describe): \_\_\_\_\_

## Senior Officer(s) Information

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title/Position

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

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Customer Signature

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Customer Signature

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Date

**READ THIS ENTIRE AGREEMENT BEFORE SIGNING.** This Agreement is for a Non-Discretionary account unless additional documents are signed, submitted and approved by FCStone, LLC, a Futures Commission Merchant ("FCM"). This is an agreement for FCStone, LLC to act as FCM for the Undersigned in the purchase and sale of commodities futures contracts, commodity option contracts, cash commodities forward contracts, spot and foreign exchange transactions, EFP's, foreign currency-denominated financial instruments, and all other transactions related thereto (hereinafter "Commodity Interests"). This agreement shall be continuous and shall cover, individually and collectively, all accounts of Customer at any time opened and/or accounts from time to time closed and then reopened with FCM, irrespective of any change or changes at any time in the personnel of FCM or its successors, assigns, or affiliates, for any cause whatsoever; shall inure to the benefit of FCM and its successors and assigns, whether by merger, consolidation or otherwise; and shall be binding upon Customer and the estate, executors, administrators, legal representatives, successors and assigns of Customer. Customer hereby ratifies all transactions with FCM effected prior to the date of this agreement, and agrees that the rights and obligations of Customer in respect thereto shall be governed by the terms of this agreement, which supersede all other customer agreements between FCM and Customers. The Undersigned agrees as follows:

1. **Agency.** Customer authorizes FCM to purchase and sell Commodity Interests for Customer's account in accordance with Customers' oral or written instructions, or from a third party in the case of a "managed" or "discretionary" accounts, as given to FCM by Customer's Introducing Broker ("IB") or Associated Person ("AP"). Customer authorizes FCM, for the accounts of Customer, to make such advances and expend such monies and, whenever possible, to borrow and deliver such monies or securities or properties as may be required with respect to such transactions. FCM shall be under no duty or obligation to inquire into the purpose or propriety of any instruction given by any Customer in the case of a joint account and shall be under no obligation to oversee the application of any funds delivered to any Customer or third party in accordance with customers' instructions. All orders to buy or sell Commodity Interests must be complete and contain the following information: (a) Whether such order is a buy or sell order; (b) Customer's Identity and account number; (c) Commodity Interest; (d) Quantity; (e) Price, if applicable; (f) Contract delivery month; (g) Any special instructions.

2. **FCM LIABILITY FOR INTRODUCED ACCOUNTS.** FCM'S SOLE RESPONSIBILITY PURSUANT TO THIS AGREEMENT IS LIMITED TO THE EXECUTION, CLEARING AND BOOKKEEPING OF TRANSACTIONS FOR THE CUSTOMER'S ACCOUNTS ON THE VARIOUS EXCHANGES IN ACCORDANCE WITH INSTRUCTIONS RECEIVED BY FCM FROM THE INDEPENDENT INTRODUCING BROKERS "IIB(S)" IN ACCORDANCE WITH USUAL PRACTICE. THE CUSTOMER SHALL LOOK ONLY TO SAID IIB FOR ANY REDRESS WITH RESPECT TO ANY MATTER OTHER THAN FCM'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN EXECUTING, CLEARING AND/OR BOOKKEEPING OF TRANSACTIONS FOR THE ACCOUNTS OF THE UNDERSIGNED. CUSTOMER ACKNOWLEDGES THE SEPARATION OF FCM AND IIB AND AGREES THAT FCM SHALL NOT BE RESPONSIBLE OR LIABLE WHATSOEVER FOR ANY MATTERS RELATING TO SALES PRACTICE, TRADING PRACTICE OR RECOMMENDATION OR ANY SIMILAR OR OTHER MATTERS WHETHER AUTHORIZED OR UNAUTHORIZED BY THE CUSTOMER. CUSTOMER FURTHER ACKNOWLEDGES THAT THE IIB INTRODUCING THE ACCOUNT TO FCM IS RESPONSIBLE FOR COLLECTING FUNDS ON CUSTOMER'S BEHALF AND DIRECTING THE WITHDRAWAL OF FUNDS FROM CUSTOMER'S ACCOUNT IN EXCESS OF THAT REQUIRED TO MAINTAIN APPLICABLE MARGIN REQUIREMENTS. FCM IS NOT RESPONSIBLE FOR FUNDS UNTIL IT RECEIVES THEM FROM THE CUSTOMER OR IIB.

3. **Margins.** Customer shall deposit with FCM sufficient funds to meet the applicable initial and maintenance margin requirements. FCM may reject any order if Customer does not have sufficient margin on deposit and may delay the processing of any order while determining the correct margin status of Customer's account. Customer shall, without notice or demand maintain adequate margins at all times so as to continuously meet the margin requirements established by FCM. FCM may establish margin requirements and from time to time, change such margin requirements in its sole and absolute discretion and said requirements may exceed the margin requirements set by any commodity exchange or other regulatory authority. Customer agrees, when requested by FCM, to immediately wire transfer funds to adequately maintain margins and to furnish FCM with the names of bank officers for immediate confirmation of such transfers. Choosing not to demand wire transfer of funds or the acceptance of funds by mail shall not constitute a waiver of the right of FCM to demand wire transfer of funds at any time. If at any time Customer's account does not contain the amount of margin required, FCM may, in its sole and absolute discretion, without notice or demand to Customer, close out Customer's open position(s) in whole or in part or take any other action it deems necessary to satisfy such margin requirements. Failure of FCM to close out open position(s) in whole or in part in such circumstances shall not constitute a waiver of its rights to do so at any time thereafter, nor shall FCM be subject to any liability to Customer for its acts or its failure to so act. FCM shall not be liable to Customer for the loss of any margin deposits which is the direct or indirect result of the bankruptcy insolvency, liquidation, receivership, custodianship, or assignment for the benefit of any bank, other clearing broker, exchange, clearing organization, or similar entity. Notwithstanding the above, FCM may, in its discretion, refuse to accept an order from the Customer.

4. **Treatment of Funds.** Customer opens at least two accounts (2) on the books of the FCM. One designated Regulated where all transactions designated as regulated by the Commodity Futures Trading Commission ("CFTC") will be carried, and the other designated Nonregulated where deliveries and/or transactions on foreign exchanges, if any, will be carried. FCM is hereby authorized to transfer funds as it deems necessary between these accounts. Further, if the Customer has more than one Regulated and/or Nonregulated account or has a joint account, from time to time, FCM, in its sole discretion and without prior notice to Customer, may apply or transfer (including segregated funds or other property) interchangeably between any of the Customer accounts at FCM or an affiliate of FCM as may be necessary for margin or to satisfy or reduce any deficit or debit balance in any Customer account.

**5. Indemnification.** Customer agrees to indemnify FCM and hold FCM harmless from and against any and all liabilities, losses, damages, costs and expenses, including accountants' and attorneys' fees, incurred directly or indirectly, by FCM because the Customer's representations and warranties shall not be true and correct in any material respect or the agreements made herein by Customer shall not be fully and timely performed, from any action or omission by Customer with respect to the account(s), including but not limited to, any debit and deficit balances which may occur in Customer's account, interest on any debit and deficit balances calculated from the date hereof at a fluctuating rate per annum equal to the sum of one percent plus the rate of interest then most recently published in *The Wall Street Journal* as the prime rate, taxes that FCM may be required to pay on any commodity interest or other property held in the accounts of the Customer or fine or penalty that FCM may be required to pay because Customer caused FCM to violate any statute, regulation or rule of any exchange or regulatory body. Customer also agrees to pay promptly to FCM all damages, costs and expenses, including attorneys' fees, incurred by FCM in the endorsement of any of the provisions of this agreement.

**6. Acknowledgment Risks.** Customer acknowledges that Commodity Interests trading is a highly speculative activity involving highly leveraged and rapidly fluctuating markets and may result in significant losses, which losses may substantially exceed Customer's margin deposits. Despite such risks, Customer is willing and able to assume the financial risks and other hazards of Commodity Interests trading and agrees that Customer will in no manner hold FCM responsible for losses incurred through following IB's or FCM's trading recommendations or suggestions and expressly hereby waives any claims therefore. FCM is not responsible for delays in transmission, delivery or execution of Customer's orders due to malfunctions of communication facilities or other causes. Customer has read and understands the Risk Disclosure Statement.

**7. Commission Fees.** Customer agrees to pay to FCM commission charges in effect from time to time and any other costs to FCM occasioned by carrying the account of Customer. Customer agrees that FCM may debit Customer's account for customary brokerage and commission charges and for charges for any other services rendered by FCM, including all payments made on behalf of Customer, which charges may vary from time to time, without notice to Customer. Customer agrees to pay any additional fees or commissions charged for taking and/or making deliveries, interest, fees levied by the Regulatory authorities and commissions and fees charged for the transfer of the Customer's account to another FCM.

**8. Interest.** In accordance with Commodity Futures Trading Commission Regulation 1.29, the FCM may receive and retain as its own any increment or interest resulting from the proper investment of the funds held in the Customer's account.

**9. Security Interest.** Customer grants FCM a security interest in all monies, securities, negotiable instruments, open positions in Commodity Interests and all receipts of other documents representing underlying commodities, including without limitation warehouse receipts, and all commodities represented by such receipts or other documents or other property now or at any future time held in Customer's account or which may be in FCM's possession for any purpose, including safekeeping, to secure payment of all obligations of Customer to FCM irrespective of the number of accounts Customer may have with FCM. All funds, securities, commodities, futures contracts, and other Property of the Customer which FCM may, at any time, be carrying for Customer (either individually, jointly with others or as a guarantor of the account of another person) or which at any time may be in FCM's possession or control or carried on its books for any purpose including safekeeping, are to be held by FCM as security and subject to the general lien and right of set-off for all liabilities of Customer to FCM or any affiliate of FCM. FCM may at any time, in its sole and absolute discretion, liquidate any of the above-mentioned items in order to satisfy any margin or account deficiencies including but not limited to debit or deficit balances resulting from transactions executed by the FCM for the Customer, interest charges, service charges, expenses incurred by FCM, including court costs and attorney's fees incurred in collecting debit or deficit balances of Customer in any account and may transfer said property or assets to the general ledger account of FCM or pledge, transfer, or lend such items, all without liability on the part of FCM to Customer or any third party. Furthermore, FCM, is also granted a security interest on all proceeds which now or at any time may come into the Customer's account, and the Customer agrees to execute any and all documents including Uniform Commercial Code financing statements, deemed necessary or advisable by FCM to evidence or perfect such security interest. FCM shall also have full authority to set off, in addition to other rights set forth in this Agreement, all debts owing to the FCM by the Customer against any and all claims which the Customer may have against the FCM. Customer agrees that all demands for debits owing FCM shall be met within twenty-four (24) hours following either of (i) Customer's receipt of FCM's oral request for payment or (ii) FCM's delivery to Customer of FCM's written request for payment (except as payment modified with respect to wire and telephone requests for margin funds as herein set forth).

**10. Failure to Deliver.** Customer agrees to deliver to FCM, at least two business days prior to the delivery date, any security, commodity or property, or documents representing ownership of same (including but not limited to warehouse receipts), previously sold by FCM on Customer's behalf, which FCM in its sole and absolute discretion deems necessary to effect a good delivery pursuant to the rules and delivery procedures of the contract market on which the delivery is contemplated. If at any time Customer shall be unable to deliver to FCM any security, commodity or other property previously sold by FCM on Customer's behalf, Customer authorizes FCM, in FCM's sole discretion, to borrow or buy and deliver the same, and Customer shall immediately pay and indemnify FCM for any costs, interest, losses and damages (including consequential costs, losses and damages) which FCM may sustain from its inability to borrow or buy any such security, commodity or other property. In the event FCM takes delivery of any security, other property or commodity for Customer's account, Customer agrees to indemnify and hold FCM harmless from and against any loss it may suffer resulting, directly or indirectly, from any decline in value of said security, commodity or other property.

**11. Market Information.** Customer acknowledges that (a) any market recommendations or information communicated to Customer do not constitute an offer to sell or the solicitation of an offer to buy any Commodity Interest; (b) such recommendations and information, although based upon information obtained from sources believed to be reliable, may be incomplete and unverified; and (c) FCM and the IB make no representation, warranty, or guarantee as to, and shall not be responsible for the accuracy or completeness of, any information or trading recommendation furnished to Customer. Customer understands that FCM, its affiliates or representatives, and/or the IB may have a position in and may intend to buy or sell Commodity Interests which are the subject of market recommendations furnished to Customer, and that the market position of FCM or any such affiliate or representative and/or the IB may or may not be consistent with the recommendations furnished to Customer by FCM and/or the IB.

**12. Government and Exchange Rules.** All transactions under this Agreement shall be subject to the applicable constitution, rules, regulations, customs, usages, rulings and interpretations of the exchanges, clearing house or markets on which such transactions are executed by FCM for Customer's account, the National Futures Associates ("NFA") and, where applicable, to the provisions of the Commodity Exchange Act, as amended, and the rules and regulations promulgated thereunder and to any other applicable government statutes, rules and regulations. FCM shall not be liable to Customer as a result of any action taken by FCM or its agents in compliance with any of the foregoing rules or laws. This paragraph is solely for the protection and benefit of FCM, and any failure by FCM or its agents to comply with any of the foregoing rules or laws does not relieve Customer of any obligations under this Agreement nor be construed to create rights under this Agreement in favor of Customer against FCM. If any statute, rule, or regulation shall hereafter be adopted by any governmental authority, exchange, board of trade, clearing house, or self regulatory organization, including but not limited to the NFA which shall be binding upon FCM or any exchange clearing member firm selected by FCM and shall affect in any manner or be inconsistent with any of the provisions hereof, the affected provisions of this agreement shall be deemed modified or superseded, as the case may be, by the applicable provisions of such statute, rule, or regulation, and all other provisions of this Agreement and provisions so modified shall in all respects continue in full force and effect.

**13. Clearing.** Unless otherwise specified, FCM is authorized to execute such orders upon any exchange or other place which may be deemed by FCM, in its sole discretion, to be most desirable, including another exchange clearing member firm and/or floor broker selected by FCM, in its sole discretion, either on an omnibus clearing arrangement or on a fully disclosed clearing arrangement. All rights and obligations extended to FCM pursuant to this Agreement, and all other provision of this Agreement shall also become those of such exchange clearing member firm.

**14. Liquidation of Accounts.** In the event (a) of Customer's death or, in the case of a joint account, the death of the last survivor thereof; (b) of a decision to dissolve and/or liquidate by a corporate Customer, which decision shall be immediately communicated to FCM; (c) of the filing of a petition of bankruptcy by or against Customer; (d) of the institution of any similar state, federal or other insolvency proceedings by or against Customer; (e) of the appointment of a receiver for Customer or for any of the assets of Customer; (f) an attachment is levied against Customer's account (or any of them); (g) a notice of levy with respect to Customer's account (or any of them) is served on FCM by any competent taxing authority; (h) Customer fails to timely meet any margin calls; or (i) FCM, for any reason whatsoever, deems itself insecure or if necessary for FCM's protection, then FCM is hereby authorized, in its sole discretion, to sell any or all of the Commodity Interest or other property of Customer which may be in FCM's possession, or which FCM may be carrying for Customer, or to buy in any Commodity Interests or other property of which the account or accounts of Customer may be short, or cancel any outstanding orders, in order to close out the account or account of Customer in whole or in part or in order to close out any commitment made on behalf of Customer, all without any liability on the part of FCM to Customer, or any third party. Such sale, purchase or cancellation may be made according to FCM's judgment and may be made at its sole discretion, on the exchange or other market where such business is usually transacted, including an Exchange for Physicals (EFP) transaction, without notice to Customer or the legal representative of Customer, and FCM may purchase the whole or any part thereof free from any right of redemption, and Customer shall remain liable for any deficiency, it being understood that a prior tender, demand or call of any kind, from FCM, or prior notice from FCM, of the time or place of such sale or purchase shall not be considered a waiver of FCM's rights to sell or buy any Commodity Interests or other property held by FCM or owned by Customer, at any time as hereinbefore provided or to be deemed to require any such tender, demand, call or notice on any subsequent transaction. Further, FCM may, at its option, cause a whole or partial liquidation of Customer's account or the straddling of existing open positions in the event they cannot be satisfactorily liquidated because the market is up or down the limit. Any of the above actions may be taken without demand for margin or additional margin, without prior notice of sale or purchase or other notice or advertisement to Customer, his personal representatives, heirs, executors, administrators, legatees, or assigns, and regardless of whether the ownership interest shall be solely Customer's account or held jointly with others.

**15. Assignment.** The FCM may assign the Customer's account or accounts to another registered FCM by notifying the Customer of the date and name of the intended assignee FCM ten (10) days prior to the assignment. Unless the Customer objects to the assignment in writing prior to the scheduled date for the assignment, the assignment will be binding on the Customer.

**16. Events Beyond Control of FCM.** FCM shall not be responsible for any loss or damage caused directly or indirectly, by any events, actions or omissions beyond the control of FCM, including without limitation, loss or damage resulting, directly or indirectly, from any delays or inaccuracies in the transmission of orders or other information due to a breakdown in or failure of any transmission or communication facilities.

**17. Notice and Reports.** All communications, reports, statements, monies, securities, negotiable instruments, and other property, whether by mail, courier, telephone, e-mail, messenger, electronic communication, or otherwise (in the case of mailed notices), or communicated (in the case of telephone and e-mail notices), sent to Customer at Customer's address (or telephone number and or e-mail address) as given to FCM from time to time shall constitute personal delivery to Customer whether or not actually received by Customer, and Customer hereby waives all claims resulting from failure to receive such communications. Customer shall make all payments, except with regard to wire transfers discussed above, and deliver all notices and communications to FCM'S EXECUTIVE OFFICE LOCATED AT SUITE 10-500, 230 SOUTH LASALLE STREET, CHICAGO, IL, 60604, ATTN: COMPLIANCE DEPT. Customer agrees to immediately open, read and act on all communications sent to Customer by FCM. Confirmations of trades, statements of account, margin calls, and any other written notices shall be binding on Customer for all purposes. Reports of executions and all statements of account rendered by FCM from time to time to Customer shall be conclusively deemed correct and final, unless Customer calls any error therein to FCM's attention in writing (a) prior to the start of business on the next business day following notification, in the case of margin calls and reports of executions and (b) within 5 days of delivery to Customer, in the case of statements of account and any written notices (other than trade confirmations or margin calls) or demands. FAILURE TO SO NOTIFY FCM SHALL BE DEEMED RATIFICATION OF ALL ACTIONS TAKEN BY FCM OR FCM'S AGENT PRIOR TO SAID INFORMATION BEING FURNISHED TO CUSTOMER. Customer agrees that in the event of a discrepancy in the status of Customer's account, Customer will take reasonable measures to rectify such discrepancies, including but not limited to buying or selling contracts, as appropriate at the best available price within a reasonable time from the discovery of such discrepancy. In the event that a discrepancy is due solely to FCM's error, FCM agrees to credit Customer's account for the discrepancy; provided,

however, that Customer has taken reasonable measures to correct such discrepancy as set forth above. FCM shall not be responsible for any amount unrealized or any loss to Customer's account due to Customer's failure to take reasonable measures to correct any account discrepancy. Customer further agrees to contact FCM by telephone to verify the account status within two (2) business days after placing any order if Customer has not been advised by telephone of the status of such order by FCM within twenty-four (24) hours after said order(s) was/were placed. CUSTOMER AGREES THAT FAILURE TO CONTACT FCM AS PROVIDED ABOVE SHALL RELIEVE FCM OF ANY RESPONSIBILITY ARISING FROM THE LACK OF EXECUTION OF SUCH ORDER(S). CUSTOMER FURTHER ACKNOWLEDGES THAT ALL ORDERS SHALL BE GOOD FOR THE DAY SUCH ORDERS ARE PLACED ONLY, UNLESS SPECIFIED BY THE CUSTOMER TO BE OPEN ORDERS. None of these provisions, however, will prevent FCM, upon discovery of any error or omission, from correcting it. The parties agree that such errors, whether resulting in profit or loss, will be corrected in Customer's account, will be credited or debited so that it is in the same position it would have been in if the error had not occurred. Whenever a correction is made, FCM will promptly make written notification to Customer.

**18. Modification.** This Agreement may be altered, modified or amended by FCM from time to time by written notice to Customer unless Customer shall object within three (3) business days of receipt thereof to such modification, alteration or amendment. No other modification, amendment or addition to this Agreement shall be effective unless reduced to writing and signed by both Customer and an Executive Officer of the FCM. 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. Customer represents that Customer has not altered, modified or changed this Agreement.

**19. Trading Representations.** The Customer understands that on certain trading days, trading in certain commodities, commodity options, leverage contracts and underlying commodities or futures contracts may cease or expire and that, with respect to commodity options and underlying commodities or futures contracts traded outside the United States, trading days and hours may not coincide with domestic trading days or hours and that these may result in financial disadvantage to Customer. The Customer hereby agrees to hold FCM, FCM's officers, partners, and agents including the IB harmless against such loss.

**20. Further Representations.** The Customer represents, warrants and agrees that: (a) All of the information contained on the Customer Fact Sheet is true, correct and complete as of the date hereof and since FCM is relying thereon undersigned will promptly notify the FCM of any changes herein; (b) The trading in Commodity Interests is within the power of the Customer and such activity will in no matter contravene the provisions of any statutes, rules or regulations, judgments, orders or decrees or agreements to which the Customer is bound or subject; (c) If Customer is a corporation, it is duly organized and in good standing under the laws of the state of its incorporation and every state in which it does business; (d) The actions of the authorized person designated on the Customer Fact Sheet to act for the Customer has been authorized by all necessary or appropriate corporate action if applicable, such person has full authority to execute this Customer Agreement and all related documents on behalf of the Customer and to act for Customer in all matters regarding Customer's account(s) and FCM may at all times rely on the fact of such authority without any duty to investigate into either the authenticity or extent thereof; (e) If applicable, Customer will confirm the matters contained in paragraph 20(d) by supplying FCM, within a reasonable time, prior to the commencement of trading, with an executed copy of resolutions of the Board of Directors of Customer in a form prescribed by FCM; (f) If Customer is a partnership, the partnership has express authority to speculate in Commodity Interests; and (g) Customer has never been suspended or barred from trading by the Commodity Futures Trading Commission or any predecessor agency or any other federal or state regulatory agency or any exchange or trade association, and Customer undertakes to notify FCM of any change in such status within two (2) business days of any such change. Customer further represents that he is of legal age and sound mind and that, except as disclosed in writing to FCM, no one except Customer has any interest in any account or accounts carried for Customer by FCM. CUSTOMER FURTHER REPRESENTS THAT HE IS NOT AN EMPLOYEE OF ANY EXCHANGE, ANY CORPORATION IN WHICH ANY EXCHANGE OWNS A MAJORITY OF THE CAPITAL STOCK, ANY MEMBER OF AN EXCHANGE, ANY FIRM REGISTERED ON ANY EXCHANGE, ANY FUTURES COMMISSION MERCHANT, AND INTRODUCING BROKER, OR ANY BANK, TRUST, OR INSURANCE COMPANY. IN THE EVENT THAT CUSTOMER BECOMES SO EMPLOYED, HE WILL PROMPTLY NOTIFY FCM IN WRITING OF SUCH EMPLOYMENT.

**21. Verification.** Customer authorizes FCM to contact such banks, financial institutions and credit agencies as FCM shall deem appropriate from time to time to verify the information regarding Customer which may be provided by Customer from time to time. Customer understands that an investigation may be made pertaining to his personal and business credit standing and that Customer may make written request within a reasonable period of time for disclosure of such investigation's nature and scope.

**22. Conversion Rate Risk.** In the event that FCM is directed to enter into any Commodity Interest contract in any exchange or board of trade involving transactions effected in a foreign currency: (a) any profit or loss arising as a result of a fluctuation in the rate of exchange affecting such currency will be entirely for the Customer's account and risk; (b) be made in U.S. Dollars in such amounts as FCM may, in its sole discretion require, and (c) FCM has the sole discretion to convert funds in Customer's account into and from such foreign currency at a rate of exchange determined by FCM as it deems necessary and proper and on the basis of then prevailing money markets.

**23. Telephone Recording.** Customer acknowledges, authorizes and consents to the recording of Customer's telephone conversations with FCM or any of its agents or associated persons by means of electronic recording devices with or without the use of an automatic tone warning device. Customer understands, authorizes and consents to the use of such recordings, and/or transcripts thereof, as evidence by either party in any action arising out of this Agreement. FCM may, but shall not be required, in its normal course of business, to erase such recordings following their production.

**24. Construction and Controversies.** Customer hereby expressly acknowledges that this Agreement is made in the State of Illinois (upon acceptance by FCM), and further, that by virtue of trading commodity futures or options in the account established hereby, Customer is transacting business in the State of Illinois; accordingly, Customer hereby submits and consents to jurisdiction of his person in the Courts of the State of Illinois and, shall be amenable to service of summons and other legal process of, and emanating from, the State of Illinois. This Agreement's validity, construction and enforcement shall be governed by the laws of the State of Illinois. Customer hereby submits to the exclusive jurisdiction of such courts, and expressly waives the right to the adjudication or enforcement of such controversies by any court or any other tribunal sitting in any other jurisdiction, and further expressly waives the provisions of any statute or administrative ruling defining a commodity or commodity contract to be a security. Wherever possible, each portion of this Agreement shall be interpreted in a manner to be valid and effective under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provisions or the remaining provisions of this Agreement. This Agreement shall inure to the benefit of your present organization, and any successor organization, irrespective of any change or changes at any time in the personnel thereof for any cause whatsoever, and the assigns of your present organization. This Agreement shall be binding upon the Customer and/or successors, estates, executors, administrators, and assigns of the Customer. CUSTOMER AGREES THAT ANY CONTROVERSY BETWEEN FCM AND CUSTOMER ARISING OUT OF THIS AGREEMENT, REGARDLESS OF THE MANNER OF RESOLUTION, SHALL BE ARBITRATED, LITIGATED (TRIED IN A COURT OF LAW), OR OTHERWISE RESOLVED BY A TRIBUNAL LOCATED IN CHICAGO, ILLINOIS. IN ADDITION, CUSTOMER HEREBY WAIVES TRIAL BY JURY IN ANY SUCH ACTION OR PROCEEDING. Customer agrees to pay all expenses, including attorney's fees, incurred by FCM: (a) to defend any unsuccessful claim Customer brings against FCM or; (b) to collect any debit balances Customer account(s). No legal or administrative action arising out of this contract may be commenced by anyone more than ONE (1) year after any claim arises. The headings and titles herein are inserted for the convenience of reference only and are to be ignored in the construction of the provisions hereof.

**25. Agreement To Shorten Statutes Of Limitations.** FCM and Customer agree that no action in law, equity, arbitration or administrative proceeding, arising out of this agreement, any transactions effected pursuant to this agreement or the relationship of Customer with FCM, may be commenced more than ONE (1) year after the aggrieved party knew or should have known a cause of action existed. Customer acknowledges that he/she is expressly agreeing to waive the two year statute of limitations provided by the Commodity Exchange Act, including the two year time period for commencing a Commodity Futures Trading Commission reparation proceeding, and any and all other applicable statutes of limitations exceeding one year, including but not limited to, any statutory or common law state or federal statute of limitations, the statute of limitations provided by the National Futures Association for commencing an arbitration action, and the statute of limitations for initiating arbitrations before registered contract markets. Customer understands that the agreement with this paragraph is not necessary to open an account with FCM.

**26. Joint Account.** If this is a joint account, the Customers agree, jointly and severally, that the foregoing Agreement and all matters contained herein are the joint and several rights and obligations of the Customer. Each of the Customers has the authority to act on behalf of the joint account as if (s)he alone were interested therein all without notice to the others interested in said account, including but not limited to conferral or revocation of authority hereunder. All property of any one or more of the Customers held or carried by FCM shall be as collateral security and with a general lien thereon for the payment of all debits, losses or expenses incurred in the joint account and vice versa, however arising. In the event of death or legal incapacity of any of the customers, the survivor(s) immediately shall give FCM notice and FCM may, before or after receiving such notice, take such action, require such documents, retain such assets and/or restrict transactions as FCM deems advisable to protect FCM. Liability of the Customer hereunder shall pass to any estate or personal representative of the Customer. This joint account can be with or without the right of survivorship. "Without rights of survivorship" means upon death of any of the Customers the FCM will divide the joint account into separate equal accounts in each of the Customers' respective names, but Customers shall continue to be liable on the joint account hereunder until FCM has received actual notice of such death or incapacity. "With full rights of survivorship" means upon death of any of the Customers, the survivor(s) shall be vested with this joint account, subject to notice and ability as aforesaid. If no instruction is given on Page 1(d) of this Agreement, the Customers shall be deemed Joint Tenants with Full Rights of Survivorship.

**27. Purpose of Lending Agreement and Lending Agreement.** Should Customer take delivery of commodities through futures contracts, FCM is obligated to make full payment for the delivery on 24 hours notice. If the balance in Customer's account is not adequate to pay for the delivery, the warehouse receipts representing the delivery become property carried on margin in Customer's account, since they are not fully paid for by Customer. The purpose of the lending agreement is to allow FCM to use the warehouse receipts as collateral for a bank loan, the proceeds of which are used to pay for the warehouse receipts until re-delivery of the commodity and/or payment in full by Customer. Customer hereby authorizes FCM from time to time to lend, separately or together with the property of others, either to itself or to others, any property which FCM may be carrying for the undersigned on margin. This authorization shall apply to all accounts carried by FCM for the undersigned and shall remain in full force until written notice of revocation is received by FCM at FCM's principal office.

**28. Trading Limitations.** FCM, at any time, in its sole discretion may limit the number of contracts of positions and/or the margin in use which the Customer may maintain or acquire through FCM. Customer agrees not to exceed the positions limits established by the CFTC or any contract market and/or limits of the number of contracts or positions and/or the margin in use set by FCM, whether acting alone or with others.

**29. Binding Effect.** This Agreement, including all authorizations, shall inure to the benefit of FCM, its successors and assigns and shall be binding upon Customer and Customer's personal representatives, executors, trustees, administrators, successors and assigns.

30. **Printed Media Storage.** Customer acknowledges and agrees that FCM may reduce all documentation evidencing Customer's account, including the original signed documents executed by Customer in the opening of such Customer's account with FCM, utilizing a printed media storage device such as micro-fiche or optical disc imaging. Customer agrees to permit the records stored by such printed media storage method to serve as a complete, true and genuine record of such Customer's account documents and signatures.

31. **Options Trading.** Customer understands that some exchanges and clearing houses have established cut-off times for the tender of exercise instructions and that an option will become worthless if instructions are not delivered before such expiration time. Customer also understands that certain exchanges and clearing houses automatically will exercise some "in-the-money" options unless instructed otherwise. Customer acknowledges full responsibility for taking action either to exercise or to prevent the exercise of an option contract, as the case may be, and FCM is not required to take any action with respect to an option contract, including without limitation any action to exercise a valuable option prior to its expiration date or to prevent the automatic exercise option, except upon Customer's express instructions. Customer further understands the FCM has established exercise cut-off times which may be different from the times established by exchanges and clearing houses. Further, Customer understands that (i) all short option positions are subject to assignment anytime including positions established on the same day that exercises are assigned, and (ii) exercise assignment notices are allocated randomly from among all FCM Customers' short options positions which are subject to exercise. A more detailed description of FCM's allocation procedure is available upon request.

32. **Terms and Headings.** The term "FCM" shall be deemed to include FCStone, LLC its successors and assigns; the term "Customer" shall be deemed to refer to the party or parties executing this agreement. All pronouns shall be deemed to refer to the feminine or the masculine as the gender of Customer requires. If this is a joint account, the singular shall mean, where appropriate, all owners of an account and the statements, agreements, representations and warranties set forth herein shall be deemed to have been made by each owner of the account. The paragraph headings in this agreement are inserted for convenience of reference only and not intended to limit the applicability of affect the meaning of any of its provisions.

33. **Disclosure Statement for 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. Notice concerning the terms for the return of specifically identifiable property will be by publication in the 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.

34. **Electronic Trading And Order Routing Systems.** Customer acknowledges that 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 that may change from time to time. Customer further acknowledges that trading or routing orders through electronic systems varies widely among the different electronic systems which may present different risk factors with respect to trading on or using a particular system including, but not limited to, 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, security, as well as risks related to service providers and the receipt and monitoring of electronic mail. CUSTOMER AGREES TO INDEMNIFY FCM AND HOLD FCM HARMLESS FROM AND AGAINST ANY AND ALL LIABILITIES, LOSSES, DAMAGES, COSTS AND EXPENSES, INCURRED DIRECTLY OR INDIRECTLY, BY CUSTOMER BECAUSE OF FAILURE OF SYSTEM ACCESS, VARYING RESPONSE TIMES, SECURITY, SYSTEM OR COMPONENT FAILURE, THE INABILITY TO ENTER NEW ORDERS, EXECUTE EXISTING ORDERS, OR MODIFY OR CANCEL ORDERS THAT WERE PREVIOUSLY ENTERED AND/OR LOSS OF ORDERS OR ORDER PRIORITY.

35. **Electronic Signature and Acknowledgement.** Customer acknowledges that it is the Customer's intent to ratify and execute the documents included within the new account process by use of an electronic signature, and that said electronic signature shall have the same legal effect as a manual signature. The use of an electronic signature by the Customer and the acceptance of Customer's electronic signature by FCM shall occur pursuant to the Federal Electronic Signatures in Global and National Commerce Act, the Uniform Electronic Transactions Act, the Illinois Electronic Commerce Security Act and any applicable rules and regulations of the Commodity Futures Trading Commission. In addition, Customer acknowledges that his or her funding of the commodity trading account(s) or submission of commodity trades to FCM, whichever shall first occur, shall be deemed ratification of the terms of the account agreement and all related documents.

ACCOUNT AUTHORIZATION AND TREATMENT OF FUNDS

Customer authorizes at least two accounts (2) on the books of the FCM. One designated Regulated where all transactions designated as regulated by the Commodity Futures Trading Commission ("CFTC") will be carried, and the other designated Nonregulated where deliveries and/or transactions on foreign exchanges, if any, will be carried. FCM is hereby authorized to transfer funds as it deems necessary between these accounts. Further, if the Customer has more than one Regulated and/or Nonregulated account or has a Joint account, from time to time, FCM, in its sole discretion and without prior notice to Customer, may apply or transfer (including segregated funds or other property) interchangeably between any of the Customer accounts at FCM or an affiliate of FCM as may be necessary for margin or to satisfy or reduce any deficit or debit balance in any Customer account.

\_\_\_\_\_ Date \_\_\_\_\_  
Name of Corporation

By: \_\_\_\_\_, Title \_\_\_\_\_  
**Signature**

FOR HEDGE CUSTOMERS ONLY-HEDGE CONFIRMATION LETTER

The Customer hereby confirms to FCM that all orders which the Customer gives FCM for the purchase or sale of futures or options contracts for these account(s) will represent bona fide hedges, as defined by the Commodity Futures Trading Commission, against spot positions or commitments in accordance with 4a(3) of the Commodity Exchange Act, and with any amendments of CFTC interpretations which may be made in the future. Should the undersigned place orders for the purchase or sale of futures contracts which are not hedge transactions, the undersigned thereupon will advise FCM. IF THE LINE LABELED "LOB" BELOW IN THE ACKNOWLEDGEMENT SECTION IS INITIALED BY THE CUSTOMER, SHOULD A TRUSTEE IN BANKRUPTCY EVER BE APPOINTED IN THE FUTURE FOR FCM, THE CUSTOMER HEREBY CONFERS UPON SUCH TRUSTEE THE AUTHORITY TO LIQUIDATE OPEN COMMODITY CONTRACTS HELD IN THE BONA FIDE HEDGE ACCOUNT OF THE CUSTOMER WITHOUT SUCH TRUSTEE SEEKING THE PRIOR INSTRUCTIONS OF THE CUSTOMER AT THAT TIME. IF NO INITIALS APPEAR ON THE LINE BELOW, YOU WILL INDICATE ON YOUR RECORDS THAT SUCH AUTHORITY HAD NOT BEEN CONFERRED UPON A TRUSTEE IN BANKRUPTCY, IF ONE IS EVER APPOINTED.

List Commodities to be Hedged:

\_\_\_\_\_

ACKNOWLEDGEMENT OF RECEIPT OF COMMODITY FUTURES TRADING COMMISSION DISCLOSURE STATEMENTS AND/OR ELECTIONS.

BY INITIALING THE LINE NEXT TO THE DESCRIPTION OF THE SPECIFIED DISCLOSURE STATEMENT AND/OR ELECTION, YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED, READ AND UNDERSTAND THE SPECIFIED DISCLOSURE STATEMENT OR HAVE MADE THE ELECTION.

**NOTE: SIGNATORIES TO THE CUSTOMER ACCOUNT AGREEMENT MUST INITIAL WHERE APPROPRIATE.**

\_\_\_\_\_ I (we) acknowledge receipt of the Risk Disclosure Statement for Futures and Options. (Receipt must be acknowledged before an Account may be opened.)

\_\_\_\_\_ LOB-I (we) grant authority to have open positions liquidated as delineated above in the section titled "For Hedge Customers Only-Hedge Confirmation Letter."

**Customer, the undersigned, hereby acknowledge receiving, reading and understanding the provisions of the Customer Account Agreement and agree by those provisions.**

\_\_\_\_\_ Date \_\_\_\_\_  
Name of Corporation

By: \_\_\_\_\_, Title \_\_\_\_\_  
**Signature**



## Authorization for Delivery of Statements by Electronic Media

This is your authorization to deliver the confirmations and purchase-and-loss statements (collectively "Statements") generated for this account with your firm by electronic media and not by U.S. mail. I/We understand that until such time as this authorization is revoked, which must be done in writing and which I/we have the right to do at any time, the Statements will be sent to me, at no additional cost, to this e-mail or fax address:

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Written revocation of this authorization must be directed to the Compliance Officer at the FCStone, LLC location at:

FCStone, LLC  
Compliance Officer  
141 West Jackson  
Suite 2730  
Chicago, IL 60604

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

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

## 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 the 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 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.

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

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

Signature Customer 1: \_\_\_\_\_

Signature Customer 2: \_\_\_\_\_



**CERTIFIED CORPORATE RESOLUTIONS CONCERNING CORPORATE AUTHORIZATION TO TRADE COMMODITY FUTURES AND OPTIONS ON COMMODITY FUTURES**

Account #: \_\_\_\_\_

I, \_\_\_\_\_ Secretary of \_\_\_\_\_ a corporation organized under the State of \_\_\_\_\_, (the "Corporation"), DO HEREBY CERTIFY that at a meeting of the Board of Directors of the Corporation, held in accordance with its charter and by-laws on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at which a quorum was at all times present and acting, the following resolutions were duly adopted and that said resolutions have not been amended, rescinded or modified and are now in full force and effect.

**Whereas**, the Corporation has full power and authority under its articles and bylaws and all applicable laws to enter into contracts for the purchase, receipt, sale and delivery of commodities, options to purchase or sell commodities or contracts for the future delivery of commodities (collectively referred to as "Commodity Contracts"); and

**Whereas**, the Corporation wishes to open an account with FCStone, LLC ("FCStone") to trade Commodity Contracts and considers such activity to be in the interest of the Corporation, and acknowledges that FCStone will rely upon this resolution in establishing and maintaining account for the Corporation; **Now, therefore, be it:**

(1) RESOLVED: That \_\_\_\_\_, \_\_\_\_\_,  
(Name and Title) (Name and Title)  
\_\_\_\_\_ and \_\_\_\_\_  
(Name and Title) (Name and Title)

and each of them, or such other person(s) as the Corporation may designate from time to time either in writing or by his apparent authority ("Empowered Individuals"), be and hereby are authorized to trade in commodities, forward contracts and other similar instruments (collectively referred to herein as "futures contracts") for the account and risk of this Corporation through and with the firm of FCStone and its successors and assigns; and it was further

(2) RESOLVED: that each of the Empowered Individuals is further authorized, without limiting the generality of such authorization, to give oral or written instructions to FCStone on behalf of the Corporation for purchases, sales, delivery of property, or all other transactions relating to the conduct of said account or accounts or Commodity Contracts to the fullest extent and generally to do and take all actions necessary or desirable in connection with any such account. The authority hereby granted includes the power to do any and all of the following:

- (a) To buy, sell and agree to buy and sell futures contracts, on margin or otherwise, and the power to sell includes the power to sell "short";
- (b) To deposit with and withdraw from the account or accounts maintained at FCStone money, securities and other property;
- (c) To receive requests and demands for additional margin, notices of intention to sell or purchase and other notices and demands of whatever character;
- (d) To receive and acquiesce in the correctness of such notices, statements of account and other records and documents; and it was further

(3) RESOLVED: that notices or demands upon the Corporation made by FCStone in connection with the Corporation's account or accounts may be delivered by FCStone verbally or in writing to any of the above Empowered Individuals or any other person designated by the Corporation though FCStone were dealing with the Corporation directly; and it was further

(4) RESOLVED: That the execution and delivery of a Customer Account Application and Customer Agreement and all other disclosures and documents required to be executed to open this account with FCStone are hereby authorized, that any officer of the Corporation is hereby directed to execute such Agreements, and all other agreements by and on behalf of the Corporation and to deliver the same to FCStone, and that the Corporation agrees to be bound by the terms of such Agreements; and it was further

(5) RESOLVED: That FCStone is authorized to act upon the authority of these resolutions until receipt, by it at its main West Des Moines or its Chicago branch office, of a certificate showing rescission or modification thereof, signed by the Secretary of the Corporation whose name is set forth in this certificate of a further certificate setting forth the name(s) of another person or other persons as such officers; and it was further

(6) RESOLVED: that the foregoing resolutions and the certificates actually furnished to FCStone by any officer of the Corporation pursuant thereto, be and they hereby are made irrevocable until written notice of the revocation thereof shall have been received by FCStone; and it was further

(7) RESOLVED: That it is the intention of the Corporation to give the Empowered Individuals the broadest possible power with respect to the account or accounts of the Corporation, and the Corporation agrees to hold FCStone harmless against any and all claims that may arise by reason of following any instruction, order, or direction given to FCStone by any of the empowered persons; and it was further

(8) RESOLVED, that each of such Empowered Individuals is authorized and empowered to borrow money, securities, or Commodity Contracts from or through FCStone and to secure repayment thereof with property of the Corporation; to bind and obligate the Corporation to the carrying out of any contract, agreement, or transaction involving such sums as may be necessary in connection with any of the said accounts; to deliver securities and contracts for future delivery of commodities to FCStone; to order the transfer or delivery thereof to any other person or entity whatsoever; to endorse any securities or contracts in order to pass title thereto; to sign for the Corporation all releases, powers of attorney or other documents in connection with any such account, and to agree to any terms or conditions to control such account; to direct FCStone to surrender any securities to the proper agent or party for the purpose of effecting any exchange or conversion, or for the purpose of deposit with any protective or similar committee, or otherwise; to accept delivery of any securities or commodities against a contract for future delivery, option or otherwise; and to appoint any other person or persons to do any and all things which any of the said Empowered Individuals are hereby authorized to do; and it was further

(9) RESOLVED: That the Corporation agrees to indemnify and hold FCStone harmless against and from any and all losses, damages, and liabilities incurred in the event resolutions, representation and warranties set forth in the Corporation Resolution and Certificate are not true and correct; and it was further Further resolved, that FCStone may deal directly or indirectly with any or all of the Empowered Individuals as though FCStone were dealing with the Corporation directly and that the Corporation agrees to hold FCStone harmless against any and all claims that may arise by reason of FCStone following any instructions, orders and directions given by any of such Empowered Individuals; and it was further

(10) RESOLVED: That the Corporation acknowledges that it is responsible for supervising all of its personnel involved in any manner in the trading activities of futures contracts in this account, for maintaining procedures to supervise such personnel and for reviewing all of such trading activities in the account or accounts of the Corporation; and it was further

(11)RESOLVED: that an Empowered Individual be and is hereby directed to review the terms of the Standard Arbitration Agreement used by FCStone, and if in his opinion it is acceptable and desirable, the Empowered Individual is directed to execute or authorize any officer or agent of this Corporation to execute the Standard Arbitration Agreement used by FCStone, and it was further

(12) RESOLVED: that duplicate confirms concerning the transactions in the Corporation account or accounts are to be sent to:

Name: \_\_\_\_\_ Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Note that duplicate confirmations should be directed to an individual who is not authorized to conduct transaction in the account or accounts at FCStone and to that individual's home address. If duplicate confirmations are to be waived, please attach a letter so stating.**

I certify that each of the following has been duly elected and is now legally holding the office designated below his or her respective name:

\_\_\_\_\_  
President Signature

\_\_\_\_\_  
Vice President Signature

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

\_\_\_\_\_  
Treasurer Signature

**SIGNATURES**

Date: \_\_\_\_\_ Secretary: \_\_\_\_\_

(Corporation Seal, if any)

**PRESIDENT'S ACKNOWLEDGMENT**

The undersigned President of the Corporation hereby acknowledges that the above resolutions were adopted as stated above and that FCStone, LLC has been approved as the futures commission merchant through which transactions for the Corporation are to be effected.

Date: \_\_\_\_\_ President: \_\_\_\_\_

# ARBITRATION AGREEMENT

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

Any controversy or claim arising out of or relating to your accounts shall be settled by arbitration, either (1) under the Code of Arbitration of the National Futures Association, or (2) upon the contract market on which the disputed transaction was executed or could have been executed. 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. At the time you notify FCStone, LLC (the "Futures Commission Merchant") or ("Introducing Broker") of your intent to submit a claim to arbitration, or at such time as you are notified of an intent by the Futures Commission Merchant or the Introducing Broker to submit a claim to arbitration, you will have an opportunity to elect a qualified forum for conducting the proceedings, and will be supplied with a list of qualified organizations.

Notice of your intent to arbitrate shall be sent by certified mail to the Futures Commission Merchant and the Introducing Broker at their respective addresses, and the Secretary of the National Futures Association.

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, THE FUTURES COMMISSION MERCHANT, OR THE INTRODUCING BROKER 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 THE FUTURES COMMISSION MERCHANT OR THE INTRODUCING BROKER 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.

IF YOU SEEK REPARATION PROCEEDINGS BEFORE THE CFTC AND THE CFTC DECLINES TO INSTITUTE THOSE PROCEEDINGS, OR IF CERTAIN ASPECTS OF THE CLAIM OR GRIEVANCE ARE NOT SUBJECT TO THE REPARATION PROCEEDINGS, THE CLAIM OR GRIEVANCE, OR PART THEREOF, WILL BE SUBJECT TO THIS ARBITRATION AGREEMENT.

YOU NEED NOT SIGN THIS AGREEMENT TO OPEN AN ACCOUNT WITH THE FUTURES COMMISSION MERCHANT AND THE INTRODUCING BROKER. SEE 17 CFR 180.1-180.5.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of Customer

\_\_\_\_\_  
Signature of Customer

**AUTOMATED CLEARING HOUSE (“ACH”)  
AND WIRE TRANSFER INSTRUCTIONS**

**DEPOSITS**

As directed by your broker your wire should be sent to the address under #1 or #2.

**#1** (FC)

Harris Trust and Savings Bank, Chicago, IL 60690  
ABA # 071-000-288  
Final Credit: FCStone, LLC  
Customer Seg Account **No. 2548584**  
For further credit to: Your name and account number

----- OR -----

**#2** (SS)

Harris Trust and Savings Bank, Chicago, IL 60690  
ABA # 071-000-288  
Final Credit: FCStone, LLC  
Customer Seg Account **No. 4017653**  
For further credit to: Your name and account number

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Please remember to call us when you initiate an ACH or wire transfer. While ACH and wire transfers are a timely way to have available funds in your account, they are not instantaneous.

When you give your financial institution the transfer instructions, have them give **you** the Fed Reference number issued for your transaction. We will try to contact you as soon as we have confirmation that our bank has received the transfer, but we will need to know the Fed Reference number if any problems should arise.

**WITHDRAWALS**

COMPLETE THE FOLLOWING INFORMATION

- A. Customer name as listed on Bank account \_\_\_\_\_
- B. Customer Bank account number \_\_\_\_\_
- C. Contact person at Bank \_\_\_\_\_

**FCStone will need to know the following information to enable it to electronically transfer funds back to you.**

**Please contact your receiving bank for assistance completing this form.**

ABA # \_\_\_\_\_

Correspondent Bank Name (if any) \_\_\_\_\_ Location \_\_\_\_\_

**For Further Credit To:**

Local Bank Name \_\_\_\_\_ Location \_\_\_\_\_

*Please notify your account executive immediately if this information changes.*



**FCStone, LLC**  
**FCC Investments, Inc.**

## **PRIVACY POLICY AND ANTI-MONEY LAUNDERING NOTICE**

We at FCStone, LLC value our customer relationships and appreciate the trust that you have placed in us. As part of this relationship, and to provide you with financial products and services to meet your needs, you have given to us private information about yourself. We pledge to protect that information and ensure that it remains private.

Pursuant to 17 C.F.R Part 160, FCStone, LLC and the affiliated registrants who have adopted this policy, including FCC Investments, Inc., are hereby providing the following Notice to our customers who may have established an account for personal, family, or household purposes. If you are using your FCStone account for business purposes, you may not technically be required to receive this Notice. Nevertheless we felt you may be interested in receiving it. The following information in this Notice summarizes the categories of information that we collect, how that information is handled, and how we protect your information.

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

- Information we receive from you on applications or other forms including but not limited to your social security number or employer identification number;
- Information about your transactions with us, our affiliates, or others; and
- Information we receive from a consumer reporting agency.

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

We may disclose all of the information we collect, as described above, to companies that perform services on our behalf, our affiliated entities and/or to other financial institutions with whom we have execution agreements.

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.

Furthermore, to help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens and maintains an account. What this means to you is that when you establish an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

If you have any questions or comments about our Privacy Notice, please contact our General Counsel at telephone number (515) 223-3788. You may also write us at FCStone, LLC, Attention: General Counsel, 2829 Westown Parkway, Suite 100, West Des Moines, IA 50266 or FCC Investments, Inc., Attention: General Counsel, 2829 Westown Parkway, Suite 100, West Des Moines, IA 50266.

## Request for Taxpayer Identification Number and Certification

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

<b>Print or type See Specific Instructions on page 2.</b>	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification (required): <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶	
	<input type="checkbox"/> Other (see instructions) ▶	
Address (number, street, and apt. or suite no.)		Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									
				-			-		

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									
				-					

### Part II 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 (IRS) 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. citizen or other U.S. person (defined below).

**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 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

#### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

#### **Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

### **Updating Your Information**

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

### **Penalties**

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

### **Specific Instructions**

#### **Name**

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

**Partnership, C Corporation, or S Corporation.** Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

**Disregarded entity.** Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

**Note.** Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

**Limited Liability Company (LLC).** If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

## Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
  2. The United States or any of its agencies or instrumentalities,
  3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
  4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
  5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
  7. A foreign central bank of issue,
  8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
  9. A futures commission merchant registered with the Commodity Futures Trading Commission,
  10. A real estate investment trust,
  11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
  12. A common trust fund operated by a bank under section 584(a),
  13. A financial institution,
  14. A middleman known in the investment community as a nominee or custodian, or
  15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 7 <sup>2</sup>

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

**Signature requirements.** Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

### Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

#### Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.