

**Rulebook
of
ForumEX LLC
and
Forum Clearing LLC
Collectively “Forum”**

[] 2026

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CHAPTER I

JURISDICTION

ANY PERSON THAT DIRECTLY OR INDIRECTLY ENTERS AN ORDER OR EFFECTS A TRANSACTION ON OR SUBJECT TO THESE RULES (I) IS BOUND BY AND SHALL COMPLY WITH THESE RULES AND APPLICABLE LAW, (II) SUBMITS TO THE JURISDICTION OF FORUM IN RESPECT OF ANY AND ALL MATTERS ARISING FROM, RELATED TO, OR IN CONNECTION WITH, THE STATUS, ACTIONS, OR OMISSIONS OF SUCH PERSON, AND (III) AGREES TO ASSIST FORUM IN COMPLYING WITH FORUM'S LEGAL AND REGULATORY OBLIGATIONS OR IN ANY INQUIRY, INVESTIGATION, AUDIT, EXAMINATION, OR PROCEEDING OF FORUM.

CHAPTER II

DEFINITIONS

2.1. Defined Terms

Unless otherwise specifically provided in the Rules, the terms defined in this Rule 2.1 shall for all purposes of the Rules have the meanings specified herein.

- (a) **"AAA"** shall have the meaning set forth in Rule 10.1(b).
- (b) **"Account"** means, with respect to each Participant, any account established and maintained by such Participant with the DCM and DCO. Forum uses a single account for both DCO and DCM Trading functions, using the terms **"Account," "Participant Clearing Account,"** and **"Trading Account"** throughout the Rulebook depending on context.
 - 1. **"Participant Clearing Account"** will often be used when referring to Participant's holdings which are maintained and monitored by the DCO, Available Funds, Open Contract Positions, Closed Contract Positions and corresponding margin requirements, if any, in connection with Open Contract Positions entered into by a Participant.
 - 2. **"Trading Account"** will often be used within the context of the trading of Contracts on the DCM by a Participant and any Authorized Trader and the monitoring of such activity.
- (c) **"Affiliate"** means that an **"Affiliate"** of, or a Person **"Affiliated"** with, another Person is a Person who, directly or indirectly, Controls, is Controlled by, or is under common Control with, such other Person.
- (d) **"Anti-Money Laundering"** or **"AML"** means all laws, regulations and guidance relating to the prevention of money-laundering and terrorist financing, including without limitation, the Bank Secrecy Act, the PATRIOT Act, and all regulations and orders issued by the U.S. Department of the Treasury or the CFTC.
- (e) **"Appeals Panel"** means a panel comprised of three individuals appointed by the Board which will consider appeals in accordance with Chapter IX and which shall include one member who qualifies as a "Public Director."

- (f) “**Applicable Law**” means, with respect to any Person, any statute, law, regulation, rule or ordinance of any governmental or self-regulatory authority applicable to such Person, including without limitation the CEA, CFTC Regulations, and NFA rules.
- (g) “**Authorized Trader**” means any natural person who is employed and authorized by an Entity Participant to place Orders on the Participant’s behalf, for the Participant’s Trading Account.
- (h) “**Auto-Roll Forward**” shall have the meaning set forth in Rule 12.1(d).
- (i) “**Available Funds**” means those funds in a Participant Clearing Account that are in excess of funds held as Original Margin Funds and, therefore, available for use as directed by a Participant.
- (j) “**Bankruptcy Code**” means Title 11 of the United States Code as it may be amended from time to time.
- (k) “**Board**” means the Board of Directors of ForumEX LLC or the Board of Directors of Forum Clearing LLC, respectively, constituted from time to time in accordance with the DCM or DCO Operating Agreement, or the two Boards acting cooperatively or in parallel as indicated by the Entity or Entities to which the Rule containing the reference applies.
- (l) “**Business Day**” means the intraday period of time starting at 8:15 a.m. and ending at 4:45 p.m. Eastern Standard Time or Eastern Daylight Saving Time, whichever is currently in effect in Washington, D.C., on all days except Saturdays, Sundays, and Federal holidays in Washington, D.C.
- (m) “**Cap**” shall have the meaning set forth in Rule 12.1(b).
- (n) “**CEA**” means the Commodity Exchange Act, as amended from time to time.
- (o) “**CFTC**” means the U.S. Commodity Futures Trading Commission and includes any successor agency or authority.
- (p) “**CFTC Regulation**” means the rules and regulations promulgated by the CFTC, as amended.
- (q) “**Chief Executive Officer**” or “**CEO**” means the individual appointed by the Board from time to time to serve as the DCM’s chief executive officer.
- (r) “**Chief Regulatory and Risk Officer**” or “**CRRO**” means the individual appointed by the DCO’s Board to serve as the DCO’s Chief Regulatory and Risk Officer and the individual appointed by the DCM’s Board to serve as the DCM’s Chief Regulatory and Risk Officer.
- (s) “**Clearing Participant**” means each Person that is a Participant that has an account with the DCO and is entitled to clear transactions through the DCO.
- (t) “**Clearing Privileges**” means the ability of a Participant to clear transactions executed on the DCM.
- (u) “**Closed Contract Position**” shall mean (i) any combination of long and short Open Contract Positions that have been offset against each other or (ii) any Open Contract

Position that has been offset by the tendering or receipt (as applicable) of a notice of payment.

- (v) **“Contracts”** means any contracts or transactions that DCM may approve from time to time for trading on the DCM and which are cleared through the DCO, and which are described in Chapter XII.
- (w) **“Contract Specifications”** means with respect to any Contract, the Rules or other trading protocols containing specifications for such Contract, as adopted, amended, supplemented or otherwise modified from time to time by the DCM and as set forth in Chapter XII.
- (x) **“Control”** means the power to exercise a controlling influence over the management or policies of a Person. Any Person who owns beneficially, directly or indirectly, more than 20% of the voting power in the election of directors of a corporation (or the election or appointment of the governing body of an Entity that is not a corporation), or more than 25% of the voting power in the election of directors of any other corporation (or other governing body) which directly or through one or more Affiliates owns beneficially more than 25% of the voting power in the election of directors of such corporation (or other governing body), shall be presumed to control such corporation or other Entity absent a determination that it does not exercise a controlling influence. The terms “controlling” or “controlled” shall have meanings correlative to the foregoing.
- (y) **“Daily Settlement”** means the settlement that occurs at the Expiration Time on each Trading Day, at which gains and losses on each open Contract are realized into the relevant Participant’s Account based on the final value of the Underlying within the Floor and the Cap, and each expired Contract is replaced through the Auto-Roll Forward by a new Contract with updated bounds derived from the new settlement price.
- (z) **“DCM”** means the designated contract market operated by ForumEX LLC.
- (aa) **“DCO”** means the derivatives clearing organization operated by Forum Clearing LLC.
- (bb) **“Default”** shall have the meaning set forth in Rule 6.12.
- (cc) **“Director”** means any member of the DCM’s or the DCO’s Boards.
- (dd) **“Disciplinary Committee”** shall have the meaning set forth in Rule 3.8.
- (ee) **“Emergency”** means the occurrences or circumstances which, in the opinion of the DCM or the DCO Board, require immediate action, and which threaten, or may threaten, the fair and orderly trading in, or the settlement or integrity of, or the clearing of any Contract, including without limitation, the following:
 - 1. any activity that manipulates or attempts to manipulate a Contract on the DCM;
 - 2. any circumstance that may have a severe, adverse effect upon the functions and facilities of the DCO or the DCM, including, but not limited to, acts of God, fire, flood or other natural disasters, pandemics, bomb threats, acts of terrorism or war, severely inclement weather, breakdowns or interruptions such as for power, computer, communication, transportation systems or the Internet, or failure or malfunction of the DCO or the DCM;

3. any circumstance that may materially affect the performance or clearing of a Contract or its Underlying, including any threatened, attempted, or actual manipulative activity such as a corner, squeeze, congestion, or undue concentration of positions;
 4. any action taken by any domestic or foreign regulatory, self-regulatory, judicial, arbitral, or governmental (whether national, state or municipal) or quasi-governmental authority, or any agency, department, instrumentality, or subdivision thereof; or other Person exercising, or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or any other designated contract market, derivatives clearing organization, board of trade, or other exchange or trade association (foreign or domestic) that may have a direct impact on trading on the DCM or clearing of the DCO or the settlement legality or enforceability of any Contract;
 5. any circumstance which may have a material impact on the reliability or transparency of the Underlying related to a Contract;
 6. the bankruptcy or insolvency of any derivatives clearing organization or the imposition of any injunction or other restraint by any government agency, clearing house, court or arbitrator upon a derivatives clearing organization which may affect the ability of a derivatives clearing organization to trade in or perform on a Contract;
 7. any circumstance in which it appears to the Board that a derivatives clearing organization or any other Person:
 - a. has failed to perform on a Contract;
 - b. is insolvent; or
 - c. is in a financial or operational condition or is conducting business such that the DCO or Person cannot be permitted to continue in business without jeopardizing the safety of Participants, Clearing Participants or the DCO; or
 8. any other unusual, unforeseeable, or adverse circumstances with respect to which it is impracticable for the DCO or the DCM to submit a reviewable Rule to the CFTC.
- (ff) **“Entity”** means on a specified date any Person other than a natural Person (e.g., a limited liability company, a corporation, partnership, sole proprietorship or trust).
- (gg) **“Expiration Time”** means the fixed time on each Trading Day established by the DCM at which each open Contract settles against the final value of the Underlying and is closed out, after which a new Contract may be established through the Auto-Roll Forward, as described in Rule 12.1.
- (hh) **“Final Settlement”** means the process by which all open Contracts are settled and closed out against the final value of the Underlying at the Expiration Time on each Trading Day.
- (ii) **“Final Settlement Price”** shall have the meaning set forth in Rule 12.1(c).

- (jj) **“Floor”** shall have the meaning set forth in Rule 12.1(b).
- (kk) **“Forum”** means DCM and DCO, collectively.
- (ll) **“Forum Clearing System”** means the electronic clearing system operated by the DCO for the purpose of receiving, accepting, novating, reconciling, and settling transactions in Contracts that are cleared through the DCO.
- (mm) **“Forum DCM System”** means the proprietary electronic order entry and execution system used by DCM for the placement and execution of Orders and the collection and transmission of information relating to Contracts. For the avoidance of doubt, the Forum DCM System does not include any order entry system that is provided by a Participant or any third-party.
- (nn) **“Forum Systems”** means the Forum DCM System and the Forum Clearing System, collectively.
- (oo) **“ISV”** means an independent software vendor that offers services, tools and displays to Participants.
- (pp) **“Know Your Customer”** or **“KYC”** means the policies and procedures required to obtain and retain a record of the essential facts concerning a Participant.
- (qq) **“Market Data”** shall have the meaning set forth in Rule 4.1(d).
- (rr) **“Market Regulation Department”** means the department of Forum responsible for conducting market surveillance, trade practice surveillance, investigations, and enforcement of the Rules.
- (ss) **“Minimum Price Increment”** means the smallest price change permitted for any Contract as defined in the Contract Specifications.
- (tt) **“NFA”** means the National Futures Association and includes any successor organization.
- (uu) **“Officer”** shall have the meaning set forth in Rule 3.10(a).
- (vv) **“Open Contract Positions”** shall mean any long/short position not designated a Closed Contract Position.
- (ww) **“Order”** means any order to buy or sell a Contract on or subject to the Rules.
- (xx) **“Original Margin”** means the amount and type of assets required to be on deposit with the DCO pursuant to the applicable Contract Specifications (i.e., the amount sufficient to cover at all times the maximum possible loss a Participant may incur upon liquidation or expiration of its positions), in order to establish a position in the relevant Contract.
- (yy) **“Original Margin Funds”** means assets in a Participant Clearing Account that are required for Original Margin and are not otherwise available for use by the Participant.
- (zz) **“Participant”** means any Person that has been granted, and continues to have, Trading Privileges and/or Clearing Privileges, or that otherwise remains subject to the jurisdiction of Forum under these Rules.

- (aaa) **“Participant and Clearing Participant Agreement”** means the contractual agreement between a Participant and Forum.
- (bbb) **“Participant Funds”** means the aggregate of Available Funds and Original Margin Funds held in a Participant Clearing Account.
- (ccc) **“Participant Property”** means the funds and collateral held in Participant Clearing Accounts that constitute member property as that term is defined in the Bankruptcy Code.
- (ddd) **“Person”** means any individual, association, partnership, limited liability company, joint venture, trust or corporation.
- (eee) **“Personnel”** means the Directors, Officers, and employees of Forum, and its contractors, consultants, secondees, leased or temporary employees, interns, and technology service providers.
- (fff) **“Position Limit”** means the maximum number of Contracts defined in the Contract Specifications that may be held or controlled by a Participant and their Affiliates.
- (ggg) **“Proprietary Data and Personal Information”** means information identifying a natural Person (e.g., name and email address) or other data proprietary to any Person that discloses such Person’s trade secrets, market positions and/or other business transactions, excluding Transaction Data.
- (hhh) **“Public Director”** means an individual meeting the standards of 17 C.F.R. Part 38, Appendix B, Acceptable Practices to Core Principle 16.
- (iii) **“Regulatory Authority”** means any governmental or self-regulatory authority with jurisdiction over a Person, Forum, or any Contract, including the CFTC, the NFA, and any applicable foreign regulator.
- (jjj) **“Regulatory Oversight Committee”** means the committee of the DCM Board, as the context may require, constituted in accordance with Rule 3.7.
- (kkk) **“Regulatory Services Agreement”** shall have the meaning ascribed to it in Rule 3.14.
- (lll) **“Respondent”** shall have the meaning set forth in Rule 9.4(b)(5).
- (mmm) **“Rulebook”** or **“Rules”** means the Forum Rulebook, including, but not limited to, any interpretations, orders, resolutions, advisories, notices, statements of policy, decisions, manuals, and directives of the DCM or the DCO.
- (nnn) **“Settlement Amount”** means, with respect to each open Contract, the amount payable between the seller and the buyer upon Daily Settlement, determined by reference to the final value of the Underlying within the Floor and the Cap, as set forth in the applicable Contract Specifications.
- (ooo) **“Settlement Bank”** means a depository approved by the DCO as an acceptable location for depositing and holding Participant Funds.
- (ppp) **“Significant Action”** shall have the meaning set forth in CFTC Regulation 1.69(a).

- (qqq) **“Trading Day”** means any day on which the DCM is open and available for the trading of Contracts and the DCO is open and available for the clearing of Contracts.
- (rrr) **“Trading Hours”** with respect to any Contract, the hours during which the DCM is regularly open for the trading of such Contract, as set forth in the relevant Contract Specifications.
- (sss) **“Trading Privileges”** means the ability of the Participant to enter into transactions on the DCM.
- (ttt) **“Transaction Data”** means orders, bids, offers, and related information concerning Contracts executed subject to the Rules, together with all information and other content contained in, displayed on, generated by, or derived from the DCM.
- (uuu) **“Underlying”** means the index that determines the Final Settlement Price of a Contract.
- (vvv) **“User ID”** shall have the meaning set forth in Rule 4.9(h).

2.2. Rules of Interpretation

- (a) For all purposes of these Rules, except as otherwise expressly provided herein or unless the context otherwise requires: the terms defined in these Rules include the plural as well as the singular and *vice versa*;
1. words importing gender include all genders;
 2. any reference to a Chapter or Rule refers to a Chapter or Rule of these Rules;
 3. any reference to these Rules refers to these Rules, including any appendices hereto, and the words herein, hereof, thereto, hereto and hereunder and words of similar import refer to these Rules and their appendices as a whole and not to any particular Chapter, Rule or any other subdivision;
 4. references to days, months and years refer to calendar days, months and years, respectively;
 5. all references herein to “including” shall be deemed to be followed by the words “without limitation”;
 6. any term used herein that is defined in the CEA or CFTC Regulations shall have the meaning assigned to it therein; and all references herein to a time of day refer to local time in New York.

2.3. Effect of Titles

- (a) The titles of these Rules have been inserted for convenience of reference only and shall not affect the meaning of these Rules.

2.4. Amendment of Rules

- (a) New Rules may be adopted, and existing Rules may be amended or repealed, by the Board. All such new Rules, amendments or repeals shall become effective on such date

(after any required filing with, or approval thereof by, the CFTC) as may be determined by Forum.

2.5. Contract Specifications

- (a) Notwithstanding any provision of these Rules to the contrary, the Contract Specifications with respect to a particular Contract shall govern the applicability of these Rules to trading in such Contract and, in the event of any conflict between these Rules and the Contract Specifications, the Contract Specifications shall govern with respect to trading in the relevant Contract.

CHAPTER III

GOVERNANCE

3.1. DCM Ownership

- (a) ForumEX LLC is a Delaware limited liability company. The management and operation of the DCM is governed by the DCM's Operating Agreement and the Board of ForumEX LLC.

3.2. DCO Ownership

- (a) Forum Clearing LLC is a Delaware limited liability company. The management and operation of the DCO is governed by the DCO's Operating Agreement and the Board of Forum Clearing LLC.

3.3. General Governance (Applies to DCM and DCO)

- (a) The DCM and the DCO will each maintain a separate Board. The two Boards may convene jointly to address matters that affect both the DCM and DCO, but each Board will vote independently on matters concerning its own Entity and regulatory responsibilities. If the DCM Board and the DCO Board reach different conclusions on a rule change that affects both Entities, the Rules will be revised to give effect to the separate Rules each Board has adopted for its respective Entity.
- (b) Forum will appoint Directors and Officers in accordance with this Rule, and those Directors and Officers will be appointed to committees and will otherwise comply with this Rule. Directors that are neither Public Directors nor market participant Directors may serve on both Boards at the same time.
- (c) Forum shall appoint Directors and Officers as provided in this Rule and such Directors and Officers shall be appointed to committees and otherwise abide by the provisions of this Rule.
- (d) Wherever these Rules refer to the Board or the Boards, that reference means the Board responsible for the portion of the Rules in which it appears or, for portions of the Rules that affect both Entities, the Boards acting cooperatively or in parallel

3.4. DCM Board (Applies to DCM)

- (a) The Board of the DCM shall manage the business and affairs of the DCM in accordance with Applicable Law.
- (b) The DCM Board is responsible for overseeing the governance of the DCM, with a primary duty to ensure that the DCM's business operations uphold market integrity and promote fair and orderly markets for all participants. Major decisions of the Board having a broad market impact shall be clearly disclosed to the public, consistent with other statutory and regulatory confidentiality obligations.
- (c) The DCM Board shall ensure that the DCM's design, Rules, overall strategy, and major decisions support the stability of the financial system, as well as the legitimate interests of Participants and relevant stakeholders. Major decisions of the DCM Board having a broad market impact shall be clearly disclosed to the public, consistent with other statutory and regulatory confidentiality obligations.
- (d) The DCM Board has the power and authority to manage and direct the business and activities of the DCM including but not limited to the power to establish the standards for Participant eligibility and access to secure portions of the Forum website, the power to amend, adopt, or repeal these Rules, and the power to oversee the business conduct of Participants and impose penalties for violation of these Rules. The business and affairs of the DCM shall be managed by the DCM Board in accordance with Applicable Law and the DCM Board shall have all power and authority provided to a Board under Applicable Law. Notwithstanding the foregoing, the DCM Board may, from time to time, delegate any or all aspects of the management of the day-to-day business and affairs of the DCM to the DCM Chief Executive Officer.
- (e) The minimum number of Directors on the DCM Board shall be five (5), at least 35% of whom shall be Public Directors or such other percentage of the DCM Board as may be required by CFTC Regulations, as amended from time to time. Any vote made by the Board that results in a tie will require that the DCM Board reconvene to reconsider the matter until such tie is broken. The number of Directors may be increased or decreased from time to time by a vote of the applicable DCM Board, provided that there are at all times at least five (5) Directors.
- (f) Each Director, including Public Directors, shall be appointed and serve in accordance with the Operating Agreement of the DCM.
- (g) The DCM Board has the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions and actions of standing committees of the Board and Officers of the DCM appointed pursuant to Rule 3.10, other than the DCM Regulatory Oversight Committee.
- (h) The DCM Board shall be constituted, and shall constitute any committees or subcommittees, to permit consideration of the views of market participants.

3.5. DCO Board (Applies to DCO)

- (a) The Board of the DCO shall manage the business and affairs of the DCO in accordance with Applicable Law.
- (b) The DCO Board shall ensure that the DCO's business operations provide safe and efficient clearing services that support the stability of the financial markets and protect the

legitimate interests of Participants. Major decisions of the Board having a broad market impact shall be clearly disclosed to the public, consistent with other statutory and regulatory confidentiality obligations.

- (c) The DCO Board has the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions and actions of standing committees of the Board and Officers of the DCO appointed pursuant to Rule 3.10.
- (d) The minimum number of Directors on the DCO Board shall be five (5), at least 35% of whom shall be independent or market participant Directors or such other percentage of the DCO Board as may be required by CFTC Regulations, as amended from time to time. Any vote made by the Board that results in a tie will require that the DCO Board reconvene to reconsider the matter until such tie is broken. The number of Directors may be increased or decreased from time to time by a vote of the applicable DCO Board of Directors, provided that there are at all times at least five (5) Directors.
- (e) Each Director shall be appointed and serve in accordance with the Operating Agreement of the DCO.
- (f) The DCO Board shall be constituted, and shall constitute any committees or subcommittees, to permit consideration of the views of market participants.

3.6. Eligibility (Applies to DCM and DCO)

- (a) The DCM Board and Officers and the DCO Board and Officers have the responsibility of ensuring that managers have the appropriate experience, skills, and integrity necessary to discharge operational and risk management responsibilities.
- (b) Prior to nomination to the Board, each individual shall certify that he or she is not disqualified pursuant to this Rule in such form and manner as required by Forum. Any individual serving on the Board, shall immediately notify the Chief Executive Officer or the Board if such individual becomes subject to one or more of the criteria in this Rule.
- (c) No Person may serve as an Officer or Director of the DCM or the DCO, serve on any committee, arbitration panel or oversight panel of the DCM or the DCO, or serve as the Chief Regulatory and Risk Officer, if such Person:
 - 1. was found within the past five (5) years by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction, or the CFTC to have committed a disciplinary offense;
 - 2. entered into a settlement agreement within the past five (5) years in which any of the findings or, in absence of such findings, any of the acts charged included a disciplinary offense;
 - 3. consistent with the provisions of CFTC Regulation 1.63, is currently suspended from trading on any contract market, is suspended or expelled from membership from any self-regulatory organization, is serving any sentence of probation or owes any portion of a fine imposed pursuant to either:

- a. a finding by a final decision of a self-regulatory organization, an administrative law judge, a court of competent jurisdiction, or the CFTC that such Person committed a disciplinary offense; or
 - b. a settlement agreement in which any of the findings or, in absence of such findings, any of the acts charged included a disciplinary offense;
 4. is currently subject to an agreement with the CFTC or any self-regulatory organization not to apply for registration with the CFTC or membership in any self-regulatory organization;
 5. is currently subject to or has had imposed on him or her within the past five (5) years a CFTC registration revocation or suspension in any capacity for any reason;
 6. has been convicted of any of the felonies listed in and pursuant to section 8a(2)(D)(ii) through (iv) of the CEA;
 7. is currently subject to a denial, suspension, or disqualification from serving on the disciplinary committee, arbitration panel, or governing board of any self-regulatory organization as that term is defined in Section 3(a)(26) of the Securities Exchange Act of 1934;
 8. is subject to a statutory disqualification pursuant to Section 8a(2) of the CEA.
- (d) To qualify as a “Public Director,” an individual must be found, by action of the Board, on the record, to have no material relationship with the DCM that reasonably could affect the independent judgment or decision-making of the Director including, but not limited to, any of the following:
1. within the last year, the individual or any member of their immediate family (i.e., spouse, parents, children and siblings) has been an officer or employee of Forum or any of its Affiliates.
 2. within the last year, the individual or any member of their immediate family has been a Participant of Forum, or a Person employed by or Affiliated with a Participant.
 3. within the last year, the individual or any immediate family member of the individual, or a firm with which such individual or his or her immediate family member is Affiliated received more than \$100,000 in combined annual payments from Forum or their Affiliates, or from a member or any Person or Entity Affiliated with a Participant of Forum. Compensation for services as a Public Director shall not count towards the \$100,000 payment limit, nor shall deferred compensation for services prior to becoming a Public Director, so long as such compensation is in no way contingent, conditioned, or revocable.
- (e) Public Directors may also serve as directors of any Affiliate of Forum provided that the Public Directors otherwise meet the definition of a “Public Director.” Market participant Directors may also serve as directors of any Affiliate of Forum.
- (f) To qualify as an Officer, an individual may not be a Participant or be an employee, officer, or director of a Participant or receive compensation related to a Participant.

- (g) In addition to the requirements of Rule 3.6(c), the Chief Regulatory and Risk Officer appointed by the DCO and the DCM must be an individual who (i) is knowledgeable about futures trading and futures market operations as well as CFTC Regulations and (ii) reports directly to the Regulatory Oversight Committee of the DCM with respect to DCM matters.
- (h) For purposes of this Rule 3.6, the terms “self-regulatory organization”, “disciplinary committee”, “arbitration panel,” “oversight panel,” “final decision,” “disciplinary offense,” and “settlement agreement” have the meanings set forth in CFTC Regulation 1.63(a).
- (i) Board members are selected based on their ability to demonstrate a clear understanding of financial organization, and legal concepts necessary to the functioning of a DCO or a DCM as demonstrated by their educational background, employment experience, board appointment history, and involvement in the securities and finance industries.

3.7. Regulatory Oversight Committee (Applies to DCM)

- (a) The DCM shall have a Regulatory Oversight Committee, which shall be a permanent committee of the DCM Board consisting of only Public Directors, as appointed from time to time. No fewer than two Public Directors shall serve on the Regulatory Oversight Committee.
- (b) Each member of the Regulatory Oversight Committee shall serve for a term of one calendar year from the date of his or her appointment or for the remainder of his or her term as a Public Director, and until the due appointment of his or her successor, or until his or her earlier resignation or removal, with or without cause, as a member of the Regulatory Oversight Committee or as a Public Director. A member of the Regulatory Oversight Committee may serve multiple terms.
- (c) The Regulatory Oversight Committee shall oversee the DCM’s regulatory program on behalf of the Board. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the Regulatory Oversight Committee to fulfill its mandate. The Regulatory Oversight Committee shall make such recommendations to the Board that will, in its judgment, best promote the interests of the DCM. The Regulatory Oversight Committee shall also have such other powers and perform such other duties as set forth in the Rules and as the Board may delegate to it from time to time.
- (d) The Regulatory Oversight Committee shall appoint individuals to the Disciplinary Committee in accordance with these Rules, Applicable Law and the composition requirements of the Disciplinary Committee. The Committee shall appoint at least one Person who would not be disqualified from serving as a Public Director.
- (e) Each member of the Regulatory Oversight Committee shall be appointed by the chairperson of the Board, subject to approval by the Board. The Board shall confirm one member of the Regulatory Oversight Committee as the committee’s chairperson for a one-year term with the Chairmanship rotating among members if there are an even number of members on the Committee. The Chairperson of the Regulatory Oversight Committee shall determine the agenda for the committee. In the event that the Regulatory Oversight Committee has an even number of members, the vote of the Chair shall control in the event of a tie vote. Any or all members of any standing committee may participate in any meeting thereof by telephone or video conference or similar communications equipment by means of which all members participating in such meeting can hear and, if applicable,

see each other. The Regulatory Oversight Committee shall oversee the DCM's regulatory program on behalf of the DCM Board. It shall make such recommendations to the Board as will, in its judgment, best promote the interests of the DCM, provided that, for the avoidance of doubt, any dissenting opinions from one or more members of the Regulatory Oversight Committee shall be reported to the Board along with any such recommendation. The Regulatory Oversight Committee shall also have such other powers and perform such other duties as the Board may delegate to it from time to time.

- (f) The Regulatory Oversight Committee shall prepare an annual report that assesses the DCM's self-regulatory program for the Board and the CFTC. The annual report sets forth the regulatory program's expenses, describes its staffing and structure, catalogs disciplinary actions taken during the year, and reviews the performance of the Disciplinary Committee.
- (g) Without limiting the generality of the foregoing, the Regulatory Oversight Committee shall have authority to:
 - 1. Monitor the DCM's regulatory program for sufficiency, effectiveness and independence;
 - 2. Oversee all facets of the regulatory program, including trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to Participants (including ensuring compliance with financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
 - 3. Review the size and allocation of the regulatory budget and resources; and the number, hiring and termination, and compensation of regulatory Personnel;
 - 4. Supervise the Chief Regulatory and Risk Officer, who will report directly to the Regulatory Oversight Committee for matters related to the DCM;
 - 5. Prepare an annual report assessing the DCM's self-regulatory program for the Board and the CFTC, which sets forth the regulatory program's expenses, describes its staffing and structure, catalogs disciplinary actions taken during the year, and reviews the performance of the Disciplinary Committee and any panel;
 - 6. Recommend changes that would ensure fair, vigorous, and effective regulation;
 - 7. Review regulatory proposals and advise the DCM Board as to whether and how such changes may impact regulation; and
 - 8. Exercise any other functions expressly assigned to it in these Rules or under Applicable Law.
- (h) If the Chief Regulatory and Risk Officer has responsibilities related to Forum Affiliates, the Chief Regulatory and Risk Officer shall disclose to the Regulatory Oversight Committee any potential conflict between the Chief Regulatory and Risk Officer's compliance responsibilities for the DCM and the Chief Regulatory and Risk Officer's responsibilities for the Affiliate, including the Chief Regulatory and Risk Officer's assessment of whether the potential conflict is material. The Regulatory Oversight Committee shall then issue an independent determination regarding the materiality of the

potential conflict. If the Regulatory Oversight Committee's determination regarding the materiality of the conflict does not align with the Chief Regulatory and Risk Officer's, the Chief Regulatory and Risk Officer shall be recused from any related investigation or other compliance action. In such circumstances, the Regulatory Oversight Committee shall appoint the Chief Risk Officer to supervise the investigation and report directly to the Regulatory Oversight Committee. The Chief Risk Officer must notify the Regulatory Oversight Committee of any potential conflicts of their own and the Regulatory Oversight Committee must confirm that any potential conflicts are not material prior to appointing either as a substitute to supervise an investigation. Any conflict reported under this Rule by the Chief Regulatory and Risk Officer or Chief Risk Officer, regardless of materiality, must be recorded and tracked by the Regulatory Oversight Committee until the occurrence giving rise to the conflict has been closed or resolved.

- (i) The Chief Regulatory and Risk Officer shall disclose any potential conflicts of their own to the Regulatory Oversight Committee and the Regulatory Oversight Committee shall ensure that any such potential conflicts are not material prior to designating them as substitute to supervise an investigation. Any conflict reported hereunder by the Chief Regulatory and Risk Officer or a substitute, regardless of materiality, shall be documented and tracked by the Regulatory Oversight Committee until the occurrence giving rise to the conflict has been closed or resolved.
- (j) In the event the Board fails to act upon an action or recommendation of the Regulatory Oversight Committee, the Chief Regulatory and Risk Officer shall maintain documentation detailing:
 - 1. the recommendation or action of the Regulatory Oversight Committee;
 - 2. the rationale for such recommendation or action;
 - 3. the rationale of the Board for its inaction; and
 - 4. the course of action that the Board decided to take.

3.8. The Disciplinary Committee (Applies to DCM and DCO)

- (a) The Disciplinary Committee shall be:
 - 1. A standing committee consisting of at least three (3) members, including at least one (1) Person who would not be disqualified from serving as a Public Director. No member of the Disciplinary Committee shall also be a member of the DCM or DCO's compliance Personnel, or any Person involved in adjudicating any other stage of the same proceeding. The Regulatory Oversight Committee will appoint individuals for membership on the Disciplinary Committee. Each Disciplinary Committee shall include members with diverse experience and Participant interests to ensure fairness and to prevent preference for any Person.
 - 2. The Disciplinary Committee shall be responsible for holding hearings, rendering decisions, and imposing sanctions with respect to any disciplinary action. The Disciplinary Committee shall also have such other powers and perform such other duties as set forth in the Rules and as the Board may determine from time to time.

3. The Disciplinary Committee shall be composed of individuals who have demonstrated:
 - a. familiarity with, and experience in, the financial markets;
 - b. the subject-matter expertise necessary to examine the matters that come before the committee, together with the ability to conduct an independent inquiry;
 - c. sufficiently diverse backgrounds so that no subset of the Disciplinary Committee members can dominate or exert outsized influence over the committee; and
 - d. no conflict of interest or bias, and no appearance of either.

3.9. Ad Hoc Committees (Applies to DCM and DCO)

- (a) The DCM and DCO may create additional committees or panels, for such purposes as may from time to time be necessary or advisable. At least 35% of the members of each such ad hoc committee designated by the DCM Board shall be individuals that would qualify as Public Directors if they were Directors of the DCM and at least 35% of the members of each such committee designated by the DCO Board shall be individuals that would qualify as market participant or independent Directors if they were Directors of the DCO.

3.10. Officers (Applies to DCM and DCO except where noted)

- (a) The Boards shall appoint such officers of the DCM and the DCO as they may deem necessary or appropriate from time to time (each individually an “**Officer**”, collectively, the “**Officers**”). These Officers are appointed and may be dismissed (with or without cause) by majority vote of the Boards.
- (b) The Boards may appoint an individual to hold more than one office.
- (c) Any Officer may also be a director, officer, partner, or Personnel of Forum or an employee of any of its Affiliates, subject to disclosure and resolution of conflicts of interest. In the absence of the chairperson, the Chief Executive Officer will perform the chairman’s duties. In the event of a disagreement between the Chief Executive Officer and the DCM Board or the DCO Board or any chairperson as to a DCM or DCO matter, the chairperson and/or Board shall control. Subject to the direction of the Board of Directors, the Chief Executive Officer will manage the overall business of the DCM and the DCO.
- (d) Officers shall have such powers and duties in the management of the DCM and the DCO as the Boards may prescribe from time to time, subject to any limitations set forth in the DCM or DCO Operating Agreements.
- (e) Forum shall notify the CFTC no later than two (2) Business Days, or otherwise as required, following any departure or addition of Officers including, as applicable, the name and contact information of the Person who will assume the duties of the position permanently or the Person who will assume the duties on a temporary basis until a permanent replacement fills the position.
- (f) With respect to the DCM, the Chief Regulatory and Risk Officer must:

1. Have the background, academic or professional qualifications and skills appropriate for fulfilling the responsibilities of the position;
 2. Be an individual who would not be disqualified from registration under Section 8a(2) or 8a(3) of the CEA;
 3. Report to the Regulatory Oversight Committee in accordance with the Acceptable Practices applicable to Core Principle 16 set forth in Appendix B to 17 C.F.R. Part 38;
 4. Meet with the DCM Board at least annually;
 5. Review the DCM's compliance with the Core Principles set forth in section 5 of the CEA and the CFTC Regulations applicable to designated contract markets;
 6. Work in consultation with the DCM Board or the Chief Executive Officer to resolve any conflicts of interest that may arise;
 7. Form and administer written policies and procedures reasonably designed to prevent violation of the CEA and CFTC Regulations applicable to designated contract markets;
 8. Implement procedures to remedy noncompliance issues identified through any compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint; and
 9. Implement and comply with appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues.
- (g) With respect to the DCO, the Chief Regulatory and Risk Officer must:
1. Have the background, academic or professional qualifications and skills appropriate for fulfilling the responsibilities of the position;
 2. Be an individual who would not be disqualified from registration under Section 8a(2) or 8a(3) of the CEA;
 3. Report to the Chief Executive Officer and the DCO Board;
 4. Meet with the DCO Board at least annually;
 5. Review the DCO's compliance with the Core Principles set forth in section 5 of the CEA and the CFTC Regulations applicable to derivatives clearing organizations;
 6. Work in consultation with the DCO Board or the Chief Executive Officer to resolve any conflicts of interest that may arise;
 7. Form and administer written policies and procedures reasonably designed to prevent violation of the CEA and CFTC Regulations applicable to derivatives clearing organizations;

8. Implement procedures to remedy noncompliance issues identified through any compliance office review, look-back, internal or external audit finding, self-reported error, or validated complaint; and
9. Implement and comply with appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues.

3.11. Conflicts of Interest (Applies to DCM and DCO)

- (a) The DCM and the DCO prohibit members of their Boards or any disciplinary or oversight committee or subcommittee from taking part in any deliberations or voting on any matter in which members of the Boards, committee, or subcommittee have an interest or have a relationship as defined below with a named party in interest.
 1. Named Party in Interest Conflict
 - a. No member of the Board, committee, or panel shall participate in such body's deliberations or voting in any matter involving a named party in interest where such member:
 1. is the named party in interest in the matter;
 2. is an employer, employee or fellow employee of a named party in interest;
 3. is associated with a named party in interest through a "broker association" as defined in CFTC Regulation 156.1;
 4. has any other significant, ongoing business relationship with a named party in interest, excluding relationships limited to Contracts; or
 5. has a family relationship (i.e., the member's spouse, parents, children, and siblings, in each case, whether by blood, marriage, or adoption, or any Person residing in the home of the member or that of his or her immediate family) with a named party in interest.
 - b. Prior to consideration of any matter involving a named party in interest, each member of the deliberating body shall disclose to the Chief Regulatory and Risk Officer whether such member has one of the relationships listed above with a named party in interest.
 - c. The Chief Regulatory and Risk Officer shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 3.11(a). Such determination shall be based upon a review of the following information:
 1. information provided by such member pursuant to Rule 3.11(a)(1) above; and
 2. any other source of information that is held by and reasonably available to Forum.

- d. In the event of a conflict involving the Chief Regulatory and Risk Officer as a member of the deliberating body, the other members of the deliberating body shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 3.11(a).

2. Financial Interest in a Significant Action Conflict

- a. No member of the Board, committee or panel shall participate in the body's deliberations or voting on any Significant Action if such member knowingly has a direct and substantial financial interest in the result of the vote based upon either Forum or non-Forum position that could reasonably be expected to be affected by the action.
- b. Prior to consideration of any Significant Action, each member of the deliberating body who does not choose to abstain from deliberations and voting shall disclose to the Chief Regulatory and Risk Officer any information that may be relevant to a determination of whether such member has a direct and substantial financial interest in the result of the vote.
- c. The Chief Regulatory and Risk Officer shall determine whether any member of the relevant deliberating body who does not choose to abstain from deliberations and voting is subject to a conflicts restriction under this Rule based on a review of the totality of the circumstances.
- d. Any member who would otherwise be required to abstain from deliberations and voting pursuant to this Rule 3.11(a) may participate in deliberations, but not in voting, if the deliberating body, after considering the factors specified below, determines that such participation would be consistent with the public interest (e.g. if the member has significant expertise and background that provides useful context); *provided, however*, that before reaching any such determination, the deliberating body will fully consider the information specified in Rule 3.11(a)(1) above which is the basis for such member's direct and substantial financial interest in the Significant Action that is being contemplated. In making its determination, the deliberating body shall consider:
 - i whether such member's participation could unduly influence the outcome of the deliberations;
 - ii whether such member's participation in the deliberations is necessary to achieve a quorum; and
 - iii whether such member has unique or special expertise, knowledge or experience in the matter being considered.
- e. In the event of a conflict involving the Chief Regulatory and Risk Officer as a member of the deliberating body, the other members of the deliberating body shall determine whether any member of the relevant deliberating body is subject to a conflicts restriction under this Rule 3.11(a)(2).

- f. The minutes of any meeting to which the conflicts determination procedures set forth in this Rule 3.11 apply shall reflect the following information:
 - i the names of all members who participated in such meeting;
 - ii the name of any member who voluntarily recused himself or herself or was required to abstain from deliberations or voting on a matter and the reason for the recusal or abstention, if stated;
 - iii the information that was reviewed for each member of the relevant deliberating body; and
 - iv any determination made in accordance with Rule 3.11(a)(1) or Rule 3.11(a)(2) above.
- g. Directors shall annually submit a disclosure statement identifying any real, potential, or perceived conflicts of interest, including those involving any Affiliate during the immediately preceding year.

3.12. Restrictions on Certain Persons Who Possess Material, Non-Public Information (Applies to DCM and DCO)

- (a) No member of the Board, committee or panel, Officer, or Personnel of Forum may use or disclose material, non-public information obtained in connection with the performance of their duties for any purpose other than the performance of such duties.
- (b) No member of the Board, committee or panel, Officer, or Personnel of Forum, or Participant, shall disclose to any other Person, material, non-public information, however obtained (including, without limitation, material non-public information obtained by Personnel or an agent of Forum in connection with such Personnel or agent's employment or agency, as the case may be), if such Person could reasonably expect that such information might assist another Person in trading any Contract or related contract or financial instrument.
- (c) No member of the Board, committee or panel, Officer, or Personnel shall trade in any Contract, either for their own accounts or for the Accounts of any other Persons.
- (d) Notwithstanding anything to the contrary, the applicable Contract Specifications for each Contract traded on the DCM may impose additional prohibitions on the use of or trading on information by any Person.
- (e) No member of the Board, committee or panel, Officer, or Personnel of Forum or any Forum Affiliate shall trade in any Contract, related contract or financial instrument, or trade directly or indirectly in a commodity interest traded on any designated contract market or swap execution facility or cleared by any derivatives clearing organization, on the basis of material non-public information of Forum. For the avoidance of doubt, any Person who, by virtue of their role with, or as an Affiliate of, Forum, acquires material non-public information of Forum is prohibited from trading on the basis of such material non-public information or disclosing such material non-public information except as consistent with their official duties.

- (f) For purposes of this Rule, the terms “material information,” “non-public information,” “linked exchange,” “commodity interest,” and “related commodity interest” have the same meanings as they do in CFTC Regulation 1.59.
- (g) Any Person who violates any provision of this Rule will be required to indemnify Forum and hold Forum harmless against any losses, damages, or costs caused by that violation.

3.13. Regulatory Cooperation and Information-Sharing Agreements (Applies to DCM and DCO)

- (a) Forum may enter into any information-sharing agreements or other arrangements or procedures, including an information-sharing agreement or other arrangement or procedure with any Person or body (including but not limited to any domestic or foreign self-regulatory organizations, associations, boards of trade and their respective regulators) if Forum considers such agreement, arrangement, or procedures to be in furtherance of Forum’s purpose, duties, or obligations under these Rules or Applicable Law.
- (b) All information received by Forum with respect to any information-sharing agreement, shall be held in confidence by Forum and shall not be provided to any of its non-regulatory departments or divisions or any other Person (including to any Affiliate of Forum), except as follows:
 - 1. to any governmental authority responsible for regulating financial instruments in the home jurisdiction of the authority requesting information under an information-sharing agreement,
 - 2. pursuant to an order of a court, regulatory authority, or other lawful process, or
 - 3. as it may be necessary for conducting any investigation or disciplinary proceeding of Forum.

3.14. Regulatory Services Agreement with the NFA (Applies to DCM)

- (a) The DCM has contracted with the NFA to provide certain regulatory services to the DCM pursuant to a regulatory services agreement (the “Regulatory Services Agreement”). In accordance with the Regulatory Services Agreement, the NFA may perform certain surveillance, investigative, and regulatory functions under the Rules and the DCM may provide information to the NFA in connection with the performance by the NFA of those functions. Without limitation of the foregoing, any of the powers or functions of the DCM under these Rules may be delegated to the NFA pursuant to the Regulatory Services Agreement in such manner and on such terms as the DCM and the NFA may mutually agree, however, that the DCM shall retain ultimate decision-making authority with respect to any powers or functions that are delegated to the NFA.

3.15. Emergencies (Applies to DCM and DCO)

- (a) In the event of an Emergency, the DCM Chief Executive Officer or any individual designated by the Chief Executive Officer may place into immediate effect a temporary Emergency rule, which may remain in effect for up to thirty (30) calendar days and which may provide for, or may authorize the Board or any committee thereof to undertake, actions necessary or appropriate to respond to the Emergency, including such actions as:

1. suspending or curtailing trading or limiting trading to liquidation only (in whole or in part);
 2. ordering the liquidation or transfer of open positions in any Contract;
 3. ordering a reduction in positions in Contracts, in whole or in part;
 4. extending or shortening the term, the last trading date or Expiration Time of any Contract;
 5. providing alternative settlement mechanisms;
 6. modifying the Underlying provided in any relevant Contract Specifications;
 7. imposing or modifying position limits, price limits, and intraday market restrictions with respect to a particular Contract;
 8. modifying a Final Settlement Price;
 9. extending, limiting or changing the Trading Hours of the DCM;
 10. temporarily modifying or suspending any provision of these Rules; or
 11. any other action as directed by the CFTC.
- (b) In the event of an Emergency, the DCO Chief Executive Officer or any individual designated by the Chief Executive Officer may place into immediate effect a temporary Emergency rule, which may remain in effect for up to thirty (30) calendar days and which may provide for, or may authorize the Board or any Committee thereof to undertake, actions necessary or appropriate to respond to the Emergency, including such actions as:
1. suspending or curtailing clearing or limiting clearing to liquidation only (in whole or in part);
 2. ordering the liquidation or transfer of open positions in any Contract;
 3. ordering a reduction of positions in Contracts, in whole or in part;
 4. extending or shortening the Expiration Time and/or the last settlement date of any Contract;
 5. providing alternative settlement mechanisms;
 6. extending, limiting or changing the hours of operation of the DCO;
 7. changing the amount of money to be paid in connection with a Contract, whether previously or thereafter settled;
 8. imposing or modifying limits on the size of positions that may be carried by Clearing Participants;
 9. temporarily modifying or suspending any provision of these Rules; or

10. any other action as directed by the CFTC.
- (c) Any such action placed into effect in accordance with the preceding (a) and (b) shall be reviewed by the applicable Board as soon as practicable under the circumstances and may be revoked, suspended, or modified by the Board.
 - (d) If deemed necessary to combat perceived market threats caused by an Emergency, the DCM Officer authorized to do so may suspend trading on the DCM and the DCO Officer authorized to do so may suspend clearing on the DCO during the duration of the Emergency or take any other action(s) that the Officer thinks is necessary or appropriate. Such Officer will order an end to the action taken in response to the Emergency as soon as the Officer determines that the Emergency has sufficiently abated to permit the DCO and the DCM to function properly.
 - (e) Any Person who is authorized to take an action in response to an Emergency, may order under the same procedures the removal of any restriction previously imposed upon a determination by such Person that the Emergency that gave rise to such restriction has sufficiently abated to permit the DCO and the DCM to resume operations in an orderly manner.
 - (f) The Chief Regulatory and Risk Officer shall maintain documentation detailing the decision-making process with respect to, and the reasons for, any such action. Such documentation shall include a contemporaneous record of how any potential conflicts of interest were identified and minimized in connection with the Emergency action.
 - (g) The DCM Chief Regulatory and Risk Officer will make every effort practicable, and in no event more than 24 hours after any actions are placed into effect, file notice with the CFTC of any temporary Emergency Rule implemented, modified, or terminated or proposed to be implemented, modified, or terminated pursuant to Rule 3.15(a).
 - (h) The DCO Chief Regulatory and Risk Officer will make every effort practicable and in no event more than 24 hours after any actions are placed into effect, file notice with the CFTC of any temporary Emergency Rule implemented, modified, or terminated or proposed to be implemented, modified, or terminated pursuant to Rule 3.15(b).

CHAPTER IV

PARTICIPANTS

4.1. General (Applies to DCM and DCO)

- (a) Only Participants may hold Trading Privileges or Clearing Privileges. No futures commission merchant, introducing broker, or other intermediary may submit Orders for transactions in Contracts except as, and subject to the conditions and requirements, set forth in the Rules.
- (b) A Person may exercise the privileges of a Participant only after certifying that it has received, read, understood, and accepted this Rulebook and Forum's Participant and Clearing Agreement, and that it has submitted to Forum's jurisdiction over its activities.
- (c) A Participant's participation does not give it any equity or other interest in Forum, including any voting rights or any entitlement to dividends or other distributions, whether

in connection with a dissolution, merger, or consolidation of Forum or for any other reason.

- (d) A Participant that receives proprietary information from Forum may not distribute that information to others unless Forum expressly allows it. Participants are bound by the Participant and Clearing Agreement they have signed with Forum, which sets out Forum's intellectual property rights in, among other things, its market and pricing data ("**Market Data**") and any derivative works based on that data. Participants agree neither to distribute Market Data nor to create derivative works from it. Despite these restrictions, whether under this Rule or the Participant and Clearing Agreement, Participants may use Market Data only to trade on the DCM. A Participant may never distribute, sell, or retransmit Market Data to any third party in any form, including in anonymized or aggregated form, without Forum's express prior written consent. To verify compliance with the preceding sentence, Forum's Personnel and agents may visit the offices of any Participant or Authorized Trader during normal business hours to conduct an audit.
- (e) Trading Privileges and Clearing Privileges may be subject to such limitations or restrictions as Forum may impose from time to time. Trading Privileges and Clearing Privileges are non-transferable and non-assignable and may not be sold or leased. For the avoidance of doubt, an Entity Participant may appoint Persons to act as Authorized Traders. If a Participant is a natural person, such Participant is deemed to be and may act as its own Authorized Trader. Forum may establish more than one class of Participants in accordance with the applicable Rules, including restrictions on trading in specified Contracts or categories of Contracts.
- (f) Participants with Trading Privileges and Clearing Privileges may hold long or short positions in Contracts only for Accounts they Control, and may act as their own Authorized Traders if they are natural persons.
- (g) A Participant may request more than one Account, provided that the request details the need for the additional Account and confirms that long and short positions held in one Account will not be offset against long or short positions in the Participant's other Account(s). Forum may grant such a request in its discretion.
- (h) An Authorized Trader may access the Forum Systems in connection with the Accounts of one or more Participants under a power of attorney or other written instrument (which may be in electronic form), in a format prescribed or approved by Forum, that gives the Authorized Trader discretionary trading authority over the Participant's Trading Account. A Participant may revoke any authorization it has granted to an Authorized Trader at any time by notifying the DCM's Market Regulation Department via electronic mail or other approved communication method.
- (i) DCM may suspend or withdraw any Authorized Trader's registration if it determines that the Authorized Trader has failed to comply with the Rules, or has caused the Participant to do so, is not properly carrying out the duties of a Participant's authorized representative, has not met the conditions that apply to Authorized Traders, or that suspension or withdrawal would best serve the goal of maintaining a fair and orderly market.
- (j) If a Participant withdraws an Authorized Trader's registration or the DCM suspends it, the Participant must make sure the Authorized Trader submits no further quotes or Orders into the Forum DCM System. An Authorized Trader's registration will be withdrawn once

either the Authorized Trader or the Participant for which it is registered submits a written request in the manner DCM prescribes.

4.2. Participant Obligations and Consents (Applies to DCM and DCO)

(a) Each Participant must:

1. comply with Applicable Law, including these Rules, the applicable provisions of the CEA, and relevant CFTC Regulations;
2. cooperate promptly and fully with Forum, the NFA, the CFTC, the U.S. Securities and Exchange, or the U.S. Department of Justice in any investigation, call for information, inquiry, audit, examination, or proceeding, including by providing Forum with access to information concerning the Participant's activities in any referenced market that provides the underlying prices for any Contract;
3. provide the identity information and documentation required in the Participant application, both initially and upon further request, and update all information provided in its Participant application within seven (7) days after that information has changed;
4. secure its username and password such that no unauthorized Person may access any secure portion of the Forum Systems;
5. notify Forum by electronic mail upon becoming aware that the Participant:
 - a. has had access or trading privileges or clearing privileges suspended, or membership or participant status denied, in any commodity, futures, securities, or swaps exchange, brokerage, association, clearinghouse or Regulatory Authority;
 - b. has been convicted of, pled guilty or no contest to, or entered a plea agreement with respect to, any felony in any domestic, foreign, or military court;
 - c. has been convicted of, pled guilty or no contest to, or entered a plea agreement with respect to, a misdemeanor in any domestic, foreign, or military court involving embezzlement, theft, extortion, fraud, fraudulent conversion, forgery, tax evasion, counterfeiting, false pretenses, bribery, gambling, racketeering, or the misappropriation of funds, securities, or property, or any transaction in or advice concerning swaps, futures, options on futures, leveraged transactions, or securities;
 - d. has become the subject of a bankruptcy petition, receivership proceeding, or the equivalent, or has become unable to meet any financial obligation as it becomes due.
 - i. Upon receipt of such notice, the DCO will review the continuing eligibility of the Clearing Participant for clearing membership; and
 - ii. Upon receipt of such notice, the DCO will take any action it deems appropriate, in its discretion, with respect to such Clearing Participant

or its positions, including the liquidation or transfer of positions or the suspension or revocation of clearing membership.

- e. has been subject to, or has been associated with a firm that was subject to, regulatory proceedings before any governmental or regulatory agency;
 - f. is currently a party to any investigation or proceeding the resolution of which could result in any event described in the preceding subparagraphs of this Rule;
 - g. has become subject to early warning reporting under CFTC Regulation 1.12; or
 - h. has amended or made any material change to the information contained in the Participant's application to become a Participant.
6. Each Participant consents to DCM providing all information it has about the Participant to the DCO and to any Regulatory Authority, law enforcement authority, or judicial tribunal, including (as may be required by information-sharing agreements or other contractual, regulatory, or legal provisions) foreign regulatory or self-regulatory bodies, law enforcement authorities, or judicial tribunals, in each case without notice to the Participant;
7. Each Participant consents to Forum maintaining logs of IP addresses and other information for security, audit, and regulatory purposes; and
8. If a Participant fails to satisfy these obligations, Forum may revoke or suspend the Participant's Trading Privileges and/or Clearing Privileges in whole or in part, or bring a disciplinary action that may result in fines or in referral for civil or criminal prosecution, and, in the case of an Authorized Trader, may condition or revoke the Authorized Trader's ability to trade on behalf of a Participant, if any of the circumstances described above exist with respect to the Participant or Authorized Trader:
- a. fails to meet any of the qualification requirements for Trading Privileges and/or Clearing Privileges or for status as an Authorized Trader;
 - b. fails to meet any condition placed by the Forum on such Trading Privileges and/or Clearing Privileges or status as an Authorized Trader;
 - c. is obligated to submit a notice to Forum under this Rule; or
 - d. violates any agreement with Forum, any Rule, or any provision of Applicable Law.
- (b) Each Participant must maintain appropriate books, records of its trading, including records of its activity, if any, in the underlying commodity and related derivatives markets and audit trail information as required by the CEA and CFTC Regulations, including, but not limited to CFTC Regulations 1.31 and 1.35, if applicable. Upon request, each Participant agrees to promptly, and no later than within five (5) Business Days, furnish to Forum or the NFA those records and such information concerning the Participant's business that is subject to the Rules of the DCM and the DCO as each deems necessary to enable the DCM

and the DCO to perform its obligations under Applicable Law, including information relating to (i) contracts executed on the DCM and in related derivatives markets, including the products underlying those contracts, and (ii) information requested by a government authority relating to the DCM's or the DCO's business as a DCM or DCO and/or compliance with Applicable Law that the DCM or the DCO believes is maintained by, or otherwise in the possession of, the Participant.

- (c) Each Participant shall provide to the DCO and/or the DCM, in a timely manner, information concerning any financial or business developments that may materially affect the Participant's ability to continue to comply with the participation requirements under this Rule.
- (d) Each Participant consents to DCM providing information related to KYC or AML to its DCO or any relevant banking partner.

4.3. Eligibility (Applies to DCM and DCO)

- (a) Each applicant to become a Participant must:
 - 1. if a natural Person, have attained the age of majority in the individual's place of residence or, if an Entity, be duly organized and in good standing in its jurisdiction of organization, and in each case have the legal authority and be duly authorized and empowered to become a Participant and to effect transactions on Forum;
 - 2. satisfy such financial criteria as Forum may prescribe from time to time;
 - 3. provide a mechanism acceptable to Forum for transferring funds to, and receiving funds from, the applicant's Participant Clearing Accounts;
 - 4. demonstrate sufficient technical and operational capabilities to fulfill any other obligations applicable to Participants or their Authorized Traders as Forum may require from time to time; and
 - 5. satisfy all requirements generally applicable to Participants and Authorized Traders under these Rules and any applicable Contract Specifications, and such other requirements or criteria as Forum may adopt from time to time.
- (b) Affiliates of Forum may become Participants on the same terms and conditions as other Participants, and may trade on the DCM and clear through the DCO, pursuant to actions of the Boards and subject to the following conditions, which shall apply both at the time of approval and on an ongoing basis thereafter:
 - 1. the Affiliate has access to the DCM and the DCO on terms and conditions that are not preferential relative to other Participants, including compliance with all Rules in this Rulebook;
 - 2. Forum has established controls and procedures so that the Affiliate has no access to Forum's material non-public information, including information regarding order flow, trading, settlement, and compliance;
 - 3. Forum maintains physical operations that are separate from those of the Affiliate;

4. the Affiliate has not received capital from Forum;
 5. Forum has ensured that the Affiliate does not have access to Forum's operations, including servers, databases, Accounts, or source code, except to the extent, and on the same terms and conditions, that other Participants have such access;
 6. the Affiliate has represented that it does not access or use any systems or features in trading on the DCM or clearing through the DCO that are not available to other Participants; and
 7. the Affiliate has represented that it will maintain market integrity and act in a fair and responsible manner in all of its activities on the DCM and the DCO, including disclosure to Forum of any actual or potential conflicts of interest in its operations, algorithms, or systems.
- (c) Before an Affiliate trades on the DCM, and again if information about the Affiliate's trading activities changes materially, Forum will put in place the controls necessary to ensure compliance with this Rule and will notify other Participants of the restrictions on the Affiliate's trading activities by posting a notice on its website that discloses the Affiliate's purpose in trading on the DCM and summarizes the procedures in place to manage and disclose actual or potential conflicts of interest, so that market integrity and fairness are preserved.

4.4. Application

- (a) Each application to become a Participant shall be in such form as Forum may prescribe from time to time. Each applicant shall promptly update its application materials if any information provided in them becomes inaccurate or incomplete. Forum shall act upon, and approve or disapprove, any such application without unreasonable delay. Each applicant to become a Participant shall provide:
1. the applicant's true name and address;
 2. the applicant's date of birth;
 3. payment of any application fee prescribed by Forum;
 4. the applicant's express consent, in electronic form, to the jurisdiction of Forum and to comply with and be bound by the Rules and Applicable Law, including the Rules requiring cooperation and participation in investigatory and disciplinary processes;
 5. the applicant's acceptance of the disclosure statement that explains the various risks associated with trading; and
 6. the applicant's certification that it has read, understands, and accepts the Rulebook and Participant and Clearing Participant Agreement; and
 7. any additional information required to verify the applicant's identity.
- (b) An applicant may withdraw its application at any time without prejudice and without losing its right to reapply.

- (c) Upon Forum's approval of an applicant's Participant application, the applicant shall become a Participant and obtain Trading Privileges and Clearing Privileges.

4.5. Approval (Applies to DCM and DCO)

- (a) Forum will consider each application in a fair, non-discriminatory, and non-anti-competitive manner.
- (b) In considering any applicant for status as a Participant, Forum may request additional information or employ such other means as it deems desirable or appropriate, including conducting a background check, to ascertain relevant facts bearing on the applicant's qualifications.
- (c) Forum may, in its sole discretion, deny or condition any Participant application:
 - 1. if the application fails to demonstrate the capacity to adhere to all applicable Rules or Applicable Law, including, to the extent applicable, those concerning recordkeeping, reporting, finance, and trading procedures;
 - 2. if the applicant would bring Forum into disrepute; or
 - 3. for such other cause as Forum may determine from time to time in its discretion.
- (d) If Forum approves a Participant application, the approval is contingent upon the Participant:
 - 1. selecting a unique Participant identification;
 - 2. providing a password of sufficient complexity, as defined by Forum from time to time; and
 - 3. maintaining all information required by the DCO to transfer funds to and from the Participant's Clearing Account.
- (e) If Forum declines or conditions a Participant application, Forum shall notify the Person by electronic mail sent to the address provided in the application, specifying the basis for the decision.
- (f) The Person may, within 28 calendar days, petition Forum by electronic mail to reconsider the determination. The petition should describe in detail the reasons the application should be granted.
- (g) Within 28 calendar days of receiving a request for reconsideration, Forum shall confirm, reverse, or modify the denial or condition and shall promptly notify the Person in writing.
- (h) Forum may, in its sole discretion, schedule a hearing (in Person or by electronic means) or request additional information from the Person during the reconsideration.
 - 1. Forum's decision is the final action of Forum and is not subject to appeal.
 - 2. Such Person may reapply after six months.

3. All decisions to decline a Participant application shall be documented in accordance with the applicable books-and-records policy.

4.6. Voluntary and Involuntary Termination of Participant Status (Applies to DCM and DCO)

- (a) Each Participant may voluntarily withdraw its Participant status with Forum at any time. Any disciplinary matter pending at the time of withdrawal shall not be terminated as a consequence of the withdrawal.
- (b) Forum may, in its sole discretion and without advance notice, suspend, revoke, limit, condition, restrict, or qualify the privileges of any Participant as it deems necessary or appropriate if the Participant or any of its Authorized Traders violates the Participant and Clearing Participant Agreement or any other agreement with, or Rule of, the Rulebook. If Forum takes such action, it shall notify the Participant by electronic mail of the basis for the decision. Any such action may be appealed in accordance with the procedures set forth in these Rules, provided that the sanction shall remain in effect during the appeal.
- (c) Any terminated Participant shall remain bound by the Rules of the Rulebook and Applicable Law, in each case to the extent applicable to it, and shall remain subject to the jurisdiction of Forum with respect to any matter arising from, related to, or in connection with the status, actions, or omissions of the Participant and its Authorized Traders prior to the revocation or termination.

4.7. Participant Communications (Applies to DCM and DCO)

- (a) Participants must provide Forum with their current electronic mail address and notify Forum of any change within 24 hours.
- (b) Each Participant is responsible for promptly reviewing and, as applicable, responding to all electronic communications from Forum.
- (c) Participants are responsible for regularly reviewing the “Notices to Participants” section of the Forum website. Where necessary for regulatory purposes, Forum may share such data or information with one or more designated contract markets or swap execution facilities registered with the CFTC.
- (d) Participants will receive electronic mail directly from Forum with respect to any enforcement or disciplinary matter, whenever required by CFTC regulation, or order, or as otherwise required by these Rules. Forum may also, in its sole discretion, send non-routine notices that it determines to be important directly to all Participants to which the notice applies.
- (e) All routine communications from Forum to specific Participants shall be available to the Participant electronically, through the trading interface or on the Forum website, as provided in the Participant and Clearing Participant Agreement. For the avoidance of doubt, such routine, Participant-specific communications include confirmations of trades, contract settlements, assessed fees, and incentive payments.
- (f) Forum will post all communications of general applicability in the “Notices to Participants” section of its website. For the avoidance of doubt, these include each addition to, modification of, or clarification of the Rules of Forum or the Contract Specifications. Except for Emergency actions, these shall be posted no later than required by the CFTC’s

self-certification filing requirements set forth in CFTC Regulation 40.6(a), so that each Participant may become aware of, and implement any necessary preparatory measures with respect to, any such addition, modification, or clarification before its effective date.

- (g) Forum may record conversations and retain copies of electronic communications with Participants. Forum may retain any such recordings in such manner and for such periods as it deems necessary or appropriate, but in no event for less than the retention periods necessary to comply with CFTC Regulation 1.31.
- (h) Forum may not use for business or marketing purposes any Proprietary Data or Personal Information it collects or receives from or on behalf of any Person for the purpose of fulfilling its regulatory obligations, although it may use such data or information for business or marketing purposes if the Person from whom it collects or receives the data clearly consents. Forum may not condition access to its trading facility on a Participant's consent to the use of Proprietary Data or Personal Information for business or marketing purposes. Nothing in this Rule shall preclude Forum from disclosing Proprietary Data and Personal Information:
 - 1. As required by Applicable Law or legal process;
 - 2. as Forum deems necessary or appropriate in connection with any litigation affecting Forum;
 - 3. To any Forum representative authorized to receive such information within the scope of his or her duties;
 - 4. to a third party performing regulatory or operational services for Forum, provided that the party has executed a confidentiality and non-disclosure agreement in a form approved by Forum;
 - 5. To a duly authorized representative of the CFTC lawfully requesting Proprietary Data and Personal Information.
 - 6. in a manner to which the Person consents; pursuant to the terms of an information-sharing agreement; or as otherwise permitted by CFTC Regulations.

4.8. Public Communications (Applies to DCM and DCO)

- (a) The following shall be published on the Forum website:
 - 1. complete and current copies of the Rules of the Rulebook and the Contract Specifications, including the terms and conditions for available Contracts;
 - 2. Daily Settlement prices, Final Settlement Prices, volume, open interest, and opening and closing ranges for actively traded Contracts, once daily;
 - 3. Notices to Participants regarding each addition to, modification of, or clarification of the Rules and fees, including Contract Specifications for new Contracts, except that if confidential treatment is sought for any information, only the public version of the filing shall be disclosed;

4. additional reports from time to time in accordance with, and as specified in, these Rules or the applicable Contract Specifications; and
5. any other information relevant to participation in the clearing and settlement activities of the derivatives clearing organization.
6. The location on Forum's website designated for public communications shall be clearly labeled on the website's home page and readily available to the general public in a timely manner. All communications to be posted will be approved by the Chief Regulatory and Risk Officer.

4.9. Authorized Traders (Applies to DCM and DCO)

- (a) Each Participant that is an Entity must have at least one Authorized Trader.
- (b) By agreeing to become an Authorized Trader, an individual agrees to be bound by the duties and responsibilities of an Authorized Trader set out in Rule 4.10 and to be subject to, and comply with Applicable Law and the Rules.
- (c) To designate an Authorized Trader, a Participant must follow the procedures established by Forum. Forum may establish criteria that individuals must fulfill to become an Authorized Trader. Without limiting the generality of the foregoing, each Participant will ensure on an ongoing basis that (i) none of its Authorized Traders is subject to a disqualification pursuant to any Applicable Law (unless an appropriate exemption has been obtained with respect thereto) and (ii) each of its Authorized Traders is technically proficient and conducts its business in a fair and equitable manner.
- (d) Forum will promptly notify a Participant in writing of the approval of designated Authorized Trader(s) or if Forum declines to approve the nomination of an Authorized Trader.
- (e) Forum will maintain a list of all designated Authorized Traders for each Participant.
- (f) Forum may, in its sole discretion and/or pursuant to CEA Section 8a(2), revoke or suspend the designation of an individual as an Authorized Trader and shall promptly notify the Participant of such action.
- (g) To request the termination of the designation of an individual as an Authorized Trader, the Participant must follow the procedures established by Forum. Forum may, in its sole discretion, refuse to accept a request to terminate the registration of an Authorized Trader or may postpone the effective date of the termination of registration if Forum considers it necessary for the protection of the Participant or in Forum's best interest. Based on the information provided to, and other information gathered by, Forum regarding the request to terminate the registration of an Authorized Trader, Forum will determine whether to:
 1. accept the request to terminate such registration;
 2. postpone the effective date of termination of the registration; and/or
 3. impose any terms or conditions before or after the effective date of termination of the registration.

- (h) Each Participant shall (i) be solely responsible for controlling and monitoring the use of user identification(s) (“**User ID**”) or password(s) issued by Forum to a Participant or to a Participant’s Authorized Traders to access the DCM or the DCO, (ii) provide such User IDs and passwords only to its Authorized Traders and (iii) promptly notify Forum upon becoming aware of any unauthorized disclosure or use of, or any other reason for deactivating, such User IDs or passwords. Each Participant shall be bound by any actions taken through the use of its User IDs and passwords (other than actions resulting from the fault or negligence of Forum), including the execution of transactions, whether or not those actions were authorized by the Participant or any of its Authorized Traders or were executed by anyone other than an Authorized Trader of the Participant.
- (i) Notwithstanding the foregoing, each Participant and any of its Authorized Traders shall have their own unique User ID and password, which may be used only by that Participant or Authorized Trader and solely for the purpose of submitting Orders in respect of the Account for which the Participant or Authorized Trader has Trading Privileges.

4.10. Duties and Responsibilities of Authorized Traders

- (a) By agreeing to act as an Authorized Trader, such Person agrees to be bound by the duties and responsibilities of an Authorized Trader and to be subject to, and comply with, the Rules.
- (b) An Authorized Trader must:
 - 1. ensure that activity conducted under its User ID complies with Applicable Law and the Rules;
 - 2. have the authority, at the DCM’s request, to adjust or withdraw any Order submitted under such User ID;
 - 3. have and maintain all necessary regulatory approvals and/or licenses to operate as an Authorized Trader;
 - 4. cooperate promptly and fully with the DCM or the DCO in any investigation, inquiry, audit, examination or proceeding regarding compliance with the Rules or any Disciplinary Action or arbitration proceeding;
 - 5. comply with any order issued by the DCM or the DCO; and
 - 6. agree to such other terms and conditions as may be established by the DCM or the DCO from time to time.

CHAPTER V TRADING

5.1. Contracts (Applies to DCM)

- (a) DCM may list for trading such Contracts as it determines in its discretion pursuant to General Contract Terms which are established in Rule 12.
- (b) Contract Specifications for each Contract will establish and govern the procedures and requirements necessary for that Contract, including the Scope and Underlying, Trading Day,

Trading Hours, Minimum Price Increment, Price Limit(s), Final Settlement, Position Limits, and Original Margin requirements.

- (c) Participants may not modify the Contract Specifications in any respect.
- (d) If any event or circumstance arises that may have a material impact on the reliability or transparency of a Contract's Underlying related to the Contract, including if a Contract's Underlying becomes unavailable or undergoes significant modification, Forum retains the authority to designate a new Underlying for that Contract and to change any associated Contract Specifications or Rules after the first day of trading. Any new Underlying must be objective and verifiable. Forum will announce any such decision on its website.
- (e) Prior to the Final Settlement of any Contract, Forum may, in its sole discretion, initiate a review of the Contract and its Final Settlement Price. Forum will conduct any such review and consider any activities or events that materially impact the reliability or transparency of the Underlying, or the market for the Contract. If the review will significantly delay the settlement of any Contract, Forum will post information regarding the review in the "Notices to Participants" section of its website. Through the review process, Forum will have full discretion to determine the Final Settlement Price of the Contract, and that determination shall be considered final.

5.2. Trading Privileges (Applies to DCM and DCO as defined below)

- (a) Financial Requirements (Applies to DCM and DCO)
 - 1. Participants must maintain sufficient funds on deposit with the DCO so that any executed Orders will be accepted by the DCO.
 - 2. To facilitate compliance with this Rule, Forum may, in its sole discretion and from its own funds, advance funds for immediate use to a Participant's Clearing Account, provided that:
 - a. the advance is administrative in nature, arising from the normal course of timing of banking transactions, and is not a loan;
 - b. the Participant has submitted a bona fide funds deposit request;
 - c. the funds deposit request is being processed in the normal course of banking transactions by the DCO; and
 - d. the advanced amount does not exceed the lesser of the funds deposit request or U.S. \$1,000.00 and is available for no more than five Business Days, or such additional time as Forum may allow in its sole discretion.
 - 3. Participants that fail to meet the financial requirements of this Rule, including any failure to timely repay advanced funds, shall be subject to suspension of Trading Privileges and Clearing Privileges and liquidation of their accounts without notice, and shall be subject to further disciplinary process under these Rules.

5.3. Market Access (Applies to DCM and DCO)

- (a) The Forum Systems are accessed by Participants and their Authorized Traders electronically through one or more of the following connection methods. Through one or more of these interfaces, Participants and their Authorized Traders will have Forum Systems access to submit Orders, deposit or withdraw funds, receive trade confirmations, clear trades, and view open positions, account balances, and fees paid.
1. *DCM Graphic User Interface:* Forum may provide a graphic user interface managed by Forum, or its Affiliate, and its Personnel via web browser, mobile device, desktop application, or other means.
 2. *DCM Programming Interface:* Forum may provide an application programming interface managed by Forum to third party ISVs. To access the Forum DCM System, each ISV must execute such agreements as Forum requires from time to time and meet the objective minimum standards that Forum determines in its discretion, including financial minimums, functional usability, technical competency, and client support.
 3. *ISV Interface:* ISVs may provide a graphic user interface managed by the ISV and its Personnel via web browser, mobile device, desktop application, or other means as permitted by Forum. Participants choosing to use such interfaces may be subject to fees, agreements, service levels, and restrictions in addition to those of Forum. Orders placed through an ISV interface are not valid until received and acknowledged by the Forum DCM System, and Participants (and not Forum) are solely responsible for all errors, omissions, or failures of the ISV system and for any consequential trading or clearing errors when using an ISV interface.
 4. *Participant Application Programming Interface:* Forum may provide an application programming interface managed by Forum to Participants. To use such an interface, Participants must execute such agreements as Forum requires from time to time and meet the objective minimum standards that Forum determines in its discretion, including financial minimums, volume minimums, technical competency, and capacity restrictions.

5.4. Limitations on Market Access (Applies to DCM and DCO except Item (c) below applies to DCM only)

- (a) Market access will be suspended during periods that Forum schedules for routine maintenance of the Forum DCM System and during any announced periods of non-routine maintenance. If trading is suspended for either routine or non-routine maintenance, notice will be given to Participants as promptly as practicable by the posting of a “Notice to Participants” on the Forum website.
- (b) Notwithstanding anything in these Rules to the contrary, DCM may, in its sole discretion, summarily limit, condition, restrict, qualify, or deny access to the Forum DCM System, including by limiting the rate of messages accepted by the Forum DCM System from any or all Participant(s). Forum implements throttling of activity on its website, including trade messages. Participants that submit Orders or any other messages directly to Forum must implement sufficient controls to prevent excessive messaging or other activity that could be considered detrimental or disruptive to the market or to Forum.

- (c) Rules governing the denial, suspension, and revocation of the access privileges of a member or a Person with Trading Privileges to the DCM, including where such actions are part of a disciplinary or Emergency action by the DCM, shall be enforced impartially.

5.5. Impartial Access by Members, Persons with Trading Privileges and ISVs (Applies to DCM)

- (a) DCM will provide Participants, Authorized Traders and ISVs with impartial access to its markets and services, including (1) access criteria that are impartial, transparent, and applied in a non-discriminatory manner, and (2) comparable fee structures for Participants, Authorized Traders, and ISVs receiving equal access to, or services from, the DCM.

5.6. Orders (Applies to DCM)

(a) Order Entry

1. Participants and Authorized Traders shall enter Orders by secure electronic transmission, directly or indirectly, to the Forum DCM System, providing all information required by that system.
2. Upon receipt of an Order by the Forum DCM System, Forum shall maintain an electronic record of the Order.
3. Each Participant shall be responsible for all Orders placed for its Trading Account(s), whether or not authorized by the Participant.
4. Participants shall maintain audit trail information for a minimum of five years and shall be able to produce audit trail data in a standard format upon request of the DCM.
5. Forum may employ order rate limiter functionality that caps the maximum number of Orders that may be submitted per second (or other specified period), and may similarly limit the number of messages submitted, in each case to prevent a risk of harm to Forum.
6. Participants must maintain controls to prevent excessive Order submission, spam messaging, or automated activity that could impair market function, including controls over any bots, algorithmic interfaces, or other automated signing systems.
7. Forum may establish a maximum Order size for the Account of each Participant based on the Participant's Available Funds, the Participant's trading behavior, and any other factors that Forum deems relevant.

(b) Permitted Order Types

1. Except as provided in Rule 5.6(c), all Orders must be entered and executed on the Forum DCM System through the central limit order book.
2. *Limit Orders*: an Order specifying the purchase or sale of a Contract at a specified price or better. A Limit Order will be executed when entered to the extent that there are opposite Orders open in the Forum DCM System, with any balance remaining as an open Order until executed or cancelled.

3. *Good-'Til-Cancelled ("GTC") Orders*: a time-in-force designation for an Order that remains in force until executed, cancelled, or the Contract expires.
4. *Auto-Buy / Auto-Sell Order (collectively "Auto-Match Order")*: an order automatically generated pursuant to a Participant's Auto-Roll Instruction for the next immediate expiration of the same Contract. An expiring long position will result in an Auto-Buy Order, and an expiring short position will result in an Auto-Sell Order. Each Auto-Match Order shall be entered at the Final Settlement Price of the expiring Contract and shall be limited to the quantity of the corresponding expiring position.
 - a. *Auto-Roll Instruction*: a standing instruction by which a Participant elects to automatically enter an Auto-Match Order in connection with the Participant's expiring Open Contract Positions. An Auto-Roll Instruction is good until cancelled by the Participant.

(c) Exceptions

1. Except as provided in this Rule 5.6(c), no Participant or Authorized Trader may enter a pre-discussed or pre-arranged transaction into the Forum DCM System.
2. *Wait Time Exception*: No trader shall enter into or attempt to enter into any non-competitive trade on the platform. A Participant or Authorized Trader seeking to execute a pre-discussed transaction shall submit the initial Order (either buy or sell) to the Forum DCM System, wait no less than 15 seconds, and then submit the opposite-side Order. For the avoidance of doubt, the initial Order may be matched against other Orders in the Forum DCM System, and therefore the opposite-side Order is not assured of being matched with the original Order.
3. Except as provided in this Rule 5.6(c), no Participant or Authorized Trader may enter a pre-negotiated or non-competitive transaction into the Forum DCM System.

5.7. Order Matching Priority (Applies to DCM)

- (a) An Order at a better price will always have priority over Orders at inferior prices.
- (b) Among Orders at the same price, priority will be given to the Order first received by the DCM.
- (c) A cancelled Order that is replaced by a new Order with identical Contract parameters loses its time priority.

5.8. Errors and Trade Cancellations (Applies to DCM)

- (a) Error Notification
 1. If a Participant or Authorized Trader believes that an Order was incorrectly rejected or executed by the Forum DCM System, the Participant or Authorized Trader may request review of the Order by:
 - a. notifying the DCM within 10 minutes by email to the address provided on the DCM's website;

- b. providing the confirmation number or other unique identifying characteristics for the Order;
- c. stating the grounds for the disagreement;
- d. stating the outcome or system behavior that was expected; and
- e. providing any other information that the Participant or Authorized Trader believes is pertinent to its claim.

(b) Error Review

1. Upon receipt of an error notification, the DCM will review its electronic audit trail to determine, in its sole discretion, whether the Forum DCM System incorrectly rejected or processed the Order:
 - a. On the same Business Day, if the request was received before 12:00 noon Eastern Standard Time on a Business Day; or
 - b. By the end of the following Business Day, if the request was received after 12:00 noon Eastern Standard Time on a Business Day or on any day that is not a Business Day.
2. The determination of the DCM in its absolute and sole discretion is final.
3. If the review reveals that the Order was correctly processed by the Forum DCM System, the DCM in its sole discretion may resolve the Participant's review request as follows:
 - a. If the Forum DCM System behavior should reasonably have been anticipated or is due to any fault of the Participant or the Authorized Trader, make no adjustment;
 - b. If the Forum DCM System behavior could not reasonably have been anticipated and is due to no fault of the Participant or the Authorized Trader, the DCM in its sole and absolute discretion may make a monetary adjustment from its own funds that it believes represents a fair and equitable resolution of the Order's handling; or
 - c. No adjustment to another Participant's positions shall be undertaken.
4. If the review reveals that the Order was incorrectly handled, the DCM in its sole and absolute discretion may resolve the Participant's error by:
 - a. cancelling the trade in the Trading Accounts of all directly affected Participants; or
 - b. making a monetary adjustment, from its own funds, that Forum in its sole and absolute discretion believes represents a fair and equitable resolution of the Order's handling.

(c) Cancellations

1. As a designated contract market, the DCM has the authority to adjust trade prices or cancel trades when necessary to mitigate market-disrupting events caused by malfunctions on the Forum DCM System or by errors in Orders submitted by Participants or for any reason deemed necessary by the DCM to comply with Applicable Law. The DCM will exercise this authority when, in its sole discretion, it deems such action necessary or appropriate.
2. The DCM, in its discretion and in accordance with these Rules, may cancel or adjust a trade that has been executed on the DCM at a price that is inconsistent with prevailing market conditions due to improper or erroneous orders or quotes being matched on the DCM. Likewise, there will generally be no cancellation or adjustment of an erroneous trade except in extraordinary circumstances as determined by the DCM. An erroneous trade made due to Participant or Authorized Trader error, or caused by circumstances preventable in any way by a Participant or Authorized Trader, shall not constitute “extraordinary circumstances.”
3. The DCM may review a trade based on its own analysis of the market or pursuant to a request for review by a Participant. A request for a review by a Participant or other third party must be received by the DCM no later than fifteen (15) minutes after the trade has been executed on the Forum DCM System and before Expiration of the Contract. The DCM will promptly determine whether the trade will be subject to review and then promptly post notice indicating that the trade is under review.
4. During any review, the DCM will calculate a fair market value for the Contract at the time of the questioned trade by utilizing the last value or price of the Contract at the time of the trade and/or any other relevant market information obtained or presented to the DCM.
5. Once a fair market value has been calculated, a range equal to twenty-five percent (25%) above and below such fair market value shall be applied to determine the “No Cancellation Range”; provided, however, that the No Cancellation Range shall in no event extend below the applicable Contract Floor or above the applicable Contract Cap. Any Order priced below the Contract Floor or above the Contract Cap shall be rejected before acceptance and shall not be eligible for execution.
6. If a trade has been executed within the No Cancellation Range, the executed trade will stand. If a trade has not been executed within the No Cancellation Range, the DCM shall have the authority, but not the obligation, to cancel or adjust such trade. Once a trade is determined to be canceled or adjusted, the DCM will notify all interested parties to the trade as soon as practicable following such determination.
7. When determining the value for a trade adjustment, the DCM may in its discretion consider subsequent trades by the counterparties in order to ensure that the operation of this Rule is fair and equitable. Participants shall be accountable to remit funds as necessary to effectuate any trade cancellation or adjustment under the Rule.
8. The decisions of the DCM regarding fair market value of the Contract, the No Cancellation Range, the cancellation of a trade, or any other determination hereunder shall be final and not subject to appeal.

5.9. Limitation of Liability (Applies to DCM and DCO)

(a) EXCEPT AS OTHERWISE PROVIDED IN THESE RULES, AND EXCEPT IN INSTANCES WHERE THERE HAS BEEN A FINDING OF WILLFUL MISCONDUCT OR GROSS NEGLIGENCE, IN WHICH CASE THE PARTY FOUND TO HAVE ENGAGED IN SUCH CONDUCT CANNOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE, NEITHER FORUM (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES TO FORUM) OR ANY FORUM AFFILIATE ISV NOR ANY OF THEIR RESPECTIVE MEMBERS, MANAGERS, DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES, OR AGENTS SHALL BE LIABLE TO ANY OTHER PERSON, INCLUDING ANY PARTICIPANT OR PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER), FOR ANY LOSSES, DAMAGES, COSTS, OR EXPENSES (INCLUDING LOSS OF PROFITS, LOSS OF USE, DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES), ARISING FROM (A) ANY FAILURE OR MALFUNCTION OF THE FORUM DCM SYSTEM OR THE FORUM CLEARING SYSTEM OR ANY FORUM SERVICES OR FACILITIES USED TO SUPPORT THE FORUM SYSTEMS, OR (B) ANY FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY OR TERMINATION, OR ANY OTHER CAUSE, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF THE FORUM SYSTEMS OR ANY SERVICES OR FACILITIES USED TO SUPPORT THE FORUM SYSTEMS. THE FOREGOING SHALL APPLY REGARDLESS OF WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE.

(b) THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS PROVIDED BY FORUM (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES TO FORUM), RELATING TO THE FORUM SYSTEMS OR ANY SERVICES OR FACILITIES USED TO SUPPORT THE FORUM SYSTEMS, INCLUDING WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR USE. THE SERVICES OF FORUM ARE BEING PROVIDED ON AN “AS IS” BASIS AT THE SOLE RISK OF THE PARTICIPANT AND ANY PERSON ASSOCIATED WITH THE PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER). NEITHER FORUM (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES TO FORUM) NOR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS MAKE ANY WARRANTY WITH RESPECT TO, AND NO SUCH PARTY SHALL HAVE ANY LIABILITY TO ANY PARTICIPANT OR ANY PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER) FOR, THE ACCURACY, TIMELINESS, COMPLETENESS, RELIABILITY, PERFORMANCE, OR CONTINUED AVAILABILITY OF THE FORUM SYSTEMS OR FORUM, DELAYS, OMISSIONS OR INTERRUPTIONS IN SERVICES, OR THE CREDITWORTHINESS OF ANY OTHER PARTICIPANT OR ANY PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER). FORUM SHALL HAVE NO DUTY OR OBLIGATION TO VERIFY ANY INFORMATION DISPLAYED ON THE FORUM SYSTEMS OR OTHERWISE. EACH PARTICIPANT AND EACH PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER) ACKNOWLEDGES AND AGREES THAT FORUM (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUBCONTRACTORS PROVIDING SERVICES TO FORUM) DOES NOT AND SHALL NOT SERVE AS THE PRIMARY BASIS FOR ANY DECISIONS MADE BY SUCH PARTICIPANT OR PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER), AS THE CASE MAY BE, AND IS NOT AN ADVISOR OR FIDUCIARY OF SUCH PARTICIPANT OR PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER), AS THE CASE MAY BE.

(c) EXCEPT AS OTHERWISE PROVIDED IN THESE RULES, ANY LIABILITY OF FORUM WILL BE LIMITED TO DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE ACTS OR OMISSIONS OF FORUM OR ITS DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES OR AGENTS; PROVIDED THAT THE TOTAL COMBINED AGGREGATE LIABILITY OF FORUM AND ITS DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES, OR AGENTS TO ANY ONE PARTICIPANT SHALL NOT, TAKEN TOGETHER WITH ANY LIABILITY OF THE DCO TO SUCH PARTICIPANT RESULTING FROM THE ACTS OR OMISSIONS OF THE DCO OR ITS DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES OR AGENTS, EXCEED \$2,500 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE CALENDAR DAY; \$5,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$50,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR YEAR.

(d) ANY DISPUTE ARISING OUT OF THE USE OF THE FORUM SYSTEMS OR SERVICES OR FACILITIES USED TO SUPPORT THE FORUM SYSTEMS IN WHICH FORUM (INCLUDING ITS AFFILIATES AND ANY CONTRACTORS AND SUB-CONTRACTORS PROVIDING SERVICES TO FORUM) OR ANY ISV OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, COMMITTEE MEMBERS, EMPLOYEES, OR AGENTS IS A PARTY SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. ANY ACTIONS, SUITS, OR PROCEEDINGS AGAINST ANY OF THE FOREGOING MUST BE BROUGHT WITHIN ONE YEAR FROM THE TIME THEY FIRST ARISE, AND ANY SUCH ACTION, SUIT, OR PROCEEDING MAY ONLY BE BROUGHT IN ANY FEDERAL OR STATE COURTS LOCATED IN THE BOROUGH OF MANHATTAN IN THE STATE OF NEW YORK. THIS PROVISION SHALL IN NO WAY CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE ANY ACTION THAT WOULD OTHERWISE BE PROHIBITED BY RULES OF FORUM. EACH PARTICIPANT OR PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER) EXPRESSLY CONSENTS TO THE JURISDICTION OF ANY SUCH COURT, WAIVES ANY OBJECTION TO VENUE THEREIN, AND WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY.

(e) ANY PARTICIPANT OR PERSON ASSOCIATED WITH A PARTICIPANT (INCLUDING ANY AUTHORIZED TRADER) WHO FAILS TO PREVAIL IN A LAWSUIT OR OTHER LEGAL PROCEEDING INSTITUTED BY SUCH PERSON AGAINST FORUM (INCLUDING ITS AFFILIATES) OR ANY OF ITS DIRECTORS, COMMITTEE MEMBERS, OFFICERS, EMPLOYEES, AGENTS OR CONTRACTORS, AND RELATED TO THE BUSINESS OF FORUM, WILL PAY TO FORUM ALL REASONABLE EXPENSES, INCLUDING ATTORNEYS' FEES, INCURRED BY FORUM IN THE DEFENSE OF SUCH PROCEEDING TO THE EXTENT THAT SUCH EXPENSES EXCEED FIFTY THOUSAND DOLLARS (\$50,000.00). THIS PROVISION WILL NOT APPLY TO DISCIPLINARY ACTIONS BY FORUM, ADMINISTRATIVE APPEALS OF FORUM ACTIONS, OR IN ANY SPECIFIC INSTANCE WHERE THE BOARD OF DIRECTORS HAS GRANTED A WAIVER OF THIS PROVISION.

(f) NOTWITHSTANDING ANY OF THE FOREGOING PROVISIONS, THIS RULE 5.9 SHALL IN NO WAY LIMIT THE LIABILITY OF ANY PERSON ARISING FROM ANY VIOLATION BY SUCH PERSON OF THE CEA OR THE CFTC REGULATIONS THEREUNDER.

5.10. Position Limits (Applies to DCM)

(a) Position Limits

1. Position Limits may be established by the DCM from time to time for any Contract.
2. The maximum position will be set forth in the Contract Specifications of any Contract subject to such limits.
3. No Person shall enter into any transaction on DCM that would cause that Person to exceed any Position Limit, *except that*:
 - i upon application from a Participant, for hedging or other good cause shown, DCM may, in its sole discretion, exempt the Participant from a limit on a temporary or permanent basis;
 - ii any exemption may include new limits; and
 - iii DCM shall have the authority to review and rescind any exemption.
4. For purposes of this Rule, DCM will aggregate the Trading Accounts for all Participants as provided by CFTC Regulation 150.4.

5.11. Position Accountability (Applies to DCM)

- (a) The DCM may, at any time, require a Participant and its Authorized Traders that own or control positions in Contracts traded on DCM to provide information relating to the nature and size of the position; the trading strategy employed with respect to the position; information supporting a determination of the hedging nature of the position; and such other position information as may be requested.
- (b) The DCM may order the reduction of any position of a Participant that fails to provide the information as directed, or may, in its discretion, order that a position above the position accountability threshold not be increased.
- (c) The DCM shall adopt for each Contract, as necessary and appropriate, position accountability for speculators.

5.12. Publication of Trading Information (Applies to DCM)

- (a) *Self-cleared Contracts*: All Contracts listed by DCM qualify as “exclusively self-cleared contracts” within the meaning of CFTC Regulation 16.00.
- (b) *Public Market Data*: DCM will publish trading volume, open interest, prices, and critical dates on its website, consistent with CFTC Regulation 16.01.
- (c) *Daily Trade and Supporting Data Supplied to the CFTC*: DCM will provide data to the CFTC as required by CFTC Regulation 16.02.
- (d) *Errors or Omissions*: DCM shall file corrections to errors or omissions in data as required by CFTC Regulation 16.06.

5.13. Fees (Applies to DCM and DCO)

- (a) Participants may be charged fees in connection with the trading or clearing of Contracts, the processing of Participant deposits and withdrawals, and other matters, in such amounts

as may be posted on the Forum website. Routine withdrawals will be processed via ACH, and withdrawals by alternate methods may incur additional fees.

- (b) The Board shall have sole authority to set the times and amounts of any fees to be paid by Participants.
- (c) The DCO may deduct DCM fees or expenses incurred by Participants directly from the Participant Clearing Account.
- (d) If a Participant fails to pay when due any DCM fees or other amounts owed, and the payment obligation remains unsatisfied for thirty (30) Business Days after its due date, Forum may, as it deems necessary or appropriate, suspend, revoke, limit, condition, restrict, or qualify the Trading Privileges or Clearing Privileges of the Participant and its Authorized Traders.

5.14. Incentive Programs (Applies to DCM and DCO)

- (a) Participants shall be entitled to receive incentive payments from Forum for any incentive program that Forum in its discretion may offer, provided that the Participant:
 - 1. is in good standing with Forum;
 - 2. is, if applicable, registered with the NFA in an appropriate registration category, or exempt from such registration;
 - 3. submits to Forum such additional forms and agreements as Forum requires, and promptly updates any information provided that becomes inaccurate or incomplete; and
 - 4. complies with the terms and conditions of the incentive program, including any requirements to deposit or maintain funds, achieve trading volumes, attain open interest, demonstrate required technical and operational capabilities, solicit additional Persons to apply as Participants, or satisfy such other requirements as are specified in the program.
- (b) All payments under incentive programs will be made directly by Forum through the DCO via the Participant Clearing Account.

5.15. Trading Hours (Applies to DCM and DCO)

- (a) Trading on the DCM shall be available during the Trading Hours set forth in the relevant Contract Specifications or as otherwise announced by Forum on its website from time to time. Forum shall provide reasonable advance notice to Participants of any scheduled maintenance that will affect the availability of the DCM or the DCO.

5.16. Trade Confirmations (Applies to DCM and DCO)

- (a) A confirmation record summarizing the material terms of each executed trade will be made available by the DCM promptly after execution. Trade details, including the Contract type, size, and execution time, will be made available to Participants after execution. If a Participant is not online at the time of settlement, the confirmation record will be available upon the Participant's next login.

5.17. Market Disruption or Market Halt Notification (Applies to DCM and DCO)

- (a) In the event that any significant market irregularity or market disruption is declared by the Chief Regulatory and Risk Officer or the Chief Executive Officer, or in order to prevent or reduce the potential risk of price distortions or significant market disruptions, a market may be paused or halted for trading, and the CFTC will be notified if required pursuant to CFTC Regulations. An explanation will be posted in the “Notices to Participants” section of the Forum website within a reasonable time, but in no event later than 24 hours after the initiation of the halt.

CHAPTER VI

CLEARING AND SETTLING CONTRACTS (APPLIES TO DCO)

6.1. DCO

- (a) The DCO shall serve as the sole derivatives clearing organization for the clearance and settlement of all Contracts traded on DCM, unless otherwise provided in the Contract Specifications.
- (b) Each Participant is a self-Clearing Participant responsible for its own positions, with all matched trades cleared by the DCO as central counterparty.

6.2. Participant Clearing Accounts

- (a) Each Clearing Participant shall maintain at least one proprietary Participant Clearing Account to hold its Original Margin Funds, Open Contract Positions, Closed Contract Positions, and Contract profit or loss amounts.
- (b) A Participant may, with the prior approval of DCO, maintain more than one proprietary Participant Clearing Account. Positions in such separate accounts shall not net or offset against one another.
- (c) Funds held in Participant Clearing Accounts shall be considered Participant Property, as that term is defined in the Bankruptcy Code.
- (d) Except as provided in Rule 6.2(e), DCO shall at all times account for, segregate, and maintain at a Settlement Bank all funds held in Participant Clearing Accounts.
- (e) Notwithstanding Rule 6.2(d), DCO may maintain a proprietary account that:
 - 1. receives fees or other Participant payments owed to Forum;
 - 2. receives the proceeds of investments as provided in Rule 6.11; and
 - 3. provides funds to Participants as provided in Rule 5.2(a).

6.3. Deposits to and Withdrawals from Participant Accounts

- (a) Participants may make deposits to their Participant Clearing Accounts through the DCM. In Forum’s discretion, deposits may be made only in the form of cash, ACH, wire transfer, EFT (electronic funds transfer), or other bank transfers such as RTP (real-time payments). Such transfers may be initiated or fulfilled by a bank or bank equivalent, such as a credit

union, savings and loan, or other federal or state-chartered depository of U.S. funds. All deposits must be made in U.S. dollars. Cryptocurrencies, foreign currencies, credit card transactions, and securities are not acceptable for deposit.

- (b) Participants may use Participant Funds as Original Margin Funds upon:
 - 1. receipt of such funds by the DCO; and
 - 2. authorization by Forum as provided in Rule 5.2(a).
- (c) Participants may request the withdrawal of Available Funds through the DCM.
 - 1. Upon Forum's receipt of a withdrawal request, a Participant's Available Funds will be reduced immediately by the amount of the withdrawal request.
 - 2. The amount of any such withdrawal request shall be reduced to reflect a Participant's then-outstanding obligations, if any, to Forum.
 - 3. Before processing a withdrawal request, the DCO may, in its sole discretion, require additional information from a Participant to comply with Applicable Law.
 - 4. A withdrawal request may be denied in whole or in part if the Participant's funds relate to a pending investigation or if the Participant's Trading Account or privileges are restricted or suspended for valid reasons under these Rules or the Participant and Clearing Participant Agreement.
 - 5. Withdrawals will occur, and funds will be available by electronic transfer to the Participant's originating bank account, no later than the next Settlement Bank Business Day after the Participant submits a withdrawal notification, provided the notification is submitted before noon ET. A withdrawal request submitted after noon ET will be processed for settlement on the following Business Day. A withdrawal request processed for the Participant's convenience by an alternative method may be delayed to accommodate the individual request.
 - 6. Participants withdrawal of funds that fail to meet the following criteria may be delayed:
 - i more than 30 days from date of deposit of funds.
 - ii account contains complete banking information.
 - iii account contains complete verified tax information such as SSN.
 - iv designate to remit funds to same bank account from which Participants funds were deposited.
 - v use of electronic funds transfers (ACH).
 - vi Participant does not have an outstanding advance.

6.4. Settlement Bank

- (a) The DCO will designate at least one Settlement Bank, as defined by CFTC Regulation 39.14(a)(2), for the purpose of holding Participant Property.

6.5. Acceptance for Clearance

- (a) Every Participant shall at all times have funds sufficient to cover the maximum possible loss it could incur upon liquidation or expiration of its positions. For the avoidance of doubt, while each open Contract is fully collateralized within its Floor and Cap and no intraday variation margin is collected, all open Contracts are settled daily at the Expiration Time, at which time gains and losses are realized into the Participant's Account and positions are re-established through the Auto-Roll Forward as provided in an applicable Contract Specification.
- (b) Prior to matching a Participant's order, the sufficiency of the Participant's funds in an Account for the positions shall be confirmed. Upon the matching of a Participant's order by the DCM and prior to acceptance for clearance, the DCO shall confirm the required trade details with the DCM.
- (c) If the DCO determines that any pending match, or portion of it, contains a material error or is otherwise not eligible for clearing, the DCO shall not accept the pending match for clearing, shall notify Forum of the non-acceptance and the reason for it, and the match shall be void ab initio.
- (d) If the DCO accepts a pending match for clearing, then, in its capacity as a registered derivatives clearing organization, the DCO shall immediately, through the process of novation, be substituted as, and assume the position of, seller to the Participant buying and buyer to the Participant selling the Contract.
- (e) Upon such substitution, the buying and selling Participants shall be released from their obligations to each other and shall be deemed to have bought the Contracts from, or sold the Contracts to, the DCO, as the case may be, and the DCO shall have all the rights and be subject to all the liabilities of the relevant Participant with respect to the transaction.
- (f) Such substitution shall be effective in law for all purposes.
- (g) Contracts with the same terms and conditions submitted to the DCO for clearing are economically equivalent within the DCO and may be offset against each other within the DCO.
- (h) All payments to Clearing Participants and collections from Clearing Participants in connection with the clearing and settlement of Contracts are irrevocable and any and all amounts paid to the DCO in satisfaction of the obligations of Clearing Participants in connection with Contracts are unconditionally deposited with, and exclusively within the control of, the DCO when credited or debited on the books of the DCO, subject only to correction of manifest error.

6.6. Opening Positions and Position Close Out

- (a) Before the DCO establishes an opening position with any Participant in an individual Contract, it shall calculate the Original Margin requirement for the position and confirm that the Participant has sufficient Available Funds to provide for full collateralization of the position. If the Participant lacks sufficient Available Funds to cover the opening

position in full, the Participant's Order shall be rejected in its entirety. Upon execution of the transaction, the DCO shall collect from the Participant's Available Funds the amount necessary to provide for full collateralization of the resulting position.

- (b) When the DCO, pursuant to a new Order from the Participant, seeks to establish a further position with the same Participant in the same Contract, thereby increasing the Participant's exposure, it shall calculate the Participant's New Margin Requirement based on the Participant's combined position in the Contract that would result from execution of the Order. If, prior to acceptance of the Order, the New Margin Requirement exceeds the previous Original Margin requirement, the DCO shall confirm that the Participant has sufficient Available Funds to cover the difference. If the Participant lacks sufficient Available Funds to cover the difference in full, the Participant's new Order shall be rejected in its entirety. Upon execution of the transaction, the DCO shall collect the difference from the Participant's Available Funds. If the New Margin Requirement is less than the previous Original Margin requirement, the DCO shall return the difference to the Participant's Available Funds.
- (c) When a Participant closes a position in a Contract, in whole or in part, thereby reducing the Participant's exposure, the DCO shall calculate the Participant's New Margin Requirement based on the combined position in the Contract resulting from the transaction. If the New Margin Requirement is less than the previous Original Margin requirement, the DCO shall return the difference to the Participant's Available Funds. A transaction that reduces or closes a Participant's existing position, without establishing a position in the opposite direction, shall not require the collection of additional Original Margin.
- (d) If an Order would both close an existing position and establish a position in the opposite direction, the portion of the resulting position in the opposite direction shall be treated as an opening position and shall be subject to the requirements of paragraphs (a) and (b). If the Participant lacks sufficient Available Funds to provide for full collateralization of the resulting position, the Participant's Order shall be rejected in its entirety.

6.7. Settling at Expiration

- (a) Upon settlement of each Contract at the Expiration Time on each Trading Day, gains and losses shall be realized into each Participant's Account, and position close-out and re-establishment shall be made in accordance with the relevant Contract Specifications, including the Daily Settlement and Auto-Roll Forward provisions, provided that DCM may, in its sole discretion, permit two or more Participants to enter into arrangements to settle any Contract between them on terms different from those set forth in the relevant Contract Specifications.

6.8. Reports

- (a) Each Participant shall have access to the information in its Participant Clearing Account on a continuous basis whenever logged on to the Forum Clearing System.
- (b) Each Participant shall be responsible for reconciling its records with the Participant Clearing Account balances provided by Forum.

6.9. Transfers of Positions

- (a) Positions may be transferred between two or more Clearing Participant Accounts, provided that:
1. the transfer constitutes a change from one account to another account where the underlying beneficial ownership in those accounts remains the same;
 2. the transfer is in connection with, or as a result of, a merger, asset purchase, consolidation, or similar non-recurring transaction between two or more Entities where one or more Entities become the successor in interest to one or more other Entities;
 3. in the judgment of the DCO, the transfer is in the best interest of Forum.
 4. Any position transferred shall be reported by Forum as a “Transfer Trade” and carried on the books of the DCO at the original trade dates and prices.

6.10. Taxes

- (a) Each Participant shall pay all taxes, fees, assessments, or other charges associated with any Contract to which it is a party or in which it holds a position, in accordance with the terms of the Contract. If the DCO is asserted to be liable, or is held liable, for any such tax, fee, assessment, or charge, the Participant tendering the Contract for clearing shall be responsible for its payment.

6.11. Investment of Participant Funds

- (a) All Participant Property invested by the DCO shall be held in instruments that comply with CFTC Regulations 1.25 and 39.15(e), as follows:
1. Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
 2. General obligations of any State or of any political subdivision thereof (municipal securities);
 3. Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations);
 4. Certificates of deposit issued by a bank (certificates of deposit) as defined in section 3(a)(6) of the Securities Exchange Act of 1934, or a domestic branch of a foreign bank that carries deposits insured by the Federal Deposit Insurance Corporation;
 5. Commercial paper fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (commercial paper);
 6. Corporate notes or bonds fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (corporate notes or bonds); and
 7. Deposits in interest bearing accounts at FDIC insured banks.

- (b) All Participant Property invested as provided in Rule 6.11 shall be for the account and risk of Forum, and any income, gains, and losses on such investments shall belong to Forum.
- (c) Selection of options from the above list shall be made by Forum's Chief Executive Officer or designee and periodically reviewed by the Board.
- (d) The investment reports for all member funds invested by Forum shall be maintained and made available to the Board. The Board shall receive annually a report on investment selection and results for the previous and current year.
- (e) Forum will manage the permitted investments consistent with the objectives of preserving principal and maintaining liquidity. Because Forum is fully collateralized, there is no need to allow for the sale of the above securities to meet margin calls. The pooled nature of the funds deposited by Participants eliminates the need to provide separate investment monitoring or reporting on a Participant-by-Participant basis.
- (f) All instruments selected for investment of Participant Funds will be drawn from the list above and shall comply with the regulations set forth in CFTC Regulation 1.25 (Investment of customer funds).

6.12. Default

- (a) If any of the following events occurs with respect to a Clearing Participant (regardless of whether any such event is cured by any guarantor or other third party on behalf of such Clearing Participant or otherwise), the Clearing Participant shall be in "Default" (such event a "Clearing Participant Default" and such Clearing Participant a "Defaulting Clearing Participant"):
 - 1. If such Clearing Participant fails to meet any of its obligations under its Contracts with the DCO;
 - 2. If the Clearing Participant is insolvent;
 - 3. If such Clearing Participant fails to pay when due any amounts owed to the DCO, or
 - 4. When a required Automated Clearing House ("ACH") deposit of a Clearing Participant is returned, repudiated, or otherwise fails, such that Available Funds are insufficient to maintain full collateralization for any Open Contract Positions.
- (b) Upon detection of an ACH Default, the DCO will take the following actions:
 - 1. Immediately disable the applicable Clearing Participant's Clearing Privileges to prevent further risk accumulation;
 - 2. Coordinate with the DCM, as applicable, and continue to monitor Account balances and banking messages;
 - 3. Afford the Clearing Participant a reasonable period, as determined by the DCO under the circumstances and not to exceed two (2) Business Days, to cure by remitting required funds or otherwise remedying the failed deposit;

4. If the Clearing Participant cures within the allotted period and all obligations are fully collateralized, restore such Clearing Privileges, or if the default is not cured within the permitted period, in coordination with the DCM, transfer any Open Contract Positions and associated balances to a designated DCM account at the DCO for managed close-out or transfer.
- (c) Each Clearing Participant will be afforded a reasonable period to cure, not to exceed two (2) Business Days by remitting required funds or otherwise remedying Default.
 - (d) Each Clearing Participant must provide prompt written notice to the DCO if the Clearing Participant becomes the subject of a bankruptcy petition, receivership proceeding, insolvency event, or any similar proceeding or action under Applicable Law.
 - (e) Upon the occurrence of any Clearing Participant Default under (a), regardless of whether the DCO has received written notice pursuant to (d), but no later than the receipt of such notice if provided, or whether the Clearing Participant Default arises from an insolvency-related event, the DCO may review the continuing eligibility of the Clearing Participant for clearing membership and shall take any action it considers appropriate with respect to the Clearing Participant or its positions, including the liquidation or transfer of positions, suspension, or revocation of clearing membership, consistent with the Default Rules and procedures set forth in this Chapter.
 - (f) Upon the occurrence of any Clearing Participant Default under (a), and if the Clearing Participant fails to cure the Default under (c), such Clearing Participant shall automatically and without further action be suspended as a Clearing Participant, except that such suspension may be temporarily postponed by the Chief Regulatory and Risk Officer or his or her designee if such individual determines that such suspension would not be in the best interests of the DCO, in which case the Chief Regulatory and Risk Officer or his or her designee shall immediately call a special meeting of the Board as soon as practicable, at which the Board may reinstitute such suspension or take such other action as may be provided for in the Rules.
 - (g) If the DCO determines that such Clearing Participant is not in compliance with the provisions of Rule 4.3 and that such noncompliance poses an unacceptable risk to the DCO, then, in any such event, the DCO may declare that the Clearing Participant is in Default and may determine that such Clearing Participant shall be suspended as a Clearing Participant.
 - (h) The DCO will provide public notice of a declaration of a Clearing Participant's Default on Forum's website.

CHAPTER VII

PARTICIPANT CONDUCT (APPLIES TO DCM AND DCO)

7.1. General Conduct

- (a) No Participant or Authorized Trader shall engage in conduct that violates Applicable Law, the Rules, or the Forum Participant and Clearing Participant Agreement.
- (b) No Participant shall, directly or indirectly, intentionally or recklessly, engage in any activity that adversely affects the integrity of the DCM or the DCO or the Forum Systems.

- (c) No Participant may operate or solicit in any capacity that requires registration with the CFTC without being properly registered.
- (d) Notwithstanding anything to the contrary in these Rules, no provision of these Rules supersedes any applicable prohibition on fraud or manipulation, whether prescribed by law, regulation, or the Rules. All such prohibitions, including the antifraud provisions of the CEA and the antifraud rules promulgated by the CFTC thereunder, remain in full force and effect with respect to, and are fully applicable to, the trading of all Contracts. Each of the DCM and the DCO retains the right to take any appropriate disciplinary action against Participants as permitted by the Rules.
- (e) It shall be an offense to violate any Rule regulating the conduct or business of a Participant or any agreement made with Forum, or to engage in fraud, dishonorable or dishonest conduct, or conduct inconsistent with just and equitable principles of trade.
- (f) No Participant shall enter into, or attempt to enter into, any trade on the DCM that:
 - 1. does not result in a change in beneficial ownership;
 - 2. is designed to artificially inflate trading volume;
 - 3. in any way attempts to circumvent the DCM's Order processing, trade-ordering, or trade-execution systems, or otherwise to circumvent exposure of the Order to open and competitive bidding on Forum; or
 - 4. has some other illegitimate purpose, including "money passing," "wash trading," or "front-running" as those terms are defined by the CFTC and any regulations promulgated thereunder, or as commonly understood in the industry.
- (g) No Participant or Authorized Trader may use its Trading Privileges or Clearing Privileges, or access the DCM or the DCO, in any manner that could be expected to bring disrepute upon the Participant, the DCM, or the DCO.
- (h) No Participant shall engage in any act detrimental to Forum, including permitting unauthorized use of Forum, assisting any Person in obtaining unauthorized access to Forum, interfering with the operation of Forum, intercepting or interfering with information provided by Forum, or otherwise using Forum in a manner contrary to these Rules.
- (i) Each Participant that is an Entity shall establish, maintain, and administer reasonable supervisory procedures to ensure that its Authorized Traders comply with Applicable Law and the Rules, shall supervise its Authorized Traders, and may be held accountable for their actions.
- (j) No Participant that is not an Entity shall trade for any Person other than itself, and no Authorized Trader of a Participant shall trade for any Entity other than the Entity for which it is an Authorized Trader.
- (k) No Participant shall act, intentionally or recklessly, in a manner contrary to just and equitable principles of trade or otherwise contrary to the best interests of the market.

7.2. Prohibited Communications

- (a) No Person shall make any statement that presents a risk of harm to any other Participant, Authorized Trader, the public, or Forum, including any members of their staffs.
- (b) No Person shall make any false statement on any Participant application or information request.
- (c) No Participant or other Person shall make any misstatement of a material fact to Forum or the DCO (including the Boards, any committee or panel thereof, or any Officer), or to the CFTC or the NFA (including any members of their staffs), including on any application to become a Participant.
- (d) Except as permitted under Rule 5.6(c), no Participant shall, directly or indirectly, discuss or pre-arrange any trade or the timing of Order entry.
- (e) No Participant shall create any appearance of a partnership, agency, employment, or Affiliate relationship with Forum.
- (f) Except in accordance with any pre-execution or pre-clearing discussion policies or procedures adopted by Forum from time to time, no Participant shall disclose to any Person any Order placed by any other Person, except to an Officer of Forum or a member of the staff of the CFTC, the NFA, or the Department of Justice; no Participant shall solicit or induce another Participant to disclose Order information; and no Person shall take action, or direct another to take action, based on non-public Order information, however acquired. The mere statement of opinions or indications of the price at which a market may open or resume trading does not violate this Rule.

7.3. Fraudulent Acts and Market Manipulation

- (a) No Participant shall make, or attempt to make, any fraudulent or misleading communication relating to the purchase or sale of any Contract.
- (b) No Participant shall make a false representation to a third-party financial institution that results in the reversal of a deposit.
- (c) No Participant or Authorized Trader shall engage, or attempt to engage, in any fraudulent act, or in any scheme to defraud, deceive, or trick, in connection with or related to any trade on, or other activity related to, the DCM or the DCO.
- (d) No Participant shall manipulate or attempt to manipulate the market in any Contract. Furthermore, no Participant shall, intentionally or recklessly, engage or attempt to engage in any of the following in connection with any Contract: using manipulation to defraud; making an untrue or misleading statement, or omitting a material fact; engaging in fraudulent or deceitful business practices; or delivering misleading or inaccurate reports concerning market information that affects the price of any Contract. No Participant shall, directly or indirectly, participate or have any interest in the profits of a manipulative operation, or knowingly manage or finance a manipulative operation.

7.4. Fictitious Transactions and Prohibited Trading Practices

- (a) No Participant or Authorized Trader shall execute any fictitious transaction, or execute any such Order with knowledge of its nature. No Participant shall effect or induce the purchase or sale of any Contract for the purpose of creating or inducing a false, misleading, or

artificial appearance of activity in the Contract, for the purpose of unduly or improperly influencing the market price of the Contract, or for the purpose of making a price that does not reflect the true state of the market in the Contract, including:

1. bidding or offering with the intent to cancel the bid or offer before execution, a practice commonly known as “spoofing”, and violating bids or offers;
 2. arranging and executing simultaneous offsetting buy and sell Orders in a Contract with the intent to artificially affect reported revenues, trading volumes, or prices.
- (b) Orders entered into the DCM for the purpose of upsetting the equilibrium of the market in any Contract, or creating, facilitating, or exacerbating a disorderly market or a condition in which prices do not or will not reflect fair market values, are prohibited. Any Participant or Authorized Trader who makes or assists in entering any such Order, or in clearing such a transaction, with knowledge of its purpose, or who with such knowledge in any way assists in carrying out any plan or scheme for the entering of any such Order or the clearing of such a transaction, will be deemed to have engaged in an act detrimental to the DCM or the DCO.
- (c) No Participant shall place or accept buy and sell Orders in the same product and expiration where the Participant knows or reasonably should know that the Orders are intended to avoid taking a bona fide market position exposed to market risk (transactions commonly known as “wash sales”); provided that opposing positions of the same expiration may be used to close positions before expiration and shall not be deemed to violate this prohibition. No Participant shall knowingly execute, or accommodate the execution of, such Orders by direct or indirect means.
- (d) No Participant shall engage in any trading, practice, or conduct that constitutes a “disruptive trading practice,” as that term is defined by the CEA or the CFTC Regulations, including any activity that (i) demonstrates intentional or reckless disregard for the orderly execution of transactions during the closing period; (ii) consists of placing one or more Orders with the intent to cancel them before execution; (iii) submits or cancels Orders with the intent to overload Forum; (iv) submits or cancels bids or offers with the intent to delay another Person’s execution of trades; or (v) submits or cancels multiple bids or offers to create an appearance of false market depth.

7.5. Limitations on Trading with Certain Information

- (a) No Person shall enter an Order for any Contract, directly or indirectly, on the basis of material, non-public information obtained in violation of a legal duty owed by one Person to another.
- (b) No Participant shall enter an Order for any Contract, directly or indirectly, if the Participant controls or has access to material, non-public information that could affect the Final Settlement Price of the Underlying of the Contract.
- (c) Each Participant that is an Entity shall be responsible for establishing, maintaining and administering reasonable supervisory procedures to ensure that its Authorized Traders comply with Applicable Law and these Rules, and shall be responsible for supervising its Authorized Traders and may be held accountable for the actions of such Authorized Traders.

- (d) No Person shall make any misstatement of a material fact to Forum (including the Board, any committee thereof or any panel, or any Officer), the CFTC or the NFA (including any members of its staff), including on an application to become a Participant.

7.6. Off Exchange Trading

- (a) No Person shall enter into, or agree to transfer, assign, or dispose of, any Contract other than as provided in these Rules.
- (b) No Participant shall enter into, or agree to transfer, the benefit of any position in any Contract to another Person other than through a transaction executed through Forum.
- (c) All pre-negotiated or pre-arranged transactions that are not expressly permitted by Forum are prohibited.

7.7. Deposit and Withdrawal of Funds

- (a) No Participant shall deposit funds, or allow funds to be deposited, into its account from any source other than its own funds.
- (b) No Participant shall deposit funds without an account balance sufficient to complete the deposit.
- (c) No Participant shall withdraw funds, or allow funds to be withdrawn, from its account to any destination other than an account in its own name.
- (d) No Participant shall knowingly make any false or misleading representation to any third party concerning a deposit made into the Participant's account where the representation could reasonably be expected to result in a chargeback, reversal, or stoppage of payment to the account.

CHAPTER VIII

INDEMNITY

8.1. Indemnity by Participant

- (a) The Participant shall indemnify and hold harmless Forum and its Officers, Directors, Personnel, Affiliates, and agents from and against any and all claims, liabilities, losses, damages, costs, and expenses (in particular also from claims asserted by third parties) resulting from, in connection with, or arising out of the Participant's use of the Forum Systems or the activities of the Participant or arising out of or relating to the Participant and Clearing Participant Agreement, including any failure by the Participant, for any reason, fraudulent, negligent, or otherwise, to comply with its obligations under the Forum Participant and Clearing Participant Agreement, these Rules, or any Applicable Law. Within ten (10) Business Days after Forum receives written notice of a claim that Forum reasonably believes falls within the scope of this paragraph, Forum will provide the Participant with written notice of such claim; provided, however, that failure to provide such notice will not relieve the Participant of its indemnity obligations hereunder except to the extent there has been a final determination (including exhaustion of any appeals) by a court or arbitrator of competent jurisdiction that the expense, cost or damage arose from Forum's gross negligence, fraud or willful misconduct.

- (b) The obligation to indemnify shall survive the termination of the Participant's relationship with Forum (including the termination of the Forum Participant and Clearing Participant Agreement and any suspension or restriction of the Participant's access to the Forum Systems).

8.2. Assumption of Responsibility in Proceedings

- (a) Forum shall notify the Participant promptly in writing as soon as it becomes aware of any action, proceeding, suit, arbitration, dispute, claim, demand, inquiry, investigation or hearing of a third party against Forum to which Rule 8.1 may apply.
- (b) Subject to the Participant's written consent, Forum shall assign to the Participant sole responsibility for the conduct of any litigation in connection with such claims or legal action and/or the conduct of other dispute resolution procedures, at the Participant's own discretion and at its own expense.
- (c) Forum shall not be entitled to fulfil any demand, grant any concession or reach a settlement without the Participant's prior written consent, such consent not to be unreasonably withheld. Forum shall provide the Participant with all information and, at the Participant's expense, with such support as is reasonably required.

CHAPTER IX

RULE ENFORCEMENT AND DISCIPLINARY PROCESS (APPLIES TO DCM AND DCO)

9.1. Market Surveillance

- (a) Forum will record and store, for a period of not less than five years, in a searchable, read-only database, a record of all data entered into the DCM or the DCO, and such records shall be maintained in a readily available manner during the first two years. Forum shall conduct market surveillance and trade practice surveillance using this data, with programs designed to alert Forum when potentially unusual or otherwise questionable trading activity occurs. Forum will initiate review and, where appropriate, investigate such unusual trading activity, and will also investigate whenever it has reason to believe that inappropriate activity of any sort is taking place. For the avoidance of doubt, the audit trail includes both (i) Order, modification, cancellation, matching, and execution data generated by the DCM matching engine, and (ii) transaction data generated through the clearing and settlement process, including deposits, withdrawals, settlement calls, liquidations, and any liquidity-provision activities conducted by Participants. The audit trail includes, at a minimum, the Order ID, expiry, price, quantity, Order type, User ID, and any other tag information for each electronic Order entered, modified, or cancelled on the DCM. Times captured as part of the audit trail cannot be modified by a Participant or Authorized Trader. The Market Regulation Department is responsible for surveillance of all trading and clearing activity.
- (b) Forum shall establish a program for the effective enforcement of its audit trail and recordkeeping requirements, thereby satisfying the requirements of CFTC Regulation 38.553. The enforcement program will, through reviews conducted no less than annually, identify Participants, Authorized Traders and any other Persons subject to the Forum recordkeeping Rules that have failed to maintain high levels of compliance with those requirements, and will levy sanctions sufficient to deter recidivist behavior. Audit trail and recordkeeping reviews shall include reviews of randomly selected samples of front-end

audit trail data for order-routing systems; a review of the process by which Participant identifications or User IDs are assigned and Participant identification records are maintained; a review of usage patterns associated with Participant identifications to monitor for violations of the Participant identification Rules; and reviews of account numbers and customer type indicator codes in trade records to test for accuracy and improper use.

9.2. Investigations Generally

- (a) Any Person that directly or indirectly effects a transaction on Forum, and any Participant, Authorized Trader, ISV, Person, or Entity, shall be subject to Forum's jurisdiction for matters of discipline and rule enforcement. Such Persons are subject to this Chapter if they are alleged to have violated, to have aided or abetted a violation of, to be violating, or to be about to violate, any Rule or any provision of Applicable Law for which Forum possesses disciplinary jurisdiction.
- (b) The Market Regulation Department conducts inquiries and investigations, including investigations into any unusual trading activity, as well as disciplinary proceedings, appeals from disciplinary proceedings, summary impositions of fines, summary suspensions, and other summary actions, in accordance with this Chapter.
- (c) The Market Regulation Department has the authority to examine the books and records of Persons under investigation and will complete any investigation within twelve months, unless there is significant reason to extend it beyond that period.
- (d) Upon completion of any investigation, the Market Regulation Department will prepare a report detailing the facts that prompted the investigation, the factual findings of the investigation, and the Market Regulation Department's analysis and conclusions.
- (e) No Forum Personnel will interfere with or attempt to influence the process or resolution of any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension or other summary action. No Director will interfere with or attempt to influence the process or resolution of any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary, imposition of fines, summary suspension or other summary action with respect to which the Director is not a member of the relevant Appeals Panel.
- (f) If the Market Regulation Department initiates an investigation that includes suspected conflicts of interest in which any Affiliate of Forum is a subject, the Chief Regulatory and Risk Officer shall notify the CFTC's Division of Market Oversight or Division of Clearing and Risk, as applicable, of that fact. At the conclusion of any such investigation, the Chief Regulatory and Risk Officer shall provide that Division with a copy of the documentation specified in Rule 9.3(a).

9.3. Notice of Suspected Violations and Disciplinary Actions

- (a) If the Market Regulation Department concludes that there is reasonable cause to believe that a Participant, or any other Person or Entity subject to the Rules, has violated the Rules, the Act, CFTC Regulations or other applicable statutes or regulations, the Market Regulation Department will submit to the Participant whose activity is the subject of the investigation a notice of charges, by electronic mail to that Participant's last known email address, that will include:

1. the reason the investigation was initiated;
 2. the charges, or a summary of the charges, including the Rule(s) alleged to have been violated;
 3. the response, if any, or a summary of the response;
 4. a summary of the investigation conducted;
 5. findings of fact and the Market Regulation Department's conclusions as to each charge, including which Rules the Participant or its authorized representative is found to have violated, if any;
 6. a summary of the Participant's, and any relevant authorized representative's, disciplinary history, if any;
 7. the period within which a hearing on the charges may be requested;
 8. the penalty, if any, proposed by Forum; and
 9. the email address of the Market Regulation Department to which any answer may be submitted.
- (b) Upon notice of a disciplinary action, a Participant or any other Person and entity subject to the Rules, has the right to:
1. retain and be represented by counsel during any inquiry, investigation, disciplinary proceeding, appeal from a disciplinary proceeding, summary imposition of fines, summary suspension, or other summary action pursuant to this Chapter; provided that a Respondent may not be represented by any member of the Boards or Disciplinary Committee or any other committee or panel, any Forum Personnel, or any Person substantially related to the underlying investigation, such as a material witness; and
 2. examine all relevant books, documents, or other evidence in the possession or under the control of Forum, except any document that (1) is privileged or constitutes attorney work product; (2) will not be offered in evidence in the disciplinary proceedings; (3) may disclose a technique or guideline used in examinations, investigations, or enforcement proceedings; or (4) discloses the identity of a confidential source.

9.4. Responding to Investigations

- (a) The Participant, or any other Person and Entity subject to these Rules, whose activity is the subject of the investigation may answer by:
1. contesting any findings and conclusions within 15 days by sending a detailed response to, and relevant information about, each charge by electronic mail to the Market Regulation Department;
 2. requesting to enter into settlement negotiations within 15 days by submitting the request by electronic mail to the Market Regulation Department, which request

may be withdrawn at any time before it is accepted and shall not prejudice the Participant or otherwise affect subsequent procedures in the disciplinary process; or

3. accepting, or not contesting, the proposed penalty within 15 days, without admission of any rule violation, in which case the Participant will be sent a copy of the notice of disciplinary action by electronic mail to its last known email address.

(b) Contesting Investigative Findings

1. If the Participant, or any other Person or Entity subject to the Rules, contests the findings, the Disciplinary Committee will conduct the hearing requested.
2. No member of any Disciplinary Committee or Appeals Panel may (i) have a financial, personal or other direct interest or involvement in the matter under such body's consideration, (ii) be a member of the Market Regulation Department, or (iii) be involved in adjudicating any other stage of the applicable proceeding under such body's consideration.
3. Forum's enforcement and compliance Personnel must be parties to the hearing, and enforcement Personnel must present their case on those charges and sanctions that are the subject of the hearing, as required under CFTC Regulation 38.707.
4. In accordance with CFTC Regulation 38.707, the record must be capable of being accurately transcribed; however, it need not be transcribed unless the transcript is requested by CFTC staff or the Respondent, the decision is appealed pursuant to the Rules, or the matter is reviewed by the CFTC pursuant to Section 8c of the Act or Part 9 of the CFTC Regulations.
5. The Disciplinary Committee will conduct a hearing by electronic means within 30 Business Days after receipt of the response from the Participant or other Person or Entity subject to Forum's jurisdiction (the "**Respondent**"). The Respondent is entitled to appear personally at the hearing, to cross-examine any Persons appearing as witnesses, and to call witnesses and present such evidence as may be relevant to the charges.
6. Prior to the hearing, the parties may submit proposed findings, briefs, exhibits, and affidavits.
7. The formal rules of evidence shall not apply, but the hearing must be fair. The Market Regulation Department shall present its case on all charges and sanctions that are the subject of the hearing.
8. During the hearing, the parties may present witnesses.
 - i Persons within Forum's jurisdiction who are called as witnesses must participate in the hearing and produce evidence as requested; and
 - ii Forum shall make reasonable efforts to secure the presence of all other Persons called as witnesses.

9. Within 30 Business Days after the hearing, the Disciplinary Committee will issue findings, which will be delivered to the Respondent by electronic mail to its last known email address. The findings will contain the following information:
 - i A summary of the charges and any answer to the charges;
 - ii A summary of the evidence received;
 - iii Findings and conclusions with respect to each charge;
 - iv An indication of each specific Rule that the Participant was found to have violated;
 - v A declaration of any penalty to be imposed on the Participant as the result of the findings and conclusions.
 - vi The effective date and duration of that penalty; and
 - vii a statement that the Respondent has the right to appeal any adverse decision of the Disciplinary Committee to an Appeals Panel and must do so within 15 days, and that the decision will become final unless timely notice of appeal is filed.

9.5. Appeals

- (a) The Participant or the Market Regulation Department may appeal the Disciplinary Committee's decision within 15 days by filing an appeal by electronic mail to the other party. Except for summary suspensions imposed pursuant to Rule 9.6, any penalties imposed by the Disciplinary Committee will be stayed pending appeal, unless the Disciplinary Committee determines that such a stay would be detrimental to Forum, Participants or the public.
- (b) Forum will empanel an Appeals Panel which will review the hearing record and any information submitted by the Market Regulation Department and the Participant on appeal. Except for good cause shown, the review by the Appeals Panel shall consider only the record before the Disciplinary Committee, the written exceptions filed by the parties, and the oral and written arguments of the parties. Upon completing its review, the Appeals Panel may affirm, modify, or reverse the Disciplinary Committee's decision, including increasing, decreasing, or eliminating any sanction or remedy imposed, imposing any other sanction or remedy authorized by the Rules, remanding the matter to the Disciplinary Committee for further proceedings, or ordering a new hearing. The Appeals Panel will issue a written decision based on the weight of the evidence, which shall be final on the date of issuance. The Participant shall be notified of the decision by electronic mail to its last known email address.
- (c) The hearing record, any information submitted on appeal, and the Appeals Panel's decision shall be preserved as the record on appeal. The decision will contain:
 1. A statement that any person aggrieved by the action may have a right to appeal the action pursuant to Part 9 of the CFTC's Regulations, within thirty (30) days of service, and

2. A statement that any Person aggrieved by the action may petition the CFTC for a stay pursuant to Part 9 of the CFTC's Regulations, within ten (10) days of service.
- (d) The hearing record, in accordance with Regulation 38.707, shall be capable of being accurately transcribed; however, it need not be transcribed unless the transcript is requested by CFTC staff or the Respondent, the decision is appealed pursuant to the Rules, or is reviewed by the CFTC pursuant to section 8c of the Act or part 9 of 17 CFR. In all other instances a summary record of a hearing is permitted.
 - (e) Forum will post on its website a public notice of the disciplinary action in accordance with CFTC Regulation 9.11.
 - (f) The disciplinary action will be considered final on the date the notice of the disciplinary action is published.
 - (g) Forum shall provide notice of the disciplinary action, appeal determination, or settlement in which sanctions are imposed to the Participant no later than two (2) Business Days after it becomes final.
 - (h) Forum shall submit to the CFTC any Rule violation that constitutes a disciplinary offense by a member of the Board or any committee, as defined in CFTC Regulation 1.63.
 - (i) Disciplinary sanctions imposed by Forum or its Disciplinary Committee or any panel must be commensurate with the violations committed and clearly sufficient to deter recidivism or similar violations by other market Participants. All disciplinary sanctions, including those imposed pursuant to an accepted settlement offer, must take into account the Respondent's disciplinary history. In the event of demonstrated harm to any other party, any disciplinary sanction must also include full restitution, except where the amount of restitution, or to whom it should be provided, cannot reasonably be determined.

9.6. Summary Suspensions and Other Summary Actions

- (a) A violation of any Rule may result in the temporary or permanent suspension of the Trading Privileges or Clearing Privileges of a Participant or Authorized Trader. Forum may summarily impose disciplinary action if the Chief Regulatory and Risk Officer believes such action is necessary to protect other market Participants, Forum, or the market in general.
- (b) Forum will notify the Participant whose Trading Privileges or Clearing Privileges are to be summarily suspended by electronic mail before the action is taken or, if prior notice is not practicable, at the earliest opportunity. The notice shall state (1) the action taken or to be taken; (2) the reason(s) for the action; (3) the effective date and time, and the duration if known; and (4) that the Participant may contest the suspension as provided in this Chapter.
- (c) The Participant may contest a summary suspension by responding to the notification email with evidence or an explanation that the suspension was based on a mistake or misunderstanding of the Participant's actions, was supported by insufficient reasons, or was otherwise inappropriate. The Chief Regulatory and Risk Officer shall review the information provided and either affirm, modify, or reverse the summary suspension, shall inform the Participant of the decision, and shall advise the Participant that further proceedings are available under this Chapter. The Market Regulation Department

ordinarily will initiate a disciplinary proceeding under this Chapter following a summary suspension of Trading Privileges and/or Clearing Privileges.

9.7. Sanctions

- (a) After notice and an opportunity for a hearing in accordance with these Rules, Forum will impose sanctions if a Participant or Authorized Trader is found to have violated, or attempted to violate, a Rule or a provision of Applicable Law for which Forum possesses disciplinary jurisdiction. Forum may impose one or more of the following sanctions or remedies: (i) censure; (ii) a limitation on Trading Privileges, Clearing Privileges, association with a Participant, or other activities, functions, or operations; (iii) suspension of Trading Privileges or Clearing Privileges, or of association with a Participant; (iv) a fine, subject to the paragraph below; (v) restitution or disgorgement; (vi) termination of Trading Privileges or Clearing Privileges; or (vii) any other sanction or remedy deemed appropriate. All sanctions, including those imposed pursuant to an accepted settlement offer, shall take into account the Respondent's disciplinary history and remediation efforts.
- (b) Forum may impose a fine of up to \$500,000 for each violation. If a fine or other amount is not paid within 30 Business Days after it becomes payable, interest will accrue on the unpaid sum from the date it became payable at the quoted prime rate plus three percent, with Forum having sole discretion to select the bank on whose quotations the prime rate is based.
- (c) No more than one warning letter may be issued to the same Person found to have committed the same Rule violation within a rolling twelve (12)-month period.

9.8. Settlements

- (a) A Respondent or potential Respondent may at any time propose, in writing, an offer of settlement of anticipated or instituted disciplinary proceedings. The offer should contain proposed findings and sanctions, be signed by the Respondent or potential Respondent, and be submitted to the Market Regulation Department. A Respondent or potential Respondent may offer to settle without admitting or denying the findings, but must accept Forum's jurisdiction over it and over the subject matter of the proceedings and consent to the entry of the findings and sanctions imposed.
- (b) If an offer of settlement is submitted, the Market Regulation Department will forward it to the Chief Regulatory and Risk Officer with a recommendation to accept or reject it. If the Chief Regulatory and Risk Officer conditionally accepts the offer, the settlement will become final upon the expiration of 15 days after an order consistent with the terms of the offer is served on the Respondent, and the Respondent's submission of the offer will be deemed a waiver of the right to notice, an opportunity for a hearing, and review and appeal under these Rules. If an offer is not accepted, fails to become final, or is withdrawn, the matter will proceed as if the offer had not been made, and neither the Respondent nor the Market Regulation Department may use the unaccepted offer as an admission or in any other manner.

9.9. Costs

- (a) Regardless of the outcome of any disciplinary proceeding, the Disciplinary Committee or panel may order a Respondent to pay some or all of the costs of the disciplinary proceedings that the Disciplinary Committee or panel believes were unnecessarily caused

by the Respondent, including costs associated with the investigation, the prosecution, legal and professional assistance, the hearing, and administrative and other expenses incurred by the Disciplinary Committee or panel. The Disciplinary Committee or panel may award costs against Forum only if it concludes that Forum behaved in a manifestly unreasonable manner in the commencement or conduct of the disciplinary proceedings, and any such award must be reasonable and may not exceed the Respondent's costs for external legal or other professional assistance.

9.10. Summary Imposition of Fines; Summary Fine Schedule

- (a) The Market Regulation Department may summarily impose a fine against a Participant or Authorized Trader for failing (i) to make timely payment of margin, premiums, fees, costs, charges, or fines owed to Forum; (ii) to make timely and accurate submissions to Forum of notices, reports, or other information required by the Rules; or (iii) to keep any books and records required by the Rules. The Market Regulation Department will give notice of any fine imposed under this Rule, specifying the violation, the date of the violation, and the amount of the fine. Within 15 days after service of the notice, the Participant or Authorized Trader must either pay the fine or file a notice of appeal. The maximum fine for each violation under this Rule shall not exceed \$5,000, and the summary imposition of a fine will not preclude Forum from bringing any other action against the Participant or an Authorized Trader.

- (b) The following is a list of Rule violations subject to summary fines that may be imposed by the Market Regulation Department, pursuant to this Rule 9.10.

1. Failure to Enter Valid Orders (Rules 5.6(a)-(b)).

Number of Cumulative Violations in Any Twelve (12) Month Rolling Period:

- First Offense — Warning Letter
- Second Offense — \$2,500
- Third Offense — \$10,000
- Subsequent Offenses — Referral to the Disciplinary Committee

2. Failure to Comply with Requirements for Pre-Arranged Transactions (Rule 5.6(c)).

Number of Cumulative Violations in Any Twelve (12) Month Rolling Period:

- First Offense — Warning Letter
- Second Offense — \$2,500
- Subsequent Offenses — \$10,000

3. Failure to Maintain Audit Trail Information (Rules 4.2(b) and 5.6(a)).

Number of Cumulative Violations in Any Twelve (12) Month Rolling Period:

- First Offense — Warning Letter
- Second Offense — \$2,500
- Third Offense — \$10,000
- Subsequent Offenses — Referral to the Disciplinary Committee

4. **Failure to Cooperate with the Market Regulation Department; Failure to Provide Records Within Designated Time Frame (Rule 4.2(a) and Rule 4.2(b)).**

Number of Business Days Beyond Due Date of Request:

- Up Until 15 Business Days — \$1,000
- Subsequent Offenses — Referral to the Disciplinary Committee

CHAPTER X

DISPUTE RESOLUTION (APPLIES TO DCM AND DCO)

10.1. General

- (a) Except as otherwise provided in the Rulebook, Participants must arbitrate all disputes, controversies, or claims arising in connection with their Forum business, including those between or among themselves, except claims alleging employment discrimination (including sexual harassment) in violation of Applicable Law. Controversies involving violations or alleged violations of the Rules are not subject to arbitration; such controversies are subject to Chapter IX (Rule Enforcement and Disciplinary Process).
- (b) Controversies between Participants, between Authorized Traders, between Forum and Participants, or between Forum and Authorized Traders shall be resolved through binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and the Supplementary Procedures for Consumer-Related Disputes (the “AAA”), excluding any rules or procedures governing or permitting class actions.
- (c) If the parties are able to agree on an arbitrator, the arbitration shall be conducted by a single arbitrator; if the parties are unable to agree, each party shall select an arbitrator and the two arbitrators shall select a third. Any arbitrator selected must qualify as a Public Director (if the individual is a Director of Forum) and must have reasonable prior experience in the operation and regulation of exchanges and clearinghouses providing execution and clearing services for commodity futures contracts, commodity options, or swaps, and with the rules of the CFTC and of exchanges and clearinghouses generally. The arbitrator(s) shall determine the procedures for any arbitration and shall, to the extent practicable, rely on the applicable provisions of Chapter IX, provided that the arbitrator(s) shall have the authority to determine the appropriate procedures notwithstanding Chapter IX. The arbitrator(s) shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including the issuance of an injunction. The fees and expenses of the arbitration shall be borne by the non-prevailing party, as determined by the arbitration. This provision shall not be construed in any way as creating a cause of action.
- (d) Any failure by a Participant or Authorized Trader to arbitrate a case subject to arbitration, or the commencement by any such Person of a suit in any court prior to arbitrating a case subject to arbitration, violates the Rules and subjects the Participant or Authorized Trader to disciplinary proceedings pursuant to Chapter IX.
- (e) The Chief Regulatory and Risk Officer, in consultation with the Regulatory Oversight Committee, with respect to the DCM, or in consultation with the DCO Board, with respect

to the DCO, may summarily suspend a Participant or Authorized Trader, without prior notice, that fails to timely satisfy an arbitration award rendered in any arbitration.

- (f) Claims shall be initiated by filing a written notice with Forum.

CHAPTER XI

RECORDKEEPING AND REPORTING REQUIREMENTS

11.1. Regulatory Records Retention (Applies to DCM and DCO)

- (a) In accordance with CFTC Regulation 1.31, Forum shall keep, or cause to be kept, complete and accurate books and records of Forum, including all books and records required to be maintained pursuant to the CEA and the CFTC Regulations, in a form and manner acceptable to the CFTC. Forum shall retain all such books and records for at least five years and shall make them readily accessible for inspection during the first two years of that five-year period.
- (b) Upon request, Forum will provide any information to the CFTC, the SEC or the Department of Justice, or any representative of a prudential regulator, as authorized under Applicable Law, in the manner and form required.
- (c) Forum shall maintain all regulatory records, including any oral and paper records, of all activities relating to the DCM and the DCO. All regulatory records shall be maintained in a form and manner that ensures their authenticity and reliability, and shall be retained for a period of at least five years in accordance with CFTC Regulation 1.31.
- (d) Forum will record and store, for a period of not less than five years, in a searchable, read-only database, a record of all data entered into the Forum Systems. Such records shall be maintained in a readily available manner during the first two years. Forum shall conduct market surveillance and trade practice surveillance using this data, with programs designed to alert Forum when potentially unusual trading activity occurs. Forum, through the Market Regulation Department, will initiate review and, where appropriate, investigate such unusual trading activity, and will also investigate whenever it has reason to believe that inappropriate activity of any sort is taking place on the DCM or DCO or Forum's website.
- (e) Electronic regulatory records. Forum will establish and maintain appropriate systems and controls to ensure the authenticity and reliability of electronic regulatory records, including without limitation:
 - 1. a system that maintains the security, signature and data as necessary to ensure the authenticity of the information contained in electronic regulatory records and to monitor compliance with the Act and CFTC regulations;
 - 2. a system that ensures Forum is able to produce electronic regulatory records in accordance with CFTC Regulation 1.31 and that ensures the availability of such regulatory records in the event of an Emergency or other disruption of its electronic record-retention systems; and
 - 3. an up-to-date inventory that identifies and describes each system that maintains information necessary for accessing or producing electronic regulatory records.

- (f) Inspection and production of regulatory records.
 - 1. Forum will have a system in place to produce, or make accessible for inspection, all regulatory records in accordance with the following requirements.
 - 2. Inspection. All regulatory records shall be open to inspection by a representative of the CFTC, the SEC or the Department of Justice.
- (g) Production of paper regulatory records. Forum's recordkeeping and record-retention policy prohibits the use of paper records. If, despite this prohibition, Personnel maintain paper records, Forum will produce regulatory records exclusively created and maintained on paper promptly upon the request of a CFTC representative.
- (h) Production of electronic regulatory records. Upon request by the CFTC, Forum will produce electronic regulatory records promptly, in the form and medium requested.

11.2. Reporting Requirements (Applies to DCM and DCO)

- (a) Forum shall record and report to the CFTC all data required to be reported under Part 16, Part 43, and Part 45 of the CFTC Regulations, in the form and manner required by the CFTC Regulations.

CHAPTER XII

DCM AND DCO CONTRACT RULES

The following Rules set forth the terms of the Contracts traded on the DCM and which are cleared by the DCO. You should not trade any Contract unless you are certain that you completely understand and accept its terms.

12.1. General Contract Terms (Applies to DCM and DCO)

- (a) **Scope and Underlying.**

These Contract terms govern trading on the DCM of any contracts ("**Contracts**") and the clearing of such Contracts on the DCO. Each Contract will meet such Contract Specifications for such Contract and all trading in such Contracts will be subject to such procedures and requirements, as set forth in the Rules governing such Contracts.
- (b) The Contracts are collared financial instruments with a maximum price ("**Cap**") and a minimum price ("**Floor**") as defined below. Each Contract shall be valued at \$1.00 times the Underlying.
- (c) **Expiration Time.** At the end of each Trading Day, pursuant to the Expiration Time defined in the Contract Specification for each Contract, each Open Contract Position shall be cash settled at a price equal to the Underlying ("**Final Settlement Price**").
- (d) **Auto-Roll Forward.**
 - 1. At the end of each Trading Day pursuant to the Expiration Time defined in the Contract Specification for each Contract all eligible Open Contract Positions will be automatically rolled at the prior day's Final Settlement Price into the next day's Contract. Eligible positions exclude those for which (1) a "No Roll" instruction has

been received from a Participant or (2) the Participant is unable to satisfy the Original Margin requirements of any portion of the rolled quantity, in which case the eligible number of Contracts rolled shall be the number maximum of Contracts that satisfy the Original Margin requirement with any remainder not rolled.

2. If there is an imbalance in the number of long and short positions that are eligible for roll, then the minimum number of long and short positions shall be rolled. Any imbalance between the long and short roll positions shall be cured by assigning unrolled eligible Contracts in the following priority of Participants: (1) pro rata to Participants agreeing to accept “No Roll” assignments; and (2) randomly to all other Participants.

(e) **Original Margin per Contract for each Underlying.**

Original Margin shall be 100% of the at-risk amount for both buyers and sellers. For buyers this amount is equal to the purchase price less the Floor; for sellers it is the Cap less the selling price. Each side’s required collateral is a function of the distance between the trade price and the relevant bound, such that the further out of the money a Participant is at the time of the trade, the more collateral that Participant posts.

(f) **Trading Hours for the Contract**

1. Except as otherwise posted on the Forum website, Contracts begin trading at 5 p.m. Eastern Standard Time each calendar day, except that no trading will be permitted between 3 a.m. and 8 a.m. Eastern Standard Time each Trading Day.
2. Alternative trading schedules may be posted with 24 hours prior notice to Participants on the Forum website to accommodate system maintenance or other administrative requirements.

- (g) The minimum unit of trading is one Contract provided that Rules for specific Contracts may specify a minimum order size of more than one Contract.

- (h) All Contract prices are quoted in U.S. Dollars and cents per Contract.

- (i) The Minimum Price Increment for each Contract is \$0.01 per Contract.

- (j) All Final Settlement Prices will be posted on the Forum website no later than 11:59 p.m. ET on the Trading Day they are determined. If a Contract expires at midnight on any day, the Final Settlement Price will be determined on a subsequent day. If the review process is initiated under Rule 5.1, the Final Settlement Price will be posted on the Forum website no later than 11:59 p.m. Eastern Standard Time on the day the review process reaches a determination on the Contract’s Final Settlement Price.

- (k) **Halted Markets.** In the event that any market irregularity is declared by the Chief Executive Officer or the Chief Regulatory and Risk Officer, or in order to prevent or reduce the potential risk of price distortions or market disruptions, a market may be paused or halted for trading, and the CFTC will be notified if required pursuant to CFTC Regulations. An explanation will be posted in the “Notices to Participants” section of the Forum website within a reasonable time, but no later than 24 hours after the initiation of the halt.

- (l) **Discretion to Refrain from Listing Contracts.** Forum may, in its discretion, temporarily refrain from listing any Contract due to the unavailability of the Underlying on which the Contract is based, or any other condition that Forum determines may be detrimental to the listing of the Contract.
- (m) **Contract Modifications.** Contract Specifications shall be fixed as of the first day of trading of a Contract, except as provided in Rule 5.1 of these Rules or as set forth in Rules specific to a Contract. If any U.S. governmental agency or body issues an order, ruling, directive, or law that conflicts with the requirements of these Rules, such order, ruling, directive, or law shall be construed to take precedence and become part of these Rules, and all open and new Contracts shall be subject to such government orders.
- (n) Any change in instructions, order, ruling, directive, or law issued or enacted by any court or agency of the Federal Government of the United States that conflicts with the Rules contained in this Rulebook shall take precedence, immediately become a part of these Rules, and be effective for all currently traded and newly listed Contracts.
- (o) Forum shall determine from time-to-time which Contracts are available for trading subject to the Rules and shall approve Rules containing Contract Specifications, provided that any certification or application with respect to such Contracts shall be submitted to the CFTC as required by the CEA and Part 40 of the CFTC Regulations. Forum shall not list for trading any Contract that is readily susceptible to manipulation.