



**CFE Position Limit Exemption Application Form for Qualified Hedge, Arbitrage, or Spread Transactions**

The National Futures Association must be notified at (312) 781-1551 prior to the submission of this form.

Submit to:

**National Futures Association**  
**Attention: Edward Dasso**  
**300 South Riverside Plaza**  
**Suite 1800**  
**Chicago, Illinois 60606**  
**Fax: (312) 559-3546**  
**E-mail: [edasso@nfa.futures.org](mailto:edasso@nfa.futures.org)**

Please refer to Rule 412, Position Limits, for CFE requirements related to position limits.

Reporting Trading Privilege Holder: \_\_\_\_\_ Clearing Number: \_\_\_\_\_

If filed on behalf of non-clearing firm, enter its name: \_\_\_\_\_

Product that is the subject of the exemption request: \_\_\_\_\_

Exemption Type Requested:  Qualified Hedge Transaction(s)     Arbitrage Transaction(s)     Spread Transaction(s)

Account Information				Futures Position	
Tax I.D. Number (Soc. Sec. #)	Name	Address	Account Number	Maximum Number of Long Contracts TPH Intends To Enter Into	Maximum Number of Short Contracts TPH Intends To Enter Into
			<b>TOTAL</b>		

Trading Privilege Holder (TPH) represents to CFE as follows:

1. Each transaction or position for which a position limit is requested constitutes a qualified hedge transaction, an arbitrage or a spread transaction, as specified above, and is not used in an attempt to violate or avoid any CFE Rule.
2. Each transaction or position for which a position limit is requested is necessary or advisable as an integral part of the business of TPH. A description of the business of TPH is as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. The current or planned activity in the market underlying the Contract for which such exemption is requested is as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. The positions involved will be moved in an orderly manner and not initiated or liquidated in a manner calculated to cause unreasonable price fluctuations or unwarranted price changes.
5. TPH has complied with any applicable federal requirement relating to hedging, arbitrage or spread transactions, as the case may be.
6. Each qualified hedge, arbitrage, or spread transaction is accurately described in detail as follows:
  - a. Type of position(s) hedged, arbitrated, or spread (include the dollar value of each position): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - b. Calculation(s) utilized in determining the number and type of hedge, arbitrage, or spread requested: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - c. Strategies which will be employed in the management of the requested positions: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - d. Expressed policies or guidelines of the TPH regarding position management prior to or upon contract expiration: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

e. Method of monitoring positions to ensure that all positions are executed pursuant to strategies described above and that the maximum limit is not exceeded: \_\_\_\_\_

\_\_\_\_\_

f. Pre-determined levels of price movements, if any, that would cause a significant adjustment to the TPH's position: \_\_\_\_\_

\_\_\_\_\_

7. TPH will comply with any additional limits on its trading as CFE may from time to time impose.

8. TPH agrees to promptly submit a supplemental statement explaining any change in circumstances that may affect the nature of its positions.

\_\_\_\_\_  
Report Date

Prepared by: \_\_\_\_\_

Signature \_\_\_\_\_