



7. In the event that Clearing Broker does not, for any reason, accept a trade transmitted to it by Executing Broker, Clearing Broker shall promptly notify Customer and Executing Broker of such non-acceptance, and Executing Broker, or its designated clearing broker if applicable, shall at its option be entitled:
- a) to close out Customer's trade by such sale, purchase, disposal or other cancellation transaction as Executing Broker may determine, whether on the market, by private contract or any other appropriate method. Executing Broker shall promptly notify Customer of such close out. Any balance resulting from such close out shall be promptly settled between Executing Broker and Customer; or
  - b) to transfer Customer's trades to another clearing broker as instructed by Customer; or
  - c) to clear Customer's trade in accordance with the following terms:
    - i Customer shall be fully liable for any and all obligations arising out of or related to transactions entered into or carried in Customer's account by Executing Broker, including but not limited to: 1) debit balances, 2) exchange or clearing house fees, and 3) brokerage, commissions and applicable fees charged by Executing Broker;
    - ii Executing Broker shall have the right to call Customer for margin in such amounts, in such form, by such time and in such manner as may be required by Executing Broker. If Customer fails to meet such margin call within such specified time, or if Executing Broker, in its discretion, otherwise deems it appropriate for Executing Broker's protection, Executing Broker may close out Customer's trade pursuant to sub-paragraph (a) above;
    - iii Customer acknowledges that Customer's trades may be subject to exercise or delivery assignments, where applicable.
8. Customer acknowledges that all notices and disclosures that are provided by Clearing Broker to Customer (or Customer's representative) pursuant to Applicable Law, will be deemed, for purposes of Section 7 of this Agreement, as if received by Customer from Executing Broker as well as from Clearing Broker. Clearing Broker represents, warrants and covenants to Executing Broker that it has provided, and will provide, all required notices and disclosures to Customer (or Customer's representative).
9. This Agreement may be terminated by any of the parties hereto upon prior written notice to the other parties. Any such termination shall have no effect upon any party's rights and obligations arising out of transactions executed prior to such termination.
10. This Agreement shall be exclusively governed by, and construed in accordance with, the laws of \_\_\_\_\_ without regard to principles of choice of law.
11. This Agreement shall not amend or vary any clearing agreement between Clearing Broker and Customer or Executing Broker and Customer. In the event of a conflict between this Agreement and such other clearing agreement with respect to the clearing or carrying of Customer's trades, such other clearing agreement will control with respect thereto.
12. Executing Broker will, where applicable, bill commissions in the amount of \_\_\_\_\_ per contract per half turn:
- Customer       Clearing Broker

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorised officers as of the date set forth above.

\_\_\_\_\_  
[Name of Customer]

\_\_\_\_\_  
[Name of Clearing Broker]

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

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

\_\_\_\_\_  
[Print Name and Title]

\_\_\_\_\_  
[Print Name and Title]

\_\_\_\_\_  
[Name of Executing Broker]

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

\_\_\_\_\_  
[Print Name and Title]

---