

# QUALIFICATION REQUIREMENTS FOR “ELIGIBLE CONTRACT PARTICIPANT”



THE FOREIGN CURRENCY TRADING YOU ARE ENTERING INTO IS NOT CONDUCTED ON AN EXCHANGE. THIS TYPE OF OFF-EXCHANGE FOREX TRADING INVOLVES A CONSIDERABLE DEGREE OF RISK OF LOSS AND IS SUITABLE ONLY FOR PERSONS WHO CAN ASSUME SUCH RISK.

***Citizens and legal entities from the United States, need to qualify to trade with VertiFX.com LLC. One or more of the following suitability requirements as set forth in section 1(a)(12) of the U.S. Commodity Exchange Act need to be met.***

An “Eligible Contract Participant” is any of the following:

**(A)** Acting for its own account a/an:

1. Financial institution;
2. Insurance company that is regulated by a State, or that is regulated by a foreign government and is subject to comparable regulation as determined by the Commission, including a regulated subsidiary or affiliate of such an insurance company;
3. Investment company subject to regulation under the Investment Company Act of 1940 or a foreign person performing a similar role or function subject as such to foreign regulation (regardless of whether each investor in the investment company or the foreign person is itself an Eligible Contract Participant);
4. Commodity pool that:
  - a. has total assets exceeding \$5,000,000; and
  - b. is formed and operated by a person subject to regulation under this chapter or a foreign person performing a similar role or function subject as such to foreign regulation (regardless of whether each investor in the commodity pool or the foreign person is itself an eligible contract participant);
5. Corporation, partnership, proprietorship, organization, trust, or other entity:
  - a. that has total assets exceeding \$10,000,000;
  - b. the obligations of which are guaranteed or otherwise supported by an entity that either:
    - i. has total assets exceeding \$10,000,000; or
    - ii. is a financial institution, an insurance company, a commodity pool or government entity that otherwise satisfies the definition of Eligible Contract Participant; or
    - iii. that both:
      - (a) has a net worth exceeding \$1,000,000; and enters into an agreement, contract, or transaction in connection with the conduct of the entity's business or to manage the risk associated with an asset or liability owned or incurred or reasonably likely to be owned or incurred by the entity in the conduct of the entity's business;
6. Employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.), a governmental employee benefit plan, or a foreign person performing a similar role or function subject as such to foreign regulation:
  - a. that has total assets exceeding \$5,000,000; or
  - b. the investment decisions of which are made by:
    - i. an investment adviser or commodity trading advisor subject to regulation under the Investment Advisers Act of 1940 or the Commodity Exchange Act of 1936;
    - ii. a foreign person performing a similar role or function subject as such to foreign regulation;
    - iii. a financial institution; or

iv. an insurance company described in clause A.2., or a regulated subsidiary or affiliate of such an insurance company;

7. Certain governmental entities;\*

8. Regulated entity such as:

- a. a broker or dealer subject to regulation under the Securities Exchange Act of 1934 or a foreign person performing a similar role or function subject as such to foreign regulation, but not an individual or proprietorship;
- b. an associated person of a registered broker or dealer concerning the financial or securities activities of which the registered person makes and keeps records under section 15C(b) or 17(h) of the Securities Exchange Act of 1934; or
- c. an investment bank holding company (as defined in section 17q(i) of the Securities Exchange Act of 1934);

9. Futures commission merchant subject to regulation under the Commodity Exchange Act or a foreign person performing a similar role or function subject as such to foreign regulation, but not an individual or proprietorship;

10. Floor broker or floor trader subject to regulation under the Commodity Exchange Act in connection with any transaction that takes place on or through the facilities of a registered entity or an exempt board of trade, or any affiliate thereof, on which such person regularly trades; or

11. Individual who has total assets in an amount in excess of:

- a. \$10,000,000; or
- b. \$5,000,000 and who enters into the agreement, contract, or transaction in order to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual.

(B) Acting on behalf of another person described in subparagraph (A) above and is a/an:

1. Broker or person performing an equivalent agency function on behalf of such person; or

2. Investment adviser subject to regulation under the Investment Advisers Act of 1940, a commodity trading advisor subject to regulation under Commodity Exchange Act of 1936, or a foreign person performing a similar role or function subject as such to foreign regulation and acting as investment manager or fiduciary for another person described in subparagraph (A) above and who is authorized by such person to commit such person to the transaction.

## SIGNATURES

\*I/\*We confirm that \*I/\*we meet or exceed the qualification requirements for an Eligible Contract Participant.

Name:

Signature:

Date Signed:

\* Specifically, section 1a(12)(A)(vii) includes:

- (I) a governmental entity (including the United States, a State, or a foreign government) or political subdivision of a governmental entity;
- (II) a multinational or supranational government entity; or
- (III) an instrumentality, agency, or department of an entity described in subclause (I) or (II); except that such term does not include an entity, instrumentality, agency, or department referred to in subclause (I) or (III) of this clause unless (a) the entity, instrumentality, agency, or department is a person described in clause (i), (ii), or (iii) of paragraph (11)(A) of this section; (bb) the entity, instrumentality, agency, or department owns and invests on a discretionary basis \$25,000,000 or more in investments; or (cc) the agreement, contract, or transaction is offered by, and entered into with, an entity that is listed in any of subclauses (I) through (VI) of section 2(c)(2)(B)(ii) of this title.