



Registration Services Department  
400 S. LaSalle Street  
Chicago, IL 60605  
312-786-7449 – Phone  
312-786-8140 – Fax  
www.cboe.org

## SPONSORED USER AGREEMENT

*This Sponsored User Agreement (“Agreement”) is to be entered into and maintained by Sponsoring Permit Holder and Sponsored User with C2 Options Exchange, Incorporated (“C2”), each as identified below, in order for Sponsored User to obtain and maintain authorized electronic access to the System. (See C2 Rule 3.15 for definitions and requirements)*

Sponsoring Permit Holder acknowledges and agrees that:

(A) all orders entered by Sponsored User, any person acting on behalf of Sponsored User (e.g., employees or agents of Sponsored User), or any person acting in the name of Sponsored User (e.g., customers of Sponsored User) and any executions occurring as a result of such orders are binding in all respects on Sponsoring Permit Holder;

(B) Sponsoring Permit Holder is responsible for any and all actions taken by Sponsored User and any person acting on behalf of or in the name of Sponsored User;

(C) Sponsoring Permit Holder will be bound by and comply with C2’s Bylaws, Rules, Circulars and procedures, as well as any other equivalent documents (the “C2 Rules”); and

(D) Sponsoring Permit Holder must maintain an up-to-date list of persons who could obtain access to C2 on behalf of Sponsored User (i.e., Authorized Traders) and provide that list to the Exchange upon request. In addition, Sponsoring Permit Holder must have reasonable procedures to ensure that Sponsored User and all of Sponsored Users’ Authorized Traders: (i) maintain the physical security of C2, which includes, but is not limited to, the equipment for accessing the facilities of C2, to prevent the unauthorized use or access to C2, including the unauthorized entry of information into C2, or the information and data made available therein; and (ii) otherwise comply with the C2 Rules. If C2 determines that Sponsored User or an Authorized Trader has caused Sponsoring Permit Holder to violate the C2 Rules, C2 may direct Sponsoring Permit Holder to suspend or withdraw Sponsored User’s status as a Sponsored User or the person’s status as an Authorized Trader and, if so directed, Sponsoring Permit Holder must suspend or withdraw such status.

Sponsored User agrees:

(A) to be bound by and comply with the C2 Rules as if Sponsored User were a C2 permit holder;

(B) to maintain, keep current and provide to Sponsoring Permit Holder a list of persons who have been granted access to C2 on behalf of Sponsored User (“Authorized Traders”);

(C) to familiarize its Authorized Traders with all of Sponsored User’s obligations under Rule 3.15 and assure that they receive appropriate training prior to any use of or access to C2;

(D) to not permit anyone other than Authorized Traders to use or obtain access to C2;

(E) to take reasonable security precautions to prevent unauthorized use or access to C2, including unauthorized entry of information into C2, or the information and data made available by C2 and to be responsible for any and all orders, trades and other messages and instructions entered, transmitted or received under identifiers, passwords and security codes of Sponsored

User and any person acting on behalf of or in the name of Sponsored User, and for the trading and other consequences thereof;

(F) to establish adequate procedures and controls to permit it to effectively monitor use of and access to C2 by any person acting on behalf of or in the name of Sponsored User for compliance with the terms of these sponsorship provisions; and

(G) to pay when due all amounts, if any, payable to Sponsoring Permit Holder, C2 or any other third parties that arise from Sponsored User's use of or access to C2, including, but not limited to, applicable Exchange and regulatory fees.

(H) that the Sponsoring Permit Holder/Sponsored User relationship in no way conveys any "permit holder," or "associated person" status, interests or rights upon Sponsored User under C2 Rules. Without limiting the generality of the forgoing, Sponsored User status is non-transferable and Sponsored User has no interest in the assets or property of C2, and has no right to share in any distribution of C2. In addition, Sponsored User is not considered a "permit holder" or "associated person of a permit holder" for purposes of the Exchange Act, or the rules and regulations thereunder, and is not subject to the disciplinary jurisdiction of C2.

Sponsoring Permit Holder and Sponsored User must enter into and maintain this Sponsored User Agreement with the Exchange and agree to be bound by any Sponsored User Agreement Schedules issued by C2. Sponsoring Permit Holder and Sponsored User must also enter into and maintain a customer agreement(s) establishing a proper relationship(s) and account(s) through which Sponsored User will be permitted to trade on C2.

To the extent any provision of this Agreement conflicts with any change in applicable law, the regulations of the Securities and Exchange Commission, or C2 Rules, such law, regulation, or C2 Rule shall supersede that provision.

**Acknowledged and agreed to by Sponsoring Permit Holder:**

Sponsoring Permit Holder's Name: \_\_\_\_\_

BD No: 8- \_\_\_\_\_ OCC No (if applicable): \_\_\_\_\_

Sponsoring Permit Holder Representative (signature): \_\_\_\_\_

Sponsoring Permit Holder Representative (name): \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Acknowledged and agreed to by Sponsored User:**

Sponsored User's Name: \_\_\_\_\_

BD No: 8 - \_\_\_\_\_ (if applicable)

Corporate Form: \_\_\_\_\_ State of Organization: \_\_\_\_\_

Sponsored User Representative (signature): \_\_\_\_\_

Sponsored User Representative (name): \_\_\_\_\_

Business Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_



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**SPONSORED USER  
 LETTER OF AUTHORIZATION**

*To be completed, if applicable, by Sponsoring Permit Holder's clearing participant (see C2 Rule 3.15 for definitions and requirements).*

To the extent Sponsoring Permit Holder is not a clearing participant, Sponsoring Permit Holder's clearing participant, which must be a C2 permit holder, hereby accepts responsibility for the clearance of Sponsored User's transactions.

**Acknowledged and agreed to by Sponsoring Permit Holder's Clearing Participant:**

Clearing Participant's Name: \_\_\_\_\_  
 BD No: 8 - \_\_\_\_\_ OCC No: \_\_\_\_\_  
 Clearing Participant Representative (signature): \_\_\_\_\_  
 Clearing Participant Representative (name): \_\_\_\_\_  
 Phone: \_\_\_\_\_ Email: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_

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Accepted by C2

By (Signature): \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_