

CFTC Regulation 4.7 Summary

A Qualified Eligible Person (QEP) is:	Must Meet Portfolio Requirement to Qualify
• FCM	No
• Broker/Dealer	No
• CPO which has been registered and active for 2 years or has >\$5,000,000 in assets	No
• CTA which has been registered and active for 2 years or has >\$5,000,000 in assets	No
• Investment adviser which has been registered and active for 2 years or has >\$5,000,000 in assets	No
• Qualified Purchaser	No
• Knowledgeable Employee	No
• CPO, CTA, IA for the exempt pool or account (see note below)	No
• Principal of CPO, CTA IA for the exempt pool or account (see note below)	No
• Employee of CPO, CTA, IA for the exempt pool or account involved in investment activities for 1 year (see note below)	No
• Employee or agent of CPO, CTA, IA for the exempt pool or account involved in legal, accounting, auditing or financial services activities for 2 years and is an accredited investor (see note below)	No
• Trust not formed to invest in exempt pool or account with trustee being a QEP	No
• Organization described in Sec. 501(c)(3) of the Internal Revenue Code with trustee being a QEP	No
• Non-U.S. person or entity	No
• An entity in which all participants are from any of the above groups	No
• 4.5 entity with all QEP investors	No
• Registered investment company	Yes
• Bank	Yes
• Insurance company	Yes
• Plan, with >\$5,000,000 in assets, for employees of a state or political subdivision	Yes
• Employee benefit plan with >\$5,000,000	Yes
• Private business development company	Yes
• Organization described in Sec. 501(c)(3) of the Internal Revenue Code with >\$5,000,000 in assets	Yes
• Corporation, trust, partnership with >\$5,000,000 not formed to invest in exempt pool	Yes
• Person with net worth >\$1,000,000	Yes
• Person with net income >\$200,000 each of last 2 yrs. or >\$300,000 when combined with spouse	Yes
• Pool, trust separate account, collective trust with >\$5,000,000 in assets	Yes
• Certain governmental entities	Yes

Note: May also include spouse, child, sibling or parent if investment is made with knowledge and direction or a company, estate or any person acquiring participation by gift, bequest, separation or divorce from one of these persons.

Portfolio Requirement

- Owns securities with a market value >\$2,000,000
- Has had on deposit at FCM, in last 6 months, >\$200,000 in margin and option premiums
- Has combination of securities and FCM deposits. The percentages of required amounts must = 100%.