The Commodity Futures Trading Commission (Commission) requires each futures commission merchant (FCM), including ABN AMRO Clearing Chicago LLC (AACC or the Firm), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information set out is as of December 31, 2014. AACC will update this information annually and as necessary to take account of any material change to its business operations, financial condition or other factors that AACC believes may be material to a customer’s decision to engage in futures business with the Firm. Nonetheless, AACC’s business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

NOTE: AACC is a subsidiary of ABN AMRO Clearing Bank NV and part of the group of ABN AMRO Group N.V. Information that may be material with respect to AACC for purposes of the Commission’s disclosure requirements may not be relevant and/or material to ABN AMRO Bank N.V., ABN AMRO Group N.V. or any of their affiliates for purposes of applicable securities laws.

1. The Firm

ABN AMRO Clearing Chicago LLC
175 W. Jackson Boulevard, Suite 400
Chicago, IL 60604 USA
(312) 604.8000
csg@us.abnamroclearing.com

2. The Firm’s Principals

Chief Executive Officer: Mr. John Ruth joined the Firm in April of 2013. Prior to serving as CEO, Mr. Ruth was a Managing Director of Goldman Sachs & Co and the Branch Manager of Goldman Sachs Execution & Clearing. Previously he had been a Vice President at First Options in Chicago. Mr. Ruth has over 20 years’ experience in the financial services industry. Mr. Ruth earned an undergraduate degree from Indiana University and has an MBA from the Kellstadt School of Business at DePaul University. Mr. Ruth’s duties include overall management of the Firm. Mr. Ruth serves on the board of directors of the Options Clearing Corporation. Mr. Ruth is also on the AACC Board of Managers.

Chief Financial Officer: Mr. Michael Deaton resigned for another opportunity effective January 29, 2015. While the Firm has retained Crist Kolder as an executive search firm and continues its search for a CFO, Ms. Rebecca Peters is acting as Interim Financial Operational Principal. Ms. Peters has been with AACC since 2008 acting as Regulatory Controller and will also continue in that role. Ms. Peters has been in the brokerage and finance industry for over 9 years holding a position in finance at optionsXpress, Inc. as accounting manager before joining AACC. Ms. Peters holds B.S. from University of Wisconsin, Parkside and an M.B.A degree from DePaul University Kellstadt Graduate School of Business. Ms. Peters’ responsibilities include oversight of the firm’s capital and customer funds. During this interim period, Ms. Jeanine Reardon will continue in her role as the Operational Controller and Mr. Leo Ferreira as Financial Controller. Ms. Reardon’s duties include supervising fee reconciliations and performance management. Ms. Reardon has been in the financial services industry for 20 years and with the Firm since 2012. She started her career in the audit department at the Chicago Board of Trade and
subsequently held positions at ABN AMRO Inc. and Bluefire Capital. Ms. Reardon holds a Bachelor of
Arts degree in Accounting from Lewis University. Mr. Ferreira is responsible for the Firm’s financial
reporting. Mr. Ferreira has been with AACC since 2013 and in the financial services industry for 15
years. Prior to joining the firm, Mr. Ferreira had previously held positions at Newedge and ABN AMRO
Inc. Mr. Ferreira holds a B.A. degree in accounting from Robert Morris College. All three Controllers
hold Series 27 licenses.

Chief Commercial Officer: Mr. Thomas Anderson is the chief commercial officer of AACC and is
responsible for all sales and marketing. Mr. Anderson joined AACC in 2007. Prior to joining AACC, Mr.
Anderson was a consultant at TPA Marketing and a senior manager at ABN AMRO Incorporated, Daiwa
Securities and O’Connor & Company. Mr. Anderson began his career as a market reporter for the
Chicago Board of Trade in 1981. Mr. Anderson’s duties include supervision of the commercial and sales
teams. Mr. Anderson received his Bachelor’s degree in Speech Communication with minors in
Journalism and Economics from Southern Illinois University.

Chief Compliance Officer (CCO): Mr. Matt Lisle was hired as the CCO for the FCM in May of 2013.
Mr. Lisle is an attorney who has held a variety of positions in the futures industry for over 17 years. This
includes working as a staff attorney at the CFTC and holding the roles of Chief of Compliance and
Deputy Chief of Compliance at US Futures Exchange (“Eurex US”) and NYSE Liffe US. Mr. Lisle is
also a former cash grain merchandiser. Mr. Lisle’s responsibilities include oversight of the Firm’s FCM
compliance program and acting as liaison with all futures regulators.

Chief Operating Officer (COO): Mr. Joseph Palamara joined AACC in April 2013 as the COO. Mr.
Palamara is a senior financial services executive with 26 years of industry experience. He comes to
AACC from Broadridge Financial Solutions where he spent 18 months as a senior project manager,
focusing on client conversions. Prior to that, Mr. Palamara was a Managing Director at Wells Fargo
Securities for 9 years, where he was responsible for Domestic and Global Securities Settlements, FX
Operations and Equity, Credit and Interest Rate derivative settlements and various other operations
divisions. He also spent 6 years at Deutsche Bank managing FX Operations and 8 years at Lehman
Brothers in various supervisory and managerial roles. He earned a Bachelor of Science degree in
Management from New York Institute of Technology. Mr. Palamara’s duties include oversight of the
Firm’s clearing operations, including those for the broker/dealer and FCM.

Head of Global Execution Services: Mr. Christopher Plotner joined the firm in November 2013 as the
Head of Global Execution Services. Mr. Plotner is a senior financial services manager with 14 years of
industry experience. Mr. Plotner joined AACC from Bank of America Merrill Lynch, where he worked
for 9 years in Execution Services, most recently as Director of Electronic Trading Services, responsible
for managing all client-facing support teams for electronic trading of US and Canadian equities, equity
options, and futures. Earlier roles at BAML included Product Development for DMA and managing a
team of specialists designing the firm’s internal support and on-boarding platforms. Prior to that, he
worked for 4 years at ABN AMRO Incorporated as assistant manager of the technical project
administration department. He earned a Bachelor of Arts from the University of Chicago. At AACC, Mr.
Plotner’s duties include oversight of all agency electronic trading and pre-trade risk management systems.

Chief Risk Officer (CRO): Mr. Wilco Bakker is the CRO and joined AACC in June 2013. Mr. Bakker
has been in the industry since 1997. Prior to joining AACC, Mr. Bakker spent most of his career at
Optiver Derivatives Trading where he held a number of roles – first as their Head of Risk Management
Europe/United States, then Head of Risk Management APAC in Sydney, before taking over as their
Global Head of Market and Credit Risk. Before joining Optiver Derivatives Trading, Mr. Bakker was a
Risk Manager at Mees Pierson investment bank (now ABN AMRO Bank). He began his career working
briefly for the chairman of the Finance Committee of Dutch Parliament. Mr. Bakker received his M.A. in
International Financial Economics from the University of Amsterdam. Mr. Bakker’s duties include oversight of the risk and credit, operational risk control and surveillance functions.

Supervisor: Mr. Timothy Connors joined AACC through its predecessor firm in 1999. Mr. Connors acts as a supervisor at the Firm. Prior to joining AACC Mr. Connors was on the floor of the CBOE. Mr. Connors’ responsibilities are primarily review of the Firm’s exception and regulatory reports, email and surveillance. Mr. Connors holds a Bachelor’s degree from the University of Notre Dame.

Supervisor: Mr. Timothy Weingart acts as a supervisor of the Firm and has been with the firm since 2004. Prior to joining AACC Mr. Weingart worked in retail brokerage and as a Financial Advisor. Mr. Weingart’s responsibilities are primarily review of the Firm’s exception and regulatory reports, email and surveillance. Mr. Weingart holds a Bachelor’s degree from DePaul University.

All the principals noted above work from the 175 W. Jackson, Chicago, IL, 60604 location.

**Principals Serving on the Board of Managers of AACC**

The duties of the board of managers are set forth in the operating agreement of the Firm and include general management and strategy of the firm. In addition to Mr. Ruth, the following persons serve on the Board of Managers of AACC. None of the following principals have any day to day duties at the Firm.

Mr. William Floersch: Mr. Floersch was President and CEO of Fortis Clearing Americas. Prior to 2006, he had been President and CEO of O’Connor & Company LLC from 1997 until O’Connor was acquired by Fortis Bank in January 2006. From 1991 to 1997, Mr. Floersch was Vice Chairman of the Board and Chairman of the Executive Committee of the Chicago Board Options Exchange (“CBOE”). He had been an active market maker on the floor of CBOE since becoming a member in 1974. Mr. Floersch has served as Vice Chairman of the Board of Options Clearing Corporation (“OCC”), the central US clearing utility for all the options markets. He also served a term as Chairman of the Board of the former Board of Trade Clearing Corporation. Mr. Floersch is retired however he can be reached through the Firm’s primary business address.

Mr. Jacob (Jaap) Kalverkamp: Mr. Kalverkamp is the Country Executive of the United States for ABN AMRO and the Head of International clients in the US. Mr. Kalverkamp has been with ABN AMRO since 1992. He has over 20 years’ experience in the financial services industry holding several positions at ABN AMRO, Fortis and MeesPierson. Mr. Kalverkamp has been the head for Shipping Asia located in Singapore, the head for the Global Shipping Group located in The Netherlands, the Head of Merchant Banking Asia, located in Hong Kong and the Head of the Global Financial Institutions Group and Real Estate located in The Netherlands. Mr. Kalverkamp holds a Master’s degree in Maritime engineering from the Technical University of Delft in the Netherlands. Mr. Kalverkamp’s business address is 100 Park Avenue, New York, NY, 10017.

Mr. Joannes Bart de Boer: Mr. de Boer joined ABN AMRO Clearing Bank NV through its predecessor Fortis Clearing Bank NV in June 1994 as board member and is currently responsible for the commercial organization. Prior to that he worked for 10 years at ING Bank NV where he began his career as a corporate lawyer. Mr. de Boer was the manager of ING’s Amsterdam based securities lending business and by 1998 became the manager of its global securities lending and repo business. Mr. de Boer also serves as President of the Supervisory Board of EuroCCP N.V. (and its predecessor EMCF) since 2007. EuroCCP is the largest equity clearing CCP of Europe co-owned by BATS, NasdaqOMX, DTCC and ABN AMRO Clearing Bank. Mr. de Boer is a former Chairman of the Supervisory Board of Holland Clearing House, a Dutch based derivatives CCP and a supervisory board member of TOM, a Dutch based pan European Derivatives and Equities MTF.
Mr. Marcel Jongmans: Mr. Jongmans is the CEO of ABN AMRO Clearing Bank and a member of the Managing Board that runs the clearing business globally. Mr. Jongmans joined ABN AMRO in July 1988. He has over 20 year experience in the financial services industry holding several positions at ABN AMRO, Fortis and MeesPierson. Mr. Jongmans serves as Member of the SWIFT Board and Clearstream Advisory Board. Mr. Jongmans holds a degree in Business Administration and Economics from J. van Zwijndregt, The Hague.

Mr. Rutger Schellens: Mr. Schellens started working with ABN AMRO in 1985 after finishing his bachelor in Economics at the Higher Economic School of Amsterdam. At ABN AMRO he held various roles in market making, proprietary trading, sales and repo business in international government and corporate bonds and Treasury products. Mr. Schellens left ABN AMRO in 2002 to lead the Capital Markets business for Rabobank after which he became a Member of the Managing Board of Rabobank International and Head of Global Financial Markets. In 2009, Mr. Schellens was made Vice Chairman of Rural & Retail Banking and Head of International Retail at Rabobank International. Mr. Schellens rejoined ABN AMRO in 2011 and was initially made overall responsible for the relationships and business with Financial Institutions and Commercial Real Estate customers of the bank. In November 2013 he was appointed as head of ABN AMRO’s Global Markets business which includes the clearing business. From 2004 to 2009 Mr. Schellens was also Member of the Board of the International Capital Markets Association and a deputy Chairman for 3 years.

Ms. Lieve Vanbockrijck: Ms. Vanbockrijck is the Chief Financial Officer of ABN AMRO Clearing globally. Ms. Vanbockrijck has been with ABN AMRO since 1999 holding various positions in the treasury function. Ms. Vanbockrijck’s roles included funding and liquidity management. Ms. Vanbockrijck holds degrees in Applied Economics and Actuarial Sciences from the University of Leuven in Belgium. Ms. Vanbockrijck is also a Chartered Financial Analyst.

The business address for each of the four principals immediately above is Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands.

3. The Firm’s Business

AACC is engaged in the execution and clearing of listed equities, options and futures. AACC does not engage in any proprietary trading or risk-less principal securities trading. AACC does not clear swaps at this time.

AACC is a registered broker/dealer and futures commission merchant. AACC is a member of the National Futures Association (NFA) and the Financial Industry Regulatory Authority (FINRA).

Primary Business Activities

In the following chart the “Inventory by Business Line” represents Firm owned assets, not customer owned or customer invested assets. The Firm does not engage in any proprietary trading. As such, the Firm’s customer owned or customer invested assets are included under “Fixed and All Other Assets”. Most of the capital usage represented in that category is from charges under SEC Regulation 15c3-1(c)(2)(x) (which is a charge to capital for market maker client haircuts), unsecured client debits and non-allowable assets.

<table>
<thead>
<tr>
<th>Activity/Product Line</th>
<th>Percentage of Assets</th>
<th>Percentage of Capital</th>
</tr>
</thead>
</table>

4
<table>
<thead>
<tr>
<th>Financing (Resales, Borrows)</th>
<th>28%</th>
<th>&lt;1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory by Business Line</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FICC</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Equities</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Other Inventory</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Goodwill and Intangible Assets</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Receivable from Broker-Dealers and Customers</td>
<td>34%</td>
<td>8%</td>
</tr>
<tr>
<td>Investments in Subsidiaries and Receivable from Affiliates</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Fixed and All Other Assets</td>
<td>38%</td>
<td>92%</td>
</tr>
</tbody>
</table>

### 4. FCM Customer Business

AACC executes and clears all listed markets (financial, agricultural, energy, interest rates and currency futures and options on futures, security futures, equities and options on equities and exchange traded funds) on behalf of a predominantly institutional or professional customer base. AACC’s equities customers enter all their orders electronically or through third party brokers. AACC supports both voice and electronic execution for futures orders. Through its affiliates and other third party brokers, AACC can access markets in Europe, Asia and Latin America.

- **Types of customers**:

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Approximate Percentage of Total Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional (asset managers, insurance companies, pension funds, banks)</td>
<td>8.8%</td>
</tr>
<tr>
<td>Retail (individual or household accounts)</td>
<td>≤ 1%</td>
</tr>
<tr>
<td>Commercial (agricultural, energy, transportation)</td>
<td>55.7%</td>
</tr>
<tr>
<td>Professional (broker/dealers, proprietary trading firms)</td>
<td>35.5%</td>
</tr>
</tbody>
</table>

- **US Futures Exchange** memberships

---

1. AACC also maintains accounts for its affiliates and their customers.
Outside of the US, AACC is also a member of ICE Futures Europe and a non-clearing member of Eurex. AACC is not a member of any Swap Execution Facility.

- Clearinghouses used:

<table>
<thead>
<tr>
<th>Clearing Organization</th>
<th>AACC a Member</th>
<th>AACC Affiliate a Member?</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASX Clear</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>ASX Clear (Futures)</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Chicago Mercantile Exchange</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Eurex Clearing</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>ICE Clear US Inc.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>ICE Clear Europe</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>ICE Clear Canada</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>ICE Clear Credit LLC</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>LCH.Clearnet LLC</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>LCH.Clearnet Limited</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>LCH.Clearnet SA</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Minneapolis Grain Exchange Clearing</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

2 In addition to the referenced futures exchange, AACC is also a member of all primary US equities and equity options exchanges. A list of those exchanges is available upon request.
Carrying brokers used:

<table>
<thead>
<tr>
<th>Carrying Brokers</th>
<th>Affiliated with AACC</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABN AMRO Clearing Bank N.V.</td>
<td>Yes</td>
</tr>
<tr>
<td>ABN AMRO Clearing Sydney Pty Ltd.</td>
<td>Yes</td>
</tr>
<tr>
<td>ABN AMRO Clearing Hong Kong Ltd.</td>
<td>Yes</td>
</tr>
<tr>
<td>ABN AMRO Clearing Bank N.V. Singapore Branch</td>
<td>Yes</td>
</tr>
<tr>
<td>ABN AMRO Clearing Tokyo Ltd.</td>
<td>Yes</td>
</tr>
<tr>
<td>CIBC World Markets Inc.</td>
<td>No</td>
</tr>
<tr>
<td>Nissan Century Securities Co. Ltd.</td>
<td>No</td>
</tr>
</tbody>
</table>

Permitted Depositories and Counterparties

The following describes AACC’s policies and procedures concerning the choice of bank depositories, custodians and counterparties to permitted transactions under §1.25.

The Firm has used BMO Harris Bank as custodian bank for futures customers’ funds and securities for over 10 years. The Firm recently added Brown Brothers Harriman as a custodian bank to facilitate the ICE Clear Europe settlements\(^3\). If the Firm were to change custodian banks, the Firm selects banks based on the following criteria: (1) the clearing organization must have approved the bank as a settlement bank, (2) the accessibility of the bank’s staff during relevant settlement hours of the clearing organization and (3) AACC’s deposits cannot constitute more than 15% of the bank’s equity capital as reported by the bank in its most recent Call Report.

As shown above, AACC predominantly uses affiliates as its carrying brokers and custodians outside of the US provided such affiliate is sufficiently capitalized if it is not a branch of ABN AMRO Clearing Bank.

\(^3\) The Firm also utilizes US Bank as a custodian for its Special Reserve Bank Accounts in accordance with the formula set forth in SEC Rule 15c3-3.
Bank. ABN AMRO Clearing Bank has capital in excess of EUR 800 million. Where possible, AACC selects its affiliates as they are subject to the same global risk policies as AACC and AACC has greater insight into their general risk tolerances and procedures. The following criteria will apply to the choice of custodians other than affiliates: (1) custodian must be a clearing member of the foreign clearing organization, (2) and the custodian must be approved by the ABN Street Side Acceptance Committee (SAC). Brokers, unless executing broker (DVP trading only), requires credit approval by US Credit Committee and the Head Office Credit Committee. Limits are set based on the internal credit analysis of the counterparty and set of criteria related to the quality, size and reputation of the counterparty. Moreover approval of the SAC is required.

For reverse repurchase agreements (“Reverse Repos”) made with customer funds, the Firm uses the SIFMA Master Repurchase Agreement or Government Master Repurchase Agreement with an addendum covering the additional terms set forth by the CFTC in Regulation 1.25. In addition, the following procedures apply with respect to the counterparties:

a. Reverse Repo agreements must be for U.S. government underlying securities only; no other Reverse Repo arrangements are allowed;
b. Counterparties are to be approved by AACC Risk Management and by the relevant US and Netherlands ABN AMRO credit committee; and
c. AACC Finance monitors contract value versus market value for capital charges. Any deficits are included in the daily capital computation of AACC and AACC’s Treasury Department issues a margin call to the counterparty.

In general the Firm doesn’t make investments with its own funds other than investments pledged as guaranty funds at the clearing organizations. Those pledges may be in cash, US Treasury securities and money market funds. As of the date of this document, AACC only invests in US Treasury securities and engages in US Treasury security reverse repurchase agreements in such guaranty funds as well as pledging cash.

5. Material Risks

The material risks of entrusting funds to AACC, include, without limitation:

(i) the nature of investments made by AACC (including credit quality, weighted average maturity and weighted average coupon) are;

All investments made with customer funds are made pursuant to CFTC Regulation 1.25. AACC limits investments within Regulation 1.25 to the following:

- U.S. government securities limited to less than two years to maturity.
- Reverse repurchase agreements with broker/dealers that have a parent company with a minimum rating of A+ by S&P. All such counterparties must be approved by the Local Credit Committee of the U.S. and by the Head Office Credit Committee in the Netherlands.
- Money market funds (“MMF”). To be eligible, AACC requires the MMF to meet all of following criteria:
  
  o the MMF must be approved by the CME to be part of the CME’s Interest Earning Facility 2 (IEF 2),
- MMF must have a duration of commercial paper and WAM of 90 days or less,
- total amount of assets under management must be at least US $10 billion,
- MMF must be audited by an accredited firm registered with the Public Company Accounting Oversight Board, and
- MMF must be run by a well-known Tier 1 bank.
- Any MMF not meeting the above requirements would require additional Credit Committee approvals.

All treasury securities pledged by customers for futures margin are pledged to the clearing organizations, held in custody as customer segregated or secured funds or pledged to a carrying broker for margin. AACC does not currently engage in repurchase agreements with customer pledged treasury securities. The Firm will accept pass-through letters of credit on a limited basis where permissible by an exchange or clearing organization.

(ii) AACC’s creditworthiness, leverage, capital, liquidity, principal liabilities, balance sheet leverage and other lines of business;

AACC is not rated, however as of the date of this document, ABN AMRO Bank N.V. maintains a long term credit rating of A from S&P (see all the bank’s credit ratings at this link: http://www.abnamro.com/en/investor-relations/credit-ratings/index.html).

The Firm’s measure of leverage is defined under NFA Financial Requirements Section 16: total balance sheet assets, less any instruments guaranteed by the U.S. government and held as an asset or to collateralize an asset (e.g., a reverse repo) divided by total capital (the sum of stockholder’s equity and subordinated debt) all as computed in accordance with U.S. GAAP. AACC’s leverage as of the date of this document is calculated in pre-populated fields within the Winjammer system and as of December 31, 2014 was 5.78.

AACC does not engage in proprietary trading. AACC’s affiliates may provide loans to AACC’s qualifying futures customers for margin. As a broker/dealer, AACC clears for market professionals (market makers and other broker/dealers) to which it may extend good faith margin or offer risk based haircuts thus increasing the leverage to such customers in accordance with applicable securities rules and regulations.

AACC applies a proprietary Correlation Haircut model (COH) which is a risk system that calculates the market risk of clients of AACC on an overnight and intraday basis. It calculates the maximum theoretical loss of a trading portfolio under a set of (stress) scenarios.

The COH model is based on a scenario grid approach. Main risk factors are price and volatility, which determine grid points in the grid. For each scenario in the grid, the risk system identifies potential profits and losses by using theoretical (derivatives) valuation models. The haircut value is determined by selecting the individual scenarios in a correlated way. This ensures a margin offset between positions in correlated products.

COH computes a theoretical worst-case loss (haircut) of a client’s portfolio. COH general approach is to determine major risk factors for every product, build a scenario grid of profit-loss (P/L), and finally to determine the haircut number by shifting risk factors in a correlated manner.
However, under no circumstances is a customer permitted to deposit less than margin required by an exchange or a regulation.

AACC’s adjusted net capital and segregated and secured funds amount is set forth on its website at: www.abnamroclearing.com/cftc-disclosures.

AACC’s primary liquidity sources beyond its capital are two uncommitted credit lines, one from each of its parent company ABN AMRO Clearing Bank NV and a related entity. In addition, AACC has secured uncommitted credit lines at two unrelated banks. As a broker/dealer, AACC utilizes securities lending capabilities to finance its customers’ stock positions.

(iii) risks to AACC created by its affiliates and their activities, including investment of customer funds in an affiliated entity; and

Although AACC does not invest any customer funds with its affiliates on a proprietary basis, as noted above, the vast majority of the non-US carrying brokers used by AACC are its parent and affiliates which exposes AACC to custodian risk as to those entities. Further, like with any non-US broker, the laws in each such entity’s jurisdiction may affect the ability of AACC to recover assets if limited by local bankruptcy law. As stated above, the majority of unsecured liquidity financing is derived from the parent or ABN related entities.

In addition, AACC’s affiliates also hold their omnibus accounts with AACC and, as discussed further in Section 10, two of the affiliates’ accounts are included in the accounts which make up the top 50% of segregated funds held by AACC.

(iv) any significant liabilities, contingent or otherwise, and material commitments.

There are no current significant liabilities, contingent or otherwise. There is a potential liability in the Sentinel matter (discussed below in Section 7).

In addition to the aforementioned risks, legacy systems inherited by AACC from predecessor companies continue to operate in AACC’s environment. In 2013, AACC began a project to upgrade critical systems and decommission legacy systems. This challenge has not been without incident or disruption, however AACC has fully redundant processing capabilities hosted in independent data centers as well as a business continuity site south of Chicago which the Firm can operate from when necessary.

6. Regulation of the Firm

AACC’s designated self-regulatory organization (DSRO) is the Chicago Board of Trade which can be reached through its website at www.cmegroup.com.

The Firm’s annual audited financial statements are available upon request or are located on its website at: http://www.abnamroclearing.com/en/global-reach/americas/financials/index.html.
7. Material Complaints or Enforcement Actions

Pending Material Administrative, Civil, Enforcement or Criminal Complaints or Actions

Sentinel: In August 2007, Sentinel Management Group, Inc. (Sentinel), a futures commission merchant that managed certain customer segregated funds for the Firm and other FCMs, filed for bankruptcy. Shortly before Sentinel filed for bankruptcy, Sentinel sold certain securities to Citadel Equity Fund, Ltd. (Citadel). The U.S. Bankruptcy Court ordered funds from the sale to Citadel be distributed to certain Sentinel customers. AACC received its pro rata share, which totaled $52,755,815. In connection with the Sentinel Management Group, Inc. Chapter 11 bankruptcy in 2007, the Chapter 11 Trustee for Sentinel Management Group, Inc. filed identical adversary proceedings against ABN AMRO Clearing Chicago LLC (“AACC”) and a dozen other similarly situated futures commission merchants (“FCMs”) (AACC is included in the “SEG 1 Defendants”) alleging: (1) the avoidance and recovery of pre-petition transfers in the amount of $4,000,399; (2) the avoidance and recovery of post-petition transfers in the amount of $52,755,815; (3) certain cash reserves sold to Citadel, the proceeds of which were distributed to certain FCM’s of which AACC was one, constitutes property of the bankruptcy estate; and (4) disallowance of AACC’s Proof of Claim against the bankruptcy estate. AACC disputes the Trustee’s contention that the transfers constitute property of the bankruptcy estate and is vigorously defending its position that the pre- and post-transfers constitute a return of property of AACC’s futures customers under the CEA and CFTC regulations. The cases against AACC are currently before the United States District Court for the Northern District of Illinois.

In January 2013, FCStone, an FCM defendant, which the parties understood to be the “test case” for all of the other FCMs, lost at the trial court level, but appealed to the U.S. Court of Appeals for the Seventh Circuit. On March 19, 2014, the Seventh Circuit ruled that the pre- and post-petitions transfers from Sentinel to FCStone were protected from avoidance, reversing the district court judgment. The Trustee’s appeal for re-hearing was denied and the Trustee decided not to file a petition for a writ of certiorari to the U.S. Supreme Court. AACC and the other FCM defendants considered the Seventh Circuit ruling to be binding in all of the related Sentinel FCM litigation, including the AACC case. Nevertheless, the Trustee then refused to agree to the entry of a corresponding judgment order and filed a motion to amend the initial complaint against AACC and the other SEG 1 Defendants to add a fraudulent transfer claim regarding the pre-petition transfer. The Trustee filed an additional motion seeking judgment in its favor regarding the SEG 1 reserve funds claiming that property belongs to the Sentinel estate. In response, AACC filed several briefs supported by detailed legal and factual arguments: a response to the Trustee’s motion to amend the complaint; a response to the Trustee’s motion for judgment regarding the SEG 1 reserve funds; and a motion for entry of judgment in AACC’s favor on the remaining counts of Trustee’s complaint based primarily on the Seventh Circuit’s ruling in the FCStone test case. Consistent with the procedural history of this litigation, we do not expect rulings on these motions for several months. Also, this past quarter in the Trustee’s case against the Bank of New York (“BONY”), the district court issued a decision in BONY’s favor. While this ruling served as a setback to the Trustee, unfortunately for AACC this ruling leaves the SEG 1 Defendants as the remaining primary source of any possible recovery for the estate. Thus, although AACC believes the SEG 1 Defendants have strong defenses, the Trustee will likely continue to pursue the litigation against the SEG 1 Defendants aggressively. Although AACC has strong defenses to the Trustee’s claims, as with any litigation, there can be no assurance that AACC will be able to limit or avoid potential repayment liabilities. Management of the Company, after consultation with legal counsel, cannot yet express an opinion as to the ultimate outcome of the proceeding. Accordingly, no provision has been made in the financial statements for any loss that may result from the Complaint.
Enforcement Complaints or Actions Filed in Last 3 Years

CFTC

In June 2013, AACC agreed to a settlement with the U.S. Commodity Futures Trading Commission to resolve a pending CFTC investigation of the firm involving certain internal controls related to segregated and secured funds, net capital, books and records, and supervision for the earlier period of March 2009 – January 2012.

The firm entered into the settlement without admitting or denying the CFTC’s allegations. Under the terms of the settlement, AACC hired a consulting firm to review and evaluate the firm’s internal controls and make recommendations to enhance the firm’s internal control protocols. The settlement order noted that AACC detected and voluntarily reported on a timely basis several of the referenced violations of the Commodity Exchange Act and Regulations, and in all cases took steps to ensure that sufficient funds were available for its customers to meet any margin calls.

FINRA - on behalf of NASDAQ OMX BX Inc.

In December 2012, the Firm entered into an Acceptance, Waiver and Consent (AWC) with FINRA related to the firm’s historical compliance with large option position reporting. Under the AWC the firm was censured and fined $2,000,000 for failing to report, or reporting inaccurately, listed options positions for certain of its customers and correspondents during certain time periods between 2008-2012. The reporting problems were due to issues with the firm’s query logic and failure to include position information for certain categories of customers in its LOPR submissions. Please note that these issues had no impact on the execution of orders and no impact on the firm’s customers. The Firm has corrected these issues. As FINRA noted in the AWC, the Firm has implemented significant remedial measures relative to LOPR, including systems enhancements, training, updated WSPs and independent verification of its LOPR compliance, and provided “extraordinary cooperation” to FINRA in its investigation into this matter.

AACC has also received fines and sanctions in the course of operating both the broker/dealer and FCM from other self-regulatory agencies, none of which AACC considers material. All reportable matters can be read on NFA’s BASIC at: http://www.nfa.futures.org/basicnet/ and all equities and equity options reportable matters may be located on FINRA’s Broker Check at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/

8. Customer Funds Segregation.

Customer Accounts. FCMs may maintain up to three different types of accounts for customers, depending on the products a customer trades:

(i) a Customer Segregated Account for customers that trade futures and options on futures listed on US futures exchanges;

(ii) a 30.7 Account for customers that trade futures and options on futures listed on foreign boards of trade; and

(iii) a Cleared Swaps Customer Account for customers trading swaps that are cleared on a DCO registered with the Commission.
The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities and other collateral (collectively, Customer Funds) required to be held in one type of account, e.g., the Customer Segregated Account, may not be commingled with funds required to be held in another type of account, e.g., the 30.7 Account, except as the Commission may permit by order. For example, the Commission has issued orders authorizing ICE Clear Europe Limited, which is registered with the Commission as a DCO, and its FCM clearing members: (i) to hold in Cleared Swaps Customer Accounts Customer Funds used to margin both (a) Cleared Swaps and (b) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such Cleared Swaps and foreign futures and foreign options; and (ii) to hold in Customer Segregated Accounts Customer Funds used to margin both (c) futures and options on futures traded on ICE Futures US and (d) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such transactions.

**Customer Segregated Account.** Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the US, i.e., designated contract markets, are held in a Customer Segregated Account in accordance with section 4d(a)(2) of the Commodity Exchange Act and Commission Rule 1.20. Customer Segregated Funds held in the Customer Segregated Account may not be used to meet the obligations of the FCM or any other person, including another customer.

All Customer Segregated Funds may be commingled in a single account, i.e., a customer omnibus account, and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside of the US that has in excess of $1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM’s customers. Unless a customer provides instructions to the contrary, an FCM may hold Customer Segregated Funds only: (i) in the US; (ii) in a money center country; or (iii) in the country of origin of the currency.

An FCM must hold sufficient US dollars in the US to meet all US dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the US dollar) as follows: (i) US dollars may be held in the US or in money center countries to meet obligations denominated in any other currency; and (ii) funds in money center currencies may be held in the US or in money center countries to meet obligations denominated in currencies other than the US dollar.

**30.7 Account.** Funds that 30.7 Customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on foreign boards of trade, i.e., 30.7 Customer Funds, and sometimes referred to as the foreign futures and foreign options secured amount, are held in a 30.7 Account in accordance with Commission Rule 30.7.

Funds required to be held in the 30.7 Account for or on behalf of 30.7 Customers may be commingled in an omnibus account and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside the US that has in excess of $1 billion in regulatory capital; (iii) an FCM; (iv) a DCO; (v) the clearing organization of any foreign board of trade; (vi) a foreign broker; or (vii) such clearing organization’s or foreign broker’s designated depositories. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM’s

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4 Money center countries means Canada, France, Italy, Germany, Japan, and the United Kingdom.

5 Money center currencies mean the currency of any money center country and the Euro.
30.7 Customers. As explained below, Commission Rule 30.7 restricts the amount of such funds that may be held outside of the US.

Customers trading on foreign markets assume additional risks. Laws or regulations will vary depending on the foreign jurisdiction in which the transaction occurs, and funds held in a 30.7 Account outside of the US may not receive the same level of protection as Customer Segregated Funds. If the foreign broker carrying 30.7 Customer positions fails, the broker will be liquidated in accordance with the laws of the jurisdiction in which it is organized, which laws may differ significantly from the US Bankruptcy Code. Return of 30.7 Customer Funds to the US will be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable jurisdiction, as well as possible other intervening foreign brokers, if multiple foreign brokers were used to process the US customers’ transactions on foreign markets.

If the foreign broker does not fail but the 30.7 Customers’ US FCM fails, the foreign broker may want to assure that appropriate authorization has been obtained before returning the 30.7 Customer Funds to the FCM’s trustee, which may delay their return. If both the foreign broker and the US FCM were to fail, potential differences between the trustee for the US FCM and the administrator for the foreign broker, each with independent fiduciary obligations under applicable law, may result in significant delays and additional administrative expenses. Use of other intervening foreign brokers by the US FCM to process the trades of 30.7 Customers on foreign markets may cause additional delays and administrative expenses.

To reduce the potential risk to 30.7 Customer Funds held outside of the US, Commission Rule 30.7 generally provides that an FCM may not deposit or hold 30.7 Customer Funds in permitted accounts outside of the US except as necessary to meet margin requirements, including prefunding margin requirements, established by rule, regulation, or order of the relevant foreign boards of trade or foreign clearing organizations, or to meet margin calls issued by foreign brokers carrying the 30.7 Customers’ positions. The rule further provides, however, that, in order to avoid the daily transfer of funds from accounts in the US, an FCM may maintain in accounts located outside of the US an additional amount of up to 20 percent of the total amount of funds necessary to meet margin and prefunding margin requirements to avoid daily transfers of funds.

Cleared Swaps Customer Account. NOTE: AACC does not currently clear any swaps on behalf of customers. Funds deposited with an FCM, or otherwise required to be held for the benefit of customers, to margin swaps cleared through a registered DCO, i.e., Cleared Swaps Customer Collateral, are held in a Cleared Swaps Customer Account in accordance with the provisions of section 4d(f) of the Act and Part 22 of the Commission’s rules. Cleared Swaps Customer Accounts are sometimes referred to as LSOC Accounts. LSOC is an acronym for “legally separated, operationally commingled.” Funds required to be held in a Cleared Swaps Customer Account may be commingled in an omnibus account and held with: (i) a bank or trust company located in the US; (ii) a bank or trust company located outside of the US that has in excess of $1 billion of regulatory capital; (iii) a DCO; or (iv) another FCM. Such commingled account must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM’s Cleared Swaps Customers.

Investment of Customer Funds. Section 4d(a)(2) of the Act authorizes FCMs to invest Customer Segregated Funds in obligations of the United States, in general obligations of any State or of any political subdivision thereof, and in obligations fully guaranteed as to principal and interest by the United States. Section 4d(f) authorizes FCMs to invest Cleared Swaps Customer Collateral in similar instruments.

Commission Rule 1.25 authorizes FCMs to invest Customer Segregated Funds, Cleared Swaps Customer Collateral and 30.7 Customer Funds in instruments of a similar nature. Commission rules further provide
that the FCM may retain all gains earned and is responsible for investment losses incurred in connection with the investment of Customer Funds. However, the FCM and customer may agree that the FCM will pay the customer interest on the funds deposited.

Permitted investments include:

(i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);

(ii) General obligations of any State or of any political subdivision thereof (municipal securities);

(iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations); 6

(iv) Certificates of deposit issued by a bank (certificates of deposit) as defined in section 3(a)(6) of the Securities Exchange Act of 1934, or a domestic branch of a foreign bank that carries deposits insured by the Federal Deposit Insurance Corporation;

(v) Commercial paper fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (commercial paper);

(vi) Corporate notes or bonds fully guaranteed as to principal and interest by the United States under the Temporary Liquidity Guarantee Program as administered by the Federal Deposit Insurance Corporation (corporate notes or bonds); and

(vii) Interests in money market mutual funds.

The duration of the securities in which an FCM invests Customer Funds cannot exceed, on average, two years.

An FCM may also engage in repurchase and reverse repurchase transactions with non-affiliated registered broker-dealers, provided such transactions are made on a delivery versus payment basis and involve only permitted investments. All funds or securities received in repurchase and reverse repurchase transactions with Customer Funds must be held in the appropriate Customer Account, i.e., Customer Segregated Account, 30.7 Account or Cleared Swaps Customer Account. Further, in accordance with the provisions of Commission Rule 1.25, all such funds or collateral must be received in the appropriate Customer Account on a delivery versus payment basis in immediately available funds. 7

**No SIPC Protection.** Although AACC is a registered broker-dealer, it is important to understand that the funds you deposit with AACC for trading futures and options on futures contracts on either US or foreign markets or cleared swaps are not protected by the Securities Investor Protection Corporation.

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6 Obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association are permitted only while these entities operate under the conservatorship or receivership of the Federal Housing Finance Authority with capital support from the United States.

7 As discussed below, NFA publishes twice-monthly a report, which shows for each FCM, inter alia, the percentage of Customer Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. The report also indicates whether the FCM held any Customer Funds during that month at a depository that is an affiliate of the FCM.
Further, Commission rules require the Firm to hold funds deposited to margin futures and options on futures contracts traded on US designated contract markets in Customer Segregated Accounts. Similarly, the Firm must hold funds deposited to margin cleared swaps and futures and options on futures contracts traded on foreign boards of trade in a Cleared Swaps Customer Account or a 30.7 Account, respectively. In computing its Customer Funds requirements under relevant Commission rules, AACC may only consider those Customer Funds actually held in the applicable Customer Accounts and may not apply free funds in an account under identical ownership but of a different classification or account type (e.g., securities, Customer Segregated, 30.7) to an account’s margin deficiency. In order to be used for margin purposes, the funds must actually transfer to the identically-owned undermargined account.

For additional information on the protection of customer funds please see the Futures Industry Association’s “Protection of Customer Funds Frequently Asked Questions” located at http://www.futuresindustry.org/downloads/PCF_questions.pdf.

9. Filing a Complaint Against AACC

A customer that wishes to file a complaint about AACC or one of its employees with the Commission can contact the Division of Enforcement either electronically at https://forms.cftc.gov/fp/complaintform.aspx or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A customer that wishes to file a complaint about the Firm or one of its employees with the Chicago Board of Trade as the Firm’s DSRO may do so electronically at: http://www.cmegroup.com/market-regulation/file-complaint.html or by calling the CBOT at 312.341.3286.

A customer that wishes to file a complaint about AACC or one of its employees with the National Futures Association may do so electronically at http://www.nfa.futures.org/basicnet/Complaint.aspx or by calling NFA directly at 800-621-3570.

10. Relevant Financial Data

In addition to its audited financial statements as discussed in Section 6, the following financial data of the Firm is current as of December 2014 (the most recent month-end when this Disclosure Document was prepared).

(i) AACC’s total equity, regulatory capital, and net worth, all computed in accordance with U.S. Generally Accepted Accounting Principles and Rule 1.17, as applicable:

Firm’s Equity $455,952,803
Regulatory Capital (Firm Equity + Subordinated Debt) $780,952,803
Net Worth (Firm Equity excluding JBO Deposit) $455,692,803

(ii) the dollar value of AACC’s proprietary margin requirements as a percentage of the aggregate margin requirement for futures customers, cleared swaps customers, and 30.7 customers;

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8 JBO stands for Joint Back Office and is a margin treatment for broker/dealers pursuant to Section 220.7 of Regulation T. Under this regulation, the Firm establishes a joint back office arrangement where the broker/dealer invests in its clearing firm and is afforded special margin treatment. JBO broker/dealers must maintain liquidating equity of $1,000,000.
AACC has affiliates which may engage in trading futures and derivatives for risk management purposes, such as ABN AMRO Bank N.V., however, AACC does not carry those accounts directly. In some cases, some of the affiliates maintain their accounts with another affiliate which in turn has an omnibus account with AACC. However, the proprietary margin requirement on AACC’s books remains very small as a percentage of customer margin held by AACC.

(iii) the number of futures customers, cleared swaps customers, and 30.7 customers that comprise 50 percent of the FCM’s total funds held for futures customers, cleared swaps customers, and 30.7 customers, respectively;

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Customer Segregated (4d)                     Customer Secured (30.7)

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<th>Requirement</th>
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<td>July $2,855,826,618</td>
<td>11</td>
<td>July $115,475,478</td>
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Please note that as of December 2014, 2 of the 11 customers comprising the top 50% of the Customer Segregated (4d) requirement were AACC’s affiliates’ omnibus accounts for their customers. Also note that the Firm does not clear any swaps.

(iv) the aggregate notional value, by asset class, of all non-hedged, principal over-the-counter transactions into which AACC has entered;

AACC does not participate in any proprietary trading and hold any non-hedge or principal over-the-counter transactions.

In the normal course of business, the Firm accepts and clears futures contracts and options on futures contracts for the accounts of its customers, primarily exchange members and institutional firms. As such, AACC guarantees to the respective clearing houses or other brokers, its customers’ performance under these contracts. To reduce its risk, AACC requires its customers to meet, at minimum, the margin requirement established by each of the exchanges at which contracts are traded. Margin requirements for exchange members may be significantly less than those required from other customers. Margin is a good faith deposit from the customer that reduces risk to the Firm of failure on behalf of the customer to fulfill any obligation under these contracts. To minimize its exposure to risk of loss due to market variation, the Firm adjusts these margin requirements as needed.

Customers may also be required to deposit additional funds, securities, or other collateral. As a result of market variation, AACC may satisfy margin requirements by liquidating certain

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9 As noted previously, AACC does not engage in proprietary trading, although some of its affiliates may do so.
customer positions. Management believes that the margin deposits and collateral held is adequate to minimize the risk of material loss that could be created by positions held.

AACC is engaged in various clearing activities, whose counterparties include clearing organizations, brokers and dealers, futures commission merchants, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Firm may be exposed to risk. The risk of default depends on credit worthiness of the counterparty or issuer of the financial instrument. It is the Firm’s policy to review, as necessary, the credit standing of each counterparty with which it conducts business as discussed above.

(v) the amount, generic source and purpose of any committed unsecured lines of credit (or similar short-term funding) the FCM has obtained but not yet drawn upon.

AACC does not have any committed, unsecured lines of credit. AACC has four separate funding lines which consist of unsecured and secured financing. AACC has a USD $4 billion uncommitted line with its parent ABN AMRO Clearing Bank and USD $675 million uncommitted line with a related ABN AMRO entity. AACC also has two additional uncommitted, secured funding lines with third party banks in the amount of USD $250 million. All funding lines are used to support the customer clearing business as AACC has no proprietary trading. All funding lines are available for use at the Firm for any purpose, including the Broker/Dealer aspect of AACC’s business as well as the FCM.

Total funding availability is $4,925,000,000 with AACC’s four banking relationships. As of December 2014, 51% was utilized leaving $2,425,000,000 or (49%) left open on the line of credit.

(vi) the aggregated amount of financing AACC provides for customer transactions involving illiquid financial products for which it is difficult to obtain timely and accurate prices;

AACC provides clearing services for exchange listed products only and is a direct member of all major US Futures Exchanges. Acting as an FCM, the Firm provides no direct financing for futures products although its affiliates may provide margin financing for such listed futures products to the Firm’s customers. The average amount of financing provided by AACC’s parent bank or affiliates to AACC’s customers is approximately USD $300 million on a daily basis. The Firm does provide additional financing beyond Regulation T to certain securities customers through portfolio margining and risk-based haircuts as provided by applicable securities laws and regulations, however, such financing is only for the customers’ listed equities and options trading.

(vii) the percentage of futures customer, cleared swaps customer, and 30.7 customer receivable balances that AACC had to write-off as uncollectable during the past 12-month period, as compared to the current balance of funds held for futures customers, cleared swaps customers, and 30.7 customers.

The Firm had no customer write-offs between December 2013 and December 2014.

Additional financial information on all FCMs is also available on the Commission’s website at: http://www.cftc.gov/MarketReports/FinancialDataforFCMs/index.htm

Customers should be aware that the NFA publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM’s most recent month-end adjusted net capital, required net capital, and excess net capital. (Information for a twelve-month period is available.) In addition, NFA publishes twice-monthly a Customer Segregated Funds report, which shows for each
FCM: (i) total funds held in Customer Segregated Accounts; (ii) total funds required to be held in Customer Segregated Accounts; and (iii) excess segregated funds, i.e., the FCM’s Residual Interest. This report also shows the percentage of Customer Segregated Funds that are held in cash and each of the permitted investments under Commission Rule 1.25. Finally, the report indicates whether the FCM held any Customer Segregated Funds during that month at a depository that is an affiliate of the FCM.

The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period. A 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the 30.7 Account and the Cleared Swaps Customer Account.

The above financial information reports can be found by conducting a search for a specific FCM in NFA’s BASIC system (http://www.nfa.futures.org/basicnet/) and then clicking on “View Financial Information” on the FCM’s BASIC Details page.

11. Risk Practices, Controls and Procedures

AACC maintains both local and global risk policies. In order to identify, control and manage its risk, in 2012 AACC implemented the ABN AMRO Three Lines of Defense model and in 2014 further strengthened this risk environment by incorporating the Three Lines of Defense into its newly implemented Risk Management Program (“RMP”) in accordance with CFTC Regulation 1.11.

In the Three Lines of Defense model, the first line owns the risk and is responsible for identifying the risk, defining and applying controls, measuring the controls effectiveness, producing detailed procedures for all processes, and reporting and implementing necessary improvements.

The second line is responsible for oversight, monitoring and reporting on first line risks, controls and procedures and their effectiveness, being proactive with the first line in implementing changes and periodic reporting to management of the results.

The third line is represented by Group Audit who is responsible for giving an independent opinion on the design and operation of the internal control framework, assessing the control effectiveness of risk management efforts in the first and second lines and the interaction between them and provides feedback to Senior Management and the Board of Managers for improvement.

As part of the RMP, AACC has established a Risk Management Unit (“RMU”) that reports directly to AACC’s Management Team. It should be noted that in some cases members of the RMU are also members of the Management Team. AACC’s Management Team is comprised of the heads of each department. The Risk and Finance Department heads that handle customer funds for risk management and control purposes report to the CEO, not to the business unit of the Firm.

AACC’s RMP considers the following:

• Risks posed by the AACC’s affiliates, business lines and trading activities;

• Ten specific risk categories and a description of risk tolerance limits (“RTL”) for each risk, including segregation risk, capital risk, operational risk, market risk, credit risk, liquidity risk, foreign currency risk, legal risk, settlement risk and technological risk;

• Other risks identified by AACC;
• Process to detect breaches of RTL, the RMP and procedures to escalate breaches to supervisors within the RMU and AACC’s Management Team;

• Beginning in the third quarter of 2014, creation, distribution and retention of the Risk Exposure Report to AACC’s Management Team and Board of Managers;

• Supervision of the RMP;

• Review and Testing of the RMP; and

• Recordkeeping requirements

RTLs are reviewed and approved quarterly by AACC’s Management Team and annually by AACC’s Board of Managers. RTLs will be re-evaluated and Risk Exposure Reports will be provided to AACC’s Management Team and Board of Managers upon detection of a material change in the risk exposure of AACC.

Periodic review and testing of the RMP occurs annually by ABN AMRO Group Audit staff that is independent of AACC. The results of the review and testing are promptly reviewed by the AACC’s Compliance Officer, Management Team and the Board of Managers.

The RMP, written risk management policies and procedures and any material changes thereto are approved by both AACC’s Senior Management and Board of Managers.

A paper copy of this document is available upon request to your account representative.

This Disclosure Document was first used on January 28, 2015.