

Introducing Corporate Tax Futures

Anticipating tax rate fluctuations doesn't have to bring uncertainty.

Powered by MIAAX[®] and offered by MGEXTM via the CME Globex[®] platform, Corporate Tax Futures (ticker: **TAX**) fill the void in managing tax risk, offering an efficient and effective tool to trade risk associated with changes in the U.S. Corporate Tax Rate. By bringing tradability to the effects of post-stimulus budgeting in government, TAX Futures contracts allow corporations to manage their risk exposure, report earnings forecasts and make investment decisions with confidence.

Corporate Tax Futures are built upon the SIL U.S. Corporate Tax Rate Index (index symbol: **CTAX**), developed by SIG Index Licensing, LLC. The CTAX index provides a clear and simple way to measure potential changes in the U.S. Corporate Tax Rate. By tracking the highest marginal tax rate imposed for each taxable year by the United States federal government on the taxable income of corporations, equity investors can better hedge market exposure, and for the first time, speculators will have an efficient tool for trading risk associated with potential changes in the tax rate imposed on corporations.

MIAAX is proud to partner with SIG Index Licensing, LLC (SIL) to offer Corporate Tax Futures.

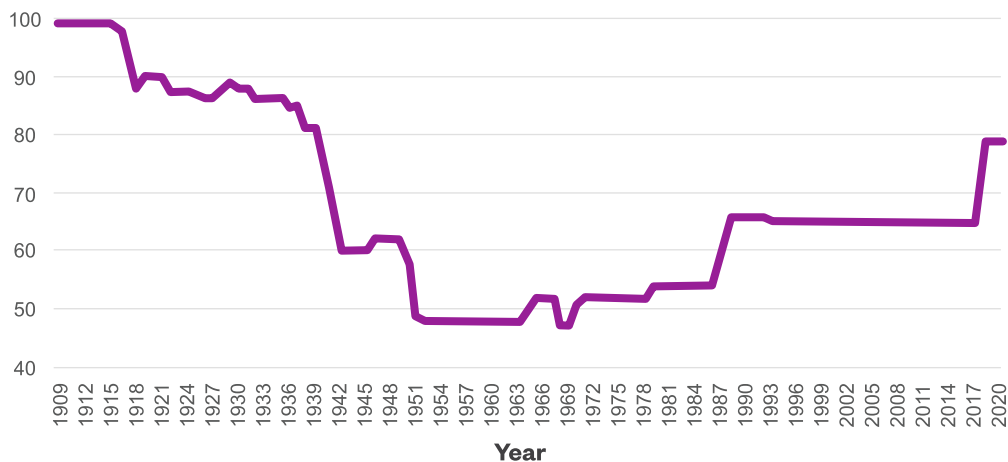
Product Codes

CME Globex: TAX	Bloomberg Futures: TXAA
Underlying Index: CTAX	Bloomberg Underlying Index: SILXCTAX
Settlement Index: CTAXS	Bloomberg Settlement Index: SILXCTAS

Index Levels

SIL U.S. Corporate Tax Rate Index

1/1/1909 - 7/31/2020



Index Calculation

The Index value is calculated based on the highest marginal tax rate imposed for each taxable year by the United States federal government on the taxable income of corporations as published in Section 11(b) of the Internal Revenue Code of 1986 (as amended and as it may be further amended from time to time, and any successor statutes thereto) (the “**Corporate Tax Rate**”). The sole tax rate used as an input to the calculation is such highest marginal tax rate.

Index Formula

$$Index_t = (100\% - r_t) * 100$$

with: r_t = Corporate Tax Rate as published in Section 11(b) of the Code expressed as a percentage on Business Day t

Index Example: If the Corporate Tax Rate is 21%, the index is $((100\% - 21\%) * 100) = 79.00$

Disclaimer and Special Risk Disclosure Regarding Tax Futures Contracts

Futures trading is not suitable for all investors, and involves the risk of loss. The risk of loss in futures can be substantial. You should, therefore, carefully consider whether such trading is suitable for you in light of your circumstances and financial resources. For additional information regarding futures trading risks, see the Risk Disclosure Statement set forth in CFTC Regulation §1.55(b). The information contained herein is provided for general education and information purposes only. No statement contained herein should be construed as a recommendation to buy or sell a security or future or to provide investment advice.

No statement within this document should be construed as a recommendation to buy or sell a security or futures contract or to provide investment advice.

The risk of loss in trading commodity futures contracts can be substantial. You should carefully consider the risks of trading commodity futures contracts generally and the unique risks of trading U.S. Corporate Tax Rate Index futures contracts (“**TAX Futures Contracts**”) in particular before entering into any trade. Because there are no comparable products like **TAX Futures Contracts** which reference and settle to a federal tax rate, there are unknown tax implications and tax treatments associated with trading these contracts. No federal guidance has been issued as to whether this product will qualify for treatment as a hedging transaction. Furthermore, no federal law or guidance exists on the deductibility of the costs incurred in trading **TAX Futures Contracts**, whether for speculative or hedging purposes. Likewise, the tax treatment related to **Tax Futures Contracts** for realizing, recognizing or offsetting gains or losses, whether capital or ordinary, is not known. Any of the above risks may result in adverse consequences, including non-deductibility of expenses or losses, and non-favorable tax treatment of gains or losses. **EACH MARKET PARTICIPANT WHO CHOOSES TO TRADE TAX FUTURES CONTRACTS DOES SO AT THEIR OWN RISK, AND IS RESPONSIBLE FOR ANY TAX CONSEQUENCES AND REPORTING OF THEIR TRADE ACTIVITY UNDER RELEVANT GOVERNMENT AUTHORITIES AND JURISDICTIONS. THEREFORE, IT IS HIGHLY RECOMMENDED THAT EACH MARKET PARTICIPANT CONSULT THEIR PROFESSIONAL TAX ACCOUNTANT OR ATTORNEY BEFORE TRADING TAX FUTURES CONTRACTS.**



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