



Special Executive Report

S-6007

November 28, 2011

Revision to CME, CBOT, NYMEX and COMEX Rule 411 **("Appeal to a Hearing Panel of the Board of Directors")**

Effective immediately, CME, CBOT, NYMEX and COMEX have adopted revisions to Rule 411 ("Appeal to a Hearing Panel of the Board of Directors") to clarify that an initial request for an appeal from a decision rendered by the Business Conduct Committee must be submitted in writing and must include the grounds for the appeal and the specific error or impropriety of the original decision. The changes will ensure that the initial request for an appeal provides the appellate panel with enough information to determine whether sufficient grounds exist to hold a hearing on the appeal.

The revision appears below, with additions underscored and deletions overstruck.

411. APPEAL TO A HEARING PANEL OF THE BOARD OF DIRECTORS

The Market Regulation Department may request an appeal to a hearing panel of the Board ("Appellate Panel") regarding a final decision of or sanction imposed by the BCC, or any refusal by the PCC to issue those charges requested by the Market Regulation Department, by filing a written request for an appeal with the Exchange Legal Department within 10 business days after receiving notice of such decision, sanction or refusal. Filing of a request for an appeal by the Market Regulation Department shall stay any decision that is appealed unless the Chairman of the Board or the BCC Hearing Panel Chair from which the appeal is taken specifically directs that the decision is not stayed pending appeal.

A Member found guilty of an offense or otherwise aggrieved by a final decision of the BCC, may request an appeal to an Appellate Panel provided that the decision assesses a monetary sanction greater than \$10,000 and/or an access denial or suspension of any membership privileges for greater than five business days against the Member. The request shall be filed in writing with the Exchange's Legal Department within 10 business days after Notice of any such decision. Filing of a request for an appeal by a Member shall stay the decision appealed unless the Market Regulation Department objects to such a stay and the Chairman of the Board or the BCC Hearing Panel Chair from which the appeal is taken specifically directs that the decision is not stayed pending appeal.

A written request for an appeal must specify the grounds for the appeal and the specific error or impropriety of the original decision. Upon receiving the written request for an appeal, the Appellate Panel, by a majority vote, shall determine whether sufficient grounds exist to hold a hearing on the appeal. The Appellate Panel may only determine that sufficient grounds exist if there is a reasonable basis to conclude that the appellant might be able to meet one of the three standards identified below that would permit the Appellate Panel to set aside, modify or amend the appealed decision or the refusal to issue charges. The Appellate Panel's determination shall be based solely upon the written request and, in the case of an appeal of a BCC decision, any written response by the opposing party. The Appellate Panel's determination of whether to hold a hearing on an appeal shall be final.

[The remainder of the Rule is unchanged.]

Questions regarding this Special Executive Report should be directed to Lisa Dunsky, Director & Associate General Counsel, at 312.338.2483.

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or news@cmegroup.com.