



Special Executive Report

S-7173

September 2, 2014

Amendments to CME/CBOT/NYMEX/COMEX Rule 409 (Summary Proceedings Before the Floor Conduct Committee)

Pending all relevant regulatory CFTC review periods, CME, CBOT, NYMEX, and COMEX will amend Rule 409.D. (Appeals) effective on Tuesday, September 16, 2014. The amendments codify that parties have a single appeal right under the Rule.

The text of Rule 409.D. appears below with the additions underlined.

Questions concerning these revisions may be directed to Jon Farrimond, Lead Rules & Regulatory Outreach Specialist, at +44 (0)20 3379 3966 or Erin Coffey, Senior Rules & Regulatory Outreach Specialist, at 312.341.3286.

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

CME, CBOT, NYMEX and COMEX

Chapter 4

Enforcement of Rules

409. Summary Proceedings Before the Floor Conduct Committee

[Sections A. – C. are unchanged.]

409.D. Appeals

An individual found guilty of an offense who receives a fine greater than \$5,000 may, within 10 days of the decision, file a written appeal of the decision with the Market Regulation Department. A written appeal that fails to specify the grounds for the appeal and the specific error or impropriety of the original decision shall be dismissed by the Chief Regulatory Officer. The Hearing Panel Chair may also allow the parties to file briefs in support of or in opposition to an appeal. The appeal shall be heard by a Panel of the BCC ("BCC Panel") whose decision shall be the final decision of the Exchange and not subject to appeal pursuant to Rule 411. The appellant shall be entitled to be represented by counsel, appear personally before the BCC Panel and present evidence that he may have in support of his appeal. The BCC Panel shall not set aside, modify or amend the appealed decision unless it determines, by majority vote, that the decision was:

1. Arbitrary, capricious, or an abuse of the committee's discretion;
2. In excess of the committee's authority or jurisdiction; or
3. Based on a clearly erroneous application or interpretation of Exchange Rules.