



Special Executive Report

S-7352

May 6, 2015

Amendment to Rule 535 (“Responsibility of Floor Traders and Floor Brokers”)

Pending all relevant regulatory review periods, effective May 20, 2015, CME, CBOT, NYMEX and COMEX (collectively, the “Exchanges”) will amend Rule 535 (“Responsibility of Floor Traders and Floor Brokers”) to eliminate a reference to fines that would be assessed in circumstances where a floor broker or floor trader failed to have a designated representative available on the trading floor to resolve outrades from the previous trading day. The number of unmatched trades has significantly decreased and fines pursuant to the Rule have not been assessed for many years.

Floor brokers and floor traders are reminded that they must remain in compliance with the requirement in the Rule that they have a designated representative available on the trading floor to resolve outrades no later than 30 minutes prior to the opening of the relevant market. The amendment to Rule 535 appears below, with the overstruck.

535. RESPONSIBILITY OF FLOOR TRADERS AND FLOOR BROKERS

Every floor trader and floor broker shall assist his clearing member in the clearing of his trades. Every floor trader and floor broker must leave contact information with the clearing member through which or for which he has traded in order that he may be contacted during the balance of the day in the event there is a discrepancy in the clearing of his trades.

Each floor trader and floor broker or his designated representative must be available on the trading floor to resolve outrades in contracts in which he executed trades on the previous day no later than 30 minutes prior to the opening of the relevant market (or at such other times as may be designated by Exchange officials). If the trader or broker or his designated representative is not present during such period, the clearing member through which or for which the trader or broker has traded shall be authorized to resolve any outrade in the manner it deems appropriate, but such resolution shall not be determinative of the liability of any party to the outrade.

~~A floor trader or floor broker who fails to comply with this rule may be assessed a fine of \$1,000 for the first violation, \$2,000 for a second violation within 30 days of the first violation and \$3,000 for a third and each subsequent violation within 30 days of the first violation. Fines imposed pursuant to this schedule are final and may not be appealed.~~

Questions concerning the amendment may be directed to Steve Staszak, Executive Director, Clearing Operations, CME Clearing, at 312.930.3189.

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