

## MARKET REGULATION ADVISORY NOTICE

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<b>Exchange</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>Daily Submission of Large Trader, Ownership/Control Reports, and Open Interest Data</b>
<b>Rule References</b>	<b>Rule 561</b>
<b>Advisory Date</b>	<b>April 25, 2016</b>
<b>Advisory Number</b>	<b>CME Group RA1606-5</b>
<b>Effective Dates and Compliance Dates</b>	<b>See Below</b>

This Advisory Notice supersedes Market Regulation Advisory Notice RA1502-5RRR from September 29, 2015, and is being reissued to amend the effective and compliance dates for revisions to Rule 561. (“Submission of Large Trader Positions and Volume Threshold Accounts”) as a result of the Commodity Futures Trading Commission’s (“CFTC”) Division of Market Oversight [No-Action Letter No. 16-32](#) issued on April 8, 2016.

This Advisory Notice also establishes language in Rule 561. (“Reports of Large Positions”) requiring an account with reportable positions in a particular contract, report all positions, regardless of size, in any contract month and in any contract that aggregates with that contract. In order to determine the products that are aggregated for purposes of this Rule, please refer to the Position Limit, Position Accountability and Reportable Level Table in the Interpretation Section at the end of the Chapter 5 of each Exchange’s Rulebook. While this rule language will be effective on September 29, 2016, it will have a compliance date of January 17, 2017.

This Advisory Notice continues to reflect changes to Rule 561. in connection with the CFTC Ownership and Control Reports (“OCR”) rule. As noted in [Market Surveillance Notice # MSN11-04-14](#) (“MSN11-04-14”) from November 4, 2014, CME, CBOT, NYMEX and COMEX (“the Exchanges”) intend to require submission of new CFTC Forms 102A and 102B in line with the CFTC OCR rule by amending Rule 561 to require that the new forms be submitted to the Exchanges in the same form and manner as required by the CFTC’s OCR rule. The amendments to Rule 561. will be effective on September 29, 2016, with the exception of CFTC Form 40 requests which become effective on November 18, 2016.

While new CFTC Forms 102A and 102B are not required to be submitted until September 29, 2016, the Exchanges currently accept submissions of new CFTC Forms 102A and 102B in XML formatted files (as specified in the CFTC OCR rule), manual submissions of the new CFTC Forms 102A and 102B through the enhanced Firm Regulatory Portal (“[FRP](#)”) or manual submission of legacy CFTC Form 102. The Exchanges, like the CFTC, expect that reporting parties who are not currently submitting new CFTC Forms 102A and 102B continue to test with production grade testing until they begin submitting the new CFTC Forms 102A and 102B pursuant to amended Rule 561.

The test filename for the OCR submission previously set forth in MSN11-04-14 has been updated to:  
[TFTP\\_OCR\\_XCME\\_\[FIRMID\]\\_\[YYMMDD\]\\_\[HHMMSS\].xml](#) or  
[TFTP\\_OCR\\_XCME\\_\[FIRMID\]\\_\[YYMMDD\]\\_\[HHMMSS\]\\_\[UNIQUEIFIER\].xml](#)

The production files can be submitted with the following filename:  
[PFTP\\_OCR\\_XCME\\_\[FIRMID\]\\_\[YYMMDD\]\\_\[HHMMSS\].xml](#) or  
[PFTP\\_OCR\\_XCME\\_\[FIRMID\]\\_\[YYMMDD\]\\_\[HHMMSS\]\\_\[UNIQUEIFIER\].xml](#)

The text of CME/CBOT/NYMEX/COMEX Rule 561. appears at the end of this Advisory Notice.

### **CFTC Form 102A Submission**

On September 29, 2016, reporting parties must provide the Market Regulation Department ("Market Regulation") with an electronic submission of CFTC Form 102A ("Identification of Special Accounts") which accurately identifies the owners, controllers, controlled accounts and any additional information required on the form for each account that becomes reportable for the first time.

Complete CFTC Form 102A information must be provided within three (3) business days of the first date the account becomes reportable. However, as it does currently, Market Regulation will require preliminary account information including *Special Account Origination, Reporting Number and Name, House or Customer Indicator, and NFA ID*, within one (1) business day of the first date the account becomes reportable.

Market Regulation will require an updated report for accounts with material changes that cause the information previously submitted to be inaccurate. The updated reports are required to be submitted within three (3) business days of such changes becoming effective. A material change includes change of account name, address, owners, controllers, or controlled accounts. Notwithstanding the above, Market Regulation may also request an update on an as-needed basis for any account as it deems necessary. Any account(s) deemed reportable to the CFTC, in accordance with the CFTC-assigned refresh update schedule that is to be provided to each reporting firm, can be included in the file submission to the Exchanges.

Where notification has been provided to the CFTC that an account has been deemed expired/closed, Market Regulation must be provided a similar notification.

### **CFTC Form 102B Submission**

On September 30, 2016 until September 29, 2017, clearing members will be required to provide a new CFTC Form 102B for any trade account that meets the volume threshold of 250 contracts or more in a single trading day.

On September 30, 2017 until August 29, 2018, clearing members will be required to provide a new CFTC Form 102B for any trade account that meets the volume threshold of 100 contracts or more in a single trading day.

On August 30, 2018, clearing members will be required to provide a CFTC Form 102B for any trade account that meets the volume threshold of 50 contracts in a single trading day as defined by CFTC Regulation 15.04.

Complete CFTC Form 102B information must be provided within three (3) business days of the first date the account becomes reportable under the revised rule. However, Market Regulation will require preliminary account information such as, *Trading Account Data for the Volume Threshold Account, Associated Special Account Number, Volume Threshold Account Owner(s), and NFA ID*, within one (1) business day of the first date the account becomes reportable.

Any account(s) deemed reportable to the CFTC, in accordance with their refresh update schedule, can be included in the file submission to the Exchanges. Market Regulation will require an updated report for accounts with material change that causes the information previously submitted to be inaccurate. The updated reports are required to be submitted within three business days of such changes becoming effective. A material change includes change of account name, address, owners, controllers, or controlled accounts. Notwithstanding the above, Market Regulation may also request an update on an as-needed basis for any account as it deems necessary.

Where notification has been provided to the CFTC that an account has been deemed expired/closed, Market Regulation must be provided similar notification.

### **CME Group Firm Regulatory Portal**

The CME Group Firm Regulatory Portal, ("[FRP](#)") provides various reports and screens to assist in accurate and timely account and position reporting.

The FRP has been enhanced to allow reporting clearing firms the capability to generate a large trader and open interest comparison report ("Misreporting Report") by product, contract month and, for options, by strike price. The Misreporting Report also allows clearing member firms to query reported positions and to utilize static queries to assist in identifying additional potential reporting discrepancies such as potential offsets and over- or under-reporting of positions. Market Regulation strongly encourages firms to utilize this functionality to assist in the identification of potential reporting discrepancies in order to ensure that any necessary adjustments are submitted by the established adjustment deadlines.

The FRP has been recently enhanced to assist clearing firms and omnibus accounts in OCR reporting. An Unidentified Special Accounts Reports allows reporting firms to identify CFTC Forms 102A and 102B accounts for which Market Regulation does not have any account information. The FRP portal also contains screens that will allow reporting firms to manually enter account information for CFTC Forms 102A and 102B accounts.

The FRP can be accessed at <https://filtr.cmegroup.com/firmregulatoryportal/logon.jsp> using a registered SMART Click ID and requesting access to [MarketRegLTRAlerts@cmegroup.com](mailto:MarketRegLTRAlerts@cmegroup.com). Registration instructions for obtaining a SMART Click ID can be found at [FRP homepage](#). For technical issues please email [LargeTraderSupport@cmegroup.com](mailto:LargeTraderSupport@cmegroup.com).

A manual is available on the [FRP](#).

### **Omnibus Account Reporting**

Omnibus accounts that carry reportable positions pursuant to Rule 561. must submit reportable large trader positions directly to the Market Regulation Department via Secure FTP ("SFTP") to the CME Group File Server. Omnibus reporting entities may submit large trader positions using the CFTC-assigned alpha firm ID. If an omnibus entity does not currently submit large trader positions and is not set up to submit via SFTP, the entity should contact the Market Regulation Department [Large Trader Group](#) to obtain further reporting instructions. The omnibus entity may use the following large trader file layout: <http://www.cftc.gov/IndustryOversight/MarketSurveillance/LargeTraderReportingProgram/ltrformat.html>

In order to ensure accurate open interest and large trader positions, clearing members are required to obtain timely offset instructions for all accounts they carry, including omnibus accounts. Clearing members are responsible for the accurate position reporting of accounts carried on their books on an omnibus basis. Accordingly, clearing members must have appropriate procedures in place to ensure that any position offsets for omnibus accounts are reported in a timely manner, no later than the established adjustment deadlines set forth below.

### **CFTC Form 40 Submission**

Upon the effective date of CFTC Form 40, which is currently November 18, 2016, Market Regulation may require submission of CFTC Form 40 in any instances it deems necessary.

### **Accurate and Timely Reporting Requirements**

All clearing firms and omnibus accounts are reminded that it is their responsibility to accurately report open interest, large trader positions and, where applicable, long positions eligible for delivery consistent with required submission deadlines. This requirement includes ensuring that open interest and large trader positions resulting from option assignments are accurate.

**Open Interest (PCS) Submission:** 6:00 p.m. CT / 7:00 p.m. ET for NYMEX and COMEX products  
7:30 p.m. CT / 8:30 p.m. ET for CME and CBOT products

**Open Interest (PCS) Adjustments:** The deadline for PCS adjustments for all CME Group Exchanges is 8:15 a.m. CT / 9:15 a.m. ET

**Large Trader Submission:** 7:00 a.m. CT / 8:00 a.m. ET for all CME Group products

**Large Trader Adjustments:** 9:00 a.m. CT/10:00 a.m. ET for all CME Group products. Error corrections or any other adjustments to the large trader position file may be completed using the web-based Firm Regulatory Portal ("FRP") portal application.

Positions at or above the reportable level in a particular expiration month of a futures contract, or in all puts or in all calls of a particular option contract expiration month, are required to be reported. For an account with reportable positions in a particular contract, all positions, regardless of size, in any contract month and in any contract that aggregates with that contract must be reported. The Position Limit, Position Accountability and Reportable Level Table at the end of Chapter 5 of each Exchange's Rulebook establishes the aggregation relationship. If an account is reportable in any contract, all "Aggregate Into" contracts noted in the spot-month, single month and all month aggregate into futures equivalent leg (1) and leg (2) columns of the Position Limit, Position Accountability and Reportable Level Table at the end of Chapter 5 of each Exchange's Rulebook should be reported.

The Rule 561. language regarding reporting aggregated contracts will have a compliance date of January 17, 2017.

Failure to comply with any of the above reporting requirements may result in sanctions pursuant to CME, CBOT, NYMEX and COMEX Rule 512.

Questions regarding this Advisory should be directed to the following Market Surveillance Staff:

Sandra Valtierra, Manager, 312.347.4137, or [Sandra.Valtierra@cmegroup.com](mailto:Sandra.Valtierra@cmegroup.com)  
Danyelle Franks, Sr. Database Integrity Admin., 312.341.7646, or [Danyelle.Franks@cmegroup.com](mailto:Danyelle.Franks@cmegroup.com)  
Erin Coffey, Sr. Rules and Regulatory Outreach Specialist, 312.341.3286 or [Erin.Coffey@cmegroup.com](mailto:Erin.Coffey@cmegroup.com)

For media inquiries concerning this Advisory Notice, please contact CME Group Corporate Communications at 312.930.3434 or [news@cmegroup.com](mailto:news@cmegroup.com).

#### **CME/CBOT/NYMEX/COMEX**

### **Rule 561. SUBMISSION OF LARGE TRADER POSITIONS AND VOLUME THRESHOLD ACCOUNTS**

#### **561.A. Large Trader Reporting [ effective September 29, 2016]**

Clearing members, omnibus accounts and foreign brokers shall electronically submit to the Exchange a daily large trader position report of all positions required to be reported as set forth in the Position Limit, Position Accountability and Reportable Level Table, in the Interpretations Section at the end of Chapter 5.

Positions at or above the reportable level in a particular expiration month of a futures contract, or in all puts or in all calls of a particular option contract expiration month, are required to be reported. For an account with reportable positions in a particular contract, all positions, regardless of size, in any contract month and in any contract that aggregates with that contract must be reported.

The daily large trader position report submitted to the Exchange must also include, for each reportable account, 1) the EFRP volume bought and sold in the reportable instrument, by contract month, and for EOOs by put and call strike and 2) the number of delivery notices issued and the number of deliveries stopped in the reportable instrument.

In addition to the large trader position report, clearing members, omnibus accounts and foreign brokers must electronically provide the Exchange with the required CFTC Form 102A ("Identification of Special Accounts") accurately identifying the owners, controllers, controlled accounts and any additional information required for each reportable account within three business days of the first day that the account in question becomes a reportable account. Notwithstanding the three business day submission requirement, on the first day that an account becomes

reportable, clearing members, omnibus accounts and foreign brokers must, at the direction of the Exchange, provide the following information: account type, reportable account number and names and addresses of the owners and controllers of the account.

The Exchange may require that more than one large trader position report be electronically submitted daily. The Business Conduct Committee or the Market Regulation Department may require reports or additional account identification from any clearing member, omnibus account or foreign broker on a lesser number of positions than reflected in the Position Limit, Position Accountability and Reportable Level Table.

If any material change causes the information previously submitted to the Exchange to become inaccurate, then such clearing member, omnibus account or foreign broker must electronically submit to the Exchange an updated form reflecting the accurate information within three business days of such changes becoming effective. Additionally, in the absence of any material changes, the Exchange may require the electronic submission of a new form on an annual basis for the maintenance of accurate records. A material change includes, but is not limited to, change of account name, address, controllers or controlled accounts.

**561.B. Volume Threshold Reporting [ effective September 29, 2016]**

A volume threshold account is any account that meets the volume threshold of contracts traded in a single trading day as defined in CFTC Regulation 15.04. Clearing members, shall electronically submit to the Exchange the required CFTC Form 102B ("Identification of Volume Threshold Accounts") accurately identifying account information for volume threshold accounts, including the owners, controllers, controlled accounts and any additional information required by the report within three business days of the first day that the account in question becomes a volume threshold account. Notwithstanding the three business day submission requirement, on the first day that an account becomes reportable, clearing members, omnibus accounts and foreign brokers must, at the direction of the Exchange, provide the following information: account type, reportable account number and names and addresses of the owners and controllers of the account.

If any material change causes the information previously submitted to the Exchange to be inaccurate, then such clearing member, omnibus account or foreign broker must electronically submit to the Exchange an updated form reflecting the accurate information within three business days of such changes becoming effective. Additionally, in the absence of any material changes, the Exchange may require the submission of a new form on an annual basis for the maintenance of accurate records. A material change includes, but is not limited to, change of account name, address, controllers or controlled accounts.

**561.C. Obligations of Omnibus Accounts and Foreign Brokers [ effective September 29, 2016]**

Failure by an omnibus account or foreign broker to submit required information may result in a hearing by the Business Conduct Committee and result in limitations, conditions or denial of access of such omnibus account or foreign broker to any Exchange market. Notwithstanding the above, clearing members carrying such accounts remain responsible for obtaining and providing to the Exchange information regarding the ownership and control of positions in circumstances where an omnibus account or foreign broker has failed to provide the information to the Exchange. Clearing firms must require their clients to provide accurate and timely owner and control information, including any material changes.

**[The following sentence will become effective on November 18, 2016.]**

Upon request from the Exchange, clearing members, omnibus accounts and foreign brokers must provide CFTC Form 40.

**561.D. Reportable Levels [ effective September 29, 2016]**

The large trader reportable levels for all contracts are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations Section at the end of Chapter 5.

Any trading account with a trading volume of 50 or more contracts during a single trading day, in a particular expiration month of a futures contract or in all puts or in all calls of a particular options contract expiration month is a reportable volume threshold account.