

## Memorandum

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TO: Clearing Member Firms

FROM: The Clearing House Department

DATE: July 25, 2005

SUBJECT: **New Program to Register CME Globex® Workstation Operator/Users**

In an effort to better serve the growing base of CME Globex® users, the CME will be implementing a new program to capture additional user information for members, member employees, automated transactions systems, and those required to register in preferential fee programs. This additional information is necessary to uniquely identify individual users. Additionally, many such users have a preference to trade under multiple "Tag 50" operator ids. It is our objective to continue allowing users to trade according to their preferences in this regard but it is equally important that we have the capability to uniquely identify such users.

CME requires the submission of a Workstation Operator Identifier (also known as the senderSubID or FIX TAG 50) for all orders entered through CME iLink® connections.<sup>1</sup> Currently, registration of the Workstation Operator Identifier is required for individual members, employees of a member firm, automated transaction system operators, incentive program participants, and workstation operators of an incentive program participant firm. The clearing firm is responsible for registering the workstation operator's identification information in the Exchange Fee System.

To minimize the burden to its participants of providing additional information, CME reviewed a variety of practices and industry standards. The minimum amount of additional user information deemed necessary to uniquely identify a user across multiple firms, accounts, or Tag 50 ids is the following:

- Last 4 characters of the workstation operator's tax id
- Workstation operator's date of birth
- Country of primary address
- Workstation operator's email address (if available)

Accordingly, **beginning in October, 2005, CME will require this additional information when registering traders in the Exchange Fee System.**

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<sup>1</sup> CME Rule 576 ("Identification of CME GLOBEX® Terminal Operators") requires that terminal operators be identified to the Exchange in the manner prescribed by the Exchange. The workstation operator identifier (also known as the senderSubID, Tag 50, or FIX user ID) is required for all orders entered through CME iLink® connections. This identifier can be up to 18 bytes maximum length and should be transmitted in FIX Tag 50. In addition to the assessment of fees and as a condition for participation in discounted fee programs, accurate data in this FIX tag is necessary for regulatory purposes.

*THIS INFORMATION SHALL BE TREATED IN ACCORDANCE WITH CME'S PRIVACY STATEMENT, WHICH MAY BE FOUND AT [WWW.CME.COM](http://WWW.CME.COM). BECAUSE THIS INFORMATION MAY BE SUBJECT TO VARIOUS U.S. AND NON-U.S. DATA PRIVACY LAWS, THE CLEARING FIRM MUST TREAT THIS INFORMATION AS CONFIDENTIAL AND STORE AND LIMIT ACCESS TO THIS INFORMATION TO ONLY THOSE PERSONS WHO MUST USE THE INFORMATION FOR THE PURPOSES OF THIS REGISTRATION EFFORT.*

To capture this information in an efficient manner, CME released a new user interface for the Exchange Fee System (EFS) on Friday, July 22, 2005. This new user interface includes these new registration fields. During the interim period prior to October clearing firms can become familiar with the data entry requirements and begin to register information at their convenience.

**Beginning October 1, 2005** this information will become mandatory for the completion of all new workstation operator registrations in EFS and for all registration updates in EFS. After October 1, 2005, EFS will not accept any new records or edits of existing records without filling in these fields. Pre-existing Tag 50 registration records in EFS will not initially require these fields. Clearing firms will not need to review existing registrations and provide additional information, unless the record is being updated (e.g. the addition of a new Tag 50).

In order to support clearing firms' efforts to provide this information to the Exchange, CME will update all CME applications for preferential fees (including incentive programs and membership) to include these fields, provide a notification to the applicant that this information is required by the CME as a condition for preferential fees, and a notification of CME's privacy policies. Additionally, CME will provide clearing firms with a trader registration form that describes CME's policies and includes space for documenting the required information. The purpose of this form is to aid clearing firms in collecting trader registration information for the purpose of entering it into the Exchange Fee System. This form will be available shortly and will be emailed to you and made available on [cme.com](http://cme.com).

The CME appreciates your cooperation with this initiative and its requirements.

If you have any questions regarding this initiative, please call Steve Staszak, Operations Director, Clearing House Department, at (312) 930-3189, or contact your [CME Globex Account Manager](#) at 312.634.8700; or in Europe at +44.207.623.2550.

If you have any questions regarding the changes to the EFS interface, please call the EFS Hotline at (312) 648-5470.

If you have any questions regarding the Tag 50 regulatory reporting requirements, please contact Jim Moran, Director, Market Regulation, at (312) 930-8520.