

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

**Registered Entity Identifier Code (optional):** 16-317 (4 of 4)

**Organization:** Commodity Exchange Inc. ("COMEX")

**Filing as a:**     **DCM**         **SEF**         **DCO**         **SDR**

**Please note - only ONE choice allowed.**

**Filing Date (mm/dd/yy):** 8/18/16    **Filing Description:** Issuance of CME Group Market Regulation Advisory Notice RA1605-5R Regarding Suspense Accounts.

**SPECIFY FILING TYPE**

**Please note only ONE choice allowed per Submission.**

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

**Rule Numbers:** 536

**New Product**

**Please note only ONE product per Submission.**

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

**Official Name(s) of Product(s) Affected:**

**Rule Numbers:**

August 18, 2016

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification. Issuance of CME Group Market Regulation Advisory Notice RA1605-5R Regarding CME/CBOT/NYMEX/COMEX Suspense Accounts.  
CME/CBOT/NYMEX/COMEX Submission No. 16-317 (4 of 4)**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME”), The Board of Trade of the City of Chicago, Inc. (“CBOT”), New York Mercantile Exchange, Inc. (“NYMEX”) and Commodity Exchange, Inc. (“COMEX”) (collectively, the “Exchanges”) hereby notify the Commodity Futures Trading Commission (“CFTC” or “Commission”) that they are self-certifying the issuance of CME Group Market Regulation Advisory Notice RA1605-5R (“RA1605-5R”) concerning the permissible use of suspense accounts when entering orders into CME Globex (“Globex”). RA1605-5R supersedes CME Group Market Regulation Advisory Notice RA1605-5 (“RA1605-5”) originally self-certified in Submission No. 16-059 dated April 14, 2016.

Since the issuance of RA1605-5, the Market Regulation Department (“Market Regulation”) has received numerous questions and comments on the use of suspense accounts when entering orders into Globex. In addition, Market Regulation has conducted meetings with the Futures Industry Association’s Law & Compliance Executive Committee, staff of the National Futures Association, and many parties directly affected by the requirements set forth in RA1605-5. In order to ensure that these questions and comments are adequately addressed, Market Regulation has determined to not move forward at this time with the revisions to Rule 536.C. (“Bunched Orders and Orders Eligible for Post Execution Allocation”) or the requirements concerning suspense accounts set forth in RA1605-5, which were originally scheduled to become effective on September 6, 2016. The only exception concerns the bunching of Request for Cross (“RFC”) orders set forth in RA1605-5, which will remain in place and is codified in RA1605-5R.

Market Regulation expects to shortly self-certify a new CME Group Market Regulation Advisory Notice concerning the use of suspense accounts which will contain various modifications to the requirements set forth in RA1605-5 and a newly established effective date.

The Exchanges reviewed the designated contract market core principles (“DCM Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the issuance of RA1605-5R may have some bearing on the following principles:

- Availability of General Information: RA1605-5R will be posted on the CME Group website in satisfaction of this core principle. In addition, the Exchanges will issue a revised Special Executive Report (“SER”) to the marketplace advising of the postponement of the revisions to Rule 536.C., which

will also be posted on the CME Group website. RA1605-5R will be disseminated to the marketplace on August 19, 2016.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges certify that the issuance of RA1605-5R complies with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

The Exchanges certify that this submission has been concurrently posted on the Exchanges' website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

If you require any additional information regarding this submission, please contact me at 212.299.2200 or you may contact us by email at [CFTCSubmissionInquiry@cmegroup.com](mailto:CFTCSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: RA1605-5R

## EXHIBIT A

### MARKET REGULATION ADVISORY NOTICE

<b>Exchange</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>Documentation of Customer Orders and Submission of Suspense Accounts on CME Globex</b>
<b>Rule References</b>	<b>Rule 536</b>
<b>Advisory Date</b>	<b>August 19, 2016</b>
<b>Advisory Number</b>	<b>CME Group RA1605-5R</b>

Effective immediately, this revised Market Regulation Advisory Notice supersedes CME Group Market Regulation Advisory Notice RA1605-5 from April 15, 2016.

Based on questions and comments received from affected market participants, the Market Regulation Department ("Market Regulation") has determined not to move forward at this time with the revisions to Rule 536.C. ("Bunched Orders and Orders Eligible for Post Execution Allocation") or the requirements concerning submission of suspense accounts on CME Globex, with the exception of the provisions concerning bunched Request for Cross ("RFC") orders, originally set forth in RA1605-5 from April 16, 2016. The provision concerning bunched RFC orders is currently effective and set forth below.

Market Regulation plans to self-certify a new Advisory Notice on this topic shortly, which will contain modifications to the requirements set forth in RA1605-5 in addition to a new effective date.

#### **Bunched RFC Orders**

In those circumstances where order entry into Globex occurs via the submission of a Request for Cross ("RFC") (an order which contains both the buy and the sell orders) pursuant to the requirements of Exchange Rule 539.C. ("Pre-Execution Communications Regarding Globex Trades"), a broker may bunch multiple market maker orders for the purpose of satisfying the terms of a single customer order and enter the bunched market maker orders using a suspense account. The suspense account may not be used to represent the customer side of the RFC order. Where a suspense account is used on the market maker side of the order, brokers must ensure that the market maker orders are documented in accordance with Rule 536.B.1. with specific market maker account identifiers on the order tickets. Brokers must obtain a suspense account from their clearing firm and may use that suspense account solely for purposes of entering the bunched market maker orders on one side of an RFC. Allocations to end-clients are required to be completed in the CME clearing system before the end of the clearing session for that trade date.

Questions regarding this Advisory Notice may be directed to the following individuals in Market Regulation:

Terrence Quinn, Manager, Data Investigations, 312.435.3753

Laetizia Moreau, Director, Data Investigations, 312.435.3619

Shantell Stansberry, Senior Data Investigator, Data Investigations, 312.435.3642

Andrew Carr, Senior Data Investigator, Data Investigations, 312.435.3610

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