

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 21-361 (3 of 4)

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 09/08/21 Filing Description: Amendments to CME, CBOT, NYMEX, and COMEX Rule 574. ("Globex Access Restrictions") in Connection with the National Futures Association's ("NFA's") Amended Definition of a Branch Office.

**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:** 574.

**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

**Official Product Name:**

**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:**

September 8, 2021

**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. Amendment to CME, CBOT, NYMEX, and COMEX Rule 574. (“Globex Access Restrictions”) in Connection with the National Futures Association’s (“NFA’s”) Amended Definition of a Branch Office. NYMEX Submission No. 21-361 (3 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 certify to the Commission amendments to CME, CBOT, NYMEX, and COMEX Rule 574. (“Globex Access Restrictions”) (the “Rule Amendments”) in connection with the National Futures Association’s (“NFA’s”) amended definition of the term branch office, which becomes effective on September 23, 2021.

The amended NFA definition of a branch office necessitates the Rule Amendments as CME and CBOT Rule 574. currently require that non-member customer orders be entered only from designated areas on the trading floor of the Exchange or the premises of an entity registered to conduct customer business, and NYMEX/COMEX Rule 574. requires non-member customer orders to be entered only from the premises of an entity registered to conduct customer business. Under the amended NFA definition, the above-referenced locations will not be required to be registered as branch offices, however NFA Member firm employees at those locations will continue to handle and enter customer orders from those locations.

An additional amendment to codify that the Exchanges will require registration of personnel only when such registration is required by CFTC regulations is also being adopted.

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 Rule Amendments may have some bearing on the following Core Principles:

Compliance with Rules: The Rule Amendments are being adopted based on the amended NFA definition of branch office and are intended to codify that orders may be entered from locations that no longer constitute a branch office.

Availability of General Information: As required by this Core Principle, the Exchanges are publicly issuing a Special Executive Report (“SER”) to ensure that market participants have updated guidance and information attendant to the Rule Amendments. The SER will also be available on the CME Group website.

There were no substantive opposing views to this proposal.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges certify that the Rule Amendments comply with the Act and regulations thereunder.

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 the undersigned at 212.299.2200 or via email at [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: CME, CBOT, NYMEX, and COMEX Rule 574. (blackline format)

## **EXHIBIT A**

### **CME and CBOT Rulebooks Chapter 5 ("Trading Qualifications and Practices") (additions are underscored; deletions are ~~everstruck~~)**

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#### **574. GLOBEX ACCESS RESTRICTIONS**

All connections to the Globex system must be guaranteed by a clearing member that assumes financial responsibility for all activity through the connection. With respect to transactions given up to other clearing members, such guarantee is effective only until such time that the other clearing member accepts the trade.

Where required under CFTC regulations, aAll individuals entering non-member customer orders in other than a clerical capacity must have appropriate CFTC registration. Non-member customer orders may be entered only from designated areas on the floor of the Exchange, ~~or~~ from the premises of an entity registered to conduct customer business, or any other location designated by such entity.

Clearing members shall assist the Exchange in any investigation into potential violations of the rules or the Act which occur through or with respect to a Globex connection guaranteed by the clearing member. Such assistance must be timely and may include, but not be limited to, requiring any Person to produce documents, to answer questions from the Exchange, and/or to appear in connection with an investigation.

### **NYMEX/COMEX Rulebook Chapter 5 ("Trading Qualifications and Practices") (additions are underscored; deletions are ~~everstruck~~)**

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