

**SUBMISSION COVER SHEET**

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

Registered Entity Identifier Code (optional): 16-307 (2 of 4)

Organization: The Board of Trade of the City of Chicago, Inc. ("CBOT")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 09/22/16 Filing Description: Issuance of CME Group Market Regulation Advisory Notice RA1610-5 with Updated Guidance Attendant to CME Globex operator IDs ("Tag 50 IDs")

**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: 576

**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 22, 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 RA1610-5 with Updated Guidance Attendant to CME Globex operator IDs ("Tag 50 IDs").  
CBOT Submission No. 16-307 (2 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 Commission that they are self-certifying the issuance of CME Group Market Regulation Advisory Notice RA1610-5 ("RA1610-5") with updated guidance attendant to CME Globex operator IDs ("Tag 50 IDs"), effective on Friday, October 7, 2016.

RA1610-5 supersedes Market Regulation Advisory Notice RA0908-5 dated September 10, 2009 and is intended to provide further guidance reflective of industry standards and practices in relation to the application of Rule 576. ("Identification of Globex Terminal Operators").

Specifically, RA1610-5 clarifies the following:

- Exchange Clearing Member responsibilities
- Characters permitted within Tag 50 IDs
- Omnibus Tag 50 ID requirements
- Team Tag 50 ID requirements
- Individual Tag 50 ID requirements

RA1610-5 also includes an updated FAQ section containing questions and answers associated with Tag 50 ID responsibilities.

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 RA1610-5 has some bearing on the following principles:

- Compliance with Rules: The Market Regulation Advisory Notice being issued provides guidance to the marketplace on the regulatory requirements attendant to Tag 50 IDs. This guidance is intended to assist market participants in remaining in compliance with Rule 576. and is therefore in compliance with this Core Principle.

- Prevention of Market Disruption: As required by this Core Principle, Tag 50 IDs are essential to comprehensive and accurate trade reconstructions as they identify the Globex Terminal Operator responsible for entering messages on CME Globex.
- Availability of General Information: As required by this Core Principle, the Exchanges are publicly issuing RA1610-5 to ensure that market participants have updated guidance and information attendant to the amendments. RA1610-5 will also be available on the CME Group website.
- Trade Information: RA1610-5 clarifies the manner in which Tag 50 IDs are populated in order for the Exchanges to use the information in their trade practice reviews to identify violations of the rules and to assist in the prevention of abuses. As such, the issuance of RA1610-5 is in compliance with this Core Principle.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), the Exchanges certify that the issuance of RA1610-5 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 [CMEGSubmissionInquiry@cmegroup.com](mailto:CMEGSubmissionInquiry@cmegroup.com).

Sincerely,

/s/ Christopher Bowen  
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: RA1610-5

**EXHIBIT A**  
**MARKET REGULATION ADVISORY NOTICE**

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<b>Exchanges</b>	<b>CME, CBOT, NYMEX &amp; COMEX</b>
<b>Subject</b>	<b>CME Globex Tag 50 ID Requirements</b>
<b>Rule References</b>	<b>Rule 576</b>
<b>Advisory Date</b>	<b>September 23, 2016</b>
<b>Advisory Number</b>	<b>CME Group RA1610-5</b>
<b>Effective Date</b>	<b>October 7, 2016</b>

Effective on October 7, 2016, this Advisory Notice will supersede CME Group Market Regulation Advisory Notice RA0908-5 from September 10, 2009. It is being issued to provide the marketplace with updated guidance attendant to CME Globex (“Globex”) operator ID (“Tag 50 ID”) requirements.

Specifically, this Advisory Notice clarifies:

- Exchange Clearing Member responsibilities
- Characters permitted within Tag 50 IDs
- Omnibus Tag 50 ID requirements
- Team Tag 50 ID requirements
- Individual Tag 50 ID requirements

Additionally, this Advisory Notice contains an updated FAQ section concerning Tag 50 IDs.

Rule 576 (“Identification of Globex Terminal Operators”) requires that each Globex terminal operator be identified to the Exchanges by the submission of a unique Tag 50 ID. For CME iLink, Tag 50 IDs are issued by an Exchange Clearing Member firm (“Clearing Member”) or their contracted vendors or assignees, or in some circumstances, by the CME Group Global Command Center (“GCC”).

Clearing Members are responsible for ensuring that all Tag 50 IDs are unique at the Clearing Member level and that all non-administrative messages (“messages”), inclusive of orders, sent to Globex are properly submitted with the correct Tag 50 ID. Tag 50 IDs are not case sensitive and Clearing Members must ensure that uniqueness is achieved by means other than solely modifying the letter case between different Tag 50 IDs (For example, “ABC” and “abc” would be viewed as the same Tag 50 ID). Further, all Tag 50 IDs must be between 2 and 18 bytes (characters) in length, and the Market Regulation Department (“Market Regulation”) strongly encourages the use of alpha numeric characters only. If the Tag 50 ID contains non-alpha numeric characters, the only characters permitted are as follows:

- ( left parenthesis
- ) right parenthesis
- \_ underscore
- dash
- : colon
- @ (commercial) at
- . period
- + plus sign
- / forward slash
- \ backslash

With respect to accounts that are carried by Clearing Members on a disclosed basis, Clearing Members must provide the identity of the “Individual” or “Team” assigned to each Tag 50 ID associated with the Clearing Member immediately upon request by Market Regulation. Clearing Members must maintain or cause to be maintained historical records related to the identity of the “Individual” or “Team” assigned to each Tag 50 ID for a minimum of five years.

With respect to omnibus accounts that are carried by a Clearing Member on an undisclosed basis, Clearing Members must be able to either obtain and provide the identity or require the omnibus account to obtain and provide the identity of the “Individual” or “Team” assigned to each Tag 50 ID within the undisclosed omnibus account immediately upon request by Market Regulation. Clearing Members must maintain or cause to be maintained historical records related to the “Individual” or “Team” assigned to each Tag 50 ID for a minimum of five years. Such historical records need not include the identity of the “Individual” or “Team.”

For Tag 50 IDs which require registration, it is the responsibility of the Clearing Member to ensure that each Tag 50 ID is properly registered in the Exchange Fee System (“EFS”). Registered Tag 50 IDs must be identified as either “Individual” or “Team” in EFS, and all registrations must be current and accurate at all times.

The text of Rule 576 is set forth below and is followed by a Frequently Asked Questions (“FAQ”) section which begins on page 4.

#### **576. IDENTIFICATION OF GLOBEX TERMINAL OPERATORS**

Each Globex terminal operator shall be identified to the Exchange, in the manner prescribed by the Exchange, and shall be subject to Exchange rules. If user IDs are required to be registered with the Exchange, it is the duty of the clearing member to ensure that registration is current and accurate at all times. Each individual must use a unique user ID to access Globex. In no event may a person enter an order or permit the entry of an order by an individual using a user ID other than the individual's own unique user ID.

#### **Required Registration of Tag 50 IDs**

Registration of Tag 50 IDs is required for individual members, employees of individual members, employees or contractors of a Clearing Member or CME or CBOT Rule 106.J. (“Equity Member Firm”) or NYMEX or COMEX Rule 106.J. (“Member Firm”) firm and any other party receiving preferential fees in accordance with any program offered by any of the Exchanges. Additionally, irrespective of whether a party is eligible for preferential fees, Market Regulation or the GCC reserve the right to require the registration of the Tag 50 ID of any market participant.

EFS supports the registration of Tag 50 IDs that are not otherwise required to be registered if the Clearing Member elects to register the “Individual” or “Team” Tag 50 IDs. Trading entities must provide accurate and up-to-date registration information about their “Individual” and “Team” Tag 50 IDs to their respective Clearing Members. The Tag 50 ID that is registered in EFS must exactly match the Tag 50 ID that is submitted on all messages sent to Globex.

For “Team” registrations, EFS allows for the input of the relevant individual registration information for each person on the team, and also requires the designation of each team member's role. Available roles include: Head Trader, Risk Monitor, Technical/Program Manager, Trader and Trading Monitor. Each “Team” must have a Head Trader, typically the most senior person or the person primarily responsible for the “Team's” activities. If there are changes to the composition of the group of persons represented by the “Team” Tag 50 ID, it is the responsibility of the trading entity and the Clearing Member to ensure that those changes are promptly and accurately reflected in EFS.

#### **Identification of Tag 50 IDs for “Individual”**

A Tag 50 ID should be identified as an “Individual” if the Tag 50 ID meets one of the descriptions below:

- A single person who is a manual trader, which refers to a person who physically submits messages directly into Globex using a front-end system, typically via keyboard, mouse, or touchscreen, and the messages are then routed in their entirety to the match engine at the time of submission.
- A single person who is solely responsible for, and actively monitors at all times, the administration and operation of an Automated Trading System (“ATS”). An ATS refers to a computer system which generates and/or routes messages without human intervention. This includes any messages generated by a computer system or routed using functionality that manages the submission of an order through automated means (i.e. execution algorithm). The person in this role typically initiates or disables particular algorithms or strategies, adjusts the parameters of any automated program(s), and monitors the live trading of the ATS. All messages must be submitted with the “Individual” Tag 50 ID assigned to the person present at the time of operation.
- A single person who engages in a combination of the trading methods described above. The person must ensure that all messages are submitted with the correct manual order indicator (FIX Tag 1028) to differentiate between manual and automated activities.

Each “Individual” Tag 50 ID must represent a single person. Each person is required to submit messages using their own Tag 50 ID and may not, under any circumstances, permit another person to enter messages using their Tag 50 ID.

#### **Identification of Tag 50 IDs for “Team”**

A Tag 50 ID should be identified as a “Team” if the Tag 50 ID represents a group of persons who are simultaneously administering, operating, and monitoring an ATS while it is operational.

Many ATSS are administered, operated, and monitored over the course of multiple shifts throughout a trading cycle. If the makeup of the group of persons is altered at the shift change time, or if a new group of persons takes over the duties of the prior group at the shift change time, a separate unique “Team” Tag 50 ID is required for messages submitted to Globex during the new shift. The group of persons on the new shift should be registered with a unique “Team” Tag 50 ID in EFS so that, at any given time, the Tag 50 registration accurately identifies the Team actively monitoring the operation of the ATS.

A single Tag 50 ID may be used to represent multiple operators only in true ATS Team situations. Entities may not bundle all their ATS operators under one Tag 50 ID if certain operators are primarily responsible for different ATSS or for the same ATS on different shifts.

“Team” Tag 50 IDs may submit only automated messages to Globex. Should a situation occur where a “Team” needs to submit a manual message (i.e. during maintenance downtime, system malfunction, etc.), the message must be submitted with an “Individual” Tag 50 ID assigned to the specific single person submitting the message, rather than the “Team” Tag 50 ID associated with the group. In this scenario, a person would be acting in the capacity of an “Individual” manual trader as described above.

**Clearing Members must ensure that all Tag 50 IDs which require registration are currently and accurately registered in EFS and must make any necessary updates to Tag 50 ID registrations promptly. Failure to transmit Tag 50 IDs to Globex in accordance with this Advisory Notice may result in disciplinary action and may also result in a reassessment of fees.**

## **Frequently Asked Questions (FAQ)**

### **Identification and Registration of Globex Operator IDs (Tag 50 IDs)**

**1. What is an administrative message?**

Administrative messages, which are not subject to the requirements set forth in this Advisory Notice, include the following: Logon, Heartbeat, Test Request, Resend Request, Session Level Reject, Business Level Reject, Sequence Reset, and Logout.

**2. Do messages submitted to Globex require the submission of an accurate Tag 50 ID?**

Yes. All messages other than administrative messages referenced in the answer to Question 1 above must include the unique Tag 50 ID of the “Individual” or “Team” submitting such messages to Globex.

**2. What is a Tag 50 ID?**

A Tag 50 or Operator ID is a user ID that uniquely identifies a party that accesses and/or submits messages to Globex. Tag 50 IDs are issued by exchange Clearing Members, or their contracted vendors or assignees, or in some circumstances, by the GCC.

The Clearing Member that guarantees the Globex connection for the party is responsible for ensuring the uniqueness of the Tag 50 ID issued to the party and ensuring that Tag 50 IDs are not used by multiple parties at the firm.

**3. Is the Tag 50 ID submitted on a message visible to other market participants?**

No. Trading on Globex is anonymous.

**4. Rule 576 states that each individual must use a unique user ID to access Globex. Is it permissible for an individual to have multiple Tag 50 IDs?**

Yes, an individual may have multiple Tag 50 IDs. However, each Clearing Member must be able to uniquely identify the individual assigned to a particular Tag 50 ID or identify the individuals assigned in the case of a Team Tag 50 ID. To the extent a Tag 50 ID is issued to a participant trading through an undisclosed omnibus account, the Clearing Member must be able to either obtain and provide the identity or require the omnibus account to obtain and provide the identity of the “Individual” or “Team” assigned to each Tag 50 ID within the undisclosed omnibus account upon request by Market Regulation.

**5. Are Clearing Members responsible for ensuring that Tag 50 IDs are unique at the Clearing Member level?**

Yes, all Tag 50 IDs must be unique at the Clearing Member level, irrespective of whether the account is carried by the Clearing Member on a disclosed or undisclosed basis.

**6. Is there any circumstance in which a person may use the Tag 50 ID of another person?**

No. Each message submitted to Globex must reflect the Tag 50 ID of the person or team of persons who submitted the message or caused the message to be submitted.

**7. If a person deploys an ATS and someone else monitors the operation of the ATS during certain hours, does the Tag 50 ID of the person monitoring the ATS have to be entered on new messages?**

Yes. The Tag 50 ID on all messages must be the Tag 50 ID of the person responsible for monitoring the operation of the ATS at that time.

**8. If a person deploys an ATS that operates for extended time periods, for example during Regular Trading Hours in addition to European and/or Asian trading hours, may that person's Tag 50 ID be sent on all messages?**

The Tag 50 ID on the messages must reflect the person responsible for operating and monitoring the ATS at the time the messages are sent to Globex. To the extent a single individual is responsible for operating and monitoring the ATS over any given timeframe (e.g. more than one trading session or more than a typical work shift), the individual's Tag 50 ID is required to be submitted on all messages. However, upon request, the individual must be able to demonstrate an effective means to monitor the ATS during all times it is operating. During the times that a person is not actively either operating or monitoring the trading operation of the ATS, their name should not be reflected on the active Tag 50.

**9. If a trader enters manual messages but also uses automated spreading functionality, may all of those messages be submitted under a single Tag 50 ID?**

Yes, in this situation, a single Tag 50 ID may be used for both manual and automated messages. The Tag 1028 (Manual/Automated Indicator) value submitted with each message must appropriately identify whether the message was submitted via automated or manual means.

**10. What is a "Team Tag 50 ID"?**

If multiple individuals simultaneously work together to operate or monitor the operation of an ATS, they may be assigned a single Tag 50 ID, called a Team Tag 50 ID, which represents all of the individuals on the team. The registration process in EFS for a Team Tag 50 ID allows a firm to identify the role of each particular individual on the team, for example, Head Trader, Trader, Risk Monitor, Trading Monitor, Technical/Programmer, or Other. Each Team Tag 50 must have a Head Trader.

**11. May a single Team Tag 50 be used for an ATS that operates for extended time periods, for example during Regular Trading Hours as well as European and Asian trading hours?**

No, because individuals on a Team Tag 50 must be simultaneously working together, and it is expected that the Team Tag 50 ID submitted on messages will change as team members' shifts change. For example, if a new team or a team with a different composition takes over the operation of an ATS during European or Asian trading hours, or any other time period or shift, then that new team's Team Tag 50 ID must be used for all messages submitted during that period.



**12. If a person is financially responsible for, and makes or oversees decisions related to an ATS, may that person be listed as the Head Trader on the Team Tag 50 ID for every shift during which the ATS operates?**

No. The Team Tag 50 ID must represent the team simultaneously working together to operate or monitor the operation of an ATS at any given point in time.

**13. If a person is working in a risk management function for a trading entity and as part of the risk function reviews and monitors the multiple ATSS that the entity is operating, does that risk person need to be identified via a Team Tag 50 ID?**

No, risk managers that are reviewing overall firm exposures and that are separate from the trading function are not required to be identified on a Team Tag 50 ID. However, if the risk manager were to manually intervene with the ATS they would need to do so using their own unique Tag 50 ID.

**14. If a member of a Team that monitors the operation of an ATS needs to submit manual messages, should the Team Tag 50 ID be submitted on those messages?**

No. The Team Tag 50 ID may be used only for messages that are generated from the ATS. To the extent the team needs to submit manual messages, the individual Tag 50 ID of the person who manually submits the message must be used.

**15. Is there a limit on the number of ATSS an entity or individual may operate?**

There is no limit to the number of ATSS an entity or individual can operate, subject to their ability to effectively monitor the operation of the ATSS.

If you have questions on the Exchange fees applicable to an ATS operator, please contact the Fee System Hotline at 312.648.5470 or via email at [efsadmin@cmegroup.com](mailto:efsadmin@cmegroup.com).

**16. What information is required when registering a Tag 50 ID?**

Information related to Tag 50 ID registration is available in the Exchange Fee System (EFS) User Manual available at [www.cmegroup.com](http://www.cmegroup.com).

**17. What types of violations related to Tag 50 IDs will Market Regulation seek to identify?**

Market Regulation's review of Tag 50 IDs will be focused on, but not be limited, identifying the following types of violations:

- Missing or Inaccurate Registration
- Non-Identifiable Operators
- Invalid Use of Operator ID
- Invalid Operator ID format
- Inaccurate Tag 1028 submission

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

Betsy Schneider, Manager, Data Investigations, 312.341.3343

Laetizia Moreau, Director, Data Investigations, 312.435.3619

Andrew Carr, Senior Data Investigator, Data Investigations, 312.435.3610

Lou Abarcar, Data Investigations Architect, Data Investigations, 312.341.3236

For fee-related questions or for general assistance with the fee system, please contact the Fee System Hotline at (312) 648-5470 or send an email to [efsadmin@cmegroup.com](mailto:efsadmin@cmegroup.com).