

Corporate & Financial Weekly Digest

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CME Amends Rule to Require Books and Records to Be Produced in Electronic Format

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The Chicago Mercantile Exchange, the Chicago Board of Trade, the New York Mercantile Exchange, and the Commodity Exchange have together released a special executive report (SER) announcing the amendment of Rule 432 (General Offenses), section L.3, for each of the exchanges. The amendment will require that books or records requested from a market participant by exchange staff be provided in the format and medium specified in the request.

Under the amendment, all books and records provided to the Market Regulation Department must by default be provided in electronic format, unless the request specifies another format. Generally, it is anticipated that documents will be requested in PDF format and audio recordings will be requested to be on a compact disc or via email in an MP3 or WAV file, though exchange staff may still request original source documents (e.g., handwritten order tickets). Each document request will specify the medium and format in which the produced information should be contained.

If a market participant is unable to comply with the exchange-requested format or medium, the participant may petition the exchange to accept an alternate format or medium. Such a petition should (1) be made at least two business days before the request due date, (2) be in writing (including via email), (3) provide the basis for the request, and (4) provide a proposed production date. All requests will be subject to approval by the Market Regulation Department.

The amendment to Rule 432 will become effective on March 28.

The SER regarding the amendments to Rule 432 can be found [here](#).

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