

INSIGHTS

## U.S. Futures Exchanges Disciplinary Actions Alert: January 2018

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By: [David M. Perlman](#) and [Michael W. Brooks](#)

*The Bracewell U.S. Futures Exchanges Disciplinary Actions Report is a monthly report that provides summaries of certain disciplinary notices by U.S. exchanges during the prior month. The report has a particular focus on notices potentially relevant to energy commodities and is not intended to be a comprehensive review of each and every notice issued. Instead, the report is intended to provide market participants, and compliance personnel in particular, with illustrative examples of rule violations and to bring to light enforcement trends across the exchanges. The disciplinary notices cited in this report can be found at*

[www.cmegroup.com](http://www.cmegroup.com) and [www.nodalexchange.com/regulation/nodal-exchange-regulation/exchange-notices/](http://www.nodalexchange.com/regulation/nodal-exchange-regulation/exchange-notices/).

### **CBOT**

#### **CBOT 16-0547-BC**

*Disruptive Trading*

Violation of Rule 575.A – Disruptive Practices Prohibited

Pursuant to a settlement offer, a Business Conduct Committee Panel (“BCC Panel”) found that on multiple occasions between December 1, 2015 and August 15, 2016, a member entered bids and offers on Globex during the pre-open period of various CBOT grains and oilseeds futures contracts. These bids and offers were not entered for the purpose of executing bona fide transactions. The entry and cancellation of these orders caused fluctuations in the publicly displayed Indicative Opening Price. \$25,000 fine and 30-day suspension.

### **NODAL**

#### **NODAL 0314205**

*Block Trades*

Violation of Rule 4.6.2(f)

On four occasions from December 2016 through February 2017, an entity reported block trades to the Exchange later than 15 minutes after execution, but these violations did not result in financial harm to customers. \$5,500 fine.

\*\*If you have any questions about the information contained in this month's report, please contact: [David Perlman](#), [Michael Brooks](#), [Bob Pease](#), or [Ryan Eletto](#).