

Joint Audit Committee

REGULATORY ALERT

TO: Chief Executive Officers
Chief Financial Officers
Chief Compliance Officers

#14-02

DATE: March 20, 2014

SUBJECT: Semi-Monthly Segregated Investment Detail Reports

As part of the CFTC's recent Customer Protection Final Rulemaking, CFTC Regulations 1.32(f)-(j), 22.2(g)(5)-(9) and 30.7(l)(5)-(9) now require FCMs to submit to the CFTC and DSRO a semi-monthly report detailing the types of customer assets and investments held, itemized by depository. This report, referred to as the Segregated Investment Detail Report or "SIDR", also requires FCMs to identify assets held pursuant to reverse repurchase agreements as well as the identification of the depositories holding customer funds that are affiliated with the FCM.

FCMs are required to file the SIDR as of the fifteenth day of the month, or the following business day if the fifteenth falls on a weekend or holiday, and the last business day of the month. The report must be submitted by 11:59 p.m. the next business day through WinJammer™.

Separately for each of the Segregated, Secured 30.7 and Cleared Swaps Customer origins, total customer funds must be identified on the SIDR by the following asset types: Cash at Banks, US Government Securities, Bank Certificates of Deposit, Money Market Funds, Municipal Securities, Government Sponsored Enterprise Securities, Customer Owned Securities, Funds at Clearing Organizations and Carrying Brokers and Funds on Hand. Therefore, total assets on the SIDR should equal the total customer funds reported on the FCM's corresponding daily segregation, secured 30.7 and cleared swaps customer statements.

More specifically, the SIDR balances should encompass the applicable daily statement lines as indicated on the following page.

If you have any questions, please contact your DSRO.

Segregated Investment Detail Report - SIDR

SIDR Line 1 – Cash at Banks

Daily Segregation Statement: Line 7.A.
Daily Secured 30.7 Statement: Secured Funds Line 1.A. and 1.B.
Daily Cleared Swaps Customer Statement: Line 7.A.

SIDR Line 2 – US Government Securities

Daily Segregation Statement: Lines 7.B., 8.B., 11.B. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.B., 8.B., 11.B. and 12.B.

SIDR Line 3 – Bank Certificate of Deposit

Daily Segregation Statement: Lines 7.B., 8.B., 11.B. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.B., 8.B., 11.B. and 12.B.

SIDR Line 4 – Money Market Funds

Daily Segregation Statement: Lines 7.B., 8.B., 11.B. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.B., 8.B., 11.B. and 12.B.

SIDR Line 5 – Municipal Securities

Daily Segregation Statement: Lines 7.B., 8.B., 11.B. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.B., 8.B., 11.B. and 12.B.

SIDR Line 6 – Government Sponsored Enterprise Securities

Daily Segregation Statement: Lines 7.B., 8.B., 11.B. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.B., 8.B., 11.B. and 12.B.

SIDR Line 7 – Customer Owned Securities

Daily Segregation Statement: Lines 7.C., 8.C., 11.C. and 12
Daily Secured 30.7 Statement: Secured Funds Lines 2, 3.B., 4.B., 5.B. and 7
Daily Cleared Swaps Customer Statement: Lines 7.C., 8.C., 11.C. and 12.C.

SIDR Line 8 – Funds at Derivative Clearing Organizations and FCMs (or for Secured 30.7, Funds at Clearing Organizations and Carrying Brokers)

Daily Segregation Statement: Lines 8.A., 9, 10, and 11.A.
Daily Secured 30.7 Statement: Secured Funds Lines 3.A., 3.C.-3.E., 4.A., 4.C.-4.E., 5.A., 5.C.-5.E., and 6
Daily Cleared Swaps Customer Statement: Lines 8.A., 9, 10 and 11.A.

SIDR Line 9 – Cash on Hand

Daily Segregation Statement: Line 12
Daily Secured 30.7 Statement: Secured Funds Line 7
Daily Cleared Swaps Customer Statement: Line 12.A.