

Joint Audit Committee

REGULATORY ALERT

TO: Chief Executive Officers
Chief Financial Officers
Chief Compliance Officers

#14-04

DATE: June 17, 2014

SUBJECT: CFTC Regulation 1.55(o)(1) – Disclosure of Financial Information on FCM's Web-Site

As part of the CFTC's recent Customer Protection Final Rulemaking, CFTC Regulation 1.55(o)(1) will require FCMs to make publicly available certain financial information on the FCM's website effective July 12, 2014. The regulation requires the applicable financial information to be made publicly available for the most current 12 month period.

To clarify, the most current 12 month period as stated in the regulation is a retroactive rolling requirement. As such, effective July 12, 2014, the following financial information will be required to be made publicly available by FCM's on their websites:

1. **CFTC Regulation 1.55(o)(1)(i), (ii) and (iii)**

An FCM's daily segregation statement, secured 30.7 statement and cleared swap customer statement (as applicable) will be required to be made publicly available for the period July 11, 2013 through July 10, 2014. The use of summary schedules (e.g. summary schedule only including total daily segregation requirement, total daily segregation assets, daily excess segregated funds and residual interest target levels) will not be permitted under the regulation.

2. **CFTC Regulation 1.55(o)(1)(iv)**

For an FCM-only firm, a month-end summary schedule of adjusted net capital, net capital and excess net capital or, for a dually registered FCM/Broker Dealer firm, tentative net capital, net capital and excess net capital will be required to be made publicly available for the period June 30, 2013 through May 31, 2014.

3. **CFTC Regulation 1.55(o)(1)(v)**

The year-end certified statement of financial condition, segregation statement, secured 30.7 statement and cleared swap customer statement (as applicable) and all related footnotes to the above schedules that are part of the FCM's most current certified annual report. Other financial statements that are part of the FCM's most current certified annual report (e.g. Statement of Income (Loss), etc.) will not be required.

4. **CFTC Regulation 1.55(o)(1)(vi)**

The month-end segregation statement, secured 30.7 statement and cleared swap customer statement (as applicable) that are part of the FCM's unaudited Form 1-FR-FCM or FOCUS statement will be required to be made publicly available for the period June 30, 2013 through May 31, 2014. Other financial statements that are part of the FCM's unaudited Form 1-FR-FCM or FOCUS statement (e.g. Statement of Financial Condition, Statement of Income (Loss), etc.) will not be required.

Financial information as required by this regulation will be required to be made publicly available by end of business on the date in which the FCM submits the applicable financial information to the CFTC and their DSRO. In addition, FCMs will be responsible for timely updating their websites as financial information is submitted to the CFTC and their DSRO.

Further, to the extent that financial information required by this regulation is amended, the amended financial information will also be required to be made publicly available by end of business on the date in which the FCM submits the amended financial information to the CFTC and their DSRO. In addition, the FCM must clearly notate that the financial information has been amended on their website.

If you have any questions, please contact your DSRO.