
Advisory Notice

TO: Eris Exchange Participant Firms, Clearing Firms, and Brokers

FROM: Eris Exchange Control Center and Market Regulation Department

ADVISORY: #11-06

DATE: October 7, 2011

SUBJECT: **Eris Exchange Large Position Reporting Policy**

Implementation of the Large Position Reporting Policy

Eris Exchange, LLC (the “Exchange”) anticipates that it will be designated as a contract market (“DCM”) by the Commodity Futures Trading Commission on Tuesday, October 18, 2011. As a result, the Exchange will begin operating as a DCM on or after Monday, November 7, 2011.

Once Eris Exchange operates as a DCM, a new Rulebook will be effective for, among other things, large trader reporting. Specifically, Eris Exchange will implement the Large Position Reporting Policy pursuant to Rules 532 (Reports of Large Positions) and 533 (Position Limit, Position Accountability and Reportable Level Table) of the new DCM Rulebook, as set forth below. Currently, the reportable size is 100 Contracts under the Exempt Board of Trade (“EBOT”) Rulebook. This reportable size will change to 850 Contracts under the new DCM Rulebook. The Exchange will be sending out additional Advisory Notices as it prepares to operate as a DCM.

Daily Deadlines and Procedures

The daily deadline for Clearing Firms to submit their Large Position reports to Eris Exchange is **7:00 a.m.** Central Time (“CT”), (**8:00 a.m.** Eastern Time (“ET”)) on the next business day following the day on which the position becomes reportable. Submission of the Large Position Reporting Form is done via sFTP transfer to Eris Exchange or by email to the Eris Control Center. Any error adjustments by the submitting Participant to the Large Reporting Position file must be made by **8:00 a.m.** CT (**9:00 a.m.** ET) and submitted to the Eris Exchange by sFTP or email. The Large Position Reporting File must be submitted in the same format that the Clearing Firm submits Larger Position reports to the CFTC. For additional information regarding the file format, please visit www.cftc.gov ([Large Trader Record Format](#)) or contact the Eris Control Center. In sum, the Large Position Reporting for the Exchange should be no different than the Clearing Firms reporting for other DCMs.

As a result of submitting Large Position Reporting Files, Clearing Firms may be contact by the CFTC, the Exchange, or the Exchange’s Regulatory Services Provider, the National Futures

Association, to complete a CFTC Form 102 (“[Identification of Special Accounts](#)”). Specifically, Clearing Firms with omnibus accounts held on behalf of non-clearing firms, may be required to provide CFTC Form 102 information to the Exchange or CFTC, or, alternatively, to direct the Exchange or CFTC to the appropriate contact at the non-clearing firm. The CFTC Form 102 must be submitted to the Exchange no later than the business day following the date on which the account becomes reportable.

Participants can request access to the Eris Exchange sFTP by contacting the Eris Control Center by email at ErisControlCenter@erisfutures.com or by phone 888-587-2699, Option 1.

DCM Rules (effective upon DCM operation):**Reporting of Large Positions****RULE 532. Reports of Large Positions**

- (a) Clearing Firms shall submit to the Exchange a daily report of all positions required to be reported as set forth in the Table in Rule 533.
- (b) Positions at or above the reportable level in a particular tenor of a Futures Contract (i.e., less than 5 year and more than 5 years) trigger reportable status. For a person in reportable status in a particular Contract, all positions, regardless of size, in a particular tenor of a Futures Contract must be reported.
- (c) All large trader reports shall be submitted in a form acceptable to the Market Regulation Department. The Exchange may require that more than one large trader report be submitted daily. The Regulatory Oversight Committee or the Market Regulation Department may require reports from any Clearing Firm on a lesser number of positions than reflected in the Table in Rule 533.
- (d) Clearing Firms must provide the Market Regulation Department with the required CFTC Form 102 (“Identification of Special Accounts”) <http://www.cftc.gov/IndustryOversight/MarketSurveillance/LargeTraderReportingProgram/index.htm> identifying the owner, any controlling parties and any additional required information for each reportable account. The form must be submitted to the Market Regulation Department no later than the business day following the date on which the account becomes reportable. Additionally, Clearing Firms must submit a revised form reflecting any material changes to the information previously provided to the Market Regulation Department within three business days of such changes becoming effective.

RULE 533. Position Limit, Position Accountability and Reportable Level Table

The reportable levels for all Contracts are set forth in the Position Limit and Reportable Level Table below. Maturity is determined by the remaining tenor of the original transaction.

Position Limit and Reportable Level Table:

Contract Name	Rule	Maturity	Reportable Futures Level	Position Accountability	Position Limit
Interest Rate Swap Futures Contract	1101	Less than 5 years	850	1000	N/A
Interest Rate Swap Futures Contract	1101	Greater than 5 years	850	1000	N/A

If you have any questions regarding this Exchange notice, please contact Eris Control Center at 888-587-2699, Option 1, ErisControlCenter@erisfutures.com.

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