

## **KEY TO REFERENCED SECTIONS OF THE COMMODITY EXCHANGE ACT AND COMMISSION REGULATIONS**

### **COMMODITY EXCHANGE ACT SECTIONS REFERENCED**

<b><u>Section</u></b>	<b><u>Definition</u></b>
4(a)	trading off-exchange futures contracts
4a(1)	violation of speculative limits on daily trading and positions
4a(2)	violation of Commission established limits
4a(5)	violation of exchange established limits
4b	provides that the prohibitions set forth in the subsections of 4b apply to futures contracts
4b(A)	cheating, defrauding or attempting to cheat or defraud
4b(B)	making a false statement or entering false records
4b(C)	deceiving or attempting to deceive any person with respect to an order or the execution thereof
4c	prohibited transactions
4c(a)A	wash sales, cross trades, accommodation trades of fictitious sales
4c(a)B	bucketing of offsetting orders, taking the other side of an order without authorization
4c(b)	illegal trading of commodity options
4c(c)	violations of options ban
4d	registration requirement/customer funds and property
4d(1)	failure to register as Futures Commission Merchant (FCM) or Introducing Broker (IB)
4d(2)	failure of FCM to properly segregate customer funds
4e	failure to register as Floor Broker (FB)

4f(1)	registration requirements
4f(2)	minimum financial requirements
4g(1)	failure of FCM, IB or FB to keep proper records to provide Commission access to books and records
4g(2)	daily trading records
8a(4)	suspension or revocation of registration
8b	violation of order prohibiting trading
8a(3)	grounds for refusal to register
9(a)	embezzlement – conversion of property
9(b)	manipulation of prices
13(a)	aiding or abetting violation
14(f)	failure to comply with reparation order
19	prohibited leverage transactions

## COMMISSION REGULATIONS REFERENCED

- 1.35(c) clearing member trading records
- 1.35(d) failure to properly prepare trading cards
- 1.36 records of securities and property received from customers
- 1.38(a) noncompetitive trading
- 1.39 simultaneous buying and selling orders of different principals
- 1.41 failure to follow procedures for the submission of proposed exchange rules for Commission approval
- 1.46(a) failure of FCM to offset long and short positions
- 1.50 failure of exchange to provide written reports regarding compliance with CEA and Commission regulations
- 1.51 failure of exchange to use due diligence in maintaining an enforcement program
- 1.52 failure of SRO to adopt or submit to the Commission rules prescribing minimum financial and related reporting requirements for member FCMs
- 1.53 distribution of "Risk Disclosure" "Statement" by futures commission merchants and introducing brokers
- 1.56 prohibition of guarantees against loss
- 1.57 operations and activities of introducing brokers
- 3.10 registration of futures commission brokers
- 3.11 registration of floor brokers
- 3.12 registration of associated persons of futures commission merchants and introducing brokers
- 3.13 registration of commodity trading brokers
- 3.14 CPO registration
- 3.15 registration of introducing brokers

3.16	registration of associated persons of commodity trading advisors and introducing brokers
3.17	registration of leverage transactions merchants
3.18	registration of associated persons of leverage transaction merchants
3.31b	failure of registrant to correct deficiencies of inaccuracies in Commission Form 8-R
31.3	fraud in connection with certain transactions in silver or gold bullion or bulk coins
32.5	disclosure rules relating to commodity options
32.7	failure to keep proper books and records with respect to commodity options
32.9	fraud in connection with commodity options transactions
33.3	unlawful commodity option transactions
33.7	option disclosure statement rules
33.10	fraud in connection with commodity option transactions
150.1-150.5	speculative position limits
155	FCM and IB Risk Disclosure Statement
155.3(b)(2)	prohibition against taking the opposite side of a customer order
166.2	unauthorized trading
166.3	failure to supervise