



# Commodity Futures Trading Commission

## Office of Public Affairs

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## Q & A – Proposed Amendments to the Compliance Date for the Residual Interest Deadline for Futures Commission Merchants

### **What changes is the Commission proposing today?**

The Commission is proposing to revise Regulation 1.22 to remove the December 31, 2018 automatic termination of the phase-in compliance period for the residual interest requirement, and keep the Residual Interest Deadline at 6 p.m. Eastern Time pending further Commission action via publication of a rulemaking. The Commission is also proposing to revise Regulation 1.22 to make clear that the Commission may only revise the Residual Interest Deadline through a separate rulemaking.

### **Are you changing the residual interest requirement in Regulation 1.22?**

No. The residual interest requirement would not be amended by this proposal. The Regulation would continue to require an FCM to calculate the undermargined amount for each of its customers, based on the information available to the FCM as of the close of each business day. An FCM must then maintain residual interest in its customer accounts, which amount must be at least equal to its customers' aggregate undermargined amounts, for the prior trade date by the point in time set forth in the final rule.

### **Why is the Commission proposing these amendments?**

The Commission is proposing to amend Regulation 1.22 in order to provide the Commission with a greater degree of flexibility to assess the issues and all relevant data associated with revising the Residual Interest Deadline. The Commission is also proposing to revise the Regulation to provide assurance that the Commission may only revise the Residual Interest Deadline through a separate rulemaking to allow interested parties an opportunity to comment on any such proposed revisions.