

Mr Richard A. Shilts
Director Division of Markets Oversight
Commodity Futures Trading Commission
1155 21st Street, N.W
Washington, DC 20581
United States of America

C-REG-13/01
13 June 2013

Dear Mr. Shilts,

Re: Updates to DME Rulebook

The Dubai Mercantile Exchange Limited (“DME”) would like to notify you of certain updates to the DME Rulebook and a change in the DME’s Compliance Department.

1. DME Rulebook Trading Rule Changes

On 18 December 2012 DME adopted primarily non-substantive changes to certain trading rules in the DME Rulebook. These changes are discussed in more detail in Consultation Papers 12-001 and 12-038.

The key changes included the following:

- Provision of protocols for interacting with the CME Global Command Center (GCC) (Rule 6.2)
- Addition of a regulatory requirement for an automated / manual trade indicator, known as a TAG 1028, to be attached to all orders (Rule 6.10)
- Minor amendments to the Trade Cancellation & Price Adjustment Policy, including: the requirement that all Requests for Review must be initiated by telephone
- A change of terminology from “No Bust Range” to “Non Reviewable Range” (Rule 1.1 and Rule 6.17)
- Changes to the approach for dealing with Phantom Orders to align with rules of other exchanges using CME Globex (Rule 6.17, 6.18 and 6.19)
- Changes to the Limitation of Liability clauses (Rules 2.21 and 6.29)
- Further clarification of reporting obligations surrounding Block Trades (Rule 6.30)
- Disclosure of the manner in which market maker programs are used by DME (Rule 6.31).

2. DME Rulebook Definition and Direct Access Participant Rule Changes

On June 4, 2013 the DME adopted changes to certain definitions and rules regarding participants seeking access to the DME through direct access. These changes are discussed in more detail in Consultation Papers 13-001 and 13-020.

The key changes included the following:

- Replacement of the term “Guaranteed Customer” with the term “Direct Electronic Access Customer” (or “DEA Customer”), to be consistent with new regulatory requirements
- Permission for DEA Customers to trade through multiple Clearing Members
- Specification of requirements for Direct Electronic Access through Omnibus Account
- Clarification of obligations imposed on Clearing Members providing DEA access
- Consolidation of requirements for Customer Orders (currently contained in Rules 4.21 and Rule 6.21)
- Simplification of Customer Margin requirements to reference Clearing House rules
- Inclusion of concepts related to Direct Electronic Access in Chapter 1 (Definitions)
- Updates to rule numbers and cross references following regulatory changes

The Consultation Papers, together with the full text for the Rulebook, are available from the “Member Notices” and “Rules & Regulations” tabs of the DME website at www.dubaimerc.com.

3. Changes in DME Personnel

Please be notified that the DME has two new members on the Board of Directors – Kendal Vroman and Daryl Pattison, whose appointments became effective in December 2012. Please refer to the Who’s Who section of the About DME tab on the DME’s website for further information regarding these two Directors.

I also wanted to inform you that DME’s Chief Compliance Officer Mr. Greg Collins is stepping down and as of August 1, 2013 I will be the new Head of Compliance. Please direct any inquiries or correspondence to my attention in the future. My email address is mariam.ahmed@dubaimerc.com and my phone number is + 971 4 365 5512.

Please do not hesitate to contact me should you have any questions.

Yours Faithfully,



U. Mariam Ahmed
Sr. Manager, Compliance & Regulatory Affairs