

Date: January 4, 2016

Re: OneChicago Audit Trail Requirements

Effective Date: January 19, 2016

OneChicago, LLC (“OneChicago”) Rule 403 (Order Entry) imposes an obligation on market participants to maintain an audit trail of orders transmitted to the OneChicago System. This Notice to Members (“NTM”) 2016-1 clarifies OneChicago’s audit trail requirements pursuant to OneChicago Rule 403. This NTM supersedes NTM 2015-6 and amends the requirement that office order tickets be timestamped to the nearest second. NTM 2016-1 requires that office order tickets be timestamped to the nearest minute.

Electronic Audit Trail Requirements

Clearings Members, Exchange Members, or Access Persons with non-intermediated access to the Exchange must maintain or cause to be maintained an electronic audit trail for all orders submitted to the Exchange through its order routing system. The electronic audit trail must include, at a minimum, the following elements:

- All order entry, cancellation, and modification messages
- All receipt and confirmation messages, including trade confirmations
- Corresponding date and timestamps for each message to the highest level of precision achievable by the operating system, but at least to the nearest hundredth of a second. The times captured must not be able to be modified by the Person entering the order.
- All message details, including symbol, expiry, buy/sell, quantity, price, customer type indicator, account number, and order status
- All information about an order from the time of receipt through fill, allocation, or other disposition
- For customer orders received and that are not immediately enterable into the OneChicago System, the Clearing Member, Exchange Member or Access Person must prepare a written order ticket pursuant to OCX Rule 403(b). These order tickets must be produced to the Exchange upon request as well. Office order tickets must be timestamped to the nearest minute.
- All communications relating to any pre-execution discussion, regardless whether such pre-execution discussion resulted in an executed trade. This requirement includes e-mails, instant message logs, and phone recordings, if maintained.

In the case where the guaranteeing Clearing Member grants direct access to another Clearing Member or Exchange Member (rather than an Access Person), the guaranteeing Clearing

Member and the accessing Clearing Member or Exchange Member may agree in writing that it is the accessing Member's obligation to maintain the electronic audit trail pursuant to OneChicago Rule 403.

Additionally, please note that OneChicago provides the electronic audit trail for OCXdelta1 GUI users. Such OCXdelta1 GUI users are required to acquire and maintain the electronic audit trail provided by OneChicago. GUI users may contact operations@onechicago.com to receive such audit trail data. These audit trails are not provided by OneChicago to those connecting to OCXdelta1 via a FIX API connection.

Post-Trade Activity

Clearing Members are required to maintain records of any post-trade activity, including allocations, transfers, clearing member trade assignments, and position adjustments.

Audit Trail Reviewed Yearly

OneChicago conducts annual reviews of Clearing Members and Exchange Members or Access Persons accessing the OneChicago System to verify compliance with OneChicago Rule 403. Upon request or pursuant to a yearly audit trail review, each Clearing Member, Exchange Member or Access Person under review must produce the requested audit trail documentation to the Exchange. The electronic audit trail described above must be maintained for a minimum of five years, with the most recent two years readily accessible.

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Any questions can be directed to marketsurveillance@onechicago.com or (312) 883-3409.