

Derivatives Market Conduct 2026

Course Outline

This course is intended to inform you of trading practices that may be considered violations of the Commodity Exchange Act (CEA), Commodity Futures Trading Commission (CFTC) regulations and/or the rules of futures self-regulatory organizations (SROs).

Introduction: Employer Liability / Exchange Jurisdiction / Exchange Trade Practice Sanctions

- I. Trade Practice Violations
 - a. Wash Sales
 - i. Account Ownership
 - ii. Indirect Wash Trades
 - iii. Motivation
 - iv. Inadvertent Trade Execution
 - v. Prevention
 - vi. Case Discussions
 - b. Disruptive Trade Practices
 - c. Orderly Execution During the Closing Period
 - d. Spoofing
 - e. Spoofing Techniques
 - f. Spoofing – CFTC Cases and Consequences
 - g. Exchange Spoofing Rules
 - h. CME Disruptive Trading Rule FAQs
 - i. ICE Disruptive Trading Restrictions
 - j. Spoofing – Exchanges Cases and Consequences
 - k. Spoofing Deep Dives
 - i. Spoofing (Order Books 1-6)
 - ii. Layering (Order Books 1-7)
 - l. Indicative Opening Price & Indicative Opening Quantity
 - m. Supervisory Responsibilities
 - n. Supervision and Disruptive Trade Practices – Case Discussions
 - o. Market Manipulation
 - p. Anti-Fraud and Anti-Manipulation
 - q. Insider Trading & Misappropriated Information
 - r. Market Manipulation – Case Discussions
- II. General Offenses
 - a. General Offenses – CME

- b. CME General Offenses – Examples
 - c. ICE General Offenses – Examples
 - d. Accessing the Markets – Trader Information
 - e. Accessing the Markets – Disciplinary Cases
 - f. Pre-arranged Trading
- III. Recordkeeping and Reporting Violations
 - a. Recordkeeping Systems
 - b. Position Limits
 - i. Purpose
 - ii. Types
 - iii. Reporting
- IV. Recent Regulatory Update
 - a. CFTC Regulatory Updates
 - b. NFA Regulatory Updates
 - c. ICE Futures U.S. Regulatory Updates
 - d. CME Regulatory Updates
- V. Assessment