

Corporate & Financial Weekly Digest

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CFTC Amends Rule Regarding Operation of Commodity Brokers in Bankruptcy

The Commodity Futures Trading Commission has announced that it will amend its Regulation 190.04(d)(2) regarding the operation of a commodity broker in bankruptcy. Currently, a bankruptcy trustee is prohibited, immediately upon the commencement of the commodity broker's bankruptcy case, from processing any new trades on behalf of customers of the commodity broker, with limited exceptions. Under the amended Regulation, bankruptcy trustees will be permitted, under appropriate circumstances as determined by the CFTC, to operate the business of the commodity broker in the ordinary course, including entering into new commodity contracts on behalf of customers.

The amendment will become effective 30 days from the date it is published in the Federal Register.

The CFTC press release can be found [here](#).

The final rule can be found [here](#).

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