Sean M. Downey
Director and Assistant General Counsel
Legal Department

September 26, 2012

VIA E-MAIL

Ms. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RE: Regulation 40.6 Self-Certification. Chicago Mercantile Exchange Inc.'s Clearing Advisory Notice regarding the Value-Date Conventions for Non-USD Variation Margin for Interest-Rate Swaps. CME Submission No. 12-297

Dear Ms. Warfield:

Chicago Mercantile Exchange Inc. ("CME") pursuant to Commodity Futures Trading Commission (the "Commission") Regulation 40.6 hereby self-certifies the attached draft CME Clearing Advisory Notice regarding changes to the value-date conventions for non-US Dollar variation margin for interest rate swaps ("IRS") effective November 8, 2012.

The CME Clearing Advisory Notice informs clearing members and market participants that CME Clearing will adjust the value-date convention for settling non-USD variation margin obligations for cleared IRS. With this adjustment, the value-date for these non-USD variation moves will be determined solely by the banking calendar of the currency in which the variation is denominated, without any reference to the USD banking calendar. The purpose of the adjustment is to harmonize the value-date with OTC market conventions for IRS.

CME reviewed the designated clearing organization core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CME identified the following Core Principles as potentially being impacted:

Financial Resources: The adjustment to the value-date conventions for settling non-USD variation margin obligations from cleared IRS will not impact the financial resources of CME Clearing and thus CME Clearing will continue to have adequate financial, operational and managerial resources to discharge its responsibilities as a derivatives clearing organization ("DCO").

Risk Management: The adjustment to the value-date conventions will improve CME Clearing's ability to manage the risks associated with discharging its responsibilities as a DCO since more relevant banking calendars will better align its practices with the marketplace and expectations of its participants.

Settlement Procedures: The adjustment to the value-date conventions are designed to ensure that money settlements are completed on a timely basis in line with the banking calendars of local jurisdictions.

The text of the draft CME Clearing Advisory Notice is attached hereto as Exhibit A.

20 South Wacker Drive, Chicago, Illinois 60606 T 312 930 8167 F 312 930 3323 sean.downey@cmegroup.com cmegroup.com

CME certifies that the above rules and rule amendments comply with the CEA and the regulations thereunder. There were no substantive opposing views.

Notice of this submission has been concurrently posted on CME Group's website at http://www.cmegroup.com/market-regulation/rule-filings.html

If you require any additional information regarding this submission, please contact Tim Maher at 312-790-2730 or via e-mail at timothy.maher@cmegroup.com. Please reference our CME Submission No. 12-297 in any related correspondence.

Sincerely,

/s/ Sean Downey
Director & Associate General Counsel

Attachment: Exhibit A – CME Clearing Advisory Notice

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EXHIBIT A

CME Group | Advisory Notice

TO: **Clearing Member Firms; Back Office Managers**

FROM: **CME Clearing**

DATE: **October __, 2012**

ADVISORY #: **12-xxx**

SUBJECT: **Value-Date Conventions for Non-USD Variation Margin for Interest-Rate Swaps**

Effective **Thursday, November 8, 2012**, CME Clearing will adjust the value-date convention for settling non-USD variation margin obligations from cleared Interest-Rate Swaps ("IRS"). With this adjustment, the value-date for these non-dollar variation moves will be determined solely by the banking calendar of the currency in which the variation is denominated, without any reference to the USD banking calendar. The purpose of the adjustment is to harmonize the value-date with OTC market conventions for interest rate swaps.

For example JPY-denominated variation is settled using a T+2 convention. In the end-of-day clearing reports for Thursday November 8, the value date for JPY-denominated variation for IRS products will be Monday November 12, which is the second yen banking business date following that Thursday. Currently, the value date would be set as Tuesday November 13, since the clearing system currently takes the USD banking calendar into account as well as the JPY banking calendar.

The adjustment impact is analogous for variation amounts denominated in EUR, GBP and CAD, which use a T+1 convention. In the end-of-day clearing reports for Friday, November 9, the value-date for EUR and GBP-denominated amounts for IRS products will be Monday, November 12, the first subsequent banking business day in the currency of denomination. The value date for CAD-denominated amounts for IRS products will remain as Tuesday November 13, because Monday November 12 is Remembrance Day, a bank holiday in Canada.

A table which summarizes the adjusted value-dates is located at the end of this Advisory Notice.

The value-date convention for non-USD variation stemming from futures positions is unaffected by this change, and will continue to take USD bank holidays into account as it currently does.

In the settlement and banking reports produced by the clearing system, the currency code displayed will allow you to distinguish the convention used for futures versus the convention used for IRS. For example, the currency code for EUR-denominated variation for futures will continue to be **EUR**. The currency code for EUR-denominated variation for IRS contracts will be **EUR1**, meaning the first subsequent banking business day in the EUR banking calendar. Similarly, the currency code for JPY-denominated variation for IRS contracts will be **JPY2**, meaning the second subsequent banking business day in the JPY banking calendar.

For further information please contact CME Clearing at <…>.

Variation currency	Value-Date calculated on Thursday, 11/8	Value-Date calculated on Friday, 11/9	Value-Date calculated on Monday, 11/12 *
AUD	11/13	11/14	11/14
AUD (OTC IRS)	11/12	11/13	11/14
CAD	11/9	11/13	11/13
CAD (OTC IRS)	11/9	11/13	11/13
CHF	11/13	11/14	11/14
CHF (OTC IRS)	11/12	11/13	11/14
EUR	11/9	11/13	11/13
EUR (OTC IRS)	11/9	11/12	11/13
GBP	11/9	11/13	11/13
GBP (OTC IRS)	11/9	11/12	11/13
JPY	11/13	11/14	11/14
JPY (OTC IRS)	11/12	11/13	11/14
USD	11/9	11/13	11/13
USD (OTC IRS)	11/9	11/13	11/13
* CAD, USD banking holiday			