

**SUBMISSION COVER SHEET**

**IMPORTANT:** Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 21-499

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a:  DCM  SEF  DCO  SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 11/05/21 Filing Description: Modifications to CME Clearing's Risk Management Framework

**SPECIFY FILING TYPE**

Please note only ONE choice allowed per Submission.

**Organization Rules and Rule Amendments**

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: See filing.

**New Product**

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

**Official Product Name:**

**Product Terms and Conditions (product related Rules and Rule Amendments)**

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

**Official Name(s) of Product(s) Affected:**

November 5, 2021

**VIA ELECTRONIC PORTAL**

Mr. Christopher J. Kirkpatrick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, DC 20581

**Re: CFTC Regulation 40.6(a) Certification. Modifications to CME  
Clearing's Risk Management Framework.  
CME Submission No. 21-499**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.6(a), Chicago Mercantile Exchange Inc. ("CME Clearing" or "Clearing House") certifies to the Commission modifications to the CME Clearing's Risk Management Framework (the "RMF") (collectively, the "Rule Amendments") effective on November 23, 2021.

Specifically, CME Clearing, as a registered derivatives clearing organization, maintains the RMF consistent with CFTC Regulation 39.13(b) which identifies and documents the range of risks to which CME Clearing is exposed and addresses the monitoring and management of those risks. The RMF is established by CME Clearing and approved by the Clearing House Oversight Committee and Board of Directors, as applicable, pursuant to the governance established under the RMF.

The Rule Amendments are made in line with [CME Submission No. 19-213R](#) and do not have a significant impact on the risk profile of the Clearing House.<sup>1</sup>

The Rule Amendments incorporate a description of the SPAN 2 margin methodology in line with the descriptions of CME Clearing's other margin methodologies. Additionally, references to the SPAN margin methodology are amended consistent with the guidelines for compliance with the SPAN trademark license agreement.

CME Clearing reviewed the derivatives clearing organization core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act") and identified that the Rule Amendments may have some bearing on the following principles:

- DCO Core Principle D – Risk Management: The Rule Amendments amend the description of the margin methodologies utilized by CME Clearing to generate initial margin requirements commensurate with the risks of each product and portfolio.

CME Clearing has requested confidential treatment with respect to the Rule Amendments, which has been submitted concurrently with this self-certification. CME Clearing certifies that the Rule Amendments comply

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<sup>1</sup> CME Submission No. 19-213R (July 2019), available at <https://www.cmegroup.com/content/dam/cmegroup/market-regulation/rule-filings/2019/7/19-213R.pdf>.

with the Act and regulations thereunder. There were no substantive opposing views to this action.

If you require any additional information regarding this submission, please contact me at 312-930-2730 or via email at [timothy.maher@cmegroup.com](mailto:timothy.maher@cmegroup.com). Please reference CME Submission No. 21-499 in any related correspondence.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy Maher", with a stylized flourish extending to the left.

/s/Timothy Maher  
Chief Compliance Officer  
CME Clearing

Attachment Exhibit A – Modifications to the CME Clearing Risk Management Framework (attached under separate cover) (blackline format) (confidential treatment requested)