

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 17-530

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 12/18/17 Filing Description: Amendments to CME Chapter 901 ("Interest Rate Swaps Contract Terms") for the BRL Interst Rate Swaps Contract

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- | | | |
|-------------------------------------|-------------------------------------|------------|
| <input checked="" type="checkbox"/> | Certification | § 40.6(a) |
| <input type="checkbox"/> | Approval | § 40.5(a) |
| <input type="checkbox"/> | Notification | § 40.6(d) |
| <input type="checkbox"/> | Advance Notice of SIDCO Rule Change | § 40.10(a) |
| <input type="checkbox"/> | SIDCO Emergency Rule Change | § 40.10(h) |

Rule Numbers: See filing.

New Product

Please note only ONE product per Submission.

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|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Certification | § 40.2(a) |
| <input type="checkbox"/> | Certification Security Futures | § 41.23(a) |
| <input type="checkbox"/> | Certification Swap Class | § 40.2(d) |
| <input type="checkbox"/> | Approval | § 40.3(a) |
| <input type="checkbox"/> | Approval Security Futures | § 41.23(b) |
| <input type="checkbox"/> | Novel Derivative Product Notification | § 40.12(a) |
| <input type="checkbox"/> | Swap Submission | § 39.5 |

Official Product Name:

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

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

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

Rule Numbers:

December 18, 2017

VIA ELECTRONIC PORTAL

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

**Re: CFTC Regulation 40.6(a) Certification. Notification Regarding Amendments to CME Chapter 901 (“Interest Rate Swaps Contract Terms”) for the BRL Interest Rate Swaps Contract.
CME Submission No. 17-530**

Dear Mr. Kirkpatrick:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) is notifying the Commodity Futures Trading Commission (“CFTC” or “Commission”) that it is self-certifying amendments to CME Rule 90104. (“BRL Interest Rate Swaps Contract Terms”) located in CME Chapter 901 (“Interest Rate Swaps Contract Terms”) (collectively, the “Rule Amendments”) effective Wednesday, January 3, 2018 for trade date Thursday, January 4, 2018. The BRL Interest Rate Swaps Contract (Commodity Code: ZCSBRL) (the “Contract”) is available for submission for clearing via CME ClearPort.

Emerging Markets Trading Association (“EMTA”) is resigning as sponsor/administrator and terminating all EMTA Indicative and Industry Surveys because it has determined that the polling survey mechanism that was developed following the Argentine currency crisis and that is underlying the suite of EMTA Indicative Surveys (and one remaining Industry Survey for BRL/USD), is no longer a supportable mechanism in the NDF and NDO documentation architecture.

CME has utilized these surveys as fall back procedures in the event the primary settlement rate is not available. Without the use of such surveys, if the primary settlement rate is not available, final settlement will be deferred or postponed for thirty (30) consecutive days. This deferral period aligns with the OTC market. Following this deferral period, if the rate remains unavailable, the fallback reference price will be determined by CME as the calculation agent.

In addition, the Contract allowed for a BRL price materiality disruption event that was dependent upon the availability of the EMTA Industry Survey which serves as the second reference price. As the EMTA Indicative Surveys will no longer be available in 2018, CME is implementing the Rule Amendments such that price materiality will not be a viable disruption event and will be removed from CME BRL interest rate swap rules.

Exhibit 1 provides the amendments to CME Chapter 901 (“Interest Rate Swaps Contract Terms”) in blackline format.

CME reviewed the derivatives clearing organization (“DCO”) core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the amendments may have some bearing on the following principles:

- **DCO Core Principle B – Financial Resources:** These rulebook chapter changes will not have a material impact on the financial resources of CME. As such, it will not prevent CME Clearing from demonstrating that it has adequate financial, operational, and managerial resources to

discharge its responsibilities as DCO.

- DCO Core Principle L – Public Information: The rulebook amendments will be added to the publicly available CME Rulebook available on the CME Group website. In addition, CME will release a notice to the marketplace regarding the amendments in advance of the effective date which will also be posted on the CME Group website.
- DCO Core Principle R – Legal Risk: CME has determined that the rulebook chapter changes are consistent with the requirement to have a well-founded, transparent and enforceable legal framework for each aspect of the activities of the DCO.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CME hereby certifies that the amendments to CME Chapter 901 (“Interest Rate Swaps Contract Terms”), comply with the Act, including all regulations under the Act. There were no substantive opposing views to this proposal.

CME certifies that this submission has been concurrently posted on the Exchange’s website at <http://www.cmegroup.com/market-regulation/rule-filings.html>.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Exhibit 1: CME Rule Amendments for Chapter 901 (“Interest Rate Swaps Contract Terms”) in blackline format.

Exhibit 1
CME Rulebook

Chapter 901
Interest Rate Swaps Contract Terms

90104. BRL INTEREST RATE SWAPS CONTRACT TERMS

90104.C. FURTHER TERMS OF BRL IRS CONTRACTS

Each BRL IRS Contract shall be further supplemented and amended with the following provisions of this Rule 90104.C.

90104.C.12. Price Materiality

~~(a) Price Materiality shall be applicable.~~

~~(b) The Secondary Rate shall be EMTA BRL Industry Survey Rate (BRL12), or EMTA BRL Indicative Survey Rate (BRL13), as the case may be.~~

~~(c) The Price Materiality Percentage shall be 3%; provided, however, that if there are insufficient responses on the Valuation Date to the EMTA BRL Industry Survey or the EMTA BRL Indicative Survey, as the case may be, the Price Materiality Percentage will also be deemed to have been met.~~

90104.C.132. Fallback Reference Price

The Fallback Reference Price shall be (in the following order of priority):

~~(a) EMTA BRL Industry Survey Rate (BRL12);~~

~~(b) the Spot Rate determined on the Business Day first succeeding the day on which the Price Source Disruption ceases to exist, unless the Price Source Disruption continues to exist (measured from the date, that, but for the occurrence of the Price Source Disruption, would have been the Valuation Date) for a consecutive number of calendar days equal to 30 calendar days;~~

~~(c) EMTA BRL Indicative Survey Rate (BRL13);~~

~~(d) determined by the Calculation Agent.~~

90104.C.143. Deferral Period for Unscheduled Holiday

In the event that the Scheduled Valuation Date becomes subject to the Following Business Day Convention, and if the Valuation Date has not occurred on or before the 30th consecutive day after the Scheduled Valuation Date (any such period being a "Deferral Period"), then the next day after the Deferral Period that would have been a Business Day but for the Unscheduled Holiday, shall be deemed to be the Valuation Date.