

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 24-129

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 02/26/24 Filing Description: Amendments to the Operational 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

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:

Rule Numbers:

February 26, 2024

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. Amendments to the Operational Risk Management Framework.
CME Submission No. 24-129**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME” or the “Clearing House”), a derivatives clearing organization (“DCO”), certifies to the Commission amendments to the Operational Risk Management Framework (“ORMF”) effective on March 12, 2024 (collectively, the “Amendments”).

Consistent with CFTC Regulation 39.18(b), the ORMF is maintained by the Clearing House and establishes its practices to identify and minimize sources of operational risk, which could arise from its core clearing process. The ORMF is approved by CME’s Risk Committee (i.e., committee established by the Board of Directors (“Board”))¹ and the Board at least annually. As described below, the ORMF is reviewed and approved on at least an annual basis. The Amendments were primarily approved as part of the annual review process.

The ORMF is maintained by the Clearing House. As described below, the ORMF is reviewed and approved on at least an annual basis. The ORMF was approved, as part of the annual review process, by CME’s Risk Committee (i.e., committee established by the Board of Directors (“Board”)) on December 5, 2023 and Board on February 7, 2024. The Amendments were primarily approved as part of the annual review process.

The Amendments covered in the most recent annual approval of the ORMF relate to the following two (2) areas:

- **General Administrative Amendments:** The Amendments are intended to eliminate repetitive language and improve clarity of the ORMF, particularly as it relates to the section covering the ORMF’s purpose and statement of policy. In addition, the ORMF is being amended in certain instances to describe CME Clearing’s practices in a manner consistent with CME Clearing’s other frameworks and polices (e.g., Guaranty Fund calculations) and the broader Enterprise Risk Management Framework.
- **Revisions to Team Names:** While CME Clearing’s responsibilities of teams have not changed, the Amendments reflect the current names of teams.

¹ See <http://investor.cmegroup.com/static-files/86ce3be0-764a-4be6-b1b2-841b6a28af86>.

The Clearing House also took the opportunity to correct for grammatical errors and amend the language in the ORMF to provide clarity without changing the meaning, where appropriate.

DCO Core Principle Review

CME reviewed the DCO core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the Amendments may impact the following Core Principles:

- **DCO Core Principle A – Compliance**: The Amendments include references to standards considered relative to enterprise risk management.
- **DCO Core Principle D – Risk Management**: The Amendments further describe the Clearing House’s risk management practices with respect to assessing and managing operational risk and enhance the ability of the Clearing House to effectively manage the risks associated with discharging the responsibilities of the DCO.

CME has requested confidential treatment with respect to the ORMF, which have been submitted concurrently with this certification. Exhibit A provides the ORMF in blackline format under separate cover. Exhibit B provides the ORMF in clean format under separate cover.

Pursuant to Section 5(c) of the Act and CFTC Regulation 40.6(a), CME certifies that the Amendments comply with the Act and regulations thereunder. There were no substantive opposing views to the proposal.

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

Should you have any questions concerning the above, please contact the undersigned at (312) 930-8167 or sean.downey@cmegroup.com.

Sincerely,

/s/ Sean Downey
Managing Director – Clearing Chief Compliance
Officer, Enterprise Risk Officer & Policy
CME Clearing

Attachments: Exhibit A – Amendments to the Operational Risk Management Framework (blackline) (attached under separate cover) (confidential treatment requested)
Exhibit B – Amendments to the Operational Risk Management Framework (clean) (attached under separate cover) (confidential treatment requested)

Exhibit A and Exhibit B
CONFIDENTIAL TREATMENT REQUESTED

(ATTACHED UNDER SEPARATE COVER)