

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-181

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

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): June 14, 2019 **Filing Description:** Modifications to the Fee Schedule Applicable to CME SDR

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: N/A

New Product

Please note only ONE product per Submission.

- | | | |
|--------------------------|---------------------------------------|------------|
| <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:

June 14, 2019

VIA ELECTRONIC PORTAL

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 the CME SDR Fee Schedule.
CME SDR Submission No. 19-181**

Dear Mr. Kirkpatrick:

The Swap Data Repository Division of Chicago Mercantile Exchange Inc. ("CME SDR" or "SDR") hereby notifies the Commodity Futures Trading Commission ("CFTC" or "Commission") that it plans to modify the fee schedule that applies to the business of CME's swap data repository ("CME SDR Fee Schedule"). The modifications to the CME SDR Fee Schedule will become effective on July 1, 2019.

Exhibit 1 sets forth the CME SDR Fee Schedule in blackline format with additions underscoring and deletions ~~overstruck~~.

CME SDR reviewed the requirements of the Commodity Exchange Act ("CEA" or "Act") relating to the business of SDRs including applicable SDR core principles ("Core Principles") in light of the proposed changes that are the subject of this submission. As a result of this review, CME SDR identified that the changes described in this submission may have some bearing on SDR Core Principle 2 ("Governance Arrangements") and SDR Core Principle 4 ("Additional Duties") as discussed below:

- Core Principle 2: Registered SDRs are required to make pricing information available to the public and relevant authorities, including the CFTC. The changes to the Fee Schedule will be disclosed and transparent to all market participants as it will be posted on the CME Group website.
- Core Principle 4: Registered SDRs are required to maintain sufficient financial resources as set forth in CFTC Regulation 49.25. The modifications to the CME SDR Fee Schedule include the addition of fees for the Equity asset class and will replace the current fee schedule. CME believes that charging fees for its services is clearly aligned with the requirement to maintain sufficient financial resources. Registered SDRs shall adhere to CFTC requirements regarding fair and open access and the charging of any fees, dues, or other similar type charges as detailed in CFTC Regulation 49.27. As set forth in Exhibit 1, the proposed fee changes in CME SDR's Fee Schedule include fees that are equitable and will be established in a non-discriminatory manner.

CME SDR certifies that the modifications to the CME SDR Fee Schedule comply with the Act and regulations thereunder. There were no opposing views related to the modifications to the CME SDR Fee Schedule.

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

If you require any additional information regarding this submission, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact Rachel Johnson at 312-466-4393 or via e-mail at Rachel.Johnson@cmegroup.com. Please reference our CME SDR Submission No. 19-181 in any related correspondence.

Sincerely,

/s/ Tim Elliott
Executive Director and Associate General Counsel

Attachment: Exhibit 1 – CME SDR Fee Schedule (blackline format)

EXHIBIT 1

Modifications to the CME SDR Fee Schedule

(additions underlined; deletions ~~overstruck~~)

CME SDR Fee Schedule

Effective ~~December 1, 2017~~ July 1, 2019

Overview

CME Swap Data Repository (“SDR”) offers a simplified fees approach which makes it straightforward for our customers to calculate costs for budgeting purposes. Our commercial policies offer Users annual fee caps and trade reporting fees which cover the entire life of the unique trade.

Effective Date

Fees will be assessed for derivative transaction reports (referred to below as USI Submission Fees) submitted by customers on the basis of this Fee Schedule, beginning on ~~December 1, 2017~~ July 1, 2019 (the “Effective Date”). Until the Effective Date, the previous fee structure shall continue to apply to existing customers.

Users of CME SDR are deemed to accept the version of the Fee Schedule from time-to-time in force through their continued use of the service, as set out in the legal agreement between such customer and CME SDR.

User

For the purposes of this Fee Schedule, “User” means a reporting entity that has in place a fully executed User Agreement with CME SDR for Dodd-Frank Reporting services.

User Master Account

For the purposes of the Fee Schedule, “User Master Account” mean multiple related CME SDR Users and/or Related Entities listed on Schedule C to a CME User Agreement combined under a single structure for the purposes of fee calculations and billing. To qualify, Users and Related Entities must be either related under the same corporate structure or a client of the same investment advisor. The User Master Account holder must be a CME SDR User and may not be a Service Provider.

Service Provider

For the purposes of this Fee Schedule, “Service Provider” means an entity that has in place a fully executed Service Provider Agreement with CME SDR for Dodd-Frank Reporting services. Service Providers are entities directly contracted by the User to aid in or facilitate reporting to CME SDR. Service Providers may not be a counterparty to the reported trade.

Billing Account

A Billing Account is assigned by default to each User that executes the CME SDR User Agreement or a Service Provider who executes the CME SDR Service Provider Agreement. User Master Accounts are assigned the Billing Account in place of billing the related Users.

User Fees

Annual User Membership Fee:

Effective December 1, 2017, an initial \$2,400 fee will be charged on each active User Billing Account, pro-rated based on its current annual anniversary date. An Annual User Membership Fee is also applicable and charged in full on each new User Billing Account upon successful registration, with the registration date serving as the annual anniversary date. The Annual User Membership Fee will be charged to active User Billing Accounts on each subsequent annual anniversary date.

The fee is for access to CME SDR regardless of asset class, is non-refundable and is independent of any applicable USI Submission Fees. This fee applies for registered Users who do not submit trade reports and does not apply to testing only access.

USI Submission Fee:

A fee of \$5.00 is charged per new Commodities, Credit, Equity, or Rates USI. A fee of \$0.50 is charged per new FX USI. The USI Submission fee charged covers both the initial submission as well as the reporting of continuation data. CME SDR will charge the Reporting Counterparty as the Billing Account unless the Reporting Counterparty is registered under a different User Master Account or the submission is by an authorized Service Provider which has assumed billing responsibility.

User Fee Caps:

Annual fee caps are based on the classification of the User or User Master Account and calculated against the aggregated activity across all asset classes for the User Billing Account, as follows:

Category 1: USD 300,000 per year

Any User Master Account or User who is not in Category 2.

Category 2: USD 1,500,000 per year

Any User Master Account or User who is registered with the CFTC as a Designated Clearing Organization (DCO), a Major Swap Participant (MSP) or a Swap Dealer (SD) other than a Limited Swap Dealer (LSD).

User Master Accounts comprised of both Category 1 and Category 2 Users will be considered Category 2 for purposes of assessing the User Fee Caps.

Service Providers do not qualify for User Fee Caps.

The User Fee Cap calculation commences upon the Billing Account's CME SDR User Agreement Effective Date and shall reset on each subsequent annual anniversary.

Changes to the User Fee Cap before the expiry of the relevant annual period (contract year), will be pro-rated over the remaining relevant period.

The User Fee Cap is inclusive of the Annual User Membership Fee and the USI Submission Fees.

Service Provider Fees

Service Providers have two options in establishing their commercial relationship with CME SDR. ~~Service Providers do not fall into either Category 1 or Category 2 of the User Fee Cap.~~

Option 1:

Service Provider is not charged any fees. Underlying clients of Service Provider must enter a CME SDR User Agreement and are each individually billed directly by CME SDR as a User with a Billing Account, and activity counts toward that User's Fee Cap (Annual Membership Fee applies to User). Service Provider may elect to participate in the Channel Partner Program, which has no impact on User Fees, but which provides for a volume based rebate to the Service Provider as specified in the CME SDR Service Provider Agreement.

Option 2:

Service Provider assumes financial responsibility for payment of fees on submitted trade reports on tiered pricing specific to Service Providers under a Service Provider Billing Account, as follows:

<u>USI Count per Month</u>	<u>Per USI Rate</u>
1 – 20,000	USD 4.00
20,001 – 200,000	USD 1.00
200,001+	USD 0.50

Notes applicable to Option 2:

- USI rate applies to any asset class
- Clients of Service Providers seeking access to CME SDR systems and support services must register as a User and will be assessed the Annual User Membership Fee. The User Master Account structure is available to clients of Service Providers. USI Submission Fees payable by the Service Provider are not impacted and are billed as normal to the Service Provider under this option.

Terms of Payment

Billing Accounts will be invoiced at the beginning of each calendar month in respect of the prior month's new USI activity; including across a User Master Account.

The default currency for billing is USD (\$). Invoices must be paid in the currency indicated on the invoice and in accordance with the payment instructions set out in the relevant invoice.

Invoices will be payable within 30 days of the first calendar day of the current month.

CME SDR will accept and process billing adjustments up to three months after the initial inventory period (transaction date). In order for the adjustments to be processed, the billed party must initiate contact with repositorysupport@cmegroup.com and provide details on the disputed charge.

Adjustment requests received after the three month window will not be accepted by CME SDR. Adjustments will be reflected on the next available billing cycle invoice as a separate line item. Adjustments are processed as a net, meaning that credits owed will be taken off the current inventory period fees. In the case where adjustments result in additional fees due to CME SDR, they would be represented in the next available billing cycle invoice.

Payments can be made for any SDR related invoices by check or wire transfer. Details for both are provided below. When sending payment, please include invoice number and remittance details.

Account Name: CME Inc Depository Account

Check Remit To

CME Group

Attn: Accounts Receivable

P.O. Box 73672

Chicago, IL 60673

Wire Transfer

JP Morgan Chase

ABA (Routing): 021000021

Account #: 887294601

SWIFT: CHASUS33

JP Morgan Chase Bank

270 Park Avenue

New York, NY 10017

Chicago Mercantile Exchange Tax ID #: 36-4340266

CME SDR reserves the right to amend this Fee Schedule in its sole discretion, subject to providing the requisite notice of any changes to affected participants in accordance with the requirements of the CME SDR legal documentation. Continued use of the service will constitute acceptance of any changes following the date of implementation of any fee change.