

UNITED STATES OF AMERICA
Before the
COMMODITY FUTURES TRADING COMMISSION

**In the Matter of the Application of
CME Clearing Europe Limited
For Registration as a Derivatives Clearing Organization**

ORDER OF REGISTRATION

CME Clearing Europe (“CMECE”) has submitted to the Commodity Futures Trading Commission (the “Commission”), pursuant to Section 5b of the Commodity Exchange Act (the “Act”), 7 U.S.C. § 7a-1, an application for registration as a derivatives clearing organization (“DCO”).

The Commission has reviewed the application and finds that CMECE has demonstrated compliance with the requirements of the Act and applicable Commission regulations thereunder.

In light of the foregoing, **IT IS ORDERED**, pursuant to Section 5b of the Act, 7 U.S.C. § 7a-1, that CMECE is granted registration as a DCO subject to the terms and conditions specified herein:

(1) **Cleared Products.** CMECE is permitted to clear, in its capacity as a registered DCO: (i) swaps, subject to the requirements of Commission Regulation 39.5(a); and (ii) futures contracts and options on futures contracts traded on or subject to the rules of a designated contract market.

(2) **Compliance with the Act and Commission Regulations.** CMECE shall comply, and shall demonstrate compliance as requested by the Commission, with applicable provisions of the Act, including the core principles set forth in Section 5b of the Act (“Core Principles”), and Commission regulations, as may be amended or adopted from time to time. CMECE shall fulfill

each of the representations it has made relating to compliance with the Core Principles and Commission regulations.

(3) New Regulations. Should the Commission promulgate or amend a regulation addressing or otherwise affecting any aspect of this Order, then such regulation will apply and supersede the applicable term(s) in this Order.

(4) Financial Reporting. CMECE shall submit to the Commission all required financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) or International Financial Reporting Standards issued by the International Accounting Standards Board (“IASB IFRS”); except that any financial statements that are required to be submitted to the Commission less than 90 days after the date of this Order may be prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework, U.S. GAAP, or IASB IFRS. All financial statements that are required to be submitted to the Commission shall include U.S. dollar equivalents for all non-U.S. dollar amounts reported.

(5) Ring-Fencing.

(a) CMECE shall restrict its operations and activities to comport with the assumptions referenced in the memorandum entitled “DCO Application – Memorandum on ring fencing arrangements,” dated August 22, 2016, which was prepared by CMECE’s counsel on English law; the memorandum entitled “CMECE DCO Application – U.S. Law Aspects of Ring-Fencing Arrangements for Client Funds of FCM Clearing Members,” dated August 22, 2016, which was prepared by the U.S. counsel of CMECE; and the memorandum entitled “CMECE – U.S. DCO Application with CFTC, Belgian law aspects of ring-fencing arrangements,” dated August 22, 2016, which was prepared by the Belgian counsel of CMECE (collectively, the “Ring-Fencing Memoranda”).

(b) CMECE shall promptly notify the Commission if any of the assumptions listed in the Ring-Fencing Memoranda change. As part of any future request for relief from the restriction set forth in paragraph 5(a), CMECE shall submit a reasoned memorandum prepared by counsel describing the effect that such relief would have on the conclusions of the Ring-Fencing Memoranda.

(6) Self-Regulatory Function. CMECE shall ensure the performance of all self-regulatory functions required of it as a registered DCO under the Act and Commission regulations, including, without limitation: (a) monitoring and enforcing clearing member compliance with CMECE admission and continuing eligibility standards, such as capital requirements; (b) conducting examinations of the risk management procedures of each clearing member on a periodic basis; and (c) enforcing clearing member compliance with the terms of all CMECE rules, regulations, and procedures not specifically referenced in clauses (a) and (b) of this section.

(7) Changes in Applicable Law. CMECE shall promptly inform the Commission of any change in English, Belgian, or European law that materially affects CMECE's operation as a central counterparty, including, without limitation: (a) any law related to insolvency that materially impacts CMECE or its clearing members; (b) any material change in CMECE's registration or licensure status with any regulatory authority in the United Kingdom or Europe; and (c) any change that affects the conclusions of the Ring-Fencing Memoranda.

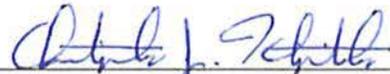
(8) Agent for Service of Process. CMECE shall maintain a valid, effective, and binding agreement appointing an agent in the United States for purposes of communications, including acceptance, on behalf of CMECE, of any summons, complaints, orders, subpoenas, requests for information, notices, or any other written documents or correspondence issued by or

on behalf of the Commission, the United States Department of Justice, or any U.S. clearing member or futures commission merchant clearing member clearing proprietary or customer positions at or through CMECE, and CMECE shall promptly inform the Commission of any change in such agent or such agreement.

(9) Reservation of Rights. This Order is based upon the representations made and supporting material provided to the Commission by CMECE. In the event of any changes to, or omissions in the material facts or circumstances pursuant to which this Order is issued, or for any reason in its own discretion, the Commission may condition, modify, suspend, terminate, or otherwise restrict the terms of this Order, as appropriate and as permitted by law, on its own motion.

Issued in Washington, D.C., this 29th day of November 2016.

By the Commission



Christopher J. Kirkpatrick
Secretary of the Commission