

December 6, 2012

VIA E-MAIL

Ms. Sauntia S. Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Regulation 40.5 Request for Approval: Chicago Mercantile Exchange Inc.
Submission # 12-391R: Adoption of new Chapter 10 ("Regulatory Reporting of
Swap Data") and Rule 1001 ("Regulatory Reporting of Swap Data")**

Dear Ms. Warfield:

The Chicago Mercantile Exchange Inc. ("CME"), pursuant to Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.5, hereby voluntarily submits for Commission review and approval an amended request to adopt new Chapter 10 ("Regulatory Reporting of Swap Data") and Rule 1001 ("Regulatory Reporting of Swap Data") of CME's Rulebook. This submission revises CME Submission No. 12-391, which was originally submitted on November 9, 2012.

CME submits the chapter and rule below for Commission review and approval under section 40.5 of the CFTC's regulations. The rule provides that all swaps cleared by CME's Clearing Division ("CME Clearing") shall be reported by CME Clearing to CME's swap data repository ("SDR"), as permitted by the Preamble to the CFTC's final rules on the registration and regulation of SDRs, specifically: "the rules and regulations of a particular SEF, DCM or DCO may provide for the reporting to a particular SDR." See Swap Data Repositories: Registration Standards, Duties and Core Principles, 76 Fed. Reg. 54538, 54569 (Sep. 1, 2011).

Rule 1001 will be adopted pursuant to CME Rule 230.j. CME requests that Rule 1001 becomes effective on the next business day following the date of the Commission's approval.

Application of Rule 1001

Under the Commodity Exchange Act ("CEA") and CFTC rules, a DCO, like CME Clearing, must maintain records of "all activities related to its business as a [DCO]," including information about the swaps it clears, and provide "all" of that information to the CFTC upon request. 17 C.F.R. §§ 39.19 (addressing reporting requirements) and 39.20 (addressing recordkeeping requirements); see also CEA § 5b(k). CME Clearing has always complied with these requirements. The CFTC's Part 45 rules require a DCO to report this same data to an SDR so that the SDR also can maintain the data and give the CFTC access upon request. CME believes the Part 45 rules are duplicative because DCOs already have an obligation to store all of a DCO's cleared swap data and provide such data to the CFTC upon request.

Nevertheless, Rule 1001 is designed to implement the Part 45 rules. Rule 1001 requires CME Clearing to comply with its Part 45 cleared swap reporting duties by reporting to CME's SDR. Currently, CME Clearing is complying with Part 45 by providing reports of its cleared swaps to CME's SDR, the SDR selected by CME Clearing. Rule 1001 is consistent with this current practice and the current practice of

other swap-clearing DCOs to select the SDR to which they will report cleared swap data, rather than leaving that selection to a third party.¹

Rule 1001 in the Context of the Reporting of an Over-the-Counter ("OTC") Swap that is Cleared.

To avoid any confusion, we have set out below a step by step description of how Part 45 and Rule 1001 will operate for purposes of reporting of an OTC swap that is cleared by CME Clearing.

1) Party A (a swap dealer²) and Party B (a commercial end user) enter into an original swap OTC.³ Party A is the reporting counterparty because Party A is the swap dealer. 17 C.F.R. §§ 43.3(a)(3) (for purposes of real-time public reporting) and 45.8(a) (for purposes of regulatory reporting).

2) As soon as technologically practicable after execution, Party A reports Part 43 swap transaction and pricing data for the original swap to an SDR of its choosing. 17 C.F.R. § 43.3(a)(1). That SDR will publicly report the swap transaction and pricing data as provided in Part 43.

3) Party A also reports Part 45 primary economic terms ("PET") data for the original swap to an SDR as soon as technologically practicable after execution unless:

- The original swap is submitted for clearing to CME Clearing (the DCO chosen by Party B⁴) and is accepted for clearing by CME Clearing prior to the applicable reporting deadlines for Part 45 PET data; and
- The swap is accepted for clearing before Party A actually reports any PET data to an SDR. 17 C.F.R. §§ 45.3(b)(1), (c)(1)(i) or (c)(2)(i).

If the two conditions above are satisfied, Party A would then be "excused from reporting required [Part 45] swap creation data for the swap." 17 C.F.R. §§ 45.3(b)(1), (c)(1)(i) or (c)(2)(i). Even if the two conditions are not satisfied, under Rule 1001, CME Clearing would report Part 45 creation/confirmation data for the original swap to CME's SDR.

4) Once the original swap is accepted for clearing, it will be extinguished and replaced by two resulting swaps. 17 C.F.R. § 39.12(b)(6). One resulting swap will be between CME Clearing and Party A. The other resulting swap will be between CME Clearing and Party B.

- CME Clearing would send an electronic message to the SDR that received the Part 43 swap transaction and pricing data or the Part 45 creation data report for the original swap (Steps #2 and #3 above) – whether the SDR is CME SDR or another SDR – that the original swap has been accepted for clearing and extinguished. 17 C.F.R. §§ 45.4(a) and (b)(1).
- The SDR that publicly reported the swap transaction and pricing data for the original swap would publicly report the termination of the swap as provided in Part 43. There would be no subsequent Part 45 or Part 43 reports for the original swap, including valuation data reports, because clearing extinguishes the original swap. 17 C.F.R. § 39.12(b)(6).

5) CME Clearing would report creation data and continuation data to CME SDR for the resulting swaps and related positions in accordance with Rule 1001 and 17 C.F.R. §§ 45.3 and 45.4.

- Consistent with its role as the central counterparty, CME Clearing is the entity with the easiest, fastest and cheapest access to data for the resulting swaps and related positions and therefore should be the only entity with reporting obligations for the resulting swaps and related positions.⁵

¹ CME understands that the DCOs operated by the Intercontinental Exchange ("ICE") meet their Part 45 obligations by reporting cleared swap data to ICE Trade Vault, an affiliated SDR. Similarly, CME understands that the DCOs operated by the LCH.Clearnet Group ("LCH") satisfy Part 45 by reporting cleared swap data to an SDR operated by the Depository Trust & Clearing Corporation ("DTCC"); many swap dealers have an ownership interest in both LCH and DTCC.

² For ease of reference, unless noted otherwise, "swap dealer" means either swap dealer or major swap participant.

³ The terms "original swap" and "resulting swap" do not appear in the CFTC's rules, but are contained in the Frequently Asked Questions (FAQ) on the Reporting of Cleared Swaps.

⁴ See CEA § 2(h)(7)(E) (providing that when a swap dealer enters into a swap that is subject to the clearing mandate with a non-swap dealer, the non-swap dealer has the right to select the DCO at which the swap will be cleared and providing further that when a swap dealer enters into a swap that is not subject to the clearing mandate with a non-swap dealer, the non-swap dealer has the right to elect to require clearing of the swap and the sole right to select the DCO at which the swap will be cleared).

⁵ When the CFTC adopted the Part 45 rules, it expressed the intent to assign reporting duties to registered entities or swap counterparties that "have the easiest, fastest, and cheapest" access to the set of data in question. See e.g., Swap Data Recordkeeping and Reporting Requirements, 77 Fed.

- The resulting swaps would not be publicly reported under Part 43 because they would not be "publicly reportable swap transactions" under 17 C.F.R. § 43.2.
- CME Clearing's Part 45 continuation data reports would, where applicable, be based on and reflect position data rather than transaction data, as contemplated by the Frequently Asked Questions (FAQ) on the Reporting of Cleared Swaps.
- The Part 45 creation and continuation data reports for the resulting swaps and related positions would be fully traceable to the original swap because CME's SDR would map the unique swap identifier for the resulting swaps and related positions back to the original swap.

6) At the request of Party A or Party B, as applicable, under Rule 1001 CME Clearing would report a copy of relevant data that it reports to CME's SDR to another SDR chosen by Party A or Party B, for the resulting swap and related position of Party A or Party B, as applicable.

Rule 1001 in the Context of Reporting a Swap Executed on a Swap Execution Facility ("SEF") or Designated Contract Market ("DCM") that is Cleared.

To avoid any confusion, we have set out below a step by step description of how Part 45 and Rule 1001 will operate for purposes of reporting of a swap that is cleared by CME Clearing and executed on a SEF or DCM.⁶

1) Party A (a swap dealer) and Party B (a commercial end user) execute an original swap on a SEF. As the swap dealer, Party A would be the reporting counterparty for the original swap, but its reporting obligations would be limited for the reasons described below.

2) The SEF would report Part 43 swap transaction and pricing data and all required Part 45 swap creation data for the original swap to an SDR as soon as technologically practicable after execution of the swap. 17 C.F.R. §§ 43.3(a)(2) (for purposes of real-time public reporting) and 45.3(a)(1) (for purposes of regulatory reporting).

3) Next, the swap would be submitted to CME Clearing for clearing.

- Party B would elect to submit the original swap for clearing at CME Clearing. See CEA § 2(h)(7)(E). Once the original swap is accepted for clearing, it will be extinguished and replaced by two resulting swaps. 17 C.F.R. § 39.12(b)(6). One resulting swap will be between CME Clearing and Party A. The other resulting swap will be between CME Clearing and Party B.
- **Under Rule 1001, CME Clearing would report Part 45 creation/confirmation data for the original swap to CME's SDR.**
- CME Clearing would send an electronic message to the SDR that received the Part 43 swap transaction and pricing data or the Part 45 creation data report for the original swap (Step #2 above) – whether the SDR is CME SDR or another SDR – that the original swap has been accepted for clearing and extinguished. 17 C.F.R. §§ 45.4(a) and (b)(1).⁷
- The SDR that publicly reported the swap transaction and pricing data for the original swap would publicly report the termination of the swap as provided in Part 43. There would be no subsequent Part 45 or Part 43 reports for the original swap, including valuation data reports, because clearing extinguishes the original swap.

4) CME Clearing would report creation data and continuation data to CME SDR for the resulting swaps and related positions in accordance with Rule 1001 and 17 C.F.R. §§ 45.3 and 45.4.

- Consistent with its role as the central counterparty, CME Clearing also is the entity with the easiest, fastest and cheapest access to data for the resulting swaps and related positions and

Reg. 2136, 2155 (Jan. 13, 2012). In the context of cleared swaps, this is unquestionably the DCO. The CFTC could give further effect to this policy by applying its Part 45 rules so that neither Party A nor Party B would have any reporting obligations for resulting swaps and related positions. If the DCO reports the cleared swap data Part 45 requires to an SDR, any further reporting by Party A or Party B would be duplicative and potentially confusing. Moreover, imposing a duplicative reporting requirement would unduly increase costs for swap dealers, which could be passed on to other market participants in the form of higher fees.

⁶ For ease of reference, unless noted otherwise, "SEF" means either SEF or DCM.

⁷ CME Clearing also would report the information described above to CME's SDR.

therefore should be the only entity with reporting obligations for the resulting swaps and related positions.⁸

- The resulting swaps would not be publicly reported under Part 43 because they would not be "publicly reportable swap transactions" under 17 C.F.R. § 43.2.
- CME Clearing's Part 45 continuation data reports would, where applicable, be based on and reflect position data rather than transaction data, as contemplated by the Frequently Asked Questions (FAQ) on the Reporting of Cleared Swaps.
- The Part 45 creation and continuation data reports for the resulting swaps and related positions would be fully traceable to the original swaps because CME's SDR would map the unique swap identifier for the resulting swaps and related positions back to the original swap.

5) At the request of Party A or Party B, as applicable, under Rule 1001 CME Clearing would report a copy of relevant data that it reports to CME's SDR to another SDR chosen by Party A or Party B, for the resulting swap and related position of Party A or Party B, as applicable.

Analysis of Rule 1001's Compliance with Core Principles and the CEA

The Market Regulation Department and the Legal Department collectively reviewed the DCO core principles ("Core Principles") as set forth in the CEA. During the review, we have identified that the adoption of Rule 1001 may have some bearing on the following Core Principles:

- Reporting: Rule 1001 requires that, for all swaps cleared by CME Clearing, and resulting positions, CME Clearing would report available creation and continuation data to CME's SDR for purposes of complying with applicable CFTC rules governing the regulatory reporting of swaps.
- Recordkeeping: Rule 1001 is in compliance with this core principle because records of all reports will be maintained in compliance with the CEA and applicable regulations.
- Anti-trust, fair and open access, and conflict-of-interest considerations: Rule 1001 requires CME Clearing to report to CME's SDR data that CME Clearing is otherwise required to store and maintain to satisfy CFTC Rule 39.20. Reporting these same data to CME's SDR as required by Part 45 of the CFTC's regulations does not raise anti-trust concerns. For identical reasons, the rule does *not* pose potential anti-competitive effects, contravene fair and open access principles, or violate the commercialization of data prohibition under the CFTC's rules implementing SDR conflict-of-interest principles. Rule 1001 simply addresses how CME Clearing intends to comply with its obligations as a DCO.

CME certifies that the adoption of Rule 1001 complies with the CEA and CFTC regulations thereunder. In addition, none of the Commission's regulations need to be amended and no sections of the CEA or the Commission's regulations need to be interpreted in order to approve the adoption of Rule 1001. Although none of the Commission's regulations needs to be amended and no sections of the CEA or the Commission's regulations need to be interpreted in order to approve the adoption of Rule 1001, we recommend that the Commission modify its Part 45 rules, at least to streamline and reduce uncertainty over the application of the Part 45 reporting requirements for cleared swaps.

Analysis of Substantive Opposing Views

Rule 1001, initially submitted to the CFTC on November 9, 2012, confirms the manner in which CME Clearing will satisfy its swap data regulatory reporting obligations under the CFTC's Part 45 rules. To this end, Rule 1001 specifies that CME Clearing will report its cleared swap data to CME's SDR. The amended Rule language provided in this submission makes clear that *CME Clearing (as DCO)* will report the relevant data to CME's SDR for purposes of complying with applicable CFTC rules. Further, the Rule would enable a swap counterparty to have CME Clearing report a copy of relevant data to an SDR of the

⁸ See note 5, *supra*.

counterparty's choice.

In its November 20, 2012, comment letter, DTCC attacks Rule 1001 on procedural and substantive grounds. DTCC's letter demonstrates a fundamental misunderstanding of the nature and scope of Rule 1001. The following sections identify DTCC's specific objections to Rule 1001 and explain why each objection lacks any merit.

DTCC Argument 1: Failure to Comply with Procedural Requirements in CFTC Rule 40.10

DTCC argues that Rule 1001 is procedurally deficient because it does not abide by procedural requirements that CME, as a systemically important derivatives clearing organization ("SIDCO"), must follow under CFTC Rule 40.10. See DTCC Comment Letter at 2, 4-5.⁹ However, as DTCC itself recognizes, SIDCOs are only required to follow such procedures where the rule change is "material" in the sense that "there is a reasonable possibility that the change could affect the performance of essential clearing and settlement functions or the overall nature or level of risk presented by the [SIDCO]." See 17 C.F.R. 40.10(b); DTCC Comment Letter at 4.

DTCC does not, and could not, argue that CFTC Rule 40.10 applies because CME's proposed Rule 1001 poses a "reasonable possibility" of affecting "the performance of essential clearing and settlement functions"; rather, DTCC asserts that CFTC Rule 40.10 applies on the grounds that "there is more than a reasonable possibility that CME's implementation of its proposed Rule 1001 will create additional risk to the system." DTCC Comment Letter at 2. Specifically, DTCC contends that, as a result of CME's proposed Rule, "large systemically important firms are required to report to multiple SDRs," thereby impairing "accurate public and regulatory reporting of market exposures" and causing injury to swap dealers "that have taken necessary steps to utilize their preferred SDR." See DTCC Comment Letter at 6-7.

DTCC's assertion is baseless. Where Part 45 requires a swap counterparty, such as a "large systemically important firm," to report creation data for an original swap, that counterparty may make that report to the SDR of its choice. Rule 1001 does not force the counterparty to choose CME's SDR for that report. All Rule 1001 requires is that CME Clearing send swap data it already maintains, in its capacity as DCO, to CME's SDR. Maintaining in CME SDR the same data CME Clearing already maintains in its capacity as a DCO has no effect on "the overall nature or level of risk presented by" CME. DTCC seems to incorrectly equate a swap that is not reported to its SDR as a swap that increases systemic risk. Because Rule 1001 does not "materially affect the nature or level of risks presented by" CME, the procedural requirements under CFTC Rule 40.10 are inapplicable.

As a bootstrap to its procedural deficiency argument, DTCC claims that "[g]iven the novelty and complexity of CME's proposed rule change . . . CME's proposed rule should be . . . rejected as procedurally deficient because it does not allow for an extended review period." See DTCC Comment Letter at 8. In making this argument, DTCC relies on CFTC Rule 40.10(f), which states that "[t]he [CFTC] may . . . extend the review period if the proposed change raises novel or complex issues." However, Rule 40.10(f) is only applicable if, as a threshold matter, the change proposed by the SIDCO is first shown to have a "reasonable possibility" of "affect[ing] the performance of essential clearing and settlement functions or the overall nature or level of risk presented by the [SIDCO]." CME Rule 1001 does not meet this threshold requirement for the reason stated in the prior paragraph. CFTC Rule 40.10(f), like the rest of CFTC Rule 40.10, is therefore inapplicable to Rule 1001.

DTCC Argument 2: Violation of Fair and Open Access Principles

DTCC repeatedly claims that Rule 1001 "require[s] as a condition precedent to the use of clearing services the use of the clearinghouse's SDR services." See, e.g., DTCC Comment Letter at 10. According to DTCC, this purported tying or bundling of clearing and SDR services "goes directly against

⁹ These procedural requirements include providing 60-day advance notice to the CFTC of any material change to the SIDCO's rules, procedures, or operations. See 17 C.F.R. 40.10(a).

the CEA and the [CFTC's] regulations regarding fair and open access to clearing and swap data reporting services." *Id.* The sub-sections below address DTCC's arguments regarding fair and open access.

Fair and open access to clearing services

DTCC locates the fair and open access requirement for clearing services in Section 5b(c)(2)(C)(iii) of the CEA. That provision states, in relevant part, that "[t]he participation and membership requirements of each derivatives clearing organization shall . . . (III) permit fair and open access." According to DTCC, Rule 1001 violates this principle of fair and open access by causing "a DCO member or participant [to be] unable to use [the] clearing platform without ceding to the clearer the right to dictate how the member or participant carries on unrelated business and compliance activities." See DTCC Comment Letter at 2-3.

DTCC's contention rests on a fundamentally flawed reading of Rule 1001. Rule 1001 does not impose any "condition precedent" on a CME clearing member or participant for use of CME's clearing services or otherwise require the member or participant to cede any rights to secure its membership or participation. Rather, Rule 1001 is a means to confirm the manner by which CME Clearing is meeting and will meet *its* regulatory reporting obligations under the CFTC's Part 45 rules. Rule 1001's language simply states that CME Clearing will continue to report available cleared swap data to CME's SDR. Hence, DTCC is mistaken when it claims that Rule 1001 imposes a bundling or tying arrangement on market participants whereby clearing services can be obtained only if they use CME's affiliated SDR.

Fair and open access to swap data reporting services

DTCC also argues that Rule 1001 violates the fair and open access principle for swap data reporting services. The CEA, however, does not contain a fair and open access principle for SDRs. Unable to rely on any *statutory* basis for its "fair and open access" argument, DTCC refers instead to CFTC Rule 49.27. CFTC Rule 49.27 states that "[c]onsistent with the principles of open access . . . a registered swap data repository shall not tie or bundle the offering of mandated regulatory services with other ancillary services that a swap data repository may provide to market participants."

On its face, CFTC Rule 49.27 is inapplicable to CME Rule 1001. Whereas CFTC Rule 49.27 applies to *SDRs* (and specifically prohibits SDRs from tying or bundling practices), CME Rule 1001 applies to reporting by CME Clearing, a DCO. Even if CFTC Rule 49.27 applied to CME Clearing, CME Rule 1001 does not violate CFTC Rule 49.27 in any way. Again, Rule 1001 concerns how CME Clearing will continue to comply with its obligation to report its cleared swap data to an SDR under the CFTC's Part 45 rules. Rule 1001 states the CME Clearing will report cleared swap data to CME's SDR. CME's SDR, for its part, will merely receive the reports from CME Clearing. Thus, under Rule 1001, neither CME Clearing (as DCO) nor CME's SDR is offering "mandated regulatory services," let alone "other ancillary services," to any market participants.

Ultimately, DTCC appears to be dissatisfied with the approach taken in Rule 1001 because that approach does not comport with the scheme that DTCC desires—one in which swap dealers would be able to dictate to DCOs the SDRs to which the DCOs must report under Part 45. This would mean, for example, if 10 SDRs are registered by the CFTC, individual swap dealers could force DCOs to report cleared swap data to each of the 10 SDRs, rather than just a single SDR selected by the DCO itself. Thus, DTCC seeks to drive up the costs to DCOs of meeting Part 45's redundant reporting requirement for DCOs. DTCC's approach, however, is plainly inconsistent with the CFTC's Part 45 rules. Indeed, the CFTC's Preamble to those rules explicitly contemplates that registered entities—a category that includes DCOs—would be able to "report swap data to existing DCOs registered as SDRs, *or to SDRs chosen by DCOs*, if they so choose for business or cost-benefit reasons."¹⁰ 77 Fed. Reg. at 2148 (emphasis added).

¹⁰ DTCC's approach is also at odds with the following Part 45 Preamble statement that DTCC neglected to mention in its comment letter:

[T]he [CFTC] believes that giving the choice of the SDR to the reporting counterparty in all cases could in practice give an SDR substantially owned by swap dealers a dominant

DTCC Argument 3: Violation of Anti-Competitive Provisions

DTCC repeatedly refers to Rule 1001 as "anti-competitive." See, e.g., DTCC Comment Letter at 10. Specifically, DTCC indicates in its comment letter that Rule 1001 would allow CME to "use forced buying, or 'tie-in' sales, with its clearing services to gain sales in the SDR market (where it is not dominant) and to make it more difficult for rivals in those markets to obtain sales." See *id.*

DTCC's allegation, again, is without merit because Rule 1001 does not create a tying or bundling scheme (as discussed above), but instead is meant to clarify how CME Clearing will fulfill its Part 45 reporting obligations. To the extent DTCC is concerned about the prospect that its SDR—as a rival of CME's SDR—will be less able to compete in the SDR market because of CME Rule 1001, its concern seems at best overblown. DTCC's SDR currently provides SDR services to the *largest* DCO for cleared interest rate swaps, LCH.Clearnet Limited ("LCH.Clearnet"). (In fact, the CFTC recently found that LCH.Clearnet already clears, and therefore we presume reports to DTCC, 60% of the interest rate swap market. See Clearing Requirement Determination Under Section 2(h) of the CEA, 77 Fed. Reg. 47170, 47173 (Aug. 7, 2012)). CME Rule 1001 does not require LCH.Clearnet, or any of its swap dealer owners, to use CME's SDR for purposes of swap data reporting, so the rule will not interfere with LCH.Clearnet's continued use of DTCC's SDR in any way.

Contrary to DTCC's suggestion, then, Rule 1001 does not impose a requirement that "all cleared swaps be reported only to DCOs registered as SDRs or to SDRs chosen by a DCO," which, according to the CFTC, would "create a non-level playing field for competition between DCO-SDRs and non-DCO SDRs." See DTCC Comment Letter at 12 (citing 77 Fed. Reg. at 2149).

DTCC Argument 4: Violation of Conflict-of-Interest Principles

DTCC indicates that Rule 1001 could be in tension with the conflict-of-interest core principle applicable to SDRs. As DTCC notes, the CFTC has explained that there are "inherent conflicts in connection with maintaining swap data and SDR operations (e.g., the incentive to develop ancillary services using swap data)." The CFTC has thus barred SDRs from using swap data they house for commercial or business purposes except when the party submitting the data gives express written consent for such use. See 17 C.F.R. 49.17(g). According to DTCC, "[s]hould CME, which regularly commercializes its clearing house data, be allowed to subvert the [CFTC's] prohibition on the commercialization of data by providing the required consent for commercialization to its own captive SDR, the very purpose of the conflicts of interest core principle will be thwarted and the careful construct of the [CFTC's] commercialization prohibition negated." DTCC Comment Letter at 13.

In expressing this far-fetched concern, DTCC once again demonstrates a misunderstanding of Rule 1001. CME's Rule does not provide for or otherwise address ancillary services whereby an SDR may use the swap data reported to it; the Rule strictly focuses on how CME Clearing will discharge its reporting obligation under the CFTC's Part 45 rules, which call for CME Clearing to report to an SDR the same data it already maintains and provides to the CFTC on request. Copying an existing file and sending it to another registered entity within CME—in this case, CME's SDR per CME Rule 1001—does not trigger the kind of dire consequences that DTCC seems to fear.

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

market position with respect to swap data reporting within an asset class or even with respect to all swaps.

Swap Data Recordkeeping and Reporting Requirements, 77 Fed. Reg. 2136, 2149 (Jan. 13, 2012).

The new rule is set forth in Appendix A, with additions underscored and deletions overstruck. Appendix B shows how the text of Rule 1001 in this amended rule submission differs from the text of CME's submission on November 9, 2012.

If you have any questions regarding this submission, please contact me at Tim Elliott at 312.466.7478 or via email at Tim.Elliott@cmegroup.com. Please reference CME Submission # 12-391R in any related correspondence.

Sincerely,

/s/ Tim Elliott
Executive Director and Associate General Counsel

Attachment: Appendix A - Chapter 10 of CME Rulebook (black-lined)
Appendix B – Blackline of Chapter 10 of CME Rulebook (showing changes from original submission on November 9, 2012)

APPENDIX A

Chapter 10 Regulatory Reporting of Swap Data

1001. REGULATORY REPORTING OF SWAP DATA

For all swaps cleared by the Clearing House, and resulting positions, the Clearing House shall report available creation and continuation data to CME's swap data repository for purposes of complying with applicable CFTC rules governing the regulatory reporting of swaps. Upon the request of a counterparty to a swap cleared at the Clearing House, the Clearing House shall provide the same creation and continuation data to a swap data repository selected by the counterparty as the Clearing House provided to CME's swap data repository under the preceding sentence.

APPENDIX B

Chapter 10 Regulatory Reporting of Swap Data

1001. REGULATORY REPORTING OF SWAP DATA

For all swaps cleared by the Clearing House, and resulting positions, [the Clearing House shall report](#) available creation and continuation data ~~shall be reported~~ to CME's swap data repository for purposes of complying with applicable CFTC rules governing the regulatory reporting of swaps. Upon the request of a counterparty to a swap cleared at the Clearing House, the Clearing House shall provide the same creation and continuation data to a swap data repository selected by the counterparty as the Clearing House provided to CME's swap data repository under the preceding sentence.