



U.S. COMMODITY FUTURES TRADING COMMISSION

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**Division of
Market Oversight**

October 15, 2012

Mark D. Young, Esq.
Skadden, Arps, Slate, Meagher & Flom
1440 New York Avenue, NW
Washington, DC 20005

Re: CME Clearing Request for No-Action Relief from the Swaps Reporting Requirements of Commodity Exchange Act Section 2(a)(13) and Part 45 of the Commodity Futures Trading Commission's Regulations

Dear Mr. Young:

This is in response to your letter dated October 15, 2012, to the Division of Market Oversight (the "Division") of the Commodity Futures Trading Commission (the "Commission"). By your letter, you request, on behalf of your client CME Clearing, a Derivatives Clearing Organization ("DCO"), temporary no-action relief from the requirements of Commodity Exchange Act (the "Act") Section 2(a)(13) and Part 45 of the Commission's Regulations, as interpreted in a Commission staff Frequently Asked Questions on the Reporting of Cleared Swaps Release issued on October 10, 2012 (the "Cleared Swaps Reporting FAQ").¹ As you know, those provisions require, among other things, that DCOs report to a registered Swap Data Repository ("SDR") certain cleared swap data for interest rate and credit default swaps cleared by the DCO starting on October 12, 2012. The Division understands that you are not currently in compliance with those requirements.

In support of your relief request you cite: (1) CME Clearing's representation that during the pendency of any no-action relief it will retain all cleared swaps data for interest rate swaps and credit default swaps that it is required to report to an SDR under Part 45 and the Cleared Swaps Reporting FAQ; and (2) CME Clearing's representation that, upon the conclusion of any no-action relief, it will provide such cleared swaps data to an SDR for the period beginning on

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http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/clearedswapreporting_faq_final.pdf

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October 12, 2012. You request temporary no-action relief for CME Clearing until the earlier of either October 26, 2012 or the date on which CME begins reporting to an SDR.

Based upon the foregoing facts, circumstances and representations, the Division will not recommend that the Commission commence any enforcement action against CME Clearing for failing to report cleared swaps data, under Section 2(a)(13) of the Act or Part 45 of the Commission's Regulations, for any interest rate swaps and credit default swaps cleared by CME Clearing during the period from October 12, 2012 until October 26, 2012.

This letter, and the position taken herein, are based upon the representations made to us and are subject to compliance with the conditions stated above. Any different, changed or omitted material facts or circumstances might render this letter void. Further, this letter and the position taken herein represent the view of this Division only, and do not necessarily represent the position or view of the Commission or of any other office or division of the Commission. As with all no-action letters, the Division retains the authority to condition further, modify, suspend, terminate or otherwise restrict the terms of the no-action relief provided herein, in its discretion.

If you have any questions concerning this correspondence, please contact David P. Van Wagner at (202) 418-5481.

Very truly yours,



Richard A. Shilts
Acting Director