



Sean M. Downey
Director and Assistant General Counsel
Legal Department

April 13, 2012

VIA E-MAIL

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Regulation 40.6(a); Revisions to CME Rules to change the fees in S&P GSCI-ER cleared swap contracts. Submission #12-119.

Dear Mr. Stawick,

The Chicago Mercantile Exchange, Inc ("Clearing House") notifies the Commodity Futures Trading Commission ("Commission" or "CFTC") that it intends to change the fee structure for cleared swap contracts in S&P GSCI-ER, S&P GSCI Gold ER, S&P GSCI Crude Oil ER, S&P GSCI-ER 2 Month Forward and S&P GSCI ER 3 Month Forward. The changes will be made effective for all contract months beginning on the trade date of May 1, 2012.

The current fee structure for S&P GSCI-ER swaps is noted in each swap contract's rules for trading. Relevant chapters of the CME Rules have been attached to this submission with additions underlined and deletions overstruck. The new fees will be noted in the CME fee schedule on our website, as is the case with other fees and the relevant rule will be deleted in each swap contract.

Previously, fees for these products were assessed as a portion (.0005 annually) on the notional value of the open positions in the contracts. This contrasts with the flat fees charged on futures and options on futures products. The marketplace has indicated a preference for fees being charged on a per contract basis which is easier to support from an operational standpoint. The Clearing House expects this change to attract additional interest and liquidity in these products.

The new fees are as follows:

Membership Type	Clearing
Individual Equity Members/Clearing Members/ Rule 106.J Equity Member Firms/Rule 106.I Members/ Rule 106.S Member Approved Funds	\$0.60
Rule 106.D Lessees / Rule 106.F Employees	\$0.60
Rule 106.R Electronic Corporate Member - Holding Member	\$0.60
Rule 106.R Electronic Corporate Member - Volume Incentive Program	\$0.60
Rule 106.H and 106.N Firms	\$0.60
Asian Incentive Program (AIP) Participants	\$0.60
International Incentive Program (IIP) Participants	\$0.60
Latin American Bank Incentive Program (LABIP)	\$0.60
Latin American Commercial Incentive Program (LACIP) Participants	\$0.60
Latin American Fund Manager Incentive Program (FMIP) Participants	\$0.60

Mr. David Stawick
Page 2
April 13, 2012

eFX Bank Incentive Program (BIP) Participants	\$0.60
CBOE Members (reduced for S&P Index & E-mini S&P only)	\$0.60
Customers of Member Firms	\$0.60

Other Processing Fees	Fee
EFP Surcharge	\$0.00
Block Trade Surcharge	\$0.00
106.D Lessee/106.H Brokerage	\$0.13
106.F Employee Brokerage	\$0.13
Floor / "New" Brokerage	\$0.04
Position Transfers /Position Adjustments	\$0.10
Give-Up Surcharge	\$0.05
Exercise & Assignment Surcharge	\$0.05
Facilitation Desk Fee	\$0.20

Revisions to CME Rules 415A07, 415C07, 415D07, 415E07 and 415F07 are attached.

The CME Commodity Research and Product Development and Legal Departments collectively reviewed the designated contract market core principles as set forth in the Commodity Exchange Act ("Act"). During the review, we identified that the revisions that are the subject of this filing may have some bearing on the following core principles:

Financial Resources

The proposed fee change is non-material in its immediate impact on the revenues derived from clearing. A long-range expectation is that the change will attract additional activity which would increase fee revenues.

Recordkeeping

The new fee structure for S&P GSCI-ER cleared swap contracts will be noted in the table on the CME website that contains the fees for all contracts.

The Clearing House certifies that the revisions that are addressed in this submission comply with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

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

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

Sincerely,

/s/Sean M. Downey
Director and Assistant General Counsel

Attachment: Appendix A – Revisions to CME Rules

APPENDIX A

(Rule amendments are shown below, with deletions overstruck)

Rule 415A07. PAYMENT OF FEE

The Daily Fee for a cleared S&P GSCI™ ER Swaps contract must be paid on a daily basis in full to the Clearing House by each long and each short Clearing Member. On every business day, the holder of each long and short position in S&P GSCI™ ER Swaps will be charged one day's worth of an annual fee of 5 basis points. For every calendar day, each long and short position holder will be charged an embedded fee calculated using the following formula:

$$\{ \text{Number of Contracts} \} \times \$100 \times \{ \text{S\&P GSCI}^{\text{TM}} \text{ ER Swaps Settlement Price} \} \times \{ .0005 \} / 365 \times \text{Days}$$

where "Days" is calculated as the number of calendar days from the current S&P GSCI™ ER Swaps clearing date to the next S&P GSCI™ ER Swaps clearing date.

Rule 415C07. PAYMENT OF FEE

The Daily Fee for a cleared S&P GSCI™ Gold ER Swaps contract must be paid on a daily basis in full to the Clearing House by each long and each short Clearing Member. On every business day, the holder of each long and short position in S&P GSCI™ Gold ER Swaps will be charged one day's worth of an annual fee of 5 basis points. For every calendar day, each long and short position holder will be charged an embedded fee calculated using the following formula:

$$\{ \text{Number of Contracts} \} \times \$100 \times \{ \text{S\&P GSCI}^{\text{TM}} \text{ Gold ER Swaps Settlement Price} \} \times \{ .0005 \} / 365 \times \text{Days}$$

where "Days" is calculated as the number of calendar days from the current S&P GSCI™ Gold ER Swaps clearing date to the next S&P GSCI™ Gold ER Swaps clearing date.

Rule 415D07. PAYMENT OF FEE

The Daily Fee for a cleared S&P GSCI™ Crude Oil ER Swaps contract must be paid on a daily basis in full to the Clearing House by each long and each short Clearing Member. On every business day, the holder of each long and short position in S&P GSCI™ Crude Oil ER Swaps will be charged one day's worth of an annual fee of 5 basis points. For every calendar day, each long and short position holder will be charged an embedded fee calculated using the following formula:

$$\{ \text{Number of Contracts} \} \times \$100 \times \{ \text{S\&P GSCI}^{\text{TM}} \text{ Crude Oil ER Swaps Settlement Price} \} \times \{ .0005 \} / 365 \times \text{Days}$$

where "Days" is calculated as the number of calendar days from the current S&P GSCI™ Crude Oil ER Swaps clearing date to the next S&P GSCI™ Crude Oil ER Swaps clearing date.

Rule 415E07. PAYMENT OF FEE

The Daily Fee for a cleared S&P GSCI™ ER 2 Month Forward Swaps contract must be paid on a daily basis in full to the Clearing House by each long and each short Clearing Member. On every business day, the holder of each long and short position in S&P GSCI™ ER 2 Month Forward Swaps will be charged one day's worth of an annual fee of 5 basis points. For every calendar day, each long and short position holder will be charged an embedded fee calculated using the following formula:

$$\{ \text{Number of Contracts} \} \times \$100 \times \{ \text{S\&P GSCI}^{\text{TM}} \text{ ER 2 Month Forward Swaps Settlement Price} \} \times \{ .0005 \} / 365 \times \text{Days}$$

where "Days" is calculated as the number of calendar days from the current S&P GSCI™ ER 2 Month Forward Swaps clearing date to the next S&P GSCI™ ER 2 Month Forward Swaps clearing date.

Rule 415F07. PAYMENT OF FEE

The Daily Fee for a cleared S&P GSCI™ ER 3 Month Forward Swaps contract must be paid on a daily basis in full to the Clearing House by each long and each short Clearing Member. On every business day, the holder of each long and short position in S&P GSCI™ ER 3 Month Forward Swaps will be charged one day's worth of an annual fee of 5 basis points. For every calendar day, each long and short position holder will be charged an embedded fee calculated using the following formula:

$$\{ \text{Number of Contracts} \} \times \$100 \times \{ \text{S\&P GSCI}^{\text{TM}} \text{ ER 3 Month Forward Swaps Settlement Price} \} \times \{ .0005 \} / 365 \times \text{Days}$$

where "Days" is calculated as the number of calendar days from the current S&P GSCI™ ER 2 Month Forward Swaps clearing date to the next S&P GSCI™ ER 2 Month Forward Swaps clearing date.