

October 19, 2012

VIA E-MAIL

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

RE: Regulation 40.6 Self-Certification. Chicago Mercantile Exchange Inc.'s Clearing Advisory Notice regarding the use of the Price, Plus Accrued Interest, to Value Securities on Deposit at CME Clearing. CME Submission No. 12-345

Dear Ms. Warfield:

Chicago Mercantile Exchange Inc. ("CME") pursuant to Commodity Futures Trading Commission (the "Commission") Regulation 40.6 hereby self-certifies the attached draft CME Clearing Advisory Notice regarding the use of the price, plus accrued interest, to value securities on deposit at CME Clearing effective December 3, 2012.

The CME Clearing Advisory Notice informs clearing members and market participants that CME Clearing will, beginning December 3, 2012, use the current market value, plus accrued interest, to value securities on deposit with CME Clearing. CME Clearing currently excludes accrued interest from the value of the securities. With this adjustment, accrued interest will be included in the market value of the security. The purpose of the adjustment is to harmonize the valuation with industry conventions. The resulting change in value of the collateral on deposit at CME Clearing is significantly less than one percent.

CME reviewed the designated clearing organization core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CME identified the following Core Principles as potentially being impacted:

Financial Resources: The use of the current market value, plus accrued interest, for securities on deposit at CME Clearing will have a minor, positive impact upon the financial resources of CME Clearing and thus CME Clearing will continue to have adequate financial, operational and managerial resources to discharge its responsibilities as a derivatives clearing organization ("DCO").

Risk Management: The use of the current market value, plus accrued interest, for securities on deposit at CME Clearing will improve CME Clearing's ability to manage the risks associated with discharging its responsibilities as a DCO since the securities will be valued in the more relevant manner and will better align its practices with the marketplace and expectations of its participants.

The text of the draft CME Clearing Advisory Notice is attached hereto as Exhibit A.

CME certifies that the above rules and rule amendments comply with the CEA and the regulations thereunder. There were no substantive opposing views.

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

If you require any additional information regarding this submission, please contact Tim Maher at 312-790-2730 or via e-mail at Timothy.Maher@cmegroup.com, or contact me at 312-930-3323 or via e-mail at Sean.Downey@cmegroup.com. Please reference our CME Submission No. 12-345 in any related correspondence.

Sincerely,

/s/ Sean Downey
Director & Associate General Counsel

Attachment: Exhibit A – CME Clearing Advisory Notice

EXHIBIT A



TO: Clearing Member Firms
Chief Financial Officers
Treasurers
Back Office Managers

FROM: CME Clearing

ADVISORY #:

SUBJECT: Price Plus Accrued (Dirty Price)

DATE: October __, 2012

Please be advised that effective Monday, December 3, 2012 RTH cycle CME Clearing (CME) will use price plus accrued (dirty price) for securities. Price plus accrued includes the accrued interest in the value of the security. Please note this will affect U.S. treasuries, agencies, and foreign sovereign debt. Price plus accrued does not apply to mortgage backed securities. This change in pricing methodology will not affect haircuts. Please see CME Clearing website for acceptable collateral and applicable haircuts.

<http://www.cmegroup.com/clearing/financial-and-collateral-management/>

For any questions regarding the change to price plus accrued, please contact CME Clearing Financial Unit at (312) 207-2594 or Risk Management department at (312) 648-3888.