

SUBMISSION COVER SHEET

IMPORTANT: Check box if Confidential Treatment is requested

Registered Entity Identifier Code (optional): 19-087

Organization: Chicago Mercantile Exchange Inc. ("CME")

Filing as a: DCM SEF DCO SDR

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 01/30/19 Filing Description: Modifications to CME Clearing Manual of Operations

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

- Certification § 40.6(a)
- Approval § 40.5(a)
- Notification § 40.6(d)
- Advance Notice of SIDCO Rule Change § 40.10(a)
- SIDCO Emergency Rule Change § 40.10(h)

Rule Numbers: See filing.

New Product

Please note only ONE product per Submission.

- Certification § 40.2(a)
- Certification Security Futures § 41.23(a)
- Certification Swap Class § 40.2(d)
- Approval § 40.3(a)
- Approval Security Futures § 41.23(b)
- Novel Derivative Product Notification § 40.12(a)
- Swap Submission § 39.5

Official Product Name:

Product Terms and Conditions (product related Rules and Rule Amendments)

- Certification § 40.6(a)
- Certification Made Available to Trade Determination § 40.6(a)
- Certification Security Futures § 41.24(a)
- Delisting (No Open Interest) § 40.6(a)
- Approval § 40.5(a)
- Approval Made Available to Trade Determination § 40.5(a)
- Approval Security Futures § 41.24(c)
- Approval Amendments to enumerated agricultural products § 40.4(a), § 40.5(a)
- "Non-Material Agricultural Rule Change" § 40.4(b)(5)
- Notification § 40.6(d)

Official Name(s) of Product(s) Affected:

January 30, 2019

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: CFTC Regulation 40.6(a) Certification. Modifications to CME
Clearing Manual of Operations
CME Submission No. 19-087**

Dear Mr. Kirkpatrick:

Pursuant to Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby notifies the Commission that it is self-certifying modifications to the CME Clearing Manual of Operations, effective on February 14, 2019.

Specifically, CME Clearing maintains a Manual of Operations (“Manual”) pursuant to CME Rule 801—*Management*, and as such the Manual and amendments thereto constitute part of the Rules of CME. The Manual is published by CME Clearing for use by clearing member firms and contains information and directions for the daily processing of transaction data and meeting CME Clearing reporting requirements, and generally describes CME Clearing systems and applications that support critical clearing functions. The revisions include a complete reorganization of former chapter titles by function, an update to all references to existing systems and applications, and the removal of redundant provisions and many sample clearing reports.

Modifications to the Manual include the following:

- Page count greatly reduced - previously almost 300 pages, now 125 pages;
- New processes and procedures incorporated into the new Manual
 - Repository Services,
 - Onboarding,
 - List of Clearing Systems,
 - List of Clearing Reports available,
 - SFTP Setup Procedures,
 - CME Public Key Installation Procedures,
 - CGM and PCS;
- A separate Pit Trading Section;
- New and improved Timeline of Activities and Deadlines;
- Updated Chapter titles to sections by function, e.g., Position Management / Trade Management to Operations Section;
- The addition of footnotes for all references to rule books and website locations; and
- The addition of a Contact List at the end of the manual.

As set forth in the table below, the modifications reorganize and relocate former chapter topics:

Chapter in Existing Manual	Section Location in Modified Manual and Description
Introduction	Introduction – now includes document governance, CME Clearing, Compliance, FRS, and Risk Management functional description
Clearing member Firms	Removed – located on CME Group web site – Clearing Membership
Product Overview	Removed – located on CME Group web site – All Products Home Page
Front End Clearing	Clearing Systems Section and separate application user manuals
Position Management	Operations Section
Performance Bonds/Margins	Risk Management functional description and CME Group web site – Performance Bonds/Margins
Daily Settlements and Asset Management	Financial and Collateral Management Section
Cross-Margins	Risk Management functional description – See Section 7
Products Expiration and Deliveries	Physical Deliveries Section
Clearing House Phone Numbers	Communication Contacts Appendix

In addition to reorganizing Chapter titles by function, the modifications update all references and remove redundant provisions.

CME reviewed the derivatives clearing organization core principles (“Core Principles”) as set forth in the Commodity Exchange Act (“CEA” or “Act”) and identified that the proposed modifications may have some bearing on the following principles:

- DCO Core Principle I – Systems Safeguards: The proposed modifications enhance the daily processing and settlement of transaction activities of clearing members by means of current and concise descriptions of CME Clearing functions, systems and procedures.

Exhibit A, which is attached under separate cover with confidential treatment requested, is a clean version of the modified Manual. Modifications from the current version are so significant a blackline version of the modified Manual serves no purpose.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.6(a), CME certifies that the proposed changes comply with the Act and regulations thereunder. There were no substantive opposing views to this action.

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

If you require any additional information regarding this submission, please e-mail CMEGSubmissionInquiry@cmegroup.com or contact Tim Maher at 312-930-2730 or via email at timothy.maher@cmegroup.com. Please reference CME Submission No. 19-087 in any related correspondence.

Sincerely,

/s/Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachment: Exhibit A: Modified CME Clearing Manual of Operations (clean) (attached under separate cover) (Confidential Treatment Requested)