

UNITED STATES OF AMERICA

Before the

COMMODITY FUTURES TRADING COMMISSION

**Treatment of Funds Held in Connection with the
Clearing by Chicago Mercantile Exchange Inc.
of Contracts Traded on Dubai Mercantile
Exchange Limited**

AMENDED ORDER

Chicago Mercantile Exchange, Inc. ("CME"), a registered derivatives clearing organization ("DCO"), has requested that the Commodity Futures Trading Commission ("Commission") amend an order dated August 3, 2012 (the "August 2012 Order") that permits CME and registered futures commission merchants ("FCMs") to hold in a futures customer account subject to Section 4d(a) and (b) of the Commodity Exchange Act ("Act"), 7 U.S.C. § 6d(a) and (b), customer money, securities, and property (collectively, "customer property") used to margin, secure, or guarantee futures and options on futures (collectively, "futures") traded on a designated contract market and certain foreign futures and foreign options, as defined in Commission Regulation 30.1 (collectively, "foreign futures"), traded on the Dubai Mercantile Exchange Limited ("DME").

On May 23, 2007, the Commission first issued an order regarding the treatment of funds held in connection with the clearing by New York Mercantile Exchange, Inc. ("NYMEX") of contracts traded on DME. The order permitted NYMEX and FCMs to hold in a futures customer account customer property held in connection with NYMEX's clearing of specific futures contracts traded on or subject to the rules of DME.

On April 30, 2008, the Commission amended the order to modify the set of specific DME contracts covered by the order. On September 16, 2011, the Commission again amended the order to include an additional contract and to change the required measurement period for margin rates covering price movements in the cash and physically settled Oman Crude Oil futures contracts from a two-day period to a one-day period. In conjunction with the vacation of NYMEX's registration as a DCO, the Commission issued the August 2012 Order, which transferred the permission from NYMEX to CME.

CME has requested that the Commission amend the August 2012 Order to expand the scope of DME contracts eligible to be carried in futures customer accounts to cover any futures that DME from time to time lists as DME products in the energy sector.

CME's request was posted on the Commission's website for public comment. No comments were received.

The Commission has reviewed the request and the record in this matter ("Submission"), and finds that CME has demonstrated that it can continue to comply with applicable requirements under the Act and the Commission's regulations thereunder. As a result, the August 2012 Order is hereby amended and superseded, and:

IT IS ORDERED, pursuant to Sections 4d(a) and (b) of the Act, that, subject to the terms and conditions below, CME and FCMs acting pursuant to this order may hold customer property used to margin, guarantee, or secure trades or positions in foreign futures traded on DME with other customer property used to margin, guarantee, or secure trades or positions in futures in a segregated futures account or accounts maintained in accordance with Section 4d(a) and (b) of the Act (including any orders issued pursuant to Section 4d(a) and (b) of the Act) and the regulations thereunder. All such customer property shall be accounted for and treated and

dealt with as belonging to the futures customers of the participating FCM consistently with Section 4d(a) and (b) of the Act and the regulations thereunder.

IT IS FURTHER ORDERED, that:

(1) This order shall only permit foreign futures that are currently traded (as such contracts may be modified from time to time), or that will be traded in the future, on DME, and cleared through CME (“DME Futures Contracts”) to be commingled with futures that are currently traded, or that will be traded in the future, on a designated contract market and cleared through CME, in accounts subject to Section 4d(a) and (b) of the Act.

(2) CME and each FCM acting pursuant to this order shall hold all customer property deposited with CME and such FCM, respectively, to margin, guarantee, or secure DME Futures Contracts, in accordance with the requirements of Section 4d(a) and (b) of the Act and the Commission’s regulations thereunder.

(3) CME shall at all times fulfill all representations made in the Submission, including all attachments and supporting materials thereto.

(4) CME shall promptly inform the Commission of any material change in applicable foreign laws or regulations relevant to its operation as a DCO clearing for DME or otherwise affecting the conclusions contained in the Submission.

(5) DME shall maintain a binding agreement appointing an agent in the United States for purposes of communications, including acceptance of any summons, complaints, orders, subpoenas, requests for information, notice, or any other written document or correspondence issued by or on behalf of the Commission, the U.S. Department of Justice, or any U.S. clearing member, and DME shall promptly inform the Commission of any change in such agent or agreement with such agent.

This order is issued pursuant to Sections 4d(a) and (b) of the Act based upon the representations made and supporting materials provided to the Commission by CME in its Submission. Any material changes or omissions in the facts and circumstances pursuant to which this order is granted may require the Commission to reconsider its finding that the permission set forth herein is appropriate. Further, in its discretion, the Commission may condition, modify, suspend, terminate, or otherwise restrict the permission granted in this order, as appropriate, on its own motion.

Issued in Washington, D.C., this 31st day of October, 2017.

By the Commission



Christopher J. Kirkpatrick
Secretary of the Commission