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OFFICE OF THE SECRETARIAT

March 12, 2009

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

**RE: CME Rules 808 (CME ClearPort Clearing: Procedures for Trade Submission) and 8F15 (Procedures for Trade Submission on NYMEX ClearPort)  
CME Submission No. 09-042**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") hereby notifies the Commission that it has approved new CME Rule 808 ("CME ClearPort Clearing: Procedures for Trade Submission"). The new CME rule encompasses several concepts already set forth in the NYMEX Rulebook and will govern the use of CME ClearPort to submit for clearing EFPs, block trades and substitution transactions in CME contracts.

In addition to new CME Rule 808, branding and conforming changes have been made to CME Rule 8F15 which changes references from "NYMEX" ClearPort to "CME" ClearPort. The text of the rule changes is attached.

CME certifies that these changes comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions regarding this matter, please contact me at 312-648-5422.

Sincerely,

/s/ Stephen M. Szarmack  
Director and Associate General Counsel

#### **808. CME CLEARPORT CLEARING: PROCEDURES FOR TRADE SUBMISSION [Entire Rule Is New]**

(A) Scope of Rule. This rule governs transactions not competitively executed on the Exchange ("Transactions") that are submitted via the CME ClearPort Clearing Trade Portal ("CPC Trade Portal") for clearing in connection with a contract that is listed on the Exchange for clearing only or listed for trading and clearing on the Exchange. In submitting such Transactions to the CPC Trade Portal or in allowing such Transactions to be submitted to the CPC Trade Portal, the two parties to the Transaction shall be deemed to have mutually agreed to initiate a process to substitute their transaction for a standardized futures contract listed for trading and clearing on the Exchange. For purposes of this rule, the two principals in such Transactions shall be referenced as the "Parties to the Transaction."

(B) Transactions: Compliance with Regulatory Exemptions and Exclusions. Each of the Parties to the Transaction shall be responsible for ensuring that the Transaction complies with CFTC regulatory requirements as applicable for such transaction, including as appropriate compliance with the terms of a statutory exemption or exclusion under the Commodity Exchange Act from other CFTC regulation relied upon by the Parties to the Transaction.

(C) Submission of Transactions. The process of submission of a Transaction shall not be deemed to have been completed unless and until the Parties to the Transaction have successfully concluded the submission of the Transaction to the Exchange as an exchange of futures for physicals ("EFP"), an exchange of futures for risk ("EFR"), a Block Trade or as a Substitution transaction as applicable, pursuant to the respective provisions of Exchange rules 538, 526 and 537, and the provisions of this rule.

(D) Trade Submission Procedures. All Transactions submitted to the Exchange pursuant to this rule must be submitted in accordance with the procedures established by the Clearing House for this purpose, as amended from time to time. The Parties to the Transaction and any Party authorized under Section (E) of this Rule with brokering capability ("Broker" or "Brokers") authorized to submit executed transactions on their behalf to the Exchange and authorized for related activities shall be exclusively responsible, both individually and jointly, for accurately confirming the details of the Transaction to the Exchange. Once submitted, all such transactions, subject to the rules for trade adjustments set forth in Section (G) of this Rule, shall be deemed final. Neither the Exchange nor a Clearing Member carrying the account of either party will have any responsibility in the confirmation of trade terms for the Transactions.

(E) Registration of Eligible Participants, Eligible Accounts and Authorized Brokers. Each CME Clearing Member must register with the Exchange in the manner required for any customer authorized by the Clearing Member to submit transactions to the Exchange pursuant to this rule, and must also register with the Exchange the applicable account numbers for each such customer. For each such account, the Clearing Member carrying that account also must submit to the Exchange in the manner provided the name of any Broker(s) who has registered with the Exchange for services provided by the Exchange, and who is authorized by the customer to act on its behalf in the submission of executed transactions to the Exchange and related activity.

For any such Brokers authorized by the customer and submitted to the Exchange by the Clearing Member, such submission by the Clearing Member will not constitute an endorsement or ratification of the customer's authorization of the Broker. Moreover, submission of Brokers authorized by the customer will not mean that the Clearing Member is in privity with, has a relationship with and/or is otherwise standing behind any of the customer's authorized Brokers, and the Clearing Member will have no responsibility for any such Brokers selected by the customer and no duty or obligation to supervise the activities of any such Brokers.

(F) Establishment of Authorized Commodities and Total Risk Value. For each account number that has been registered with the Exchange pursuant to Section (E) of this rule, a CME Clearing Member also must input into the Exchange's Risk Allocation Value "E-RAV" system authorization indicating the specific commodities for which a Transaction may be submitted to the Exchange pursuant to this rule and the risk value(s) assigned by the Clearing Member for Transactions for that account.

(G) Trade Deletion Procedures for Transactions Submitted via CME ClearPort Clearing Trade Entry Portal. Following submission of the trade details by Broker or Parties to the Transaction (or by Exchange staff as mutually agreed by the Parties to the Transaction), an e-mail will be transmitted to the Parties to the Transaction notifying them that they have been listed as counterparties in a Transaction that has been submitted to the Exchange. Following such submission, a buyer or seller may not unilaterally reject the trade terms previously submitted to the Exchange. However, in order to correct an error resulting from the good faith actions of the Broker or Exchange staff, as applicable, and upon mutual consent of the Parties to the Transaction, Broker or Exchange staff, as applicable, may void the transaction provided, however, that this void response is received by the Exchange within sixty (60) minutes of the time of the initial submission of the Transaction to the Exchange.

(H) Entry of Transactions. For a Transaction submitted to the Exchange pursuant to this rule, such transaction first will be routed to the Exchange's E-RAV Credit Check system. The time of entry of a Transaction into the Exchange's E-RAV

system will be recorded by the system and will be used by the Exchange as the time that an E-RAV Credit Check was conducted pursuant to Section (I) below.

(I) Use of E-RAV Credit Check System. The Exchange will conduct an E-RAV Credit Check for each Transaction. The E-RAV Credit Check will confirm whether the Clearing Member carrying that account has authorized that account for Transactions submitted pursuant to this rule in the commodity involved in the Transaction, and confirm whether the entry of the Transaction into clearing would fall within the risk value(s) established by the Clearing Member.

At all times until both sides (Buy and Sell) of the Transaction have successfully cleared the E-RAV Credit Check, a Transaction submitted to the Exchange pursuant to this rule shall remain as an uncleared Transaction.

In the event that either side of the Transaction is rejected as a result of the ERAV Credit Check test, the Parties to the Transaction and their respective Clearing Members would be informed accordingly. Thereafter, any determination as to further action with respect to the Transaction would be resolved by the Parties to the Transaction.

(J) Trade Submission Deadlines. Transactions that are submitted, confirmed and accepted for clearing, as further provided by Section (K) of this rule, prior to 4:15 p.m. Chicago time on an Exchange business day will be included by the Exchange for clearing for that business day. The Exchange reserves the right to modify these business hours without notice at any time. The facilitation desk will generally be available to assist users 24 hours a day on all Exchange business days.

(K) Clearance by Both Sides of the Transactions of Credit Check. Upon clearance by both sides of the Transaction of the E-RAV Credit Check, the transaction shall be deemed to have been accepted for clearing and will be routed automatically to the Exchange's clearing system.

Notwithstanding the above, a Clearing Member also shall be responsible for accepting and clearing a position for a Transaction entered into the Exchange's clearing system for clearing following any non-operation of the Exchange's E-RAV Credit Check functionality for the applicable account carried by the Clearing Member.

## **8F15. PROCEDURES FOR TRADE SUBMISSION ON NYMEX-CME CLEARPORT® CLEARING.**

A. This rule governs all OTC Derivatives that the Clearing House has designated as eligible for clearing that are submitted for clearing via the ~~NYMEX-CME ClearPort®~~ Clearing Trade Portal and that are not extinguished and replaced by positions in regulated futures and options ("CPC Transactions"). The parties to a CPC Transaction and any person authorized under Section C of this Rule with brokering capability ("Broker" or "Brokers") must comply with applicable registration procedures for participation in the ~~NYMEX-CME ClearPort®~~ Clearing service and must continue to comply with applicable registration procedures for OTC Derivatives, as may be amended from time to time. CPC Transactions are also subject to the other rules in this chapter.

B. Each CPC Transaction must be submitted in accordance with the procedures established by the Clearing House for this purpose, as amended from time to time. The parties to a CPC Transaction and any Brokers authorized to submit CPC Transactions on such a party's behalf to the Clearing House and authorized for related activities shall be exclusively responsible, both individually and jointly, for accurately confirming the details of the CPC Transaction to the Clearing House. Once submitted, all CPC Transactions, subject to the rules for trade adjustments set forth in Section E of this rule, shall be deemed final. Neither the Clearing House nor a Clearing Member carrying the account of either party will have any responsibility in the confirmation of trade terms for CPC Transactions.

C. Each Clearing Member must register with ~~NYMEX or Clearing House staff~~ the Exchange in the manner required for any customer authorized by the Clearing Member to submit transactions to the Clearing House pursuant to this rule, and must also register with ~~NYMEX or Clearing House staff~~ the Exchange the applicable account numbers for each such customer. For each such account, the Clearing Member carrying that account also must submit to ~~NYMEX or Clearing House staff~~ the Exchange in the manner provided the name of any Broker who has registered with ~~NYMEX or Clearing House staff~~ the Exchange for services provided under this rule, and who is authorized by the customer to act on its behalf in the submission of CPC Transactions pursuant to this rule and related activity. For any such Brokers authorized by the customer and submitted to ~~NYMEX or Clearing House Staff~~ the Exchange by the Clearing Member, such submission to ~~NYMEX or Clearing House staff~~ the Exchange of the Broker's information by the Clearing Member will not constitute an endorsement or ratification of the customer's authorization of the Broker. Moreover, submission of a Broker authorized by a customer will not mean that the Clearing Member is in privity with, has a relationship with or is otherwise standing behind any of the customer's authorized Brokers, and the Clearing Member will have no responsibility for any such Brokers selected by the customer and no duty or obligation to supervise the activities of any such Brokers.

D. For each account number that has been registered with the Clearing House pursuant to Section C of this rule, a Clearing Member also must input into ~~NYMEX's~~ the Risk Allocation Value "E-RAV" system authorization indicating the specific commodities for which a CPC Transaction may be submitted to the Clearing House pursuant to this rule and the risk value(s) assigned by the Clearing Member for CPC Transactions for that account.

E. Following submission of the trade details to the Clearing House, an e-mail will be transmitted to the parties to the CPC Transaction notifying them that they have been listed as counterparties in a CPC Transaction that has been submitted to the Clearing House. Following such submission, a buyer or seller may not unilaterally reject the trade terms previously submitted to the Clearing House. However, in order to correct an error resulting from the good-faith actions of a Broker or ~~NYMEX or Clearing House staff~~ the Exchange, as applicable, and upon mutual consent of the parties to the CPC Transaction, Broker or ~~NYMEX or Clearing House~~ the Exchange, as applicable, may void the transaction provided, however, that this void response is received by the Clearing House within sixty (60) minutes of the time of the initial submission of the CPC Transaction to the Clearing House.

In addition, for an interim period and until notified otherwise by ~~NYMEX staff~~ the Exchange, ~~NYMEX staff~~ the Exchange may need to conduct a manual check after the issuance of the original email to confirm that the parties to a CPC Transaction in an OTC Derivative have met all applicable registration requirements for such contracts. Consequently, it may be necessary for ~~NYMEX or Clearing House staff~~ the Exchange to reject a trade subsequent to such email because one or more of the parties to the CPC Transaction have not qualified to participate in use of the ~~NYMEX-CME ClearPort®~~

Clearing service for these contracts.

F. For a Transaction submitted to the Clearing House pursuant to this rule, such transaction first will be routed to ~~NYMEX's~~ the E-RAV Credit Check system. The time of entry of a CPC Transaction into ~~NYMEX's~~ the E-RAV system will be recorded by the system and will be used by the Clearing House as the time that an E-RAV Credit Check was conducted pursuant to Section G below.

G. ~~NYMEX or Clearing House~~ The Exchange will conduct an E-RAV Credit Check for each Transaction. The E-RAV Credit Check will confirm whether the Clearing Member carrying that account has authorized that account for CPC Transactions submitted pursuant to this rule, and confirm whether the entry of the CPC Transaction into clearing would fall within the risk value(s) established by the Clearing Member.

At all times until both sides (buy and sell) of the CPC Transaction have successfully cleared the E-RAV Credit Check, a transaction submitted to the Clearing House pursuant to this rule shall remain as an uncleared transaction. In the event that either side of a CPC Transaction is rejected as a result of the E-RAV Credit Check test, the parties to the transaction and their respective Clearing Members will be informed accordingly. Thereafter, any determination as to further action with respect to the CPC Transaction will be resolved by the parties to the CPC Transaction.

H. CPC Transactions that are submitted, confirmed and accepted for clearing, as further provided by Section I of this rule, prior to 4:15 p.m. Chicago time on a ~~NYMEX~~ an Exchange business day will be included by the Clearing House for clearing for that business day. ~~NYMEX~~ The Exchange reserves the right to modify these business hours without notice at any time. The ~~NYMEX~~ facilitation desk will generally be available to assist users 24 hours a day on all ~~NYMEX~~ Exchange business days.

I. Upon clearance by both sides of a CPC Transaction of the E-RAV Credit Check, the transaction shall be deemed to have been accepted for clearing and will be routed automatically to the Clearing House's clearing system. Notwithstanding the above, a Clearing Member also shall be responsible for accepting and clearing a position for a CPC Transaction entered into the Clearing House's clearing system for clearing following any non-operation of ~~NYMEX's~~ the E-RAV Credit Check functionality for the applicable account carried by the OTC Clearing Member.