



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

May 30, 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: Modifications to the CME OTC FX Fee Waiver Program  
CME Submission No. 12-156**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or the "Clearing House") hereby notifies the Commodity Futures Trading Commission ("Commission") of modifications to an existing fee waiver program in support of certain cleared-only over-the-counter ("OTC") foreign exchange ("FX") products. ("Program"). The Program will extend until December 31, 2012.

Exhibit 1 sets forth the terms of the Program. The modifications appear below, with additions underscored and deletions ~~overstruck~~.

CME business staff responsible for the Program and the CME legal department collectively reviewed the derivatives clearing organization core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, CME staff concluded that the following Core Principle applies to this submission:

**Financial Resources:** The extension of the Program will have a non-material impact on the financial resources of the Clearing House. As such, it will not prevent the Clearing House from demonstrating that it has adequate financial, operational, and managerial resources to discharge its responsibilities as a Derivatives Clearing Organization.

Pursuant to Section 5c(c) of the CEA and CFTC Regulations 40.6(a), the Exchange hereby certifies that this Program with the CEA, including regulations under the CEA thereunder.

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

If you require any additional information regarding this submission, please contact Robert Lev at 312-930-3019 or via e-mail at [robert.lev@cmegroup.com](mailto:robert.lev@cmegroup.com), or contact me at 212-299-2200. Please reference our CME Submission No. 12-156 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director, Chief Regulatory Counsel

Attachment: Exhibit 1

# EXHIBIT 1

## CME OTC FX Fee Waiver Program

### **Program Purpose**

The purpose of this Program is to incentivize market participants to submit transaction in the OTC FX products listed below to the Clearing House for clearing. The resulting increase in volume benefits all participant segments in the market.

### **Product Scope**

The following cleared only OTC FX products ("Products"):

1. CME Cleared OTC FX – Emerging Markets
  - a. USDBRL, USDCLP, USDCNY, USDCOP, USDIDR, USDINR, USDKRW, USDMYR, USDPEN, USDPHP, USDRUB, USDTWD Non-Deliverable Forwards.
  - b. USDCZK, USDHUF, USDHKD, USDILS, USDMXN, USDPLN, USDSGD, USDTHB, USDTRY, USDZAR Cash-Settled Forwards.
2. CME Cleared OTC FX – Majors
  - a. AUDJPY, AUDUSD, CADJPY, EURAUD, EURCHF, EURGBP, EURJPY, EURUSD, GBPUSD, NZDUSD, USDCAD, USDCHF, USDDKK, USDJPY, USDNOK, USDSEK Cash-Settled Forwards.

### **Eligible Participants**

The temporary reduction in fees will be open to all market participants and will automatically be applied to any transaction in the Products submitted to the Clearing House for clearing.

### **Program Term**

Start date is February 1, 2012. End date is ~~June 30~~ December 31, 2012.

### **Hours**

The Program will be applicable regardless of the transaction time.

### **Program Incentives:**

Fee Waivers. All market participants that submit transaction in the Products to the Clearing House will have their clearing fees waived.