

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, DC 20581

**RE: Regulation 40.6(a) Rule Certification. Chicago Mercantile Exchange Inc./The Board of Trade of the City of Chicago, Inc./New York Mercantile Exchange, Inc./Commodity Exchange Inc.  
Submission # 12-180: Revisions to CME/CBOT/NYMEX/COMEX Rule 619  
("Appeals")**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME"), The Board of Trade of the City of Chicago, Inc. ("CBOT"), The New York Mercantile Exchange, Inc. ("NYMEX") and Commodity Exchange, Inc. ("COMEX") (collectively, "the Exchanges") are notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that they are self-certifying a revision to CME/CBOT/NYMEX/COMEX Rule 619 ("Appeals"). The revisions will become effective on June 14, 2012.

Rule 619 ("Appeals") in the Arbitration Chapter of each Exchange's Rulebook is being amended to clarify the procedures attendant to the filing of appeals. The revisions also incorporate a provision that allows the Appellate Panel to determine the appeal based solely upon the parties' written submissions, the record from the arbitration proceeding and any other relevant information provided to the Appellate Panel, provided the Appellate Panel unanimously agrees to invoke the provision. This is intended to provide the Appellate Panel with flexibility in determining under which circumstances the participation of the parties to the appeal are necessary at the appeal hearing.

A copy of the revisions to CME/CBOT/NYMEX/COMEX Rule 619, with additions underscored and deletions ~~overstruck~~, is attached hereto as Exhibit 1.

The Market Regulation Department and the Legal Department collectively reviewed the designated contract market ("DCM") core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, we have identified that the revision to CME/CBOT/NYMEX/COMEX Rule 619 may have some bearing on the following Core Principle:

- Dispute Resolution: The current acceptable practices under Core Principle 14 (formerly Core Principle 13) do not require that DCMs provide a dispute resolution forum for member-versus-member disputes. The only guidance with respect to DCMs that determine to require or offer such provisions is that they must be independent of and cannot interfere with or delay the resolution of customers' claims or grievances. The revisions to Rule 619 will in no way impact the CME Group Exchanges' processes or procedures with respect to the handling of customer claims. Rule 619 is applicable solely to member-versus-member disputes, and will in no way cause any interference or delay with the timely resolution of customer claims.

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The Exchanges certify that the revisions to CME/CBOT/NYMEX/COMEX Rule 619 comply with the CEA and regulations thereunder. There were no substantive opposing views to this proposal.

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

A copy of the revisions to CME/CBOT/NYMEX/COMEX Rule 619 appear below, with additions underscored and deletions overstruck.

If you have any questions regarding this submission, please contact Robert Sniegowski, Market Regulation, at 312.341.5991 or via email at [Robert.Sniegowski@cmegroup.com](mailto:Robert.Sniegowski@cmegroup.com) or Erin Schwartz, Market Regulation, at 312.341.3083 or via email at [Erin.Schwartz@cmegroup.com](mailto:Erin.Schwartz@cmegroup.com). Alternatively, you may contact me at 312.930.8167 or via email at [Sean.Downey@cmegroup.com](mailto:Sean.Downey@cmegroup.com). Please reference CME/CBOT/NYMEX/COMEX Submission No. 12-180 in any related correspondence.

Sincerely,

/s/ Sean Downey  
Director & Assistant General Counsel

Attachment: Exhibit 1 – Rule 619 (black-lined)

# EXHIBIT 1

## CME/CBOT/NYMEX/COMEX Chapter 6 – Arbitration

### 619. APPEALS

Any decision rendered in a dispute among members resulting in a non-cash award or involving a claim, counterclaim, cross-claim or third-party claim that sought a recovery over \$10,000 may be appealed to an [appellate panel hearing committee](#) of the Board ([“Appellate Panel”](#)). All other decisions rendered by an arbitration panel are final and may not be appealed. In order to appeal a decision, a party must, within ~~10~~[three business](#) days of receipt of the notice of decision, file with the Market Regulation Department a written ~~request~~[notice](#) stating the grounds for the appeal [and the specific error or impropriety of the original decision](#) based upon the standards set forth in Rule 620 and deposit the applicable fee established by the Exchange. Within 15 days of receipt of the notice of decision, the appellant must deposit with the Market Regulation Department a cashier’s or certified check payable to CME Group in the amount of any monetary award against such appellant.

Failure to timely comply with these requirements for appeal, when applicable, shall constitute a waiver of any right to appeal and render the arbitrators’ decision final and binding.

Within 15 days after filing a ~~notice of request for an~~ appeal, the appellant shall file with the Market Regulation Department any argument and any documents or information that the appellant intends to use in support of the appeal. The appellee shall have 15 days thereafter to file whatever documents or information he intends to rely upon in opposition to the appeal. An extension beyond the 15-day filing period may be granted by the Market Regulation Department upon a showing of good cause. In the case of a non-cash award, the filing of the notice of appeal shall not stay the decision appealed from unless the panel from which the appeal is taken or the Chief Regulatory Officer specifically directs that the decision be stayed.

The appeal ~~will be determined~~[shall be heard](#) by an [Appellate Panel hearing committee of the Board](#). ~~The hearing committee shall~~ consist of three directors appointed by the Chairman of the Board, one of whom the Chairman of the Board shall designate as chairman of the [Appellate Panel hearing committee](#). No director may serve on an [Appellate Panel hearing committee](#) if he has a personal or financial interest in the matter under consideration. A party may strike any member of the [Appellate Panel hearing committee](#) for good cause shown as determined by the Chief Regulatory Officer, in which event that director shall be excused ~~and from hearing the matter.~~ The Chairman of the Board shall then select an alternate ~~director participant~~ from the Board. Any meeting of the [Appellate Panel hearing committee](#) shall require the presence, [either in person or by telephone](#), of each director appointed to the [Appellate Panel committee](#) and shall be conducted by the chairman of the [Appellate Panel hearing committee](#).

[The Appellate Panel may, by unanimous vote, determine that the appeal will be decided based solely upon the parties’ written submissions, the record from the arbitration proceeding and any other relevant information provided by the parties to the Appellate Panel. Any information provided by one party must be provided to all parties to the appeal. Additionally, the parties may, upon unanimous consent, waive the right to hearing, and request that the Appellate Panel hearing committee may consider the matter based solely on the parties’ written submissions, subject to the approval of the Appellate Panel.](#)