



Timothy R. Elliott  
Executive Director and Associate General Counsel  
Legal Department

August 2, 2013

**VIA E-MAIL**

Ms. Melissa Jurgens  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**RE: Regulation 40.6(a) Certification. Modifications to the Fee Schedule for Over-the-Counter ("OTC") Interest Rate Swap Clearing CME Submission No. 13-310**

Dear Ms. Jurgens:

Chicago Mercantile Exchange Inc. ("CME") hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to modify the fee schedule (the "Fee Schedule") that applies to over-the-counter ("OTC") Interest Rate Swaps ("IRS") cleared at CME. The modifications include adding two maturity buckets for short-dated IRS. The modifications to the Fee Schedule will become effective on August 19, 2013.

Exhibit 1 sets forth the Fee Schedule that will be applicable to OTC IRS transactions cleared at CME with additions underscored and deletions ~~overstruck~~.

CME business staff and the CME legal department collectively reviewed the derivatives clearing organization core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CME staff identified the following Core Principles as potentially being impacted:

- **Participant and Product Eligibility**. The Fee Schedule and proposed modifications set forth fees that apply to all market participants clearing IRS contracts at CME. CME believes that the Fee Schedule encourages customers to submit additional volume into the system and promotes central clearing of OTC IRS transactions.
- **Rule Enforcement**. CME does not believe the Fee Schedule or proposed modifications incentivize market abuse in any way and do not otherwise impact any aspects of CME's risk management, settlement procedures, treatment of funds or default rules or procedures. Chapter 4 of CME rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices.

CME certifies that the Fee Schedule and proposed modifications set forth in Exhibit 1 comply with the CEA and the regulations thereunder. There were no substantive opposing views to the Fee Schedule or proposed modifications.

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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 Steve Dayon at 312-466-4447 or via e-mail at [steven.dayon@cmegroup.com](mailto:steven.dayon@cmegroup.com). Alternatively, you may contact me at 312.466.7478 or [tim.elliott@cmegroup.com](mailto:tim.elliott@cmegroup.com). Please reference CME Submission No. 13-310 in any related correspondence.

Sincerely,

/s/ Tim Elliott  
Executive Director and Associate General Counsel

Attachment: Exhibit 1 – CME OTC Cleared IRS Customer Fee Details

# EXHIBIT 1

## CME OTC Cleared IRS Customer Fee Details

(Additions Underlined and Deletions ~~Overstruck~~)

### Standard Fee Schedule

#### Transaction Fee

- Charged on all new and back-loaded transactions
  - There are no transaction fees for transfers
- All market participants that clear OTC IRS products will be entitled to receive discounted base clearing fees for short-dated IRS (0-6 months) in accordance with the table below through December 31, 2014.

Transaction Maturity	Base Fee Rates*											
	(Per Million Notional)											
	USD	EUR	GBP	CAD	AUD	CHF	JPY	SEK	NOK	DKK	NZD	HKD
<u>0 - 3 months</u>	<u>\$0.25</u>	<u>€0.25</u>	<u>£0.25</u>	<u>C 0.25</u>	<u>A 0.25</u>	<u>CHF 0.25</u>	<u>¥0.25</u>	<u>SEK 0.25</u>	<u>NOK 0.25</u>	<u>DKK 0.25</u>	<u>NZD 0.25</u>	<u>HKD 0.25</u>
<u>3+ - 6 months</u>	<u>\$0.50</u>	<u>€0.50</u>	<u>£0.50</u>	<u>C 0.50</u>	<u>A 0.50</u>	<u>CHF 0.50</u>	<u>¥0.50</u>	<u>SEK 0.50</u>	<u>NOK 0.50</u>	<u>DKK 0.50</u>	<u>NZD 0.50</u>	<u>HKD 0.50</u>
<del>0 - 1 Year</del>	\$1.00	€ 1.00	£1.00	C\$1.00	A\$1.00	CHF 1.00	¥1.00	SEK 1.00	NOK 1.00	DKK 1.00	NZD 1.00	HKD 1.00
<u>6+ to 12 months</u>												
1+ - 3 Years	\$2.50	€ 2.50	£2.50	C\$2.50	A\$2.50	CHF 2.50	¥2.50	SEK 2.50	NOK 2.50	DKK 2.50	NZD 2.50	HKD 2.50
3+ - 6 Years	\$4.50	€ 4.50	£4.50	C\$4.50	A\$4.50	CHF 4.50	¥4.50	SEK 4.50	NOK 4.50	DKK 4.50	NZD 4.50	HKD 4.50
6+ - 9 Years	\$6.00	€ 6.00	£6.00	C\$6.00	A\$6.00	CHF 6.00	¥6.00	SEK 6.00	NOK 6.00	DKK 6.00	NZD 6.00	HKD 6.00
9+ - 12 Years	\$8.00	€ 8.00	£8.00	C\$8.00	A\$8.00	CHF 8.00	¥8.00	SEK 8.00	NOK 8.00	DKK 8.00	NZD 8.00	HKD 8.00
12+ - 16 Years	\$10.00	€ 10.00	£10.00	C\$10.00	A\$10.00	CHF 10.00	¥10.00	SEK 10.00	NOK 10.00	DKK 10.00	NZD 10.00	HKD 10.00
16+ - 21 Years	\$12.50	€ 12.50	£12.50	C\$12.50	A\$12.50	CHF 12.50	¥12.50	SEK 12.50	NOK 12.50	DKK 12.50	N/A	N/A
21+ - 26 Years	\$15.00	€ 15.00	£15.00	C\$15.00	A\$15.00	CHF 15.00	¥15.00	SEK 15.00	NOK 15.00	DKK 15.00	N/A	N/A
26+ - 31 Years	\$17.50	€ 17.50	£17.50	C\$17.50	A\$17.50	CHF 17.50	¥17.50	SEK 17.50	NOK 17.50	DKK 17.50	N/A	N/A
31+ - 51 Years	\$24.00	€ 24.00	£24.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

\*all fees are charged in the same currency as the swap notional