

November 7, 2012

VIA E-MAIL

Ms. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Regulation 40.6(a). Chicago Mercantile Exchange Inc./The Board of Trade of the City of Chicago, Inc./The New York Mercantile Exchange, Inc./Commodity Exchange Inc.
Submission # 12-374: Revisions to Rule 808**

Dear Ms. Warfield:

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 self-certifying revisions to Rule 808 ("CME ClearPort: Procedures for Trade Submission") based on a comprehensive review of the existing language. The revisions ensure that the rule remains accurate and comprehensive with respect to the various types of transactions that may be submitted to CME Clearing via CME ClearPort. The revisions include the following, and are set forth in Exhibit A, with additions underscored and deletions overstruck:

- The procedures for trade submission of block trades, exchange for related position transactions and cleared-only OTC transactions have each been allocated a section in the Rule;
- New Sections G. and K. include carve-out language for Credit Default Swaps, Interest Rate Swaps and Spot, FX Spot, Forward and Swaps where the requirements pertaining to those products are set forth in the Clearing House Manual of Operations; and
- The correction window for errors has been changed to three days as a means of harmonizing it with the correction window applicable to transfer trades pursuant to Rule 853 ("Transfers of Trades and Customer Accounts").

The Market Regulation Department and the Legal Department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act"). During the review, we have identified that the revisions to Rule 808 may have some bearing on the following Core Principles:

- Compliance with Rules: The intent of the changes is to ensure that market participants have accurate and comprehensive information on the requirements attendant to the submission of privately negotiated transactions into CME Clearing via CME ClearPort.
- Availability of General Information: Rule 808 is procedural in nature and provides market participants with the requirements for privately negotiated trade submission through CME ClearPort, including the requirement that parties be registered in order to submit such transactions. While the majority of the changes clarify and update these requirements, we have also harmonized the provision attendant to the correction window for these transactions with the correction window for errors pursuant to Rule 853. Both rules require that the correction result

from bona fide errors in the clearing of a trade, and providing a single correction window to the marketplace eliminates any confusion with respect to having a separate time window pertain to submission via CME ClearPort. Additionally, we have included language attendant to the submission of Credit Default Swaps, Interest Rate Swaps and Spot, FX Spot, Forward and Swaps where the trade submission requirements are set forth in the Clearing House Manual of Operations and not governed by Rule 808.

The Exchanges certify that the revisions in Exhibit A comply with the Act and regulations thereunder. There were no substantive opposing views to this proposal.

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

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. Alternatively, you may contact me at 312.930.8167 or via email at Sean.Downey@cmegroup.com. Please reference CME/CBOT/NYMEX/ COMEX Submission No. 12-374 in any related correspondence.

Sincerely,

/s/ Sean Downey
Director & Assistant General Counsel

Attachment: Exhibit A – Revisions to Rule 808 (black-lined)

Exhibit A

808. ~~CME CLEARPORT~~ PROCEDURES FOR TRADE SUBMISSION ON CME CLEARPORT

808.(A.) Scope of Rule

This Rule governs transactions not competitively executed on the Exchange ("Transactions") that are submitted via CME ClearPort 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 CME Clearport or in allowing such Transactions to be submitted to the CME Clearport, 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 parties to the Transaction shall be referenced as the "Parties to the Transaction."

808.(B.) Transactions: Compliance with Regulatory Exemptions and Exclusions

Each of the Parties to the Transaction shall be responsible for ensuring that, where applicable, 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.~~

808.(C.) Submission of Futures and Options Block Trades or Exchange for Related Position Transactions

The process of submission of a block trade or an exchange for related position ~~futures or options~~ Transaction ("EFRP") executed pursuant to Rules 526 or 538, as applicable, 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 Clearing House Exchange as a block trade or an Exchange of Futures for Physical ("EFP"), an Exchange of Futures for Risk ("EFR"), or an Exchange of Options for Options ("EOO") ~~or as a Block Trade~~, as applicable, pursuant to the ~~respective provisions of Exchange Rules 526 or 538 and the~~ provisions of this Rule and the requirements of Rule 804.

808.(D.) OTC Derivatives Transactions Submitted for Clearing

CME ClearPort allows for the submission of off-Exchange OTC derivatives Transactions that the Exchange has designated as eligible for clearing only. Such Transactions are subject to the Rules of the Exchange applicable to such cleared-only products.

808.E. Trade Submission Procedures

All Transactions submitted to the Exchange pursuant to this Rule must be submitted in accordance with the procedures established by the Exchange and the Clearing House for this purpose, as amended from time to time. The Parties to the Transaction and any Party authorized under Section F.(E) of this Rule with brokering capability ("Broker" or "Brokers") authorized to submit executed transactions on their behalf of Parties to the Transaction 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. Additionally, Brokers submitting Transactions on behalf of Parties to the Transaction remain responsible for ensuring that such Transactions are accurately and timely submitted in accordance with the requirements of applicable Exchange Rules and requirements of the Clearing House. Once submitted, ~~all such transactions may not be modified except in accordance with Section F. of this Rule, 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 no responsibility with respect to the confirmation of trade terms for the Transactions, and the Clearing Members carrying the account of the Parties to the Transaction shall only be responsible for the confirmation required pursuant to Rule 957.

808.(EF.) CME ClearPort Registration Requirements of Eligible Participants, Eligible Accounts and Authorized Brokers

Each 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 also~~ 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.

808.(FG.) Establishment of Authorized Commodities and Account Risk Limit(s) Total Risk Value

With the exception of Credit Default Swap (“CDS”) and Interest Rate Swap (“IRS”) Transactions, fFor each account number that has been registered with the Exchange pursuant to Section ~~E.(E)~~ of this ~~r~~Rule, a Clearing Member ~~also~~ must also input into the CME Account Manager~~Exchange’s~~ system an authorization ~~identifying~~indicating the specific commodities for which a Transaction may be submitted to the Exchange pursuant to this ~~R~~rule and the account risk limit~~value~~(s) assigned by the Clearing Member for Transactions for that account. Requirements for CDS and IRS Transactions are set forth in the applicable sections of the Clearing House Manual of Operations for those products.

808.(G.H.)-Trade Deletion Procedures for Transactions Submitted via CME ClearPort-

Following submission of the trade details by Broker (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 ~~three Business Days~~sixty (60) minutes of the time of the initial submission of the Transaction to the Exchange. Notwithstanding the provisions of this Section, the Parties to the Transaction and any Broker authorized by the Parties to the Transaction pursuant to Section E. of this Rule may be subject to sanctions pursuant to Rule 512 for the inaccurate, incomplete or untimely submission of the Transactions to the Clearing House.

808.(H.I.)-Entry of Transactions-

For a Transaction submitted to the Exchange pursuant to this rule, such ~~t~~Transaction ~~first~~ will first be routed to the Exchange’s credit check system. The time of entry of a Transaction into the Exchange’s system will be recorded by the system and will be used by the Exchange as the time that a credit check was conducted pursuant to Section ~~(J.I)~~ below.

808.(I.J.)-Use of Credit Check System-

The Exchange will conduct a credit check for each Transaction. The credit check will confirm whether the Clearing Member carrying that account has authorized that account for Transactions submitted pursuant to this ~~R~~rule in the commodity involved in the Transaction, and confirm whether the entry of the Transaction into clearing would fall within the account risk limit~~value~~(s) established by the Clearing Member. At all times until both sides (Buy and Sell) of the Transaction have successfully cleared the credit check and the Clearing House has been substituted as the counterparty to the Transaction pursuant to Rule 804, 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 credit check test, the Parties to the Transaction and their respective Clearing Members ~~will~~would be informed accordingly.

Thereafter, any determination as to further action with respect to the Transaction will be the sole responsibility of~~would be resolved by~~ the Parties to the Transaction.

808.(J.K.)-Trade Submission Deadlines-

With the exception of CDS, IRS and FX Spot, Forward and Swaps Transactions, all other Transactions that are submitted, confirmed and accepted for clearing, as further provided by Section ~~(K)L~~ of this rule, prior to 5:15 p.m. New York time on an Exchange ~~B~~business ~~D~~day will be included by the Exchange for clearing for that ~~B~~business ~~D~~day. The Exchange reserves the right to modify these business hours without notice at any time. The CME ClearPort Facilitation Desk will generally be available to assist users 24 hours a day on all Exchange ~~B~~business ~~D~~days. Trade submission deadlines for CDS, IRS and FX Spot, Forward and Swaps Transactions are set forth in the applicable sections of the Clearing House Manual of Operations for those products.

808.(K.L.)-Clearance by Both Sides of the Transactions of Credit Check-

Upon clearance by both sides of the Transaction of the credit check, the ~~T~~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 also 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 credit check functionality for the applicable account carried by the Clearing Member.