



Sean M. Downey
Director and Assistant General Counsel
Legal Department

December 27, 2012

VIA E-MAIL

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

RE: Regulation 40.6 Self-Certification. Chicago Mercantile Exchange Inc.'s Clearing Advisory Notice regarding the use of Overnight Index Swap ("OIS") Discounting in initial Margin Computations for Australian Dollar ("AUD"), Great Britain Pound ("GBP"), and Japanese Yen ("JPY") in its production environment. CME Submission No. 12-474

Dear Ms. Warfield:

Chicago Mercantile Exchange Inc. ("CME"), pursuant to Commodity Futures Trading Commission (the "Commission") Regulation 40.6, hereby self-certifies the attached draft CME Clearing Advisory Notice regarding the use of OIS Discounting in initial margin computations for AUD, GBP, and JPY in its production environment, effective January 14, 2013.

The CME Clearing Advisory Notice informs clearing members and market participants that CME Clearing will, beginning on January 14, 2013, make a change in the initial margin computation for the AUD, GBP, and JPY OIS Interest Rate Swap ("IRS") products. The purposes of the change in the margin computation are to align calculations with industry standards on initial margin requirements, to reconcile with the USD and EUR products which already use multi-curve initial margining, and to align calculations with all CME OIS products which already utilize multi-curve variation margin.

CME reviewed the designated clearing organization ("DCO") core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA"). During the review, CME identified the following Core Principles as potentially being impacted:

Financial Resources: A change to the discounting in initial margin computations for the AUD, JPY, and GBP IRS products will have a minor, positive impact on the overall margin collected, and thus the resources of CME Clearing. CME Clearing will continue to have adequate financial, operational, and managerial resources to execute its responsibilities as a DCO.

Risk Management: A change to the discounting in initial margin computations for the AUD, JPY, and GBP IRS products will improve CME Clearing's ability to manage the risks associated with executing its responsibilities as a DCO, as the initial margin requirements will be valued in a more relevant manner, and will more closely mirror existing initial margin requirements in some CME OIS products and existing variable margin requirements on all CME OIS products.

The text of the draft CME Clearing Advisory Notice is attached hereto as Exhibit A.

CME certifies that the above rules and rule amendments comply with the CEA and the regulations thereunder. There were no substantive opposing views.

Notice of this submission has been concurrently posted on CME Group's website at <http://www.cmegroup.com/tools-information/advisorySearch.html#category=Clearing&topic=alltopics>.

If you require any additional information regarding this submission, please contact me at (312) 930-8167 or via e-mail at Sean.Downey@cmegroup.com. Alternatively, please contact Tim Maher at (312) 790-2730 or via e-mail at Timothy.Maher@cmegroup.com. Please reference our CME Submission No. 12-474 in any related correspondence.

Sincerely,

/s/ Sean Downey
Director & Associate General Counsel

Attachment: Exhibit A – CME Clearing Advisory Notice

Exhibit A



Advisory Notice

Clearing House

XX-XX

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers
Margin Managers

FROM: CME Clearing

SUBJECT: OIS Discounting for AUD, GBP, and JPY

DATE: January __, 2013

Please be advised that CME Clearing is making changes to IRS margins in the Production environment for AUD, GBP, and JPY. Starting January 14, 2013, 2012 AUD, GBP, and JPY will use OIS Discounting in margin computations. Additionally, the base curve and scaled log return files will be updated on January 14, 2013 to reflect the additional curves. The attached file contains the new curves.

Contact the CME Client Services Group at onboarding@cmegroup.com if you have questions.

Regards,

CME Clearing