

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-73283; File No. SR-CME-2014-28)

October 1, 2014

Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change, as Modified by Amendment No. 2, Related to Enhancements to its Risk Model for Credit Default Swaps

On August 8, 2014, Chicago Mercantile Exchange Inc. (“CME”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change SR-CME-2014-28 pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder.² The proposed rule change was published for comment in the Federal Register on August 18, 2014.³ On September 2, 2014, CME filed Amendment No. 2 to the proposed rule change.⁴ Notice of Amendment No. 2 to the proposed rule change was published for comment in the Federal Register on September 08, 2014.⁵ The Commission did not receive comments on the proposed rule change or Amendment No. 2 thereto.

Section 19(b)(2) of the Act⁶ provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Securities Exchange Act Release No. 34-72834 (Aug. 13, 2014), 79 FR 48805 (Aug. 18, 2014) (SR-CME-2014-28).

⁴ On August 18, 2014, CME filed Amendment No. 1 to the proposed rule change. CME withdrew Amendment No. 1 on August 29, 2014.

⁵ Securities Exchange Act Release No. 34-72959 (Sep. 2, 2014), 79 FR 53234 (Sep. 8, 2014) (SR-CME-2014-28).

⁶ 15 U.S.C. 78s(b)(2).

proceedings to determine whether the proposed rule change should be disapproved. The 45th day from the publication of notice of filing of this proposed rule change is October 2, 2014. The Commission is extending this 45-day time period.

CME is proposing significant changes to its risk model for the clearing of broad-based index credit default swaps (“CDS”), which share the same Guaranty Fund with single-name CDS in the event CME launches clearing of single-name CDS. The Commission finds it appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the complex issues under the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,⁷ designates November 16, 2014, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-CME-2014-28).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁸

Jill M. Peterson
Assistant Secretary

⁷ 15 U.S.C. 78s(b)(2).

⁸ 17 CFR 200.30-3(a)(31).