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July 31, 2026

VIA ELECTRONIC SUBMISSION

Mr. Christopher J. Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Re: Notice of Proposed Rulemaking on "*Data Reporting Requirements for Certain Event Contracts,*" RIN 3038-AF73

Dear Mr. Kirkpatrick,

CME Group Inc. ("CME Group")[1] appreciates the opportunity to comment on the Commodity Futures Trading Commission's ("CFTC" or the "Commission") notice of proposed rulemaking on *Data Reporting Requirements for Certain Event Contracts* (the "NPRM" or the "Proposal").[2]

Chicago Mercantile Exchange Inc. ("CME") is a wholly-owned subsidiary of CME Group. CME is registered with the CFTC as a derivatives clearing organization ("DCO") ("CME Clearing"). CME Clearing offers clearing and settlement services for listed futures and options on futures contracts, including those listed on CME Group's CFTC-registered designated contract markets ("DCMs"), as well as over-the-counter derivatives transactions, including interest rate swaps ("IRS") products. On July 18, 2012, the Financial Stability Oversight Council designated CME as a systemically important financial market utility ("SIFMU") under Title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. As a SIFMU, CME is also a systemically important DCO.

CME Group appreciates the Commission's work to codify the relief granted from staff no-action letters ("NALs") concerning reporting requirements for certain event contracts. Staff has already granted 16 such NALs. In granting this relief, including the no-action relief granted to CME (the "CME NAL"),[3] the Commission noted that, given the features of these types of contracts, the

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[1] As a leading and diverse derivatives marketplace, CME Group enables clients to trade in futures, cash and over-the-counter markets, optimize portfolios, and analyze data – empowering market participants worldwide to efficiently manage risk and capture opportunities. CME Group's exchanges offer the widest range of global benchmark products across all major asset classes based on interest rates, equity indexes, foreign exchange, energy, agricultural products, and metals. CME Group offers futures trading through the CME Globex platform, fixed income trading via BrokerTec, and foreign exchange trading on the EBS platform.

[2] CFTC, Notice of proposed rulemaking, *Data Reporting Requirements for Certain Event Contracts* [hereafter, "*Proposal*"], 91 Fed. Reg. 40102 (Jul. 1, 2026), *available at* https://www.govinfo.gov/content/pkg/FR-2026-07-01/pdf/2026-13239.pdf?.

[3] CFTC Letter No. 25–23 (Jul. 22, 2025), *available at* https://www.cftc.gov/csl/25-23/download.

policy goals of swap data reporting had little applicability. The Commission now seeks to move forward with the Proposal to establish an alternative and uniform reporting regime for the set of contracts identified in the staff NALs. As the Commission has noted, addressing requests serially and ad hoc raises several concerns, and the elimination of the need for DCOs and other reporting markets to seek additional staff NALs regarding these data reporting requirements will be a valuable development in the marketplace for event contracts. Further, as the Commission observed, it "benefits when data for similar contracts are reported in a standardized and consistent manner, as this allows aggregation of data for similar contracts in a single database for purposes of market monitoring, analysis, or surveillance."[4] We wholeheartedly agree with the Commission's rationale for the Proposal and appreciate that these types of actions by the Commission support responsible innovation that serves public interests.

While CME Group supports the Commission's effort to codify existing staff no-action positions, including the CME NAL, we offer two comments for the Commission's consideration as it moves forward with this rulemaking. First, the Commission should consider a technical amendment to the conditions of the proposed rule to clarify that all "fully margined" contracts qualify. Second, we urge the Commission to reconsider the proposed mandate requiring DCMs to collect granular trader-level identifying data because it penalizes intermediated market models, conflicts with over a decade of established CFTC staff Ownership and Control Reporting ("OCR") no-action relief, and overlooks superior, harmonized surveillance mechanisms already available under Part 17.

I. Covered Event Contracts should include both fully collateralized and fully margined positions.

The definition of Covered Event Contracts in the Proposal, as drafted, does not include all similar event contracts, like those cleared by CME Clearing, that are fully margined. More specifically, as set forth in the petition for the CME NAL, CME Clearing's event contracts are subject to premium-style margining, where at each clearing cycle after a position is initiated: i) a person establishing a long position pays (via their Clearing Member) the full premium amount for each contract to CME; and ii) a person establishing a short position pays (via their Clearing Member) as performance bond the full notional value of the contract to CME. In contrast, the definition of Covered Event Contracts in the Proposal is limited to the term "fully collateralized position" as set out in CFTC Regulation 39.2, which requires the DCO "to hold, **at all times**, funds in the form of the required payment sufficient to cover the maximum possible loss that a party or counterparty could incur upon liquidation or expiration of the contract" (emphasis added). The definition under CFTC Regulation 39.2 does not perfectly track the practice of a DCO collecting funds, after the initiation of a position in an event contract, at its at least daily clearing cycles, twice daily in the case of CME Clearing as such practices were recognized by the Commission in granting the CME NAL.

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[4] *See* NPRM at 40105, *available at* https://www.govinfo.gov/content/pkg/FR-2026-07-01/pdf/2026-13239.pdf?.

We believe the definition of a fully collateralized position under CFTC Regulation 39.2 is appropriate for the purposes of Part 39, because the definition is used in the context of disapplying certain risk management requirements otherwise required in Part 39. However, we do not believe it is appropriate for the purposes of the Proposal. The Proposal does not concern the risk management practices for the clearing of event contracts, rather it concerns the reporting of information on positions in these contracts. Therefore, we recommend that the Proposal's definition of Covered Event Contracts in Regulation 16.03 be amended to account for reporting of all like event contracts. In particular, we suggest that the CFTC amend proposed CFTC Regulation 16.03(a) to replace the reference to the definition of fully collateralized position under CFTC Regulation 39.2 with the following definition for the purpose of the reporting rule (i.e., recommended deletions to the proposed definition **~~struck through~~** and additions **underlined**):

> *A contract cleared by a derivatives clearing organization that requires the derivatives clearing organization to* ***~~hold, at all times,~~*** ***collect*** *funds in the form of the* ***full amount of*** *required payment sufficient to cover the maximum possible loss that a party or counterparty could incur upon liquidation or expiration of the contract.*

CME Group appreciates the opportunity to provide feedback on the Proposal and, given the Commission's expressed intent to codify the current relief given by staff NALs, we believe the proposed amendment will ensure that the final rule covers the full scope of these fully paid event contracts currently cleared by DCOs.

II. Proposed § 16.03(g) would impose upon DCMs the same burden as OCR, which has been justifiably subject to no-action relief for more than a dozen years.

We share the Commission's view that trader-level identifying information can provide tremendous value to market surveillance programs. We also agree that OCR, along with large trader and volumetric reporting, are critical components of these programs—OCR in particular allows the Commission to harmonize data and identify participants across all markets. It is therefore troubling that the Proposal would effectively override OCR and large trader reporting for covered event contracts by raising reporting thresholds to levels that reduce reportable accounts by up to 99 percent. Rather than maintaining this vital framework, the NPRM seeks to replace it by shifting the burden of collecting specific trader-level information directly to DCMs under proposed CFTC Regulation 16.03(g). As detailed below, this approach is flawed: it inadvertently creates an unlevel playing field that penalizes intermediated market structures; it directly conflicts with longstanding no-action relief; and surveillance goals can be achieved far more effectively and fairly by leveraging Part 17 OCR architecture.

Although the Proposal purports to establish a level playing field between non-intermediated and intermediated DCMs, proposed CFTC Regulation 16.03(g) in practice creates a regulatory disparity that disfavors the intermediated model. Non-intermediated DCMs onboard retail participants directly, making the collection of names, physical addresses, occupations, and employers a natural component of their account-opening process. In contrast, intermediated

DCMs do not directly onboard customers and do not maintain direct customer relationships. Instead, trader-level information resides with the broker, futures commission merchant ("FCM"), FCM clearing members, or omnibus account entity ("reporting entities") that onboarded, and maintains a relationship with, the market participant. Forcing intermediated DCMs to collect this information compels them to rely entirely on reporting entities for this information, shifting significant and unnecessary administrative costs onto the DCMs and their intermediaries, and penalizing the entire intermediated structure.

The central discord in this proposed mandate is that reporting entities have operated under long-standing Division of Market Oversight staff no-action relief—extended in CFTC Letter No. 24-14—explicitly relieving them from collecting and producing these exact data fields for Part 17 OCR reporting. For more than a dozen years, the Commission and the industry have recognized the severe administrative burdens, data-privacy risks, and legal hurdles associated with requiring intermediaries to collect natural person controller information, employers, and occupations. Proposed CFTC Regulation 16.03(g) completely ignores this established and longstanding consensus, nullifying Part 17 no-action relief by re-imposing the exact same operational burdens on reporting entities through a new Part 16 DCM mandate. If the Commission intends to revisit trader-level reporting obligations, it should address the OCR framework holistically rather than creating conflicting requirements that are driven by the type of product traded.

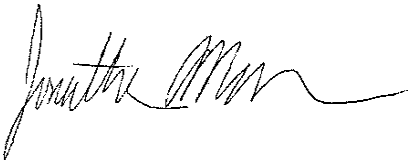
To achieve the Commission's surveillance objectives without imposing disproportionate and unnecessary operational burdens on intermediated markets, the CFTC should leverage its existing Part 17 OCR framework rather than creating a fragmented Part 16 regime. Specifically, establishing an event contract-specific volume threshold (such as 1 contract) under Part 17 would trigger automated Form 102B reporting by FCMs to identify account owners and controllers through pre-existing infrastructure. The Commission could then gather granular individual details—such as employer, occupation, and financial interests—directly from traders via Form 40 and Form 71 Special Calls. Until such time that the Commission addresses challenges with its OCR rulemaking, this two-stage Part 17 approach preserves the fundamental principles of staff no-action relief by keeping intermediaries focused on account-level ownership and control, while ensuring the Commission receives standardized, fully harmonized trader data across all DCM platforms to conduct comprehensive cross-exchange surveillance.

Finally, should the Commission decide not to incorporate CME Group's recommendations and instead proceed with implementing trader-level identification requirements for event contracts under proposed CFTC Regulation 16.03(g), the proposed 60-day compliance window is operationally unfeasible. Intermediaries, DCMs, and technology vendors will require substantial lead time to re-architect onboarding workflows, build secure data collection protocols, and execute thorough end-to-end integration testing across hundreds of thousands of customer accounts. Given these technical complexities, the Commission should provide a transition period of at least 12 to 18 months following the publication of final technical specifications.

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CME Group appreciates the opportunity to comment on the Proposal and would be happy to further discuss the reporting process with the Commission. Should you have any questions or require additional information regarding this submission, please feel free to contact me at (312) 930-2324 or via email at jonathan.marcus@cmegroup.com.

Sincerely,



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CME Group Inc.