CME Group

February 6, 2026

CPMI Secretariat
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IOSCO Secretariat
Email: VMconsultation@iosco.org

VIA ELECTRONIC SUBMISSION

Re: Consultative report on *FMIs' management of general business risks and general business losses: Further guidance to the PFMI*

To Whom it May Concern,

CME Group Inc. ("CME Group")[1] appreciates the opportunity to comment on the Committee on Payments and Market Infrastructures ("CPMI") and Board of the International Organization of Securities Commissions ("IOSCO") consultative report on *FMIs' management of general business risks and general business losses: Further guidance to the PFMI* (the "Consultation").[2]

Chicago Mercantile Exchange Inc. ("CME") and CME Securities Clearing Inc. ("CMESC") are wholly-owned subsidiaries of CME Group. CME is registered with the Commodity Futures Trading Commission ("CFTC") as a derivatives clearing organization ("DCO") ("CME Clearing") and CMESC is registered with the Securities and Exchange Commission ("SEC") as a clearing agency.[3] 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

[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, foreign exchange trading on the EBS platform.

[2] Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, Consultative Report, *FMIs' management of general business risks and general business losses: Further guidance to the PFMI* [hereafter, "*Consultation*"] (Nov. 2025), *available at* https://www.bis.org/cpmi/publ/d229.pdf.

[3] As of this letter, CMESC has not commenced its clearing operations.

("SIFMU") under Title VIII of the Dodd-Frank Wall Stress Reform and Consumer Protection Act. As a SIFMU, CME is also a systemically important DCO.

I. INTRODUCTION

CME Group shares policy-makers' goals of supporting the stability of the broader financial system and appreciates the already strong framework that has been adopted by local policy-makers through their implementations of the *Principles for financial market infrastructures* ("PFMIs"),[4] which promotes central counterparties' ("CCPs") resiliency. The PFMIs set out a clear framework for the management of general business risk and related general business losses, which allows CCPs to appropriately tailor their risk management practices to the unique types of general business risk they may face. The PFMIs also allow local jurisdictions to appropriately tailor their legislative and regulatory requirements to their local legal and regulatory frameworks and the CCPs they oversee. As such, CME Group appreciates the Consultation's statement that the guidance contemplated in the Consultation "is not intended to create or impose additional standards for [financial market infrastructures] beyond those set out in the PFMI…The guidance provides clarity on an acceptable way – although it does not prescribe what is necessarily the only way – of observing the PFMI." [5]

The principles-based approach of the PFMIs allows CCPs to implement effective practices to manage general business risk and potential related losses. The comprehensive nature of CCPs' practices for addressing general business losses—also commonly referred to as non-default losses (or "NDLs")—has been noted by the Financial Stability Board and CPMI-IOSCO, including in the results of NDL scenario analysis summarized in their report on *Central Counterparty Financial Resources for Recovery and Resolution* ("the Report")[6] from both a qualitative and quantitative perspective. Despite the extreme and implausible nature of the NDL scenario analysis, which CME Group describes in detail in its comments on the Report, the participating CCPs were largely able to successfully navigate the scenarios.[7] The effectiveness of CCPs' practices is further evidenced by the lack of historical data for severe general business losses experienced by CCPs, as recognized by CPMI-IOSCO in the Consultation[8] and other reports.[9] CPMI-IOSCO has also consistently recognized that "CCPs generally consider a range of NDL scenarios that may arise from risks relevant to their business activities, including general business risk,

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[4] Committee on Payment and Settlement Systems (later renamed the Committee on Payments and Market Infrastructures) and Board of the International Organization of Securities Commissions, *Principles for financial market infrastructures* [hereafter, "*PFMI*"] (Apr. 2012), *available at* https://www.bis.org/cpmi/publ/d101a.pdf.

[5] *Consultation* at ¶ 1.3.3.

[6] Financial Stability Board, Committee on Payments and Market Infrastructures, and Board of the International Organization of Securities Commissions, *Central Counterparty Financial Resources for Recovery and Resolution* [hereafter, "Report"] (Mar. 2022), *available at* https://www.fsb.org/wp-content/uploads/P090322.pdf.

[7] Letter from CME Group to FSB-CPMI-IOSCO re: the Report, dated Apr. 29, 2022, *available at* https://fsb.org/wp-content/uploads/CMEGroup.pdf.

[8] *Id*. at ¶ 3.1.10.1 – 3.1.10.2.

[9] Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, *A discussion paper on central counterparty practices to address non-default losses* (Aug. 2022), pg. 8, *available at* https://www.iosco.org/library/pubdocs/pdf/IOSCOPD709.pdf; and Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, *Report on current central counterparty practices to address non-default losses* (Aug. 2023), pg. 8, *available at* https://www.iosco.org/library/pubdocs/pdf/IOSCOPD743.pdf.

operational risk, investment risk, custody risk and legal risk."[10] Similarly, CPMI-IOSCO also has highlighted that "CCPs engage in a variety of practices to ensure that NDL exposures are covered by available resources and tools both from a credit perspective (ie total exposures will be covered by total resources and tools) and from a liquidity perspective (ie considering the CCP's liquidity resources and tools, sufficient resources will be promptly available when exposures materialise)." While CME Group recognizes that CPMI-IOSCO's report on *Implementation monitoring of the PFMI: Level 3 assessment on general business risks*[11] identified some areas in which there were varying practices across financial market infrastructures ("FMIs") for managing general business risk, it is important to consider the body of work that CPMI-IOSCO has produced evidencing the robustness of CCPs' general business risk management practices. The PFMIs not only clearly establish practices for CCPs management of varying types of general business risk, but they establish clear standards that have been implemented locally for CCPs' resources for addressing potential general business losses. In particular, Principle 15 of the PFMIs states, in relevant part:

> *"An FMI should hold liquid net assets funded by equity (such as common stock, disclosed reserves, or other retained earnings) so that it can continue operations and services as a going concern if it incurs general business losses. The amount of liquid net assets funded by equity an FMI should hold should be determined by its general business risk profile and the length of time required to achieve a recovery or orderly wind-down, as appropriate, of its critical operations and services if such action is taken…At a minimum, an FMI should hold liquid net assets funded by equity equal to at least six months of current operating expenses."*

Given the clarity the PFMIs already provide, coupled with the robustness of CCPs' general business risk management practices, further guidance on general business risk and related losses does not seem necessary. To the extent CPMI-IOSCO moves forward with issuing guidance, it must provide CCPs with appropriate flexibility that allows each CCP to continue to design its practices for identifying, monitoring, and managing general business risk and determining the minimum amount of liquid net assets funded by equity ("LNAFE") in a manner consistent with the unique risks it faces. A move towards more prescription could undermine, rather than supplement, the accomplishments of policy-makers and CCPs to date in promoting resilience and supporting financial stability.

I. SCOPE OF GENERAL BUSINESS RISK AND INTERACTION WITH OTHER PRINCIPLES & IDENTIFYING, MONITORING, AND MANAGING GENERAL BUSINESS RISK

The PFMIs provide clear and sufficient guidance on the identification, monitoring, and management of general business risk and related potential losses by defining the scope of general business risk and the interactions between the various principles of the PFMIs concerning such risk. More specifically, regarding the scope, the PFMIs clearly define general business risk as "any potential impairment of the financial condition (as a business concern) of an FMI due to declines in its revenues or growth in its expenses, resulting in expenses exceeding revenues and a loss that must be charged against capital."[12] The

[10] *Id* at pg. 7.
[11] Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, *Implementation monitoring of the PFMI: Level 3 assessment on general business risks* (Nov. 2025), *available at* https://www.bis.org/cpmi/publ/d228.pdf.
[12] *PFMI* at ¶ 2.7.

interaction of different principles of the PFMIs is also clear in the PFMIs, thus, negating the need for guidance. In particular, Principle 3: Framework for the comprehensive management of risks clearly establishes the framework for FMIs management of risks overall and Principle 15: General business risk clearly establishes the broader practices for FMIs management of general business risks, including the practices for sizing LNAFE, while other principles of the PFMIs clearly establish general business risk management practices for specific types of general business risk. Of note, for addressing specific types of general business risk, is Principle 1: Legal basis, Principle 9: Money settlements, Principle 16: Custody and investment risk, and Principle 17: Operational risk. Importantly, the PFMIs are comprehensive while not being overly prescriptive, which avoids undermining the ability of CCPs to tailor their practices to the unique types of general business risk they face. Given the strong foundation provided by the PFMIs and CCPs' robust risk management practices, additional guidance is not needed for CCPs regarding the scope of general business risk, the interactions between the various principles of the PFMI, or on practices for identifying, monitoring and managing general business risk.

CME Group appreciates that the Consultation recognizes that each FMI is best placed to identify the types of general business risk it faces. It is important to recognize that the mere identification of a given general business risk does not mean that the risk could result in a loss that threatens a CCP's viability as a going concern. To the extent any guidance is issued, it should be clear, consistent with the PFMIs, that the focus of a CCP should be on estimating the size and timing of losses for those types of general business risk identified by the CCP that could reasonably result in losses that could threaten its viability as going concern. More specifically, the Consultation rightfully recognizes that a CCP must be able to consider the practices it has in place to reduce residual risk in sizing its resources,[13] but such consideration should equally apply to a CCP's determination of which types of general business risk to focus its loss estimation processes on in the first place. Failure to do so could inadvertently divert staffing resources and time away from those types of general business risk that could actually present a reasonable threat to a CCP's viability as a going concern.

However, given the robustness of CCPs' risk management practices—adopted in line with local regulations implementing the PFMIs—it is still plausible that even the occurrence of an extreme but plausible scenario for a given general business risk would not result in a loss that threatens a CCP's viability.[14] To that end, any guidance should make clear that the focus of a CCP should be on estimating the size and timing of general business losses under extreme but plausible conditions. Any expectation that a CCP estimates general business losses assuming extreme and implausible conditions would not only divert staffing resources and time away from preparing for extreme but plausible scenarios, including those resulting in clearing member default losses, it could also result in the misallocation of resources that would otherwise be available to mitigate the risk of general business losses arising. Notably, in some cases, expecting a CCP to assume extreme and implausible conditions may place them in the untenable position of becoming guarantors of the broader financial system.

[13] *Consultation* at ¶ 3.2.6.

[14] For example, even if CME Clearing were to experience an extreme but plausible scenario resulting in a market value loss from its investments, this scenario would not trigger recovery or wind-down due to the conservative nature of CME Clearing's investment policy.

Notwithstanding the above, CME Group appreciates that the Consultation provides ways in which an FMI may consider estimating the size and timing of general business losses, rather than being more prescriptive by listing specific tools that must be used. This is particularly important given the data limitations for severe general business losses, which makes many of the tools listed in the Consultation challenging to leverage for estimating general business losses. For example, a CCP may still be able to conduct meaningful scenario analysis for a given general business risk with limited data, but one would expect such analysis to rely heavily on a CCP's risk management expertise, as recognized in the Consultation.[15] CCPs' specific activities present unique risk profiles and exposures to different risks from that of banks and even other FMIs.[16] Individual CCPs also have different operating structures and risk management practices, which impact the specific types of general business risk they each face, reinforcing the importance of a CCP being able to effectively leverage its risk management expertise. Given this, CME Group questions the impact of a CCP using external data to estimate general business losses and appreciates the Consultation's recognition that data must be "appropriate."[17] Ultimately, given the unique risk profile of each CCP, any guidance should clearly recognize a CCP's use of its risk management expertise as one of the primary means to identify and estimate the impact of general business risk, especially in regards to informing the assumptions and scenarios that CCPs use for sizing and determining the timing of potential related losses.

The potential genesis of general business losses is exponentially greater than those that exist for clearing member default losses, not only because of the variety of risks, but also the varying practices CCPs employ for mitigating and managing these risks. There is no one-size-fits-all approach to the identification, monitoring, and management of each type of general business risk a CCP may face. The diversity of general business risk management practices across CCPs and across types of general business risk, coupled with the use of risk management expertise, must be embraced in a manner consistent with a given jurisdiction's local implementation of the PFMIs, allowing each CCP to effectively manage the unique risks it faces.

II. DETERMINING THE MINIMUM AMOUNT OF LNAFE

The PFMIs provide clear and sufficient guidance on determining the minimum amount of LNAFE necessary for a CCP to continue its operations as a going concern, while the CCP is implementing its recovery or wind-down plan.[18] The PFMIs make clear that the minimum amount of LNAFE should also consider a CCP's general risk profile and at a minimum cover at least six-months of a CCP's current operating costs. The principles-based approach of the PFMIs allows CCPs to appropriately account for the unique types of losses they may face and the costs that may be incurred in implementing their recovery tools and/or wind-down strategies. We recognize the importance of CCPs' holding sufficient LNAFE that is designed to ensure that they can address potential general business losses and can continue to provide their critical operations and services, including in recovery or wind-down. CME Clearing holds resources sufficient to allow for the continued provision of its clearing services as a going concern in implementing its Recovery and Wind-Down Plans, in accordance with CFTC Regulations 39.11(a)(2) and

[15] *Consultation* at ¶¶ 3.1.10.3 and 3.1.11.
[16] *See Consultation* at pg. 9 (noting, "an FMI should establish and implement the following processes..[a] thorough process to identify general business risk that stems from an FMI's specific activities").
[17] *Consultation* at ¶ 3.1.10.1.
[18] *PFMIs* at Principle 15.

(e)(2) and 39.39(d). These regulations require that CME Clearing maintain resources that, at a minimum, are sufficient to cover one-year of operating costs, calculated on a rolling basis. In order to affirm the sufficiency of its resources to continue its operations in recovery or wind-down, CME Clearing conducts scenario analysis of general business losses (as well as clearing member default losses) under extreme but plausible conditions[19] and evaluates the potential changes to its revenue and operating costs in recovery and wind-down.

While we agree with CPMI-IOSCO that CCPs must have effective practices for identifying and managing general business risk, identification of a risk should not automatically require capitalization against potential losses. Although CCPs have low risk tolerances, given their primary function as risk managers, they must retain the ability to operate within their risk tolerance policies, which means there may inherently be a certain level of residual risks to which CCPs are exposed and they cannot be expected to maintain LNAFE to cover any-and-all losses resulting from this risk. Consistent with the PFMIs' recognition that a CCP's board of directors must adopt risk tolerance policies,[20] any guidance should be clear that a CCP is not expected to maintain LNAFE that covers any level of residual risk that persists from general business risk.[21] This clarity, in part, also affirms the importance of any guidance focusing on a CCP's LNAFE being sufficient to withstand general business losses arising under extreme but plausible conditions, as noted in Section II. A focus on extreme but plausible conditions provides clarity that residual risk that may persist under extreme and implausible conditions is not expected to be covered by LNAFE.

The Consultation's expectation that a CCP maintain resources to absorb potential custody losses related to participants' assets is an extreme and implausible scenario, which is particularly troublesome since the Consultation notes such resources are in excess of the LNAFE a CCP maintains to operate as a going concern to implement its recovery or wind-down plan.[22] The expectation that resources be maintained to address this is problematic for a few reasons. First, it expects a CCP to effectively guarantee against the failure of a custodian, which suggests that a CCP is a guarantor of the broader financial system, a role not taken up by, or required of, any other institution in the chain of custody and management of collateral. Second, it implausibly assumes that prudential regulators have failed in their duty to sufficiently design and take action, where necessary, under their regulatory frameworks that ensure the ongoing continuity of collateral access and services in the event of a bank's resolution,[23] which is an area of ongoing focus for banks in maintaining and regularly reviewing their resolution plans.[24]

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[19] For each scenario, this comprises quantitative analysis of potential losses against available resources and qualitative analysis to identify the potential facts and circumstances that may characterize the scenario and to describe the monitoring processes relevant to the scenario. In addition, this analysis incorporates the steps CME Clearing may take should the scenario occur. In some cases, this analysis leads CME Clearing to conclude that the scenario would not trigger recovery or wind-down because it can be managed within its day-to-day risk management practices and resources.

[20] *PFMI* at Principle 2, Key Consideration 6 (noting, the "board should establish a clear, documented risk-management framework that includes the FMI's risk-tolerance policy").

[21] *Contra Consultation* at ¶¶ 3.1.4.3, 3.2.1 and 3.2.6.

[22] *Consultation* at ¶ 4.2.11.

[23] *See* 12 CFR 243.2 and 243.3(a)(1)(ii), 12 CFR 381.2 and 381.3(a)(1)(ii), and 84 FR 1438 (noting, the resolution planning for "critical operations" and those material entities that are significant to those operations).

[24] *See* Federal Deposit Insurance Corporation, *FDIC and Financial Regulatory Reform - Title I and IDI Resolution Planning* (Nov. 2025) (noting, public sections of banks' resolution plans discuss how the plans are designed to

Any guidance on LNAFE should clearly recognize that a CCP's primary focus must continue to be on preventing general business losses from materializing. At the forefront of CCPs' management of general business risk, CCPs must have the ability to account for the fact that certain types of general business risk may be best addressed by putting resources towards risk mitigating practices, as opposed to setting aside additional LNAFE. For example, putting resources towards cyber resiliency can be a more effective use of resources as it can mitigate the risk of losses related to cyber-security risk materializing. CCPs should continue to invest in enhancing their risk management practices such that events that result in general business losses can be successfully avoided, rather than tying up restrictive amounts of resources to cover losses that may never arise.

CME Group appreciates the Consultation's focus on providing considerations for a CCP in determining the minimum amount of LNAFE, opposed to attempting to be more prescriptive by listing specific types of losses[25] and expense and revenue assumptions a CCP must make in its LNAFE determination. Due to the diversity of CCPs' operating structures and risk management practices, which impact the drivers of their expenses and revenue, we caution against any prescriptive guidance. This could undermine the necessary level of flexibility that is needed for CCPs to comprehensively consider the unique factors that may impact their determination of the sufficient amount of LNAFE to continue its operations as a going concern in the face of general business losses and implement its recovery or wind-down plan. As such, we do not believe additional guidance is necessary.

III. GOVERNANCE AND TRANSPARENCY

The PFMIs provide clear and sufficient guidance on governance and transparency with regard to general business risk and related losses.

a. GOVERNANCE

A CCP's governance arrangements, which encompass the governance arrangements for managing general business risk and related losses, must be designed to promote the safety and efficiency of the CCP and support the stability of the broader financial system, and other relevant public interest considerations.[26] Consistent with CFTC Regulation 39.24, CME governance arrangements, adopted by its board of directors, explicitly prioritize the safety and efficiency of CME Clearing and generally support the stability of the broader financial system, while considering the legitimate interests of clearing members and customers and prudent risk management standards (including systemic risk mitigation) and best practices.[27] CME Clearing's board-established committees also include market participant representation.

The PFMIs appropriately recognize that the board of directors must be responsible for the oversight of a CCP's risk management framework, including as it relates to general business risk, and that the CCP's

provide continuity to critical operations), *available at* https://www.fdic.gov/resolutions/fdic-and-financial-regulatory-reform-title-i-and-idi-resolution-planning.

[25] Please refer to CME Group's comments in Section II regarding the determination of general business losses.

[26] *PFMIs* at Principle 2.

[27] CME Group, *Corporate Governance Principles*, at pg. 12, *available at* https://investor.cmegroup.com/static-files/60827cf0-529e-4656-a57a-d2007fa68e30.

management is responsible for the day-to-day management of risks.[28] While considering the legitimate risk management interests of clearing members and customers is invaluable for a CCP, a CCP's board of directors must retain the ultimate authority for adopting and overseeing the implementation of a CCP's risk management framework. The PFMIs, as well as local regulations implementing them, have led CCPs to adopt governance arrangements requiring consultation with market stakeholders, thus, obviating the need for additional guidance. For example, CME Clearing has established risk committees[29] composed primarily of clearing members and customers and a risk working group[30] that is open to all market participants. While CME Group recognizes the importance of a CCP being transparent on its management of general business risk, as this allows market participants to evaluate the overall counterparty risk to a CCP, the management of general business risk does not commonly impose any direct obligation on its market participants, thus, consultation with market participants is unnecessary. A CCP is best placed to determine the appropriate processes for managing the variety of types of general business risk it faces and the sufficiency of tools and resources to address related potential losses.

b. TRANSPARENCY

CCPs provide high levels of transparency with regard to their risk management, including as it relates to general business risk. CCPs' rulebooks are publicly available and changes to practices are included in publicly available rule filings and advisories. A CCP's rulebook is particularly relevant as it transparently establishes any direct obligations imposed on a CCP's market participants relating to the management of general business losses. Further, CCPs provide public disclosures via their qualitative and quantitative PFMI disclosures.[31] CCPs' PFMI disclosures are intentionally provided in a standardized format,[32] which allows stakeholders to efficiently intake this information. To further support this standardization, CCP Global[33] has adopted a disclosure template and FAQ guide for CCPs' quantitative disclosures.[34]

The same principles of the PFMIs that are core to establishing CCPs practices for managing general business risk and related losses[35] are core to the qualitative and quantitative disclosures CCPs make on these practices. CPMI-IOSCO's disclosure frameworks set-out specific questions for CCPs to consider in publishing their qualitative disclosures and specific data points to include in their quantitative disclosures.

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[28] *PFMIs* at Principle 2 (noting, Key Consideration 6).

[29] CME, *Clearing House Risk Committee Charter* (Aug. 2024), *available here*: https://investor.cmegroup.com/static-files/7445789a-8aaa-46ec-8539-069e8cbf0fab and CME, *Interest Rate Swaps Risk Committee Charter* (Aug. 2024),: https://investor.cmegroup.com/static-files/50a72d75-6269-41ec-8bec-1799c4ac19e1.

[30] CME, *Clearing House Risk Working Group Procedures* (June 2024), *available here*: https://www.cmegroup.com/rulebook/files/cme-house-risk-working-group-procedures.pdf.

[31] *See* CME Clearing's qualitative and quantitative PFMI disclosures, available here: https://www.cmegroup.com/clearing/risk-management/files/cme-clearing-principles-for-financial-market-infrastructures-disclosure.pdf and https://www.cmegroup.com/clearing/cpmi-iosco-reporting.html, respectively

[32] Committee on Payment and Settlement Systems (later renamed the Committee on Payments and Market Infrastructures) and Board of the International Organization of Securities Commissions, *Principles for financial market infrastructures: Disclosure framework and Assessment methodology* [hereafter, *PFMI Disclosure*] (Dec. 2012) and Committee on Payments and Market Infrastructures and Board of the International Organization of Securities Commissions, *Public quantitative disclosure standards for central counterparties* [hereafter, *PQDs*] (Feb. 2015)

[33] CCP Global is a global association for CCPs, representing 40 members who operate more than 60 individual CCPs globally across the globe, see also: https://ccp-global.org/.

[34] *See* CCP Global quantitative disclosures resources, *available here* https://ccp-global.org/pqd.

[35] Please refer to CME Group's comments in Section II regarding the relevant principles of the PFMIs.

CCPs' disclosures qualitatively describe how a CCP manages the various types of general business risk for which it is exposed and sizes its LNAFE, while providing related quantitative disclosures.[36] CCPs also commonly provide annual disclosures on types of general business risk they face. For example, CME Group's public company filings address general business risk, including the 10-k,[37] which covers, among other things, a variety of risks relating to the business (e.g., litigation and cyber-security risk). CME Clearing also provides transparency to market participants through its risk committees, working groups, coordination through industry associations, and 1-on-1 discussions with market participants. CME Clearing provides further transparency via the CME Group website's landing page dedicated to providing transparency on CME Clearing's risk management practices, entitled "*CME Clearing Knowledge Center*".[38] The *CME Clearing Knowledge Center* includes numerous documents and information designed to educate and provide details on CME Clearing's risk management practices.

Considering the level of transparency already offered by CCPs, additional guidance on the transparency of CCPs' management of general business risk and related losses is unnecessary, especially where disclosing information could lead to revealing sensitive information about proprietary risk management practices (e.g., cyber-security risk)—this concern is particularly heightened where disclosures could be used by malicious actors. CCPs must retain the ability to determine the appropriate level of detail to be included in their general business risk disclosures, particularly where those risks do not trigger any performance obligations by market participants.

IV. CONCLUSION

CME Group appreciates the opportunity to provide feedback on the Consultation and is hopeful that its responses and participation in previous work in this workstream have proved valuable in policy-makers ongoing work. We are confident that the work of CPMI-IOSCO reflects the robustness of the PFMIs, as reflected by the continued resilience of CCPs. However, we are concerned that any further prescription in this area could have unintended negative effects on CCPs' risk management practices and encourage CPMI-IOSCO to avoid such an outcome.

We would be happy to further discuss our comments with CPMI-IOSCO. If any comments or questions regarding this submission arise, please feel free to contact me at Sean Downey at sean.downey@cmegroup.com.

Best,



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[36] *PFMI Disclosure* at Principle 1: Legal basis, Principle 9: Money settlements, Principle 15: General business risk, Principle 16: Custody and investment risk, and Principle 17: Operational risk and *PQDs* at 15.1, 16.1 – 16.3, and 17.1 – 17.4.

[37] *See* https://www.cmegroup.com/investor-relations/annual-report-10-k.html.

[38] *See* https://www.cmegroup.com/clearing/cme-clearing-knowledge-center.html.