types of Clearing Participant entities. Therefore, Rule 201(b)(ii)(C) places the burden on the Clearing Participant to demonstrate that its capital exceeds the capital requirement that would be applicable to it if it were an FCM, as determined pursuant to a methodology acceptable to ICC.

In addition, in order to promote compliance with the capital adequacy requirements, Rule 201(b)(i) is amended to provide that a Clearing Participant must be regulated for capital adequacy by a competent authority such as the CFTC, SEC, Federal Reserve Board, Office of the Comptroller of the Currency, U.K. Financial Services Authority, or any other regulatory body ICC designates from time to time for this purpose, or is an affiliate of an entity that satisfies the capital adequacy regulatory requirement and is subject to consolidated holding company group supervision.

Further, ICC is revising Rule 209 (Risk-Based Capital Requirement) to provide that if at any time and for so long as a Clearing Participant has a required contribution to the ICC General Guaranty Fund that exceeds 25% of its ''excess net capital,'' ICC may (in addition to imposing the trading activity limitations provided for in ICC Rule 203(b)) require such Clearing Participant to prepay and maintain with ICE Clear Credit an amount up to the Clearing Participant's assessment obligation. ICC Rule 102, the definitional section of the Rules, has been amended to define ''excess net capital'' as the amount reported on Form 1–FR–FCM or FOCUS Report or as otherwise reported to the CFTC under CFTC Rule 1.12. For a Participant that is not an FCM or a Broker-Dealer, there is no standard equivalent to ''excess net capital'' which can be utilized across all types of Clearing Participant entities. Therefore, Rule 102 places the burden on the Clearing Participant to demonstrate that its capital exceeds the capital requirement that would be applicable to it if it were an FCM, as determined pursuant to a methodology acceptable to ICC.

ICC believes that its membership qualification changes are in compliance with CFTC Regulations 39.12(a)(2)(ii) and 39.12(a)(2)(iii).

III. Discussion

Section 19(b)(2)(B) of the Act [4] directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization. In particular, Section 17A(b)(3)(F) of the Act [5] requires that the rules of the clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to the extent applicable, derivative agreements, contracts, and transactions.

The proposed change would allow ICC to expand the base of potential clearing members by lowering the net capital threshold for membership, thereby promoting the prompt and accurate clearance and settlement of securities transactions, and derivative agreements, contracts, and transactions.

Further, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[6] for approving the proposed rule change prior to the 30th day after the date of publication of notice in the **Federal Register** because as a registered DCO ICC is required to comply with the new CFTC regulations 39.12(a)(2)(ii) and 39.12(a)(2)(iii) by the time they become effective on May 7, 2012.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[7] that the proposed rule change (SR–ICC–2012–05) is approved on an accelerated basis.[8]

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2012–11244 Filed 5–9–12; 8:45 am]

BILLING CODE 8011–01–P

[4] 15 U.S.C. 78s(b)(2)(B).

[5] 15 U.S.C. 78q–1(b)(3)(F).

[6] 15 U.S.C. 78s(b)(2).

[7] 15 U.S.C. 78s(b)(2).

[8] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–66914; File No. SR–CME–2012–16]

Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change To Amend Rules Regarding CDS Clearing Member Obligations and Qualifications

May 3, 2012.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on April 23, 2012, Chicago Mercantile Exchange Inc. (''CME'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change described in Items I and II, below, which items have been prepared substantially by CME. The Commission is publishing this Notice and Order to solicit comments on the proposed rule change from interested persons and to approve the proposed rule change on an accelerated basis.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

CME proposes to amend certain of its rules to comply with pending revisions to the CFTC Regulations. The text of the proposed rule change is available at the CME's Web site at *http://www.cmegroup.com.*

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The self-regulatory organization has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

CME is registered as a derivatives clearing organization with the Commodity Futures Trading Commission (''CFTC'') and operates a

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

substantial business clearing futures and swaps contracts subject to the jurisdiction of the CFTC. CME proposes to amend certain of its rules to comply with certain mandatory revisions that are related to recent changes in CFTC Regulations that will become effective on May 7, 2012. More specifically, CME proposes to adopt revisions to CME Rule 8H04 (CDS Clearing Member Obligations and Qualifications).

As described above, the CFTC adopted a number of new regulations designed to implement the core principles for derivatives clearing organizations (DCOs) in the Commodity Exchange Act, as amended by the Dodd-Frank Act. CFTC Regulation 39.12, which becomes effective on May 7, 2012, provides for participant and product eligibility requirements. CFTC Regulation 39.12(a)(iii) provides that a DCO ''shall not set minimum capital requirements of more than $50 million for any person that seeks to become a clearing member in order to clear swaps.'' CFTC Regulation 39.12(a)(2)(ii) provides that ''[c]apital requirements shall be scalable to the risks posed by clearing members.'' CFTC Regulation 39.12(a) provides that a DCO ''shall establish appropriate admission and continuing participation requirements for clearing members of the derivatives clearing organization that are objective, publicly disclosed, and risk-based.''

In order to comply with these Regulations, CME plans to amend CME Rule 8H04. Revised CME Rule 8H04.2 sets minimum capital for a CDS Clearing Member at $50 million and defines ''capital'' consistent with Regulation 39.12(a)(2)(i). In order to scale the capital requirements of CDS Clearing Members to the risks posed by such CDS Clearing Members, new CME Rule 8H04.3 requires CDS Clearing Members to maintain capital of at least 20% of the aggregate performance bond requirement for its proprietary and customer CDS Contracts. Revised CME Rule 8H04.9 requires CDS Clearing Members to provide nominations for certain members of the CDS Risk Committee and CDS Default Management Committee.

The text of the proposed rule change is available at the CME's Web site at *http://www.cmegroup.com.* CME also made a filing, CME Submission 12–124, with its primary regulator, the CFTC, with respect to the proposed rule changes.

CME believes the proposed changes are consistent with the requirements of the Exchange Act. First, CME, a derivatives clearing organization, is required to implement the proposed changes to comply with recent changes to CFTC regulations. CME notes that the policies of the Commodity Exchange Act (''CEA'') with respect to clearing are comparable to a number of the policies underlying the Exchange Act, such as promoting market transparency for derivatives markets, promoting the prompt and accurate clearance of transactions and protecting investors and the public interest. Second, CME believes the proposed changes are specifically designed to promote the prompt and accurate clearance and settlement of derivative agreements, contracts, and transactions, and assure the safeguarding of securities and funds which are in the custody or control of CME, and, in general, protect investors and the public interest, because the rules changes establish objective and risk-based admission and continuing participation requirements for clearing members in compliance with applicable law.

B. Self-Regulatory Organization's Statement on Burden on Competition

CME does not believe that the proposed rule change will have any impact, or impose any burden, on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

CME has not solicited, and does not intend to solicit, comments regarding this proposed rule change. CME has not received any unsolicited written comments from interested parties.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

- Electronic comments may be submitted by using the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*), or send an email to *rule-comments@sec.gov.* Please include File No. SR–CME–2012–16 on the subject line.
- Paper comments should be sent in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–CME–2012–16. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal office of CME. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CME–2012–16 and should be submitted on or before May 31, 2012.

IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change

Section 19(b) of the Act [3] directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to such organization.[4] In particular, Section 17A(b)(3)(F) of the Act requires that the rules of the clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to the extent applicable, derivative agreements, contracts, and transactions.[5]

The proposed change would allow CME to expand the base of potential clearing members by lowering the net capital threshold for membership, thereby promoting the prompt and accurate clearance and settlement of securities transactions, and derivative agreements, contracts, and transactions. It should also allow CME to comply with new CFTC regulatory requirements, thereby promoting the prompt and accurate clearance and settlement of derivative agreements, contracts, and transactions.

[3] 15 U.S.C. 78s(b).

[4] 15 U.S.C. 78s(b)(2)(B).

[5] 15 U.S.C. 78q–1(b)(3)(F).

In its filing, CME requested that the Commission approve this proposed rule change on an accelerated basis for good cause shown. CME cites as the reason for this request CME's operation as a DCO, which is subject to regulation by the CFTC under the CEA and, in particular, new CFTC regulations that become effective on May 7, 2012. Thus, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[6] for approving the proposed rule change prior to the 30th day after the date of publication of notice in the **Federal Register** because as a registered DCO, CME is required to comply with the new CFTC regulations by the time they become effective on May 7, 2012.

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (SR–CME–2012–16) is approved on an accelerated basis.[7]

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2012–11242 Filed 5–9–12; 8:45 am]

BILLING CODE 8011–01–P

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

No FEAR Act Notice

AGENCY: Special Inspector General for Afghanistan Reconstruction.

ACTION: Notice.

SUMMARY: This notice fulfills the Special Inspector General for Afghanistan Reconstruction's (SIGAR) ''No FEAR Act Notice'' **Federal Register** publication obligations, as required by the Section 202(a) of the Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR) Act and by the Office of Personnel Management implementing regulations at 5 CFR 724.202, to all current and former SIGAR employees and applicants for employment.

DATES: This notice is effective May 10, 2012.

ADDRESSES: SIGAR Office of General Counsel, Hugo Teufel, Special Inspector General for Afghanistan Reconstruction, 2530 Crystal Drive, Arlington, VA 22202.

FOR FURTHER INFORMATION CONTACT: Call or email the Acting General Counsel Hugo Teufel: Telephone—703–545–5990; email—*hugo.teufel.civ@mail.mil.*

SUPPLEMENTARY INFORMATION: On January 28, 2008, the President signed into law the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110–181), which created the Special Inspector General for Afghanistan Reconstruction (SIGAR). SIGAR is responsible for coordinating and conducting audits and investigations to promote efficiency and effectiveness of reconstruction programs, and to detect and prevent waste, fraud, and abuse of taxpayers' dollars. SIGAR is publishing its initial No FEAR Act notice to inform all employees, former employees, and applicants for employment of their rights under antidiscrimination and whistleblower protection laws, and to advise that it will publish certain statistical data relating to Federal sector equal employment opportunity and other complaints filed with SIGAR.

Hugo Teufel,

Acting General Counsel, Special Inspector General for Afghanistan Reconstruction.

Table of Contents

List of Notices

No FEAR Act Notice

On May 15, 2002, Congress enacted the ''Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002,'' which is now known as the No FEAR Act. One purpose of the Act is to ''require that Federal agencies be accountable for violations of antidiscrimination and whistleblower protection laws.'' Public Law 107–174, Summary.

The law provides that Federal agencies must:

- Notify employees and applicants for employment about their rights under the discrimination and whistleblower laws
- Post statistical data relating to Federal sector equal employment opportunity complaints on its public Web site
- Ensure that their managers have adequate training in the management of a diverse workforce, early and alternative conflict resolution, and essential communications skills
- Conduct studies on the trends and causes of complaints of discrimination
- Implement new measures to improve the complaint process and the work environment
- Initiate timely and appropriate discipline against employees who engage in misconduct related to discrimination or reprisal
- Reimburse the Judgment Fund for any discrimination and whistleblower related settlements or judgments reached in Federal court
- Produce annual reports of status and progress to Congress, the Attorney General and the U.S. Equal Employment Commission.

Antidiscrimination Laws

A Federal agency cannot discriminate against an employee or applicant with respect to the terms, conditions or privileges of employment on the basis of race, color, religion, sex, national origin, age, disability, marital status or political affiliation. Discrimination on these bases is prohibited by one or more of the following statutes: 5 U.S.C. 2302(b)(1), 29 U.S.C. 206(d), 29 U.S.C. 631, 29 U.S.C. 633a, 29 U.S.C. 791 and 42 U.S.C. 2000e–16.

If you believe that you have been the victim of unlawful discrimination on the basis of race, color, religion, sex, national origin or disability, you must contact an Equal Employment Opportunity (EEO) counselor within 45 calendar days of the alleged discriminatory action, or, in the case of a personnel action, within 45 calendar days of the effective date of the action, before you can file a formal complaint of discrimination with your agency. See, e.g. 29 CFR 1614.

SIGAR employees, former employees, or applicants for employment who believe they may have been victims of unlawful discrimination may contact an EEO Counselor at the Department of the Army, Washington Headquarters Service, which serves as the support agent on EEO matters for SIGAR.

If you believe that you have been the victim of unlawful discrimination on the basis of age, you must either contact an EEO counselor as noted above or give notice of intent to sue to the Equal Employment Opportunity Commission (EEOC) within 180 calendar days of the alleged discriminatory action. If you are alleging discrimination based on marital status or political affiliation, you may file a written complaint with the U.S. Office of Special Counsel (OSC) (see contact information below). In the alternative (or in some cases, in addition), you may pursue a discrimination complaint by filing a grievance through your agency's administrative or negotiated grievance procedures, if such procedures apply and are available.

Whistleblower Protection Laws

A Federal employee with authority to take, direct others to take, recommend or approve any personnel action must not use that authority to take or fail to

[6] 15 U.S.C. 78s(b)(2).

[7] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

[8] 17 CFR 200.30–3(a)(12).