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Chicago Mercantile Exchange

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September 30, 2004

Ms. Jean A. Webb
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: Section 5c(c)(1), Part 40.6 - Rule Certification of Amendments
to Rule 855, Offsetting E-Mini and Regular Futures Positions.
CME Submission 04-97.

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission of amendments to Chapters 8, Clearing House and Performance Bonds.

The Exchange certifies that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules thereunder.

The effect of this technical amendment is to clarify our original intent and formally codify prevailing practices with respect to offsetting E-Mini and standard futures contracts based upon the S&P Midcap 400 and Russell 2000 indexes.¹ Note that the Exchange has routinely allowed for offset of E-Mini and standard-sized futures contracts.

The text of the Rule amendment is provided in Appendix A below. Appendix B provides a clean copy of the Rule as amended.

¹ The Exchange certified its Rules governing E-Mini Russell 2000 futures on August 9, 2001 via CME Submission #01-68. That submission was approved by the Exchange's Board of Directors on July 31, 2001, per Exchange Rule 230.j. Similarly, the Exchange certified its Rules governing E-Mini S&P Midcap 400 futures on December 14, 2001 via CME Submission #01-100. That action was approved by the Exchange's Board of Directors on December 12, 2001.

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If you require any additional information regarding this action, please do not hesitate to contact Ms. Ariel Hantin, Senior Research Analyst at 312-559-4951 or via e-mail at ahantin@cme.com. Please reference our CME Submission #04-97 on all future correspondence regarding this notification.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Labuszewski". The signature is fluid and cursive, with a large, sweeping flourish at the end.

John W. Labuszewski, Director
Research & Product Development

cc: Mr. Thomas M. Leahy and Mr. Steven B. Benton
CFTC Division of Market Oversight, Product Review & Analysis Section

Appendix A: Text of Rule Amendments

(Additions are underlined, deletions are bracketed and overstruck.)

855. OFFSETTING E-MINI AND REGULAR FUTURES POSITIONS

- A. With the consent of the account controller, a clearing member may offset and liquidate long E-Mini futures positions against short regular futures positions, or short E-Mini futures positions against long regular futures positions, held in the same account in the following ratios of E-Mini to regular futures contracts:

E-Mini S&P 500 to regular S&P 500:	5:1
E-Mini Nasdaq 100 Index to regular Nasdaq 100 Index:	5:1
<u>E-Mini S&P Midcap 400 to regular S&P Midcap 400:</u>	<u>5:1</u>
<u>E-Mini Russell 2000 to regular Russell 2000:</u>	<u>5:1</u>
E-Mini Currency to regular Currency:	2:1

The clearing member shall notify the Clearing House of offsetting positions by submitting reports to the Clearing House in such form and manner as the Clearing House shall specify. The positions shall be offset at the previous day's settlement price.

- B. The positions being offset shall be transferred to a CME holding account. Long and short positions in the same contract and contract month held in the holding account shall be netted, thus reducing the number of open positions in such contract.

Appendix B: Clean Copy of Rule as Amended
(Additions are underlined, deletions are bracketed and overstruck.)

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E-Mini Nasdaq 100 Index to regular Nasdaq 100 Index:	5:1
E-Mini S&P Midcap 400 to regular S&P Midcap 400:	5:1
E-Mini Russell 2000 to regular Russell 2000:	5:1
E-Mini Currency to regular Currency:	2:1

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