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December 6, 2004

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

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**RE: New CME Rule 106.S. ("Family of Funds")
Submission No. 04-117**

Dear Ms. Webb,

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that the Exchange has approved the implementation of CME Rule 106.S. ("Family of Funds Transfers"). The new rule allows a family of funds to receive member trading fees without the need for each fund in the family to become an in-active clearing member. The rule extends member trading fees to five additional funds managed by a qualified fund management company if the fund management company or one of its funds is a currently approved in-active clearing member of CME and an additional membership beyond those required for clearing membership is acquired. New CME Rule 106.S. is attached with additions underlined.

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

If you have any questions regarding this matter, please call me at (312) 648-5422.

Sincerely,

/S/ Stephen M. Szarmack
Director and Associate General Counsel

106.S. Family of Funds Transfers

A membership may be owned under this Rule by: (1) a clearing member that is a hedge fund or a fund management company; (2) a fund management company of a clearing member; or (3) a fund that is part of the family of funds of a clearing member. The membership may be transferred to an employee of the fund management company or an approved fund and be transferred among its employees provided that: (i) the transfer is approved by Exchange staff; (ii) the transferee is approved pursuant to the rules of the Exchange; and (iii) the transfer is for the legitimate business purposes of the fund management company or fund. The fund management company or the fund shall have the right, at any time, to have the employee disqualified from trading, but must have him disqualified upon termination of his employment with the company. Notice to have the employee disqualified from trading must be given to the employee's qualifying clearing member. The fund management company or the fund shall designate on a form provided by the Exchange a representative who shall be authorized to deal with the Exchange with respect to the membership transferred under this Section.

A Rule 106.S. membership may not be transferred pursuant to Rule 106.C., D., F. or G. The membership may not be assigned for clearing purposes under Rule 902.

For each CME, IMM or IOM membership owned by such fund management company or fund over the requirement needed to qualify as a clearing member, Rule 106.S. benefits shall apply to the proprietary trading activity of up to five funds within the family of funds managed by the fund management company. All proprietary positions of each fund must be carried by a clearing member(s) in accounts separate from positions of affiliates, subsidiaries, customers and other funds within the family of funds.

Exchange staff may grant exemptions from the requirements of this Rule.