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Chicago Mercantile Exchange

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November 28, 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 and Regulation 40.4(b)(8) Submission. Non-Material Agricultural Rule Change. Exchange Certification of Change in Standard Freight Rate for Live Cattle Futures Deliveries. CME Submission #05-125.

Dear Ms. Webb:

The Standard Freight Rate is used in carcass graded deliveries of Live Cattle to compensate sellers when the buyer requests delivery at a packing plant that is farther from the feedyard than the delivery point stockyards. In accordance with Live Cattle Rule 10103.C.8., this rate is set annually by the Exchange. For 2005, the rate was \$2.75 per mile per contract, up 25 cents from the \$2.50 rate for 2004.

Results from a survey of livestock trucking firms show that freight rates have increased substantially during the past year, largely due to higher fuel costs. On November 23, 2005, the Exchange approved an increase in the Standard Freight Rate to \$3.00, beginning with the January 2006 contract month.

The Exchange certifies that this action complies with the Commodity Exchange Act and the regulations thereunder.

Ms. Jean A. Webb
Standard Freight Rate for Live Cattle Futures
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If you have any questions regarding this submission, please contact Mr. Paul Peterson at (312) 930-4587 or via e-mail at ppeterso@cme.com . Please refer to CME Submission #05-125 in all correspondence regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Labuszewski". The signature is fluid and cursive, with a large initial "J" and "L".

John W. Labuszewski, Managing Director
Research & Product Development