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June 28, 2005

Ms. Jean A. Webb
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

RE: SECURITY FUTURES PRODUCT RULE SUBMISSION
Section 5c(c) and Regulation §41.24 Submission – Exchange Certification of Rule
Amendments Governing Physically Delivered Single Security Futures.
CME Submission #05-68.

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby submits, pursuant to Section 5c(c) of the Commodity Exchange Act (“CEA”) and Regulation §41.24 thereunder, amendments to Rules governing the trade of physically delivered single security futures.

1. Text of Rules

CME proposes to amend its Rules governing the trade of physically delivered single security futures as documented in Appendix 1 below with a clean copy of such Rules as amended included in Appendix 2 below.

Note that the Exchange had previously certified its Rules governing the trade of physically delivered single security futures with the Commission by correspondence dated May 4, 2005 (CME Submission #05-45) and May 27, 2005 (CME Submission #05-58). Per its May 4th correspondence, the Exchange proposed to list futures based on three Exchange Traded Funds, specifically, the Nasdaq-100 Tracking StockSM (“QQQQ”), Standard & Poor’s Depository Receipts[®] (“SPDR”) and iShares Russell 2000 (“IWM”). Per its May 27th correspondence, the Exchange amended Rules governing the IWM contract to reflect the 2-for-1 split in that security on June 9, 2005.

2. Submission to SEC

Per Commission Regulation §41.24(a)(3), the Exchange certifies that it has submitted the subject rule amendments to the Securities and Exchange Commission (“SEC”) by letter dated June 28, 2005 and in accordance with Section 19(b)(7) of the Exchange Act and Rule 19b-7 thereunder (see File No. SR-CME-2005-01). A copy of this document has been sent under separate cover to the Commission’s Office of the Secretariat.

3. Certifications

Chicago Mercantile Exchange Inc. (“CME” or “Exchange”) hereby submits, pursuant to Section 5c(c) of the Act and Regulation §41.24(a)(4) thereunder, certification that the Rule amendments documented herein and the affected security futures product complies with the Act and ruled thereunder.

4. Date of Implementation

Per Commission Regulation §40.6(a)(3)(iii), please note that the Exchange intends to make these Rules effective on June 29, 2005. We acknowledge that the Commission may stay the effectiveness or alter or amend the rule pursuant to section 8a(7) of the Act, as provided in Commission Regulation §40.6(b).

4. Purpose and Explanation of Rule Amendments

The Exchange proposes to amend the position limits applicable to IWM futures from the originally proposed limit of 13,500 contracts to 11,250 contracts. Note that CME Rule 71001.E., Position Limits, provides that “[p]osition limits shall be applied on Physically Delivered Single Security Futures contracts such that, during the last five trading days of an expiring contract month, a person shall not own or control more than a specified number of contracts net long or net short in the expiring contract month, as depicted in Exchange Rule 71004. Position limits for each Physically Delivered Single Security Futures contract shall be determined on a case-by-case basis in accordance with CFTC Regulation §41.25(a)(3).”

As originally submitted on May 4, 2005, CME Rule 71004, APPROVED SECURITIES, provided that the position limit applied to futures based on the iShares Russell 2000 (“IWM”) during the last five trading days of an expiring contract month shall be 13,500 contracts. This figure was determined by reference to CFTC Regulation §41.25(a)(3) which prescribes appropriate position limits by reference to the average daily volume (ADV) in the security over the prior six (6) months and the shares outstanding. Specifically, CFTC Regulation §41.25(a)(3)(i) allows for “a net position limit no greater than 13,500 (100-share) contracts.”

Ms. Jean A. Webb
June 28, 2005
Page 3 of 5

But the CFTC Regulation §41.25(a)(3)(i)(A) goes on to specify that “where the average daily trading volume in the underlying security exceeds 20 million shares, or exceeds 15 million shares and there are more than 40 million shares of the underlying shares of the underlying security outstanding, the designated contract market ... may adopt a net position limit no greater than 22,500 (100-share) contracts.” IWMs did not qualify for the 22,500 limit on a pre-split basis as shown in the table below. But if one were to adjust the ADV and shares outstanding for IWM to reflect the 2-for-1 split concluded on June 9, 2005, the statistics are doubled. Thus, IWMs meet the qualifications outlined in CFTC Regulation §41.25(a)(3)(i)(A). To the extent that the Exchange amended the contract size from the originally proposed 100-share contract to a 200-share contract as a result of the split by correspondence dated May 27, 2005, that 22,500 limit need be halved to 11,250 contracts.

IWM Statistics

	ADV (10/04-3/05)	Shares Out- standing (000)
Pre-Split	8,022,330	40,950 (4/22/05)
Post-Split	16,044,660	81,900 (4/22/05)

Please address any questions that arise during the review and approval process to myself at 312-466-7469 or via e-mail at jlab@cme.com. We would be most appreciative if you would reference CME Submission #05-68 in any related correspondence.

Sincerely,



John W. Labuszezski, Managing Director
Research & Product Development

Att.

cc: Office of Market Supervision
Division of Market Regulation
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-1003

Appendix 1: Physically Delivered Single Security Futures
(Additions are underlined, deletions are bracketed and overstruck.)

CHAPTER 710: PHYSICALLY DELIVERED SINGLE SECURITY FUTURES

71004. APPROVED SECURITIES

The following securities have been approved by the Board of Directors as the subject of Physically Delivered Single Security Futures Contracts:

Approved Security	Unit of Trading	Minimum Fluctuation	Position Limit in Expiring Contract in Last 5 Trading Days
Nasdaq-100 Tracking Stock SM ("QQQQ")	200 shares	\$0.01 or \$2.00 per contract	11,250
Standard & Poor's Depository Receipts [®] ("SPDR")	100 shares	\$0.01 or \$1.00 per contract	22,500
iShares Russell 2000 ("IWM")	200 shares	\$0.01 or \$2.00 per contract	[13,500] <u>11,250</u>

Appendix 2: Clean Copy of Rules as Amended

CHAPTER 710: PHYSICALLY DELIVERED SINGLE SECURITY FUTURES

71004. APPROVED SECURITIES

The following securities have been approved by the Board of Directors as the subject of Physically Delivered Single Security Futures Contracts:

Approved Security	Unit of Trading	Minimum Fluctuation	Position Limit in Expiring Contract in Last 5 Trading Days
Nasdaq-100 Tracking Stock SM ("QQQQ")	200 shares	\$0.01 or \$2.00 per contract	11,250
Standard & Poor's Depository Receipts [®] ("SPDR")	100 shares	\$0.01 or \$1.00 per contract	22,500
iShares Russell 2000 ("IWM")	200 shares	\$0.01 or \$2.00 per contract	11,250