



January 5, 2010

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21<sup>st</sup> 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 Standard Freight Rate for Live Cattle Futures Deliveries.

Standard Freight Rate for Live Cattle Futures Delivering

CME Submission No. 10-005

Dear Mr. Stawick:

The Standard Freight Rate is used in carcass graded deliveries of Live Cattle to compensate the seller 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 Chicago Mercantile Exchange Inc. ("CME" or "Exchange"). For 2009, the rate was \$3.75 per mile per contract, up 50 cents from the rate for 2008.

Results from a survey of livestock trucking firms show that freight rates are relatively stable compared to a year ago. Based on these results, the Standard Freight Rate for the 2010 Live Cattle futures contracts will remain unchanged at \$3.75 per mile per contract. This action was approved by the Exchange on December 23, 2009.

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

If you have any questions regarding this submission, please contact Paul Peterson, at (312) 930-4587 or via e-mail at <a href="mailto:paul.peterson@cmegroup.com">paul.peterson@cmegroup.com</a> or me at (312) 648-5422. Please refer to CME Submission No. 10-005 in all correspondence regarding this matter.

Sincerely,

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

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