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OFFICE OF THE SECRETARIAT

August 21, 2008

Mr. David Stawick
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 Section 40.2. Certification of New CME-Carvill Hurricane Index™ Binary and Cat-In-A-Box Binary Contracts.
CME Submission #08-127.

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission regarding the launch date, trading hours, and rule language for the:

- CME-Carvill Hurricane Index Binary Contract
- CME-Carvill Hurricane Index Cat-In-A-Box Binary Contract

Launch Date: Trading in these contracts begins on Monday, August 25, 2008.

Trading Hours: Trading hours for these contracts will be 8:30 A.M. to 3:15 P.M. (9:00 A.M. on Last Trading Day). Trading will be conducted on the trading floor.

Rule Language: The text of the contract rules is presented on the following pages.

The Exchange certifies that these changes comply with the 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 paul.peterson@cmegroup.com, or Charles Piszczor at (312) 930-4536 or via e-mail at charles.piszczor@cmegroup.com. Please refer to CME Submission #08-127 in all correspondence regarding this matter.

Sincerely,

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

CHAPTER 423B
CME-Carvill Hurricane Index™ Binary Contract

423B00. SCOPE OF CHAPTER

This chapter is limited in application to trading of binary contracts on the CME-Carvill Hurricane Index (CHI™). The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

423B01. COMMODITY SPECIFICATIONS

CHI values will be calculated by Carvill America, using the methods described in the "Carvill Hurricane Index: Scope and Definitions" document, for hurricanes making landfall in the United States Atlantic basin in the following locations:

- Eastern US (Brownsville, TX to Eastport, ME)

Separate binary contracts will be listed for trading on named hurricanes making landfall in a specific geographic location (e.g., Eastern U.S.) between June 1 and November 30 inclusive of a calendar year. At the beginning of each season storm names are used from a list, starting with A and ending with Z, maintained by the World Meteorological Organization. In the event that more than 21 named events occur in a season, additional storms will take names from the Greek alphabet: Alpha, Beta, Gamma, Delta, and so on.

423B02. CONTRACT CALL

423B02.A. Trading Schedule

Binary contracts shall be scheduled for trading during such hours in such months as may be determined by the Board of Directors.

423B02.B. Trading Unit

The unit of trading shall be \$10,000.

423B02.C. Minimum Fluctuations

The price of a binary contract shall be quoted in points, in a range between 0 (zero) and 100. Each point represents \$100. For example, a quote of 12.24 points represents a price of \$1,224. The minimum fluctuation shall be 0.01 points (also known as one tick), equal to \$1.

423B02.D. [Reserved]

423B02.E. Exercise Prices

Exercise prices shall be stated in terms of the respective CHI. Eligible exercise prices shall be at intervals of 1 CHI index point (e.g., 10, 11, 12, etc.).

At the commencement of trading in a contract, binary contracts shall be listed at intervals of 1 CHI index point in a range of 1 to 30 CHI index points. New binary contracts may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.

423B02.F. Position Accountability

A person owning or controlling more than 10,000 binary contracts in any individual contract shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable.

423B02.G. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

423B02.H. [Reserved]

423B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least two calendar days following the end of the hurricane season on November 30.

423B02.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all contracts must conform to government regulations in force at the time of exercise. If the U.S. government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new contracts shall be subject to such governmental orders.

423B02.I [Reserved]

423B03. EXERCISE

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of CHI binary contracts.

423B03.A. Exercise of Binary Contract by Buyer

A binary contract may be exercised by the buyer on any business day that the contract is traded. Exercise of a binary contract is accomplished by the clearing member representing the buyer presenting an Exercise Notice to the Clearing House by 7:00 p.m. on the day of exercise.

A binary contract that is in the money (i.e., the respective CHI is equal to or greater than the exercise price) and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the buyer, be exercised automatically.

423B03.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours on the following business day.

The buyer of a binary contract shall receive \$10,000 if the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on September 2, 2005, the Hurricane Katrina Binary contract would have been settled at 20.4 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 20 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 21 or greater would have received nothing.

423B03.C. Final Settlement

All binary contracts remaining open at the termination of trading shall be settled using the respective CHI final value reported by Carvill America, using the methodology in effect on that date.

Clearing members holding open positions in a CHI binary contract that is in the money at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures. All such positions shall be settled at a price of 100 points, equal to \$10,000, and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

423B04. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

423B05. - 06. [RESERVED]

(End Chapter 423B)

**INTERPRETATIONS AND SPECIAL NOTICES
RELATING TO CHAPTER 423B**

LIMITATION OF LIABILITY AND DISCLAIMER

Carvill America grants the Exchange the rights to use the Carvill Hurricane Index (CHI) in connection with the trading of futures contracts and options on futures contracts, including binary contracts, based upon such CHI. Carvill America makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. Carvill America makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the CHI. Without limiting any of the foregoing, in no event shall Carvill America have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

CHAPTER 430B
CME-Carvill Hurricane Index™ Cat-In-A-Box Binary Contract

430B00. SCOPE OF CHAPTER

This chapter is limited in application to trading of binary contracts on the CME-Carvill Hurricane Index (CHI™) Cat-In-A-Box. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

430B01. COMMODITY SPECIFICATIONS

CHI Cat-In-A-Box values will be calculated by Carvill America, using the methods described in the "Carvill Hurricane Index: Scope and Definitions" document, for hurricanes entering the following geographic areas:

- Galveston-Mobile (area bounded by 95°30'0"W on the west, 87°30'0"W on the east, 27°30'0"N on the south, and the corresponding segment of the US coastline on the north)

Separate binary contracts will be listed for trading on named hurricanes entering a specific geographic area (e.g., the Galveston-Mobile area) between June 1 and November 30 inclusive of a calendar year. At the beginning of each season storm names are used from a list, starting with A and ending with Z, maintained by the World Meteorological Organization. In the event that more than 21 named events occur in a season, additional storms will take names from the Greek alphabet: Alpha, Beta, Gamma, Delta, and so on

430B02. CONTRACT CALL

430B02.A. Trading Schedule

Binary contracts shall be scheduled for trading during such hours in such months as may be determined by the Board of Directors.

430B02.B. Trading Unit

The unit of trading shall be \$10,000.

430B02.C. Minimum Fluctuations

The price of a binary contract shall be quoted in points, in a range between 0 (zero) and 100. Each point represents \$100. For example, a quote of 12.24 points represents a price of \$1,224. The minimum fluctuation shall be 0.01 points (also known as one tick), equal to \$1.

430B02.D. [Reserved]

430B02.E. Exercise Prices

Exercise prices shall be stated in terms of the respective CHI. Eligible exercise prices shall be at intervals of 1 CHI index point (e.g., 10, 11, 12, etc.).

At the commencement of trading in a contract, binary contracts shall be listed at intervals of 1 CHI index point in a range of 1 to 30 CHI index points. New binary contracts may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.

430B02.F. Position Accountability

A person owning or controlling more than 10,000 binary contracts in any individual contract shall provide, in a timely fashion, upon request by the Exchange, information regarding the nature of the position, trading strategy, and hedging information if applicable.

430B02.G. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

430B02.H. [Reserved]

430B02.I. Termination of Trading

Trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least two calendar days following the end of the hurricane season on November 30.

430B02.J. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract except that all contracts must conform to government regulations in force at the time of exercise. If the U.S. government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new contracts shall be subject to such governmental orders.

430B02.I [Reserved]

430B03. EXERCISE

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of CHI binary contracts.

430B03.A. Exercise of Binary Contract by Buyer

A binary contract may be exercised by the buyer on any business day that the contract is traded. Exercise of a binary contract is accomplished by the clearing member representing the buyer presenting an Exercise Notice to the Clearing House by 7:00 p.m. on the day of exercise.

A binary contract that is in the money (i.e., the respective CHI is equal to or greater than the exercise price) and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the buyer, be exercised automatically.

430B03.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours on the following business day.

The buyer of a binary contract shall receive \$10,000 if the respective CHI is equal to or greater than the exercise price, and shall receive zero dollars (\$0) otherwise. The seller of a binary contract shall be obligated to pay \$10,000 if the respective CHI is equal to or greater than the exercise price, and shall be obligated to pay zero dollars (\$0) otherwise.

For example, on September 2, 2005, the Hurricane Katrina Galveston-Mobile Cat-In-A-Box Binary contract would have been settled at 22.4 CHI index points. Therefore, buyers of such binary contracts with exercise prices equal to or less than 22 would have received \$10,000 for each such binary contract from the sellers of each such binary contract, and buyers of such binary contracts with exercise prices of 23 or greater would have received nothing.

430B03.C. Final Settlement

All binary contracts remaining open at the termination of trading shall be settled using the respective CHI Cat-In-A-Box final value reported by Carvill America, using the methodology in effect on that date.

Clearing members holding open positions in a CHI Cat-In-A-Box binary contract that is in the money at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures. All such positions shall be settled at a price of 100 points, equal to \$10,000, and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

430B04. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

430B05. - 06. [RESERVED]

(End Chapter 430B)

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