



CME Group

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C.F.T.C.
OFFICE OF THE SECRETARIAT

2010 SEP 22 PM 3 43

September 22, 2010

Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

**RE: Revision to CME Rule 506 ("Headset Privileges on the Trading Floor")
CME Submission No. 10-269**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") hereby notifies the Commodity Futures Trading Commission that effective Monday, September 27, 2010, it will adopt a revision to Rule 506 ("Headset Privileges on the Trading Floor") that will permit all CME members and their employees on the trading floor to use headsets to speak directly to nonmember customers located off the trading floor, eliminating the former prohibition on this activity with respect to the CME interest rate quadrant and the Standard & Poor's 500 Stock Price Index and Nasdaq futures and options pits. Consistent with CBOT, NYMEX and COMEX Rule 506, any nonmember customer orders accepted via headset must comply with all exchange audit trail requirements and the customer's clearing firm must have specifically authorized the customer to place such orders directly.

The text of the amendments appears below, with additions underscored and deletions overstruck. The amendments will become effective on Monday, September 27, 2010.

506. HEADSET PRIVILEGES ON THE TRADING FLOOR

[Section A. is unchanged.]

506.B. Use of Headsets

Nonmember employees wearing a headset may communicate order and fill information, as well as market information that has been publicly exposed to the trading pit; however, such nonmember employees may not communicate their personal opinions concerning the market or trading activity. Headsets may be used to communicate between locations on the trading floor, and between the trading floor and off-floor locations. Headsets may be used to accept, place or relay orders provided that all applicable Exchange audit trail and recordkeeping requirements are met, unless such usage is restricted in a particular pit by Exchange policy. ~~In trading pits where headset contact with nonmember customers is permitted~~ However, nonmember customers may not place orders directly to the pit, and floor brokers and their employees may not accept such orders, unless the customer's clearing firm, in its sole discretion, has specifically authorized the customer to place orders directly.

CME certifies that the amendments comply with the Commodity Exchange Act and regulations thereunder.

If you have any questions, please contact Robert Sniagowski, Market Regulation, at 312.341.5991 or me at 312.648.5422. Please reference CME Submission No. 10-269 in any related correspondence.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

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