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OFC. OF THE SECRETARIAT

December 12, 2007

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

**RE: CME & CBOT Regulatory Advisories RA0706-3 and RA0707-3
Submission No. 07-104**

Dear Mr. Stawick:

Chicago Mercantile Exchange Inc. ("CME") and the Board of Trade of the City of Chicago, Inc. ("CBOT"), (collectively, the "Exchanges"), hereby notify the Commission that the Exchanges have issued the following regulatory advisories to CME and CBOT members: Enforcement of Position Limits RA0706-3 ("Rule 443") and Reminder Regarding Gratuities RA0707-3 ("Rule 508"). Copies of both regulatory advisories are attached.

CME and CBOT certify that these regulatory advisories neither violate nor are inconsistent with any provision of the Commodity Exchange Act or of the rules and regulations thereunder.

If you have any questions regarding this matter, please contact Robert Sniegowski, Associate Director, Market Regulation at (312) 648-5493 or me at (312) 648-5422.

Sincerely,

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

MARKET REGULATION ADVISORY NOTICE

Exchange	CME & CBOT
Subject	Enforcement of Position Limits
Rule References	Rule 443
Advisory Date	December 12, 2007
Advisory Number	CME & CBOT – RA0706-3

Effective November 29, 2007, CME and CBOT adopted common rule language with respect to the enforcement of position limits under Rule 443 (“**Position Limit Violations**”). **The related position limit requirements are addressed in each exchange’s Rule 559 (“Position Limits and Exemptions”), and a Position Limit and Reportable Level Table that details position limits, position accountability levels and reportable position levels, by contract, is included in the Interpretations and Special Notices section at the conclusion of Chapter 5 in the rulebooks.**

Rule 443 provides that a position which, at any time, is in excess of the specified position limits shall be deemed a position limit violation. **Additionally, the rule specifies that any person making a bid or offer that would, if accepted, cause the person to exceed the applicable position limit, is in violation of position limit rules.** Therefore, even those market participants who do not carry positions interday must be cognizant of the position limits in the products they are trading and should be particularly mindful of the dates on which position limits decrease for spot month contracts.

If a position that includes options exceeds position limits for passive reasons such as a market move or the assignment of exercised options, the person who owns or controls the position is allowed one business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, a position exceeds position limits when evaluated using the exchange’s **previous day’s delta factors**, but does not exceed the limits when evaluated using the current day’s delta factors, then the position will not constitute a position limit violation.

A clearing member is not considered to be in violation of position limit rules if it carries positions for its customer in excess of the applicable position limits for such reasonable period of time, generally one business day, as the firm may require to discover and liquidate the excess positions or, if applicable, to file the appropriate hedge or exemption statements (see Rule 559.F.) for the customer account. However, the foregoing does not relieve the clearing member of responsibility for a position limit violation if the clearing member knowingly facilitates the violation by accepting an order that it knows, or should know, would result in the customer exceeding the applicable position limit; this applies as well to the associated person responsible for the account.

In addition to any other sanctions imposed, the failure to reduce positions in excess of position limits as instructed by the Market Regulation Department will result in the imposition of automatic fines of \$100 per contract per day assessed against the relevant member or associated person, and \$250 per contract per day assessed against the clearing member.

Clearing members and market participants also should be aware that a customer who exceeds the position limits as a result of maintaining positions at more than one clearing member is deemed to have waived confidentiality regarding his position and the identity of the clearing members at which they are maintained.

Questions regarding this advisory may be directed to the following individuals in Market Regulation:

Joe Hawrysz, Associate Director, Agricultural Surveillance, 312.341.7750

Jerry O'Connor, Associate Director, Financial Surveillance, 312.930.3256

MARKET REGULATION ADVISORY NOTICE

Exchange	CME & CBOT
Subject	Reminder Regarding Giving and Receiving of Gratuities
Rule References	Rule 508
Advisory Date	December 12, 2007
Advisory Number	CME & CBOT – RA0707-3

As a reminder, Rule 508 (“Giving and Receiving of Gratuities”) prohibits members, member firms, broker associations, trading groups and employees of these individuals and entities from giving gifts or gratuities in excess of \$100 per year to any employee of another member, member firm, broker association or trading group. This rule is substantially similar to the restrictions imposed by the National Association of Securities Dealers (“NASD”) and the New York Stock Exchange (“NYSE”).

The text of Rule 508 is reprinted below:

508. GIVING AND RECEIVING OF GRATUITIES

A member, member firm, broker association, trading group or an employee of any of the foregoing may not give, directly or indirectly, to any employee of another member, member firm, broker association or trading group any gratuities or gifts with an aggregate market value in excess of \$100 within any twelve-month period.

This rule applies notwithstanding any internal policy of an entity that allows for gifts in excess of \$100. The requirements of this rule apply to both the providers and the recipients of such gifts and gratuities.

Questions regarding this advisory may be directed to the following individuals in Market Regulation:

Robert Sniegowski, Associate Director, 312.648.5493

Joseph Adamczyk, Director and Enforcement Counsel, 312.930.2379

Dean Payton, Managing Director & Chief Regulatory Officer, 312.435.3658