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**U.S. COMMODITY FUTURES TRADING COMMISSION**

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December 9, 1998

Mr. Richard J. McDonald  
Senior Vice President, Research  
and Chief Economist  
Chicago Mercantile Exchange  
30 South Wacker Drive  
Chicago, Illinois 60606

**SUBJECT:** Chicago Mercantile Exchange proposed amendments to the cash settlement provision in its Russian rube futures contract. CME submission 98-167.

Dear Mr. McDonald:

In correspondence dated October 12, 1998 and November 6, 1998, the Chicago Mercantile Exchange (CME or Exchange) submitted to the Commission, pursuant to Section 5a(a)(12) of the Commodity Exchange Act and Commission Regulation 1.41(b), proposed amendments to rule 3025.F regarding the cash settlement procedure for its Russian rube futures contract.

The Exchange intends to implement the proposed amendments for application to existing contract months immediately following Commission approval. The Commission understands that the Exchange has notified the membership of the proposal. The Commission notes that the CME has suspended the listing of additional contract months. The Commission hereby notifies the CME that any proposal to list additional contract months in the Russian rube futures contract is not eligible for review under Commission Regulation 1.41(l) and must be submitted for Commission review and approval pursuant to Commission Regulation 1.41(b). Such a submission should include evidence that the cash settlement provisions are consistent with cash market practice, or should justify deviation from cash market practice.

The Commission reminds the CME that the initial specification of, and any changes to, the survey list should be submitted pursuant to Commission Regulation 1.41(j).

In addition, the CME shall promptly notify the Commission if the final settlement price in any contract month is based on any survey that includes fewer than eight market participants.

Please be advised that the proposed amendments and implementation plan are hereby approved.

Sincerely,

Jean A. Webb  
Secretary of the Commission

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