

Ms. Jean A. Webb
July 3, 2003
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Please note that these amendments are based on input from the Exchange's Ad Hoc Live Cattle Advisory Group, which includes a cross-section of industry representatives. This Group was convened on Monday, June 2nd specifically to discuss the implications associated with the impending adoption of COOL regulations. The Group agreed that the Live Cattle contract delivery specifications should be modified to require that all delivered cattle must be born and raised exclusively in the United States. Further, the seller (short) must provide documentation that conforms to industry standards at the time of delivery, verifying country of origin information. Finally, a contingency clause has been adopted in the event that COOL is postponed or repealed.

The Exchange respectfully requests the Commission to publish this submission for public comment in the Federal Register in order to inform and solicit comment from all concerned parties.

The Exchange intends to implement this amendment effective with the listing of the October 2004 contract, contingent upon Commission approval. The amendments read as follows – additions are underlined and deletions are bracketed and overstruck.

CHAPTER 101 LIVE CATTLE FUTURES

All rules in this chapter shall be read to include the following:

IF THE SECRETARY OF AGRICULTURE HAS ISSUED REGULATIONS, IN ACCORDANCE WITH 7 USC 1638C, REQUIRING COUNTRY OF ORIGIN LABELING FOR BEEF AND THOSE REGULATIONS ARE, OR ARE SCHEDULED TO BECOME, EFFECTIVE AT ANY TIME DURING THE DELIVERY PERIOD, ALL CATTLE IN THE DELIVERY UNIT MUST BE BORN AND RAISED EXCLUSIVELY IN THE UNITED STATES. THE SELLER MUST TENDER DOCUMENTATION THAT CONFORMS TO INDUSTRY STANDARDS AT THE TIME OF DELIVERY VERIFYING COUNTRY OF ORIGIN INFORMATION REQUIRED BY THE REGULATION.

10100. SCOPE OF CHAPTER

This chapter is limited in application to futures trading of live beef cattle. The procedures for trading, clearing, inspection, delivery and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

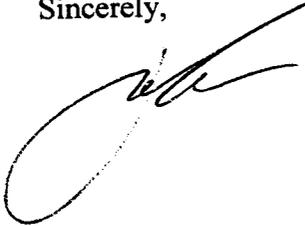
Remainder of Chapter unchanged

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Please note that the October 2004 contract is scheduled to be listed on September 2, 2003. Accordingly, we respectfully request that the Commission exert all due efforts to act on this submission prior to that date, ensuring that the contract listing cycle may proceed on an uninterrupted basis.

The Exchange stands ready to provide any additional information that the Commission or its staff may require in this regard. Accordingly, please do not hesitate to contact Ms. Jennifer L. Evett, Senior Research Analyst at 312-930-4579 or myself at 312-466-7469 should any questions arise. We would appreciate it if you could reference CME submission #03-59 in any subsequent communications regarding this issue.

Sincerely,

A handwritten signature in black ink, appearing to read 'John W. Labuszewski', written over a faint dotted line.

John W. Labuszewski, Director
Research and Product Development