RECEIVED
C.F.T.C.

2004 JAN 23 PM 2:52

cme
Chicago Mercantile Exchange

20 South Wacker Drive
Chicago, IL 60606-7499
www.cme.com

312/930.1000 tel
312/466.4410 fax

January 23, 2004

Ms. Jean A. Webb
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

Re: Section 5c(c)(1), Regulation 40.6 Submission. Exchange Certification
for Rule 403A01.E. Exercise Prices.
CME Submission #04-09

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. hereby informs the Commission regarding the following amendments to Options on CME Degree Days Index Futures.

The amendments to Rule 403A01.E. Exercise Prices expand the strike price range for **only** the January New York La Guardia Airport Option from 100 points to 150. The amendments are effective on Monday, January 26, 2004.

The amendments are as follows, with the additions underlined.

OPTIONS ON CME DEGREE DAYS INDEX FUTURES

403A01.E. Exercise Prices

(Prior language is unchanged)

At the commencement of option trading in a contract month, the Exchange shall list put and call options at intervals of 50 index points in a range of 100 index points (150 points for December <u>& January</u> New York La Guardia Airport (WBAN 14732) and 350 index

points for the January and February Boston Logan International Airport (WBAN 14739)) above and below the previous day's settlement price of the underlying futures contract. Thereafter, when the settlement price in the underlying futures contract occurs at or passes through any exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or lower) exercise price within a 100-point range above (or below) the settlement price.

Furthermore, for options on the contract month nearest to expiration, the Exchange shall list put and call options at intervals of 10 index points in a range of 100 index points above and below the previous day's settlement price of the underlying futures contract.

Thereafter, when a settlement price in the underlying futures contract occurs at or passes through any exercise price, the Exchange shall list on the next trading day put and call options at the next higher (or lower) exercise price within a 100-point range (150 points for December & January New York La Guardia Airport (WBAN 14732) and 350 index points for the January and February Boston Logan International Airport (WBAN 14739)) above (or below) settlement price. New options 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.

The Exchange certifies that this action neither violates nor is inconsistent with any provision of the Commodity Exchange Act or of the rules thereunder.

If you require any additional information regarding this action, please do not hesitate to contact Mr. Charles Piszczor at 312-930-4536 or via e-mail at cpiszczo@cme.com. We would be appreciative if you could reference our CME Submission #04-09 in any related correspondence.

Sincerely,

John W. Labuszewski, Director
Research & Product Development