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September 2, 2005

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

**RE: New CME Rulebook Chapter 8-D Part I, Rule 578 and Rule 804
Submission No. 05-85**

Dear Ms. Webb:

Chicago Mercantile Exchange Inc. ("CME" or "Exchange") hereby notifies the Commission that the Exchange has approved CME Rulebook Chapter 8-D PART I ("Exempt Board of Trade") to govern its newly established exempt board of trade called CME Alternative Marketplace Inc. ("CME AM"). Conforming rule changes to Rule 578 (Limitation of Liability, No Warranties) and Rule 804 (Substitution) were made to make these rules consistent with the new chapter.

The amendments to these rules are shown with additions underscored and deletions lined out.

The Exchange certifies that this regulatory advisory neither violates nor is 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 call me at (312) 648-5422.

Sincerely,

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

CHAPTER 8-D

PART I

EXEMPT BOARD OF TRADE

8D01. SCOPE OF CHAPTER

This chapter authorizes the Exchange to operate its wholly-owned subsidiary, CME Alternative Marketplace Inc.™, a Delaware corporation ("CME AM"), as an exempt board of trade ("EBOT"). The requirements relating to an EBOT are set forth in section 5d of the Act and Part 36 of the CFTC's regulations.

8D02. ELIGIBLE CONTRACT PARTICIPANTS

Trading on the EBOT is restricted to "eligible contract participants ("ECP") as defined in section 1a (12) of the Act.

8D03. ELIGIBLE CLEARING MEMBERS

Clearing Members eligible to clear CME products and Special CME Clearing Members eligible to clear CBOT products may clear Eligible Products traded on CME AM. For risk management purposes, however, the Clearing House may, in its sole discretion, prohibit a Clearing Member or a Special CME Clearing Member from clearing EBOT Eligible Products on CME AM.

8D04. ELIGIBLE PRODUCTS

The commodities eligible to be traded on CME AM are based on underlying commodities that have: 1) a nearly inexhaustible delivery supply; 2) a deliverable supply that is sufficiently large, and a cash market sufficiently liquid, to render any contract traded and the commodity highly unlikely to be susceptible to the threat of manipulation; 3) no cash market; or 4) any other commodities authorized by the CFTC.

8D05. NOTIFICATION

CME AM IS NOT REGISTERED WITH, OR RECOGNIZED, DESIGNATED, LICENSED OR APPROVED BY THE CFTC.

8D06. CLEARING FOR CME AM TRANSACTIONS

The CME Clearing House will provide clearing services for CME AM transactions in accordance with its standard operating policies and procedures and in conformity with the CME Rules unless specifically provided otherwise in this Chapter.

8D07. CLEARING FOR EX-AUCTION TRANSACTIONS

The CME Clearing House may provide clearing services for Ex-Auction transactions in accordance with the Rules, policies and procedures of its privately negotiated clearing service offering.

578. LIMITATION OF LIABILITY, NO WARRANTIES

A. EXCEPT AS PROVIDED BELOW, THE EXCHANGE, ~~AND THE NEW YORK MERCANTILE EXCHANGE INC., CME ALTERNATIVE MARKETPLACE INC., AND SOLELY IN ITS CAPACITY AS A PROVIDER OF AUCTION SERVICES FOR CME ALTERNATIVE MARKETPLACE INC., GOLDMAN SACHS & CO., (INCLUDING EACH OF THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, LICENSORS, MEMBERS, AND CLEARING MEMBERS, AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES SHALL NOT BE LIABLE TO ANY PERSON FOR ANY LOSSES, DAMAGES, COSTS OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE, AND DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES), ARISING FROM:~~

(i) ANY FAILURE, MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION, TERMINATION, OR ANY OTHER CAUSE, IN

CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE'S SYSTEMS OF THE EXCHANGE OR CME ALTERNATIVE MARKETPLACE INC., SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, INCLUDING WITHOUT LIMITATION GLOBEX[®], CUBS[™], TOPS[™], CLEARING 21[®], GLOBEX CONTROL CENTER[™], GALAX-C[™]; OR

(ii) ANY FAILURE OR MALFUNCTION, FAULT IN DELIVERY, DELAY, OMISSION, SUSPENSION, INACCURACY, INTERRUPTION OR TERMINATION, OR ANY OTHER CAUSE, OF ANY EXCHANGE SYSTEM, SERVICE OR FACILITY OF THE EXCHANGE OR CME ALTERNATIVE MARKETPLACE INC., OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES, CAUSED BY ANY THIRD PARTIES INCLUDING, BUT NOT LIMITED TO, INDEPENDENT SOFTWARE VENDORS AND NETWORK PROVIDERS; OR

(iii) ANY ERRORS OR INACCURACIES IN INFORMATION PROVIDED BY THE CME ALTERNATIVE MARKETPLACE INC. OR THE EXCHANGE OR ANY EXCHANGE SYSTEM, SERVICE OR FACILITY; EXCEPT FOR INCORRECT ORDER STATUSING INFORMATION AS PROVIDED IN RULE 579 (GLOBEX CONTROL CENTER AND ORDER STATUSING); OR

(iv) ANY UNAUTHORIZED ACCESS TO OR UNAUTHORIZED USE OF ANY CME AUCTION MARKETS OR EXCHANGE SYSTEM, SERVICE OR FACILITY BY ANY PERSON.

THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER A CLAIM ARISES IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE AND WHETHER THE CLAIM IS BROUGHT DIRECTLY OR AS A THIRD PARTY CLAIM.

THE FOREGOING LIMITATION OF LIABILITY SHALL BE SUBJECT TO THE COMMODITY EXCHANGE ACT AND REGULATIONS THEREUNDER. A PARTY WHO HAS BEEN FINALLY ADJUDICATED TO HAVE ENGAGED IN WILLFUL OR WANTON MISCONDUCT MAY NOT AVAIL ITSELF OF THE PROTECTIONS IN THIS RULE.

B. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE) PROVIDED BY THE EXCHANGE, AND THE NEW YORK MERCANTILE EXCHANGE INC., CME ALTERNATIVE MARKETPLACE INC. OR SOLELY IN ITS CAPACITY AS A PROVIDER OF AUCTION SERVICES, GOLDMAN SACHS & CO. (INCLUDING THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES), THEIR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, CONSULTANTS, AND LICENSORS RELATING TO ANY EXCHANGE SYSTEMS, OR SERVICES EQUIPMENT, OR FACILITIES OF THE EXCHANGE OR CME ALTERNATIVE MARKETPLACE INC., USED TO SUPPORT SUCH SYSTEMS OR SERVICES, INCLUDING THE GLOBEX SYSTEM. INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR USE.

C. ANY DISPUTE ARISING OUT OF THE USE OF SYSTEMS, OR SERVICES OF THE EXCHANGE OR CME ALTERNATIVE MARKETPLACE INC. OR SERVICES, EQUIPMENT OR FACILITIES USED TO SUPPORT SUCH SYSTEMS OR SERVICES IN WHICH THE EXCHANGE OR CME AUCTION MARKETS (INCLUDING EITHER OF THEIR ITS SUBSIDIARIES AND AFFILIATES), OR ANY OF THEIR OFFICERS, DIRECTORS, AGENTS, CONSULTANTS OR LICENSORS, OR EMPLOYEES IS A PARTY SHALL BE ARBITRATED PURSUANT TO RULE 601.A. OF THE EXCHANGE. ANY ARBITRATION SHALL BE BROUGHT WITHIN THE PERIOD PRESCRIBED BY EXCHANGE RULES. ANY OTHER ACTIONS, SUITS OR PROCEEDINGS AGAINST ANY OF THE ABOVE MUST BE BROUGHT WITHIN TWO YEARS FROM THE TIME THAT A CAUSE OF ACTION HAS ACCRUED. THIS PARAGRAPH C SHALL IN NO WAY BE CONSTRUED TO LIMIT A PARTY'S OBLIGATION TO ARBITRATE ITS CLAIM OR TO CREATE A CAUSE OF ACTION AND SHALL NOT AUTHORIZE AN ACTION THAT WOULD OTHERWISE BE PROHIBITED BY CME RULES. IF FOR ANY REASON, A COURT OF COMPETENT JURISDICTION FINDS THAT SUCH DISPUTE IS NOT ARBITRABLE, SUCH DISPUTE MAY ONLY BE LITIGATED IN THE COUNTY OF COOK IN THE STATE OF ILLINOIS AND WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ANY PROVISIONS OF ILLINOIS LAW THAT WOULD APPLY THE SUBSTANTIVE LAW OF A DIFFERENT JURISDICTION.

D. THE EXCHANGE, AND WITH RESPECT TO "AUCTIONS," CME ALTERNATIVE MARKETPLACE INC., MAY, IN ITS THEIR RESPECTIVE SOLE DISCRETION, ASSUME RESPONSIBILITY FOR DIRECT, OUT-OF-POCKET LOSSES DIRECTLY CAUSED BY THE NEGLIGENCE OF GLOBEX CONTROL CENTER OR OTHER EXCHANGE STAFF AND/OR

ORDER STATUS ERRORS PROVIDED BY THE GLOBEX CONTROL CENTER OR AN EXCHANGE SYSTEM, SERVICE OR FACILITY. NOTWITHSTANDING THE ABOVE, i) THE EXCHANGE'S, AND ii) WITH RESPECT TO AUCTIONS, CME ALTERNATIVE MARKETPLACE INC.'S, TOTAL COMBINED AGGREGATE OBLIGATIONS SHALL NOT EXCEED \$100,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED ON A SINGLE DAY; \$200,000 FOR ALL LOSSES SUFFERED FROM ALL CAUSES IN A SINGLE CALENDAR MONTH; AND \$2,400,000 FOR ALL LOSSES FROM ALL CAUSES SUFFERED IN A SINGLE CALENDAR YEAR. ANY DISPUTED CLAIM PURSUANT TO THIS PARAGRAPH D MUST BE ARBITRATED PURSUANT TO EXCHANGE RULES.

E. IN NO EVENT SHALL THE EXCHANGE'S, AND WITH RESPECT TO AUCTIONS, CME ALTERNATIVE MARKETPLACE INC., TOTAL LIABILITY FOR ALL CLAIMS ARISING OUT OF ANY NEGLIGENCE, FAILURES, MALFUNCTIONS, FAULTS IN DELIVERY, DELAYS, OMISSIONS, SUSPENSIONS, INACCURACIES, INTERRUPTIONS, TERMINATIONS, ORDER STATUSING ERRORS OR ANY OTHER CAUSES, IN CONNECTION WITH THE FURNISHING, PERFORMANCE, OPERATION, MAINTENANCE, USE OF OR INABILITY TO USE ALL OR ANY PART OF ANY OF THE EXCHANGE'S SYSTEMS, SERVICES, OR FACILITIES USED TO SUPPORT SUCH SYSTEMS AND SERVICES, OR THE NEGLIGENCE OF EXCHANGE STAFF EXCEED \$2,400,000 IN ANY GIVEN CALENDAR YEAR.

IF THE NUMBER OF ALLOWED CLAIMS ARISING OUT OF ANY FAILURES OR MALFUNCTIONS ON A SINGLE DAY OR SINGLE MONTH CANNOT BE FULLY SATISFIED BECAUSE OF THE ABOVE DOLLAR LIMITATIONS, ALL SUCH CLAIMS SHALL BE LIMITED TO A PRO RATA SHARE OF THE MAXIMUM AMOUNT FOR THE RESPECTIVE PERIOD.

A CLAIM AGAINST THE EXCHANGE, OR WITH RESPECT TO AUCTIONS, CME ALTERNATIVE MARKETPLACE INC., ARISING OUT OF ANY FAILURE OR MALFUNCTION SHALL ONLY BE ALLOWED IF SUCH CLAIM IS BROUGHT IN ACCORDANCE WITH THIS RULE.

804. SUBSTITUTION

Except with respect to trades made pursuant to Rules 526, 538, 719, and ~~853~~ and transactions entered into under CME AM and Rule 8D38, the Clearing House shall be substituted as, and assume the position of, seller to the buyer and buyer to the seller of the relevant number of Exchange or Marketplace contracts upon the successful matching of trade data submitted to the Exchange by the clearing members on the long and short sides of a trade. With respect to contracts that are traded on and matched by another exchange or market, the Clearing House shall be substituted as, and assume the position of, seller to buyer and buyer to seller of the relevant number of such contracts upon matching of trade data submitted to and accepted by the Exchange.

Upon such substitution, each clearing member shall be deemed to have bought the contracts from or sold the contracts to the Clearing House, as the case may be, and the Clearing House shall have all the rights and be subject to all the liabilities of such member with respect to such transaction. Such substitution shall be effective in law for all purposes.

With regard to trades made pursuant to Rules 526, 538, 719 and 853, the Clearing House shall be substituted at the time payment of the first settlement variation and performance bond due for such trades pursuant to Rules 814 and 815, respectively, is confirmed by the appropriate settlement bank for both members.

With respect to trades made pursuant to Rule 8D38 (Finality), the Clearing House shall assume the obligation to perform when the results of an Auction are final as set forth in the CME AM rules.