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Chicago Mercantile Exchange

September 6, 2005

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

**RE: Amendments to Rules Governing Pre-Execution Discussion for Markets trading
pursuant to Rule 585. GLOBEX Call Market Trading Algorithm
Submitted per Sec. 5c(c)(1) of the CEA and Regulation Sec. 40.6(a).
CME Submission # 05-083.**

Dear Ms. Webb:

Chicago Mercantile Exchange ("CME" or "Exchange") hereby certifies with the Commission the following amendments to the rules governing Pre-Execution Discussion for Markets trading pursuant to Rule 585. GLOBEX Call Market Trading Algorithm for clarification purpose. The Exchange certifies that these actions neither violate nor are inconsistent with any portion of the Commodity Exchange Act or of the rules thereunder.

The following amendments do not alter the procedure by which trades in Eurodollar Options Contracts consummated through Globex with the aid of pre-execution discussion can be entered. They are adopted for the clarification of the procedure only. Based on existing Rule 585 governing GLOBEX Call Market Algorithm, prior to any private solicitation of bid(s) and/or offer(s), a Request For Quotes ("RFQ") shall be entered. The requirement is reiterated in the amendment to Rule 539 for clarification purpose. Following an RFQ, a Request For Cross shall be entered prior to entering opposing orders within the time frame specified in the rule.

The text of the rule amendment is as follows, with additions underlined and deletions bracketed and overstruck.

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539. PREARRANGED, PRE-NEGOTIATED AND NONCOMPETITIVE TRADES PROHIBITED

[Sections A. and B. are unchanged.]

C. Pre-Execution Discussions Regarding GLOBEX Trades

[The introduction and Parts 1 – 4 are unchanged.]

5. Pursuant to Rule 585 ("GLOBEX® Call Market Trading Algorithm"), solicitation of bid(s) and/or offer(s) through private discussion for the purpose of establishing a market or improving the market for an eligible contract or an eligible combination of contracts for options on Eurodollar futures shall be preceded by issuing a Request For Quote ("RFQ") through an eligible terminal. Subsequent to such RFQ, a [A] trade intended for execution pursuant to Rule 585 for which there has been a pre-execution discussion shall be initiated with a Request for Cross Trade ("Cross Request") for the specific contract or combination of contracts, with explicit reference to the anticipated order quantity. The order from the initiator of the Cross Request for the contract or combination of contracts must be entered within three (3) minutes of the entry of the Cross Request. The opposing order may not be entered until the requisite period of time as stipulated in Section C.3. above has elapsed. Failure to enter the initiating order [following] within three (3) minutes of the entry of the Cross Request [within the requisite time] shall be considered an abandonment of [the] that pre-execution discussion[, and a new Cross Request entry is required to proceed with the transaction]. Any subsequent pre-execution discussion concerning the transaction must be preceded by the entry of a new RFQ and, thereafter, a new Cross Request must be entered before proceeding with the order entries.

As discussed in the Exchange's submission #05-77, the trading of Options on Eurodollar Futures on the "Enhanced Options System" based on the GLOBEX Call Market Algorithm has been formally incorporated in the GLOBEX electronic system. As such, the Exchange ceased referring the GLOBEX Call Market system on Eurodollar Options as the "Enhanced Options System." The following rule amendment removes the reference to the term within Rule 585. The text of the amendment is as follows, with additions underlined and deletions bracketed and overstruck.

585. GLOBEX® CALL MARKET TRADING ALGORITHM

The following GLOBEX Call Market Trading Algorithm shall be applied to such contract markets as determined by the Exchange, including, but not limited to, the options on Eurodollar futures [on the Enhanced Options System]. This rule supersedes, if applicable, other Exchange rules governing trading on GLOBEX, including, but not limited to, Rule 580 and its interpretations.

[The remainder of Rule 585 remains unchanged.]

Please do not hesitate to contact Mr. Richard Co at 312-930-3227 or rco@cme.com if any questions arise during the processing of this submission. Please reference our CME Submission #05-083 on all future correspondence for this submission.

Sincerely,

John W. Labuszewski, Managing Director
Research & Product Development