



**HEDGE
Street**

September 20, 2006

VIA EMAIL: secretary@cftc.gov

Ms. Eileen A. Donovan, Acting Secretary
Secretary of the Commission
Commodity Futures Trading Commission
3 Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

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CFTC OFFICE OF THE SECRETARY

RE: Rule Certification: HedgeStreet® intends to increase the Maximum Settlement Value for the Binary Federal Funds Contracts to \$100 – Submission pursuant to Commission Regulation §40.6(a)

Dear Acting Secretary Donovan:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (the “Commission”) under the Act, HedgeStreet, Inc. (“HedgeStreet”) hereby certifies with the Commission its intent to increase the maximum Settlement Value for its Binary Federal Funds Contracts to from \$10 to \$100.

As a result of the increase in the maximum Settlement Value amount, HedgeStreet is amending the reporting level for these Contracts in order to accommodate the larger maximum Settlement Value as shown in Exhibit A under Rule 12.64(h).

HedgeStreet will first issue the Binary Federal Funds Contracts with a maximum Settlement Value of \$100 on Thursday, September 21, 2006. Since the current Binary Federal Funds Contracts that have a maximum Settlement Value of \$10 had a Last Trade Date of Tuesday, September 19, 2006, there will be no open interest in such \$10 contracts upon the close of business on Wednesday, September 20, 2006.

All amendments to the above-referenced Contracts are defined in Exhibit A. Any rule deletions are stricken out while the amendments and/or additions are underlined. No substantive opposing views were expressed to HedgeStreet with respect to these amendments.

Should you have any questions regarding the above, please do not hesitate to contact Stephanie Ford by telephone at (650) 638-3511 or by email at sford@hedgestreet.com.

Sincerely,

Stephanie Ford
Vice President, Legal & Compliance

cc: Tom Leahy – CFTC
Phil Colling – CFTC
Clarissa Manansala – HedgeStreet, Inc.



EXHIBIT A

Amendments to Rule 12.64 only

(The following new Rule additions are underlined and deletions are stricken out)

RULE 12.64 FEDERAL FUNDS BINARY HEDGELET CONTRACTS

(a) - (g) [unchanged]

(h) REPORTING LEVEL – The Reporting Level for the Federal Funds Binary Hedgelets shall be ~~125,000~~ 300 Contracts.

(i) - (l) [unchanged]

(m) SETTLEMENT VALUE – The Settlement Value is the amount paid to the holder of the in-the-money Contract on the Settlement Date. The Settlement Value for Federal Funds Rate Binary Hedgelets is ~~\$10~~ \$100.

(n) – (o) [unchanged]

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