



Special Executive Report

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

312/930.1000 tel
312/466.4410 fax

S-4388

December 14, 2005

PROCEDURES FOR DETERMINING THE CME/EMTA RUSSIAN RUBLE

REFERENCE RATE ON THE TERMINATION OF TRADING FOR THE DECEMBER 2005

CME RUSSIAN RUBLE FUTURES CONTRACT ON THURSDAY, DECEMBER 15, 2005

As you were notified previously in CME Special Executive Report, S-4282, dated Monday, June 13, 2005, and in CME Update 05-03, dated Monday, May 2, 2005, the Board of Directors at its Regular Meeting on Monday, April 25, 2005, approved changes to the CME/EMTA Russian Ruble Reference Rate Methodology originally proposed by EMTA, Inc. (formerly, the Emerging Markets Traders Association) and the necessary associated changes to the CME Russian Ruble futures contract specifications.

Then, on Thursday, June 16, 2005, Chicago Mercantile Exchange Inc. ("CME") and EMTA implemented the new procedures and new methodology for determining the daily CME/EMTA Russian Ruble Reference Rate. Please note that the June 2006 and subsequently listed CME Russian Ruble futures contracts and as well as the over-the-counter (OTC) Russian Ruble / U.S. Dollar non-deliverable forward (NDF) transactions cash settle in U.S. dollars at termination using these rates. However, the remaining previously listed CME Russian Ruble futures contracts terminating in **December 2005** and **March 2006** will settle at termination to rates determined under the former methodology, so procedures for determining the Final Settlement Prices for these contracts remain unchanged (see rules "Applicable for the June 2005 through March 2006 contract months" in the electronic CME Rulebook at <http://rulebook.cme.com/rulebook10961.html>). As a consequence on these contract termination dates ONLY, the CME/EMTA Russian Ruble Reference Banks will quote a RUB/USD rate three times in one day, once based on the new methodology and two additional times based on the old methodology. This "phase-in procedure" was adopted in order to avoid unnecessary disruption to the futures market.

**Current CME/EMTA Russian Ruble / U.S. Dollar Survey Procedures
for "TOM" Rate Postings are Unchanged**

In accordance with normal procedures (originally implemented starting Thursday, June 16, 2005), CME/EMTA Russian Ruble Reference Rate Banks will be polled by the CME Clearing House agent on Thursday, December 15, 2005, for the Russian Ruble / U.S. Dollar TOM ("tomorrow") rate bid and offer at a random time between 12:00 noon and 12:30 p.m. Moscow time (3:00 a.m. to 3:30 a.m. Central time). The results of this polling will be used to determine the CME/EMTA Russian Ruble Reference "TOM" Rate for Thursday, December 15, 2005. Ruble / dollar non-deliverable forward (NDF) transactions use this daily calculated rate for valuation. However, the December 2005 CME Russian Ruble futures contract will not cash settle to this "TOM" rate at termination (see next section).

**Survey Procedures to Determine the December 2005 CME Russian Ruble Futures
Contract Final Settlement Price (Based on a "TOD" Rate) at Termination
on Thursday, December 15, 2005**

In addition, since Thursday, December 15, 2005, is also the termination of trading for the December 2005 CME Russian Ruble futures contract, the CME Clearing House agent will poll at two additional randomly selected times between 12:00 noon and 3:40 p.m. Moscow time (3:00 a.m. to 6:40 a.m. Central time). At each of the two polling times, reference banks will be asked to provide: (1) the bid and offer of the Russian Ruble/ U.S. Dollar TOM rate and (2) the bid and offer for the overnight Russian Ruble money market rate. CME will then use these data along with the overnight (U.S.) Fed Funds effective rate to calculate the CME/EMTA Russian Ruble Reference "TOD" ("today") Rate for Thursday, December 15, 2005. CME will take the reciprocal of this "TOD" rate, round it to six decimals, and it will become the Final Settlement Price for the termination of the December 2005 CME Russian Ruble futures contract (see also rules "Applicable for the June 2005 through March 2006 contract months" in the electronic CME Rulebook at <http://rulebook.cme.com/rulebook10961.html>).

If you have any questions, please contact Steve Youngren, Associate Director, Financial Product Development, at (312) 930-4583 or Scott Brusso, Director, Foreign Exchange, at (312) 930-3133.