



Special Executive Report

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SETTLEMENT PRICE DETERMINATION IN CLASS III MILK FUTURES

On December 12, 2006, the CME Trading Floor Operations Committee ("Committee") reviewed and approved a recommendation to incorporate, in certain circumstances as described below, bids and offers in Class III Milk futures ("DA") occurring on the CME Globex[®] platform in the determination of settlement prices.

A CME Globex bid or offer in a particular DA contract month will be considered for purposes of determining the settlement price only in circumstances where no market activity has taken place in the pit or on the board during the closing range (1:09:30 – 1:10:00 p.m.) that would affect the settlement price (defined as any trades, or in the absence of any trades during the closing range, a bid higher than or an offer lower than the last sale price). In the event that there has been no market activity during the closing range in a particular contract month that would affect the settlement price as described above, the Exchange will consider a resting CME Globex bid and/or offer in that contract month provided that such bid or offer was entered prior to 1:08:00 p.m. and remained available in the CME Globex order book through the end of CME Globex trading in the DA at 1:10:00 p.m.

The Committee approved the recommendation to help ensure that settlement prices in DA will continue to fairly and accurately reflect market conditions at the close.

The change will become effective on Monday, January 8, 2007.

If you have any questions, please contact Tom Lord, Associate Director, Trading Floor Operations, at 312/338.2881 or David Kempes, Associate Director, Trading Floor Operations, at 312/648.3710.