

Special Executive Report

S-4511

November 3, 2006

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1. CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX FUTURES AND OPTIONS CONTRACTS BEGIN TRADING MONDAY, NOVEMBER 6, 2006

CME will launch Canadian Degree Days Index futures and options contracts on Monday, November 6, 2006. The following contracts will be listed for trading:

- Monthly HDD Index – November 2006, December 2006, January 2007, February 2007, March 2007 and April 2007
- Seasonal Strip HDD Index – Any two or more consecutive months November 2006 – April 2007

CME Canadian Monthly and Seasonal Degree Days Index futures will trade exclusively on CME Globex electronic trading platform.

2. SPECIFICATIONS AND RULES FOR CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX CONTRACTS

CME CANADIAN MONTHLY DEGREE DAYS INDEX FUTURES CONTRACT

Contract Size:	C\$20 (Canadian Dollars) times the respective CME Canadian Degree Days Index
Quotation:	CME Canadian Degree Days Index Points
Index:	Accumulation of like Canadian Degree Days during a Month
Minimum Price Increment:	1 CME Canadian Index Point
Tick Value:	1 Point = C\$20 (Canadian Dollars)
Price Bands:	5 Index points (plus or minus) around "CME Last Price" equating to a maximum exposure of C\$100 (Canadian Dollars) per contract
Months Traded:	October, November, December, January, February, March, April (HDD) April, May, June, July, August, September, October (CDD)
Termination of Trading:	Trading shall terminate at 9:00 a.m. Chicago time on the first Exchange business day that is at least two calendar days after the futures contract month
Settlement:	All futures contracts remaining open at the termination of trading shall be settled using the respective CME Canadian Degree Days Index reported by Earth Satellite Corporation for that contract month, on the first Exchange business day that is at least two calendar days after the futures contract month.
Position Limits:	10,000 contracts net long or net short in all contract months combined
Electronic Trading Hours:	5:00 P.M. to 3:15 P.M. the following day (9:00 A.M. on LTD)

OPTIONS ON THE CME CANADIAN DEGREE DAYS INDEX FUTURES CONTRACT

Contract Size:	1 CME Canadian Degree Days Index futures contract
Quotation:	CME Canadian Degree Days Index Points
Index:	Accumulation of like Canadian Degree Days during a Month
Minimum Price Increment:	1 CME Canadian Degree Days Index Point (cabinet = .5 CME Canadian Degree Days Index Point)
Tick Value:	1 Point = C\$20 (Canadian Dollars)
Daily Price Limits:	None
Months Traded:	October, November, December, January, February, March, April (HDD) April, May, June, July, August, September, October (CDD)
Termination of Trading:	Same date and time as underlying futures
Strike Price Interval:	1 Index Point, e.g. 11, 12, 13 etc.
Exercise:	European Style (Exercised on LTD)
Position Limits:	10,000 futures equivalent contracts net long or net short in all contract months combined
Trading Hours:	8:30 A.M. to 3:15 P.M. (9:00 A.M. on LTD)

The text of the contract rules for CME Canadian Degree Days Index futures and options is as follows:

CHAPTER 421
CME Canadian Degree Days Index Futures

42100. SCOPE OF CHAPTER

This chapter is limited in application to futures trading on CME Canadian Degree Days Indexes: the CME Canadian Heating-Degree-Days (CME-HDD) Index and the CME Canadian Cooling-Degree-Days (CME-CDD) Index. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

42101. COMMODITY SPECIFICATIONS

1. Heating Degree Days and Cooling Degree Days

The daily average temperature is defined as the arithmetic average of the maximum temperature (Tmax) and minimum temperature (Tmin), recorded between 0600 UTC the previous day and 0559 UTC the current day for Tmax, and between 0600 UTC the previous day and 0559 UTC the current day for Tmin as reported by Earth Satellite Corporation.

For each day, Heating-Degree-Days (HDD) is the greater of (1) zero, (2) 18 degrees Celsius ("C") minus the daily average temperature.

For each day, Cooling-Degree-Days (CDD) is the greater of (1) zero, (2) the daily average temperature minus 18 degrees Celsius ("C").

2. The CME Canadian Degree Days Indexes and Listing Cities

Each particular CME Canadian Degree Days index is the accumulation of like Degree Days over a calendar month. The accumulation period of each CME-HDD or CME-CDD Index Futures contract begins with the first calendar day of the contract month and ends with the last calendar day of the contract month.

The temperature for a particular city is reported from a specific automated weather station. The table below lists the cities and their corresponding weather stations:

Listing Cities and Corresponding Automated Weather Stations

Calgary International Airport (WMO 71877)
Edmonton International Airport (WMO 71123)
Montreal/Pierre Elliot Trudeau Airport (WMO 71627)
Toronto Pearson International Airport (WMO 71624)
Vancouver International Airport (WMO 71892)
Winnipeg International Airport (WMO 71852)

42102. FUTURES CALL

42102.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours in such months as may be determined by the Board of Directors.

42102.B. Size of Trading Unit

The size of the unit of trading shall be C\$20 (Canadian Dollars) times the respective CME Canadian Degree Days Index.

42102.C. Price Increments

The minimum price fluctuation on the respective CME Canadian Degree Days Index futures shall be 1 index point and have a value of C\$20 (Canadian Dollars).

42102.D. Position Limits

A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined. For position involving options on the respective CME Canadian Degree Days Index futures, this rule is superseded by the option speculative position limit rule.

42102.E. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

42102.F. Exemptions

The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 543.

42102.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least two calendar days after the futures contract month.

42102.H. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract, except that all contracts must conform to government regulations in force at the time of final settlement. If any U.S. governmental agency or body with jurisdiction over the trading of the contract or with jurisdiction respecting the trading or final settlement of the CME Canadian Degree Days Index futures issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such governmental orders.

42102.I [Reserved]

42103. SETTLEMENT PROCEDURES

42103.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CME Canadian Degree Days Index reported by Earth Satellite Corporation for that city for that contract month, using the methodology in effect on that date, on the first Exchange business day that is at least two calendar days after the futures contract month. For example, on January 4, 2005, the December 2004 futures contract on the CME Montreal HDD Index would have been settled at 737.90 Heating Degree Days.

42103.B. Final Settlement

Clearing members holding open positions in a CME Canadian Degree Days Index futures contract at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

42104. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

42105. - 06. [RESERVED]

(End Chapter 421)

**INTERPRETATIONS AND SPECIAL NOTICES
RELATING TO CHAPTER 421**

LIMITATION OF LIABILITY AND DISCLAIMER

Earth Satellite Corporation ("EarthSat") grants the Exchange the rights to use various data ("Data") in connection with the trading of futures contracts and options on futures contracts based upon such Data. EarthSat makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. EarthSat makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Data. Without limiting any of the foregoing, in no event shall EarthSat have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

**CHAPTER 421A
Options on CME Canadian Degree Days Index Futures**

421A00. SCOPE OF CHAPTER

This chapter is limited in application to trading in put and call options on CME Canadian Degree Days Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

421A01. OPTION CHARACTERISTICS

421A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Board of Directors.

421A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one respective CME Canadian Degree Days Index futures contract as specified in Chapter 421.

421A01.C. Minimum Fluctuations

The price of an option shall be quoted in terms of the respective CME Canadian Degree Days Index. Each index point represents C\$20 (Canadian Dollars). For example, a quote of 2 index points represents C\$40 (Canadian Dollars). The minimum fluctuation shall be 1.0 HDD or 1.0 CDD (also known as one tick), equal to C\$20 (Canadian Dollars).

421A01.D. [Reserved]

421A01.E. Exercise Prices

Exercise prices shall be stated in terms of the respective CME Canadian Degree Days Index futures contract. Eligible exercise prices shall also be at intervals of 1 index point (e.g., 710, 711, 712, etc.).

At the commencement of option trading in a contract month, the eligible put and call options are at intervals of 1 index point in a range of 1 to 1500 index points for CDD months and a range of 1 to 3200 index points for HDD months upon demand evidenced in the options pit. New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.

421A01.F. Position Limits

No person shall own or control a combination of options and underlying futures contracts that exceeds 10,000 futures-equivalent contracts net on the same side of the market in all contract months combined.

For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.

421A01.G. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

421A01.H. Exemptions

The foregoing position limits shall not apply to commercially appropriate risk reducing option positions defined in accordance with Regulation 1.3(z)(1) of the CFTC and meeting the requirements of Rule 543 and shall not apply to other option positions exempted pursuant to Rule 543.

421A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

421A01.J. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new options contracts shall be subject to such governmental orders.

421A02. EXERCISE

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of the CME Canadian Degree Days Index options.

421A02.A. Exercise of Option by Buyer

An option may be exercised by the buyer only on the termination of trading day. To exercise an option the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. on the day of exercise.

An option that is in the money and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically.

421A02.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours in the underlying futures contract on the following business day.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

421A03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

(End Chapter 421A)

**INTERPRETATIONS AND SPECIAL NOTICES
RELATING TO CHAPTER 421A**

CLARIFICATION OF NON-AGRICULTURAL OPTION SPECULATIVE POSITION LIMIT RULE

(Special Executive Report S-1618, March 31, 1986)

Please note that the non-agricultural option speculative position limit rule, in effect at this time, supersedes the speculative position rule for the underlying futures contract. Therefore, for example, a trader may hold a gross futures position that exceeds the futures position limit rule if that gross position is part of a spread with options, such that the net position across options and futures is less than the applicable limit set in the options rule.

LIMITATION OF LIABILITY AND DISCLAIMER

Earth Satellite Corporation ("EarthSat") grants the Exchange the rights to use various data ("Data") in connection with the trading of futures contracts and options on futures contracts based upon such Data. EarthSat makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. EarthSat makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Data. Without limiting any of the foregoing, in no event shall EarthSat have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

CME CANADIAN SEASONAL STRIP DEGREE DAYS INDEX FUTURES CONTRACT

Contract Size:	C\$20 (Canadian Dollars) times the respective CME Canadian Seasonal Strip Degree Days Index
Quotation:	CME Canadian Seasonal Strip Degree Days Index Points
Index:	Accumulation of like Canadian Degree Days over the respective period
Minimum Price Increment:	1 CME Canadian Seasonal Strip Degree Days Index Point
Tick Value:	1 Point = C\$20 (Canadian Dollars)
Price Bands:	5 Index points (plus or minus) around "CME Last Price" equating to a maximum exposure of C\$100 (Canadian Dollar) per contract
Season Traded:	October – April (HDD Season) April – October (CDD Season)
Termination of Trading:	Trading shall terminate at 9:00 a.m. Chicago time on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.
Settlement:	All futures contracts remaining open at the termination of trading shall be settled using the respective CME Canadian Seasonal Degree Days Index reported by Earth Satellite Corporation for

	that contract period, on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.
Position Limits:	10,000 contracts net long or net short in all contract months combined
Electronic Trading Hours:	5:00 P.M. to 3:15 P.M. the following day (9:00 A.M. on LTD)

**OPTIONS ON THE CME CANADIAN SEASONAL STRIP DEGREE DAYS INDEX
FUTURES CONTRACT**

Contract Size:	C\$20 (Canadian Dollars) times the respective CME Canadian Seasonal Strip Degree Days Index
Quotation:	CME Canadian Seasonal Strip Degree Days Index Points
Index:	Accumulation of like Canadian Degree Days over the respective period
Minimum Price Increment:	1 CME Canadian Seasonal Strip Degree Days Index Point = .5 CME Canadian Seasonal Strip Degree Days Index Point
Tick Value:	1 Point = C\$20 (Canadian Dollars)
Daily Price Limits:	None
Season Traded:	October – April (HDD Season) April – October (CDD Season)
Termination of Trading:	Same date and time as underlying futures
Strike Price Interval:	1 Index Points, e.g. 11, 12, 13 etc.
Exercise:	European Style (Exercised on LTD)
Position Limits:	10,000 futures equivalent contracts net long or net short in all contract months combined
Trading Hours:	8:30 A.M. to 3:15 P.M. (9:00 A.M. on LTD)

The text of the contract rules for CME Canadian Seasonal Degree Days Index futures and options is as follows:

CHAPTER 422
CME Canadian Seasonal Strip Degree Days Index Futures

42200. SCOPE OF CHAPTER

This chapter is limited in application to futures trading on CME Canadian Seasonal Strip Degree Days Indexes: the CME Canadian Seasonal Strip Heating-Degree-Days (CME SSHDD) Index and the CME Canadian Seasonal Strip Cooling-Degree-Days (CME SSCDD) Index. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

42201. COMMODITY SPECIFICATIONS

1. Heating Degree Days and Cooling Degree Days

The daily average temperature is defined as the arithmetic average of the maximum temperature (Tmax) and minimum temperature (Tmin), recorded between 0600 UTC the previous day and 0559 UTC the current day for Tmax, and between 0600 UTC the previous day and 0559 UTC the current day for Tmin as reported by Earth Satellite Corporation.

For each day, Heating-Degree-Days (HDD) is the greater of (1) zero, (2) 18 degrees Celsius ("C") minus the daily average temperature.

For each day, Cooling-Degree-Days (CDD) is the greater of (1) zero, (2) the daily average temperature minus 18 degrees Celsius ("C").

2. The CME Canadian Seasonal Strip Degree Days Indexes and Listing Cities

Each particular CME Canadian Seasonal Strip Degree Days index is the accumulation of like Degree Days over a minimum of two, and a maximum of seven, consecutive calendar months. For a seasonal strip involving Cooling Degree Days, the first calendar month in the strip may be April or later, and the last calendar month in the strip may be October or earlier. For a seasonal strip involving Heating Degree Days, the first calendar month in the strip may be October or later, and the last calendar month in the strip may be April or earlier. A separate futures contract shall be listed for each strip. The accumulation period of each CME SSHDD or CME SSCDD begins with the first calendar day of the first month of the strip, and ends with the last calendar day of the last month of the defined strip.

The temperature for a particular city is reported from a specific automated weather station. The table below lists the cities and their corresponding weather stations:

Listing Cities and Corresponding Automated Weather Stations

Calgary International Airport (WMO 71877)
Edmonton International Airport (WMO 71123)
Montreal/Pierre Elliot Trudeau Airport (WMO 71627)
Toronto Pearson International Airport (WMO 71624)
Vancouver International Airport (WMO 71892)
Winnipeg International Airport (WMO 71852)

42202. FUTURES CALL

42202.A. Trading Schedule

Futures contracts shall be scheduled for trading and delivery during such hours in such months as may be determined by the Board of Directors.

42202.B. Size of Trading Unit

The size of the unit of trading shall be C\$20 (Canadian Dollars) times the respective CME Canadian Seasonal Strip Degree Days Index.

42202.C. Price Increments

The minimum price fluctuation on the CME Canadian Seasonal Strip Degree Days Index futures shall be 1 index point and have a value of C\$20 (Canadian Dollars).

42202.D. Position Limits

A person shall not own or control more than 10,000 contracts net long or net short in all contract months combined. For position involving options on the respective CME Canadian Seasonal Strip Degree Days Index futures, this rule is superseded by the option speculative position limit rule.

42202.E. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

42202.F. Exemptions

The foregoing position limits shall not apply to bona fide hedge positions meeting the requirements of Regulation 1.3(z)(1) of the CFTC and the rules of the Exchange, and shall not apply to other positions exempted pursuant to Rule 543.

42202.G. Termination of Trading

Futures trading shall terminate at 9:00 A.M. on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip.

42202.H. Contract Modification

Specifications shall be fixed as of the first day of trading of a contract, except that all contracts must conform to government regulations in force at the time of final settlement. If any U.S. governmental agency or body with jurisdiction over the trading of the contract or with jurisdiction respecting the trading or final settlement of the CME Seasonal Strip Degree Days Index futures issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such governmental orders.

42202. I. [Reserved]

42203. SETTLEMENT PROCEDURES

42203.A. Final Settlement Price

All futures contracts remaining open at the termination of trading shall be settled using the respective CME Seasonal Strip Degree Days Index reported by Earth Satellite Corporation for that city for that contract period, using the methodology in effect on that date, on the first Exchange business day that is at least two calendar days after the last calendar day of the last month of the defined strip. For example, on April 4, 2006, the November 2005 - March 2006 futures contract on the CME Montreal Nov-Mar '06 SSHDD Index would have been settled at 3161.70 Heating Degree Days.

42203.B. Final Settlement

Clearing members holding open positions in a CME Canadian Seasonal Strip Degree Days Index futures contract at the termination of trading in that contract shall make payment to or receive payment from the Clearing House in accordance with normal variation performance bond procedures based on a settlement price equal to the final settlement price.

42204. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

42205 - 06 RESERVED

(End Chapter 422)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 422

Earth Satellite Corporation ("EarthSat") grants the Exchange the rights to use various data ("Data") in connection with the trading of futures contracts and options on futures contracts based upon such Data. EarthSat makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. EarthSat makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Data. Without limiting any of the foregoing, in no event shall EarthSat have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

CHAPTER 422A

Options on CME Canadian Seasonal Strip Degree Day Index Futures

422A00. SCOPE OF CHAPTER

This chapter is limited in application to trading in put and call options on CME Canadian Seasonal Strip Degree Days Index futures contracts. The procedures for trading, clearing and settlement, and any other matters not specifically covered herein shall be governed by the rules of the Exchange.

422A01. OPTION CHARACTERISTICS

422A01.A. Contract Months and Trading Hours

Options contracts shall be listed for such contract months and scheduled for trading during such hours as may be determined by the Board of Directors.

422A01.B. Trading Unit

The trading unit shall be an option to buy, in the case of the call, or to sell, in the case of the put, one respective CME Canadian Seasonal Strip Degree Days Index futures contract as specified in Chapter 422.

422A01.C. Minimum Fluctuations

The price of an option shall be quoted in terms of the respective CME Canadian Seasonal Strip Degree Days Index. Each index point represents C\$20 (Canadian Dollars). For example, a quote of 2 index points represents C\$40 (Canadian Dollars). The minimum fluctuation shall be 1.0 HDD or 1.0 CDD (also known as one tick), equal to C\$20 (Canadian Dollars).

422A01.D. [Reserved]

422A01.E. Exercise Prices

Exercise prices shall be stated in terms of the respective CME Seasonal Strip Degree Days Index futures contract. Eligible exercise prices shall be at intervals of 1 CME Seasonal Strip Degree Days Index point (e.g., 4510, 4511, 4512, etc.).

At the commencement of options trading in a contract month, the eligible put and call options are at intervals of 1 index point in a range of 1 to 7500 index points for the CDD season and a range of 1 to 16,000 index points for the HDD season upon demand evidenced in the options pit. New options may be listed for trading up to and including the termination of trading.

The Board may modify the provisions governing the establishment of exercise prices as it deems appropriate.

422A01.F. Position Limits

No person shall own or control a combination of options and underlying futures contracts that exceeds 10,000 futures-equivalent contracts net on the same side of the market in all contract months combined.

For the purpose of this rule, the futures equivalent of an option contract is 1 times the previous business day's IOM risk factor for the option series. Also for purposes of this rule, a long call option, a short put option, and a long underlying futures contract are on the same side of the market; similarly, a short call option, a long put option, and a short underlying futures contract are on the same side of the market.

422A01.G. Accumulation of Positions

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding, and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be cumulated.

422A01.H. Exemptions

The foregoing position limits shall not apply to commercially appropriate risk reducing option positions defined in accordance with Regulation 1.3(z)(1) of the CFTC and meeting the requirements of Rule 543.A. and shall not apply to other option positions exempted pursuant to Rule 543.

422A01.I. Termination of Trading

Options trading shall terminate on the same date and time as the underlying futures contract.

422A01.J. Contract Modifications

Specifications shall be fixed as of the first day of trading of a contract except that all options must conform to government regulations in force at the time of exercise. If the U.S. government, an agency or duly constituted body thereof issues an order, ruling, directive or law inconsistent with these rules, such order, ruling, directive or law shall be construed to become part of these rules and all open and new options contracts shall be subject to such governmental orders.

422A02. EXERCISE

In addition to the applicable procedures and requirements of Chapter 7, the following shall apply to the exercise of the CME Canadian Seasonal Degree Days Index options.

422A02.A. Exercise of Option by Buyer

An option may be exercised by the buyer only on the termination of trading day. To exercise an option the clearing member representing the buyer shall present an exercise notice to the Clearing House by 7:00 p.m. on the day of exercise.

An option that is in the money and has not been liquidated prior to the termination of trading shall, in the absence of contrary instructions delivered to the Clearing House by 7:00 p.m. on the day of expiration by the clearing member representing the option buyer, be exercised automatically.

422A02.B. Assignment

Exercise notices accepted by the Clearing House shall be assigned through a process of random selection to clearing members with open short positions in the same series. A clearing member to which an exercise notice is assigned shall be notified thereof as soon as practicable after such notice is assigned by the Clearing House, but not later than 45 minutes before the opening of Regular Trading Hours in the underlying futures contract on the following business day.

The clearing member assigned an exercise notice shall be assigned a short position in the underlying futures contract if a call is exercised or a long position if a put is exercised. The clearing member representing the option buyer shall be assigned a long position in the underlying futures contract if a call is exercised and a short position if a put is exercised.

All such futures positions shall be assigned at a price equal to the exercise price of the option and shall be marked to market in accordance with Rule 814 on the trading day of acceptance by the Clearing House of the exercise notice.

422A03. ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES

(Refer to Rule 701. – ACTS OF GOVERNMENT, ACTS OF GOD AND OTHER EMERGENCIES)

(End Chapter 422A)

INTERPRETATIONS & SPECIAL NOTICES RELATING TO CHAPTER 422A

Earth Satellite Corporation ("EarthSat") grants the Exchange the rights to use various data ("Data") in connection with the trading of futures contracts and options on futures contracts based upon such Data. EarthSat makes no warranty, express or implied, as to the results to be obtained by any person or any entity from the use of the Data in connection with the trading of futures contracts, options on futures contracts or any other use. EarthSat makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the Data. Without limiting any of the foregoing, in no event shall EarthSat have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

CLARIFICATION OF NON-AGRICULTURAL OPTION SPECULATIVE POSITION LIMIT RULE

(Special Executive Report S-1618, March 31, 1986)

Please note that the non-agricultural option speculative position limit rule, in effect at this time, supersedes the speculative position rule for the underlying futures contract. Therefore, for example, a trader may hold a gross futures position that exceeds the futures position limit rule if that gross position is part of a spread with options, such that the net position across options and futures is less than the applicable limit set in the options rule.

If you have any questions about these rules, please contact Charles Piszczor, Associate Director, Commodity Product Development, at (312) 930-4536.

3. INITIAL CONTRACTS FOR CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX FUTURES AND OPTIONS TRADING

The Exchange will list for trading the following CME Canadian Degree Days Index futures:

- Monthly HDD Index – November 2006, December 2006, January 2007, February 2007, March 2007 and April 2007
- Seasonal Strip HDD Index – Any two or more consecutive months November 2006 - April 2007

A new month/season will be listed on the business day following termination of trading of the nearby month/season.

These same monthly/seasonal contracts will be eligible for trading in options on futures beginning the same business day as futures.

If you have any questions about these procedures, please contact Charles Piszczor, Associate Director, Commodity Product Development, at (312) 930-4536.

4. INITIAL CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX OPTIONS STRIKE PRICES

MONTHLY:

Exercise prices shall be stated in terms of the CME Canadian Degree Days Indexes futures contract that is deliverable upon exercise of the option and may be at intervals of 1 for all CME Canadian Degree Days Indexes levels from 1 through 3200, e.g., 5, 6, 7 etc.

SEASONAL:

Exercise prices shall be stated in terms of the CME Canadian Seasonal Degree Days Indexes futures contract that is deliverable upon exercise of the option and may be at intervals of 1 for all CME Canadian Seasonal Degree Days Indexes levels from 1 through 16,000, e.g., 12, 13, 14 etc.

If you have any questions about strike price listings, please contact Charles Piszczor, Associate Director, Commodity Product Development, at (312) 930-4536.

5. CLEARING & CME GLOBEX FEES FOR CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX FUTURES AND OPTIONS

Account	Clearing Fees (per side)	CME Globex Fees (per side)
Equity/Clearing Member	\$0.02	\$0.125
106.I Members and their 100% owned subsidiaries	\$0.02	\$0.125
Rule 106.D Lessees/ Rule 106.F Employees	\$0.07	\$0.125
106 H/N Firms	\$0.12	\$0.125
Customers of Member Firms	\$0.16	\$0.375
Block Trade Surcharge		\$0.44

If you have any questions regarding clearing fees, please contact Julie Balzarini, Accounting, at (312) 648-5470.

6. REPORTABLE POSITION LEVELS FOR CME CANADIAN MONTHLY AND SEASONAL STRIP DEGREE DAYS INDEX FUTURES AND OPTIONS

For purposes of Rule 817. - REPORTS OF LARGE POSITIONS, the minimum levels at which positions must be reported to the Exchange are as follows for CME Canadian Degree Days Index futures and options:

<u>COMMODITY</u>	<u>REPORTABLE LEVEL</u>
CME Canadian Degree Days Futures	25 contracts
CME Canadian Degree Days Options	25 contracts

If you have any questions about these levels, please contact Joel Koranteng, Market Surveillance, at (312) 466-4372.

7. PERFORMANCE BONDS FOR THE CME CANADIAN DEGREE DAYS INDEX FUTURES

If you have any questions about these requirements, please contact the Risk Control Department at (312) 648-3888.

8. CME GLOBEX ERROR TRADE POLICY

The CME Globex error trade policy for all CME Canadian Degree Days Indexes calls for a no bust range of 5 index points or less.

If you have any questions, please contact John Restivo, Director, CME Globex Control Center (GCC), at (312) 648-5475.

9. SELECTED QUOTE VENDORS

If you have any questions, please contact Laura Sutor, Market Data Analyst, Market Data Operations, at (312) 648-5480.