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Special Executive Report

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CLASS III MILK FUTURES AND OPTIONS TO BE REMOVED FROM THE NEW PRODUCT ACCESS PROGRAM

Class III Milk Futures and Options will be removed from the New Product Access Program effective at the close of business on Friday, June 1, 2007.

As a result of this action, only CME members will be allowed to trade, broker, and pay member clearing fees in Class III Milk Futures beginning Monday, June 4, 2007.

In addition, only IOM, IMM, and CME members will be allowed to trade, broker, and pay member clearing fees in Options on Class III Milk beginning Monday, June 4, 2007.

The New Product Access Program was designed to increase the volume in new contracts by increasing the number of individuals eligible to trade those products. The program allows members in all divisions to trade, broker, and solicit customer business and pay lessee clearing fees. Upon reaching certain volume levels, access ends for these out-of-division members. Class III Milk Futures was designated as a CME product at the time it was launched, so the program allowed IMM, IOM, and GEM access to this market. Options on Class III Milk was designated as an IOM product at the time it was launched, so the program allowed GEM access to this market.

Since its inclusion in the New Product Access Program in March 1998, volume in Class III Milk has experienced steady growth. The volume threshold for eligibility in this program was first exceeded in February 2003, and the Exchange granted extensions in March 2004, September 2004, and September 2005. However, volume over this period has routinely exceeded the maximum level allowed for the continued eligibility of Class III Milk in this program.

Notice that this action does not affect the New Product Access Program status for any other CME dairy products.

If you have any questions regarding this matter, please contact John Harangody, Director, Commodity Products, at (312) 466-4437.