

CORPORATE EVENTS

MEMO # 06-118

DATE: 5/11/06

ACTION: Phelps Dodge Corporation (PD) has announced a special cash distribution of \$2.00 per PD Common Share. **The ex-distribution date is Friday, May 12, 2006.** This corporate action will be coordinated with the Options Clearing Corporation.

CATEGORY: Special Cash Distribution

EQUITY SYMBOL: Phelps Dodge Corporation (PD)

ONECHICAGO SYMBOL: PD1C remains the same

CME FUTURES SYMBOL: PD remains the same

EFFECTIVE DATE: Effective on the opening of business Friday, May 12, 2006.

MULTIPLIER: 100 multiplier remains the same

DELIVERABLE PER CONTRACT: 100 Phelps Dodge Corporation (PD) Common Shares.

APPLICABLE CONTRACT MONTHS: May, June, September and December

SETTLEMENT PRICES AND POSITIONS: Start of day prices on May 12, 2006 will be reduced by \$2.00 from the May 11, 2006 settlement price. This corporate event will have no effect on the mark to market value for positions held from May 11, 2006 to May 12, 2006.

NOTES:

The forecasted effect of the upcoming corporate event on each clearing firm's positions can be viewed in infopac in the Corporate Event Initial Forecast Report (ONE712), the Corporate Event Final Forecast Report (ONE713), and the Corporate Event Forecast Audit Report (CPDBU710).

The details after the corporate event has been applied can be viewed in the Corporate Event Activity Report (ONE711).

If you have any questions regarding the information provided in the document, please call CME Clearing risk management hotline at (312) 648-3888.