



Web 2010-9

June 9, 2010

Dear Members & Rulebook Recipients:

The following Chapter has been amended:

<u>Chapter</u>	<u>Resolutions</u>	<u>Purpose</u>
72 Resolutions	1402.00. C.	Housekeeping.
	2020.00.	Housekeeping.
	2102.00. C.	To update Clearing Margins for HRSW and Wheat Index Contracts.

You can view these changes by visiting the MGEX website at <http://www.mgex.com>:

1. On the top, go to "RESOURCES" and click "Rules and Regulations"
2. In the middle of the page, click "Click here to download changes to MGEX RULES AND REGULATIONS"
3. Then print if you wish to obtain an updated hard copy for your book.

If you have any questions or problems accessing the Rulebook, please contact Layne G. Carlson at (612) 321-7169 or lcarlson@mgex.com.

A handwritten signature in black ink that reads "Layne G. Carlson" followed by a large, stylized flourish.

Layne G. Carlson
Corporate Secretary

CHAPTER 72 RESOLUTIONS

RESOLUTION 210.01. F.

Pursuant to the provisions of **Rule 210.01. F.**, the Board of Directors has adopted this Resolution.

Limited authority of the Board of Directors to amend Minneapolis Grain Exchange Regulations is hereby delegated to Exchange officers. Such authority includes amending hours of trading, margin requirements, declaration of holidays, reportable position limits, settlement procedures, open or closing periods, fees, forms, notices, deadlines, dress and decorum policies, minimum financial requirements, notification and reporting requirements, striking prices, cash market reporting, recordkeeping requirements, honorary memberships, default procedures, give-up procedures, and definition of emergencies. The President and Chairperson of the Board may determine whether a Regulation can be amended by Exchange officers. Regulation amendments shall be forwarded promptly to the Board of Directors.

Further, limited authority of the Board of Directors is hereby delegated to Exchange officers to exercise certain other powers including amending transfer procedures, approving registration and membership applications and cancellations, approving standing committee appointments, and amending the matching algorithm for the electronic trading system. Such approvals and changes shall be forwarded promptly to the Board of Directors.

RESOLUTION 372.00.

Pursuant to **Rule 372.00. I.** and **J.**, the Minneapolis Grain Exchange Board of Directors has adopted the following requirements to be met by Delegates of the Exchange.

A Delegate shall deposit one thousand dollars (\$1,000.00) with the Exchange. No interest will be paid on the deposit.

A Delegate shall pay a fee of two hundred dollars (\$200.00) each month unless said Delegate trades a minimum of twenty five (25) MGEX futures and/or options contracts.

Approved by the Board July 9, 2009, effective September 1, 2009.

RESOLUTION 719.00.

The Minneapolis Grain Exchange Board of Directors has adopted a \$0.70 fee to be paid to the Corporation by the buyer and the seller for each Minneapolis Grain Exchange contract involved in an exchange for risk or exchange for physical transaction.

Approved by the Board March 18, 2008, effective April 1, 2008.

RESOLUTION 803.01.

The Minneapolis Grain Exchange Board of Directors has adopted the following Resolution:

BE IT RESOLVED, that, pursuant to **Rule 803.01.**, the Minneapolis Grain Exchange Board of Directors shall require that, effective with the December 1998 delivery month, elevators

declared regular to deliver Spring Wheat on MGEX futures contracts provide a certificate of U.S. origin for delivered Spring Wheat if specifically requested in writing by the taker of delivery at the time load-out instructions are submitted.

Approved by the Board July 10, 1997.

RESOLUTION 803.02.

This Resolution shall remain in effect through the December 2011 contract month, after which it shall be removed from the Rulebook.

Pursuant to **Rule 803.02.**, the Minneapolis Grain Exchange Board of Directors has adopted this Resolution.

A delivery elevator can meet the certificate requirement for non-genetically modified wheat by providing a letterhead statement issued by the Grain Inspection, Packers and Stockyards Administration (GIPSA) that states, "There are no transgenic wheat varieties for sale or in commercial production in the United States at this time."

If the GIPSA statement is not available, the delivery elevator must provide a certificate, along with supporting documentation, that the delivery wheat is non-genetically modified wheat in accordance with the following testing procedures and tolerance criteria:

1. The delivery elevator, at its own expense, shall have the delivery wheat tested for transgenic events. The testing for genetically modified (transgenic) wheat shall be conducted by a federal agency or a Board of Directors designated authority selected by the elevator. The testing must be completed by the time a bill of lading is ready to be issued confirming load-out is completed and the wheat otherwise meets delivery specifications.
2. A certificate cannot be issued if the amount of genetically modified (transgenic) wheat exceeds more than one percent (1%) of the net amount delivered which includes the transgenic wheat. If a certificate cannot be issued, the elevator must reload unless the taker and the elevator agree to other arrangements.

This resolution is effective with the July 2004 delivery month.

RESOLUTION 1402.00. C.

Pursuant to Rule 210.01., the Minneapolis Grain Exchange Board of Directors has adopted these Resolutions.

That the last trading day and expiration for the December 2010 Spring Wheat options contract be changed from Friday, November 26, 2010 to Tuesday, November 23, 2010.

Approved by the Board March 18, 2008.

That the last trading day and expiration for the January 2011 Spring Wheat options contract be changed from Thursday, December 23, 2010 to Wednesday, December 22, 2010.

Approved by the Board March 18, 2008.

RESOLUTION 2020.00.

The Minneapolis Grain Exchange Board of Directors has adopted the following schedule of Exchange service fees to be paid to the Corporation for each contract of Minneapolis Grain Exchange Futures bought, sold, exchanged for physical or risk, transferred, delivered, accepted for delivery or cash settled, or for each contract of Minneapolis Grain Exchange Options bought, sold, transferred, exercised or assigned.

Open Outcry

Type 1 rates	\$0.00
Member rate	\$0.30
Delegate rate	\$0.45
Non-Member rate	\$0.60

The maximum combined Exchange and Clearing service fees for Open Outcry Type 1 rates is five thousand dollars (\$5,000) per year.

MGExpress**First 15,000 Contracts per month**

Member rate	\$0.80
Delegate rate	\$1.20
Non-Member rate	\$1.60

Next 15,000 Contracts per month

Member rate	\$0.60
Delegate rate	\$1.00
Non-Member rate	\$1.40

Each Additional Contract per month

Member rate	\$0.45
Delegate rate	\$0.85
Non-Member rate	\$1.25

Exchange service fees for MGExpress will be charged per account.

For purposes of computing fees, a "member" is the individual listed as the record holder of a membership and trades Exchange contracts for their own account. Further, member rates apply to a firm or corporation which is a record owner of a membership. Member rates do not apply to employees, associated persons, affiliate companies, subsidiary corporations or parent corporations of a member firm or corporation unless they also are a record owner of a membership.

A "delegate" is the individual listed as the record holder of a leased membership and trades Exchange contracts for their own account.

Approved by the Board March 18, 2008, effective April 1, 2008.

RESOLUTION 2024.00.

The Minneapolis Grain Exchange Board of Directors has adopted the following schedule of Exchange regulatory fees to be paid to the Corporation annually. The fee shall be prorated over the Corporation's fiscal year for each month the entity is registered.

A fee of \$10,000 shall be paid by registered futures commission merchant members for which the Exchange is the self-regulatory organization responsible for monitoring and auditing for compliance with the minimum financial, segregation and related reporting and recordkeeping requirements. Such fee shall also apply if the Exchange has delegated its responsibilities to another designated self-regulatory organization. However, the fee shall be waived if the registered futures commission merchant member clears 50,000 contracts annually.

Approved by the Board on January 18, 2001.

RESOLUTION 2101.00.C.

The Minneapolis Grain Exchange Clearing House Committee has adopted the following schedule of deadlines for reporting trading session activity to the Clearing House:

8:00 a.m.	Form 200's
9:00 a.m.	Settlement and margin payment Offset requests
11:15 a.m.	Weekly account position updates Daily Delivery/Exercise account updates
2:15 p.m.	Last submission of trades
3:00 p.m.	Give-up transfer trades Unmatched trade fixes
3:30 p.m.	Long position lists for delivery Delivery Notices Exercise Notices Auto-Exercise Cancellation Notices Spring Wheat Options Form 200's on expiration day Verbal Notification to the Clearing House is necessary if reports are going to be later than 3:30 p.m. Deadline for receipt of notices is 4:00 p.m.

Evening trading activity will clear as part of the next business day's activity.

Submissions that are late will be charged with fines as follows: the first ten (10) minutes late will incur a charge of \$10; succeeding ten (10) minute periods will add additional \$25 charges each. (For example, eleven (11) minutes late will be \$35; twenty-five (25) minutes late will be \$60).

Trades must be entered in "TEMS" within forty-five (45) minutes of the conclusion of each half (½) hour trading bracket.

Any unresolved unmatched trades may be suspended pending possible resolution the following business day as an "as of" trade. "As of" trades can be carried no longer than one business day.

The Minneapolis Grain Exchange Clearing House Committee has adopted a fine of \$100 for Form 200 errors in excess of two per month.

Spring Wheat Options Form 200's for the last trading day will incur the following fines:

Form 200's not received by 5:00 p.m. expiration day	\$1,000
Errors not corrected by 6:00 p.m. expiration day	\$1,000
Errors not corrected by 8:00 a.m. next business day an additional	\$1,000

All give-up trades properly received in accordance with [Regulation 2106.00](#) by the carrying Clearing Member by 2:15 p.m. and not accepted by the carrying Clearing Member by 3:00 p.m. shall result in the following fines:

First offense	\$1,000
Second offense	\$2,000
Third offense	as determined by Business Conduct Committee

Amended by the Board of Directors November 11, 2004, effective January 4, 2005.

RESOLUTION 2101.01.B.

The Minneapolis Grain Exchange Board of Directors has adopted the following schedule of Clearing service fees to be paid to the Corporation for each contract of Minneapolis Grain Exchange Futures bought, sold, exchanged for physical or risk, transferred, delivered, accepted for delivery or cash settled, or for each contract of Minneapolis Grain Exchange Options bought, sold, transferred, exercised or assigned.

Open Outcry

Type 1 rates	\$0.05
Member rate	\$0.20
Non-Member rate	\$0.20

MGExpress

First 15,000 Contracts per month

Member rate	\$0.20
Non-Member rate	\$0.20

Next 15,000 Contracts per month

Member rate	\$0.20
Non-Member rate	\$0.20

Each Additional Contract per month

Member rate	\$0.20
Non-Member rate	\$0.20

The maximum combined Exchange and Clearing service fees for Open Outcry Type 1 rates is five thousand dollars (\$5,000) per year.

For purposes of computing fees, a "member" is the individual listed as the record holder of a membership and trades Exchange contracts for their own account. Further, member rates apply to a firm or corporation which is a record owner of a membership. Member rates do not apply to employees, associated persons, affiliate companies, subsidiary corporations or parent corporations of a member firm or corporation unless they also are a record owner of a membership.

Approved by the Board May 8, 2003, effective May 9, 2003.

RESOLUTION 2102.00. C.

The Minneapolis Grain Exchange Board of Directors, or its designee, has adopted the following margins as the minimum amounts that are proper and adequate.

A.	Margins on Futures	<u>Amount Per Contract</u>	<u>Intra-Market Spreads Amount Per Contract</u>
	National Corn Index	\$800	Market
	National Soybean Index	\$2,000	Market
	Hard Red Winter Wheat Index	\$1,050	Market
	Hard Red Spring Wheat Index	\$1,050	Market
	Soft Red Winter Wheat Index	\$1,050	Market
	Hard Red Spring Wheat	\$1,050	Market
			<u>Spread Credit % Savings</u>
B.	Inter-Commodity Spreads		
	NCI vs. NSI		50%
	HRWI vs. Spring Wheat		100%
	HRSI vs. Spring Wheat		100%
	SRWI vs. Spring Wheat		100%
	HRWI vs. HRSI		100%
	HRWI vs. SRWI		100%
	SRWI vs. HRSI		100%
C.	Inter-Exchange Spreads - MGEX Side		
	MGEX NCI vs. CBOT Corn		100%
	MGEX NSI vs. CBOT Soybeans		100%
	MGEX HRWI vs. CBOT Wheat		100%
	MGEX HRWI vs. KCBT Wheat		100%
	MGEX HRSI vs. CBOT Wheat		100%
	MGEX HRSI vs. KCBT Wheat		100%
	MGEX SRWI vs. CBOT Wheat		100%
	MGEX SRWI vs. KCBT Wheat		100%
	MGEX Spring Wheat vs. CBOT Wheat		60%
	MGEX Spring Wheat vs. KCBT Wheat		60%
D.	Margins on Options.		
	Under the provisions of Rule 760.00. , the Board of Directors, or its designee, hereby establishes that minimum margins for		

options transactions will be determined by the Standard Portfolio of Analysis of Risk margin calculations. SPAN[®] is a registered trademark of the Chicago Mercantile Exchange. The Chicago Mercantile Exchange assumes no liability in connection with the use of SPAN[®] by any person or entity.

Effective June 9, 2010.