



Web 2008-11

March 28, 2008

Dear Members & Rulebook Recipients:

The following Chapter has been amended:

<u>Chapter</u>	<u>Resolution</u>	<u>Purpose</u>
72 Resolutions	2102.00. C.	To update Spring Wheat Clearing Margins.

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"

Then print 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](mailto:lcarlson@mgex.com).

Layne G. Carlson  
Corporate Secretary

**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	\$1000	Market
	National Soybean Index	\$2000	Market
	Hard Red Winter Wheat Index	\$2700	Market
	Hard Red Spring Wheat Index	\$2700	Market
	Soft Red Winter Wheat Index	\$2700	Market
	Spring Wheat – Old Crop	\$6500	Market
	Spring Wheat – New Crop	\$4500	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<sup>®</sup> is a registered trademark of the Chicago Mercantile Exchange. The Chicago Mercantile Exchange assumes no liability in connection with the use of SPAN<sup>®</sup> by any person or entity.

Approved by the Clearing House Committee March 27, 2008 effective March 28, 2008.