

CHAPTER 9A

00 JAN 32 PM 3 ILLINOIS WATERWAY BARGE FREIGHT FUTURES
CONTRACT SPECIFICATION

901A. Scope of the Contract

All Trading in MESL deliverable barge freight futures contracts shall be conducted pursuant to the requirements of deliverable contracts and the general rules of the Exchange.

902A. Commodity Specifications

One MESL barge freight futures contract for the Illinois Waterway shall be valued at two barges of 1500 tons per barge multiplied by a constant of \$5.07 and then multiplied by the factor traded. Barges tendered for delivery must comply with the NGFA Barge Freight Trade Rules (Affreightment).

903A. Futures Specifications for Illinois Waterway Contract

(a) Trading Months and Hours. Trading shall be conducted in each month within the next 24 months following the current calendar month. Trading in all months shall be conducted between the hours of 8:30 a.m. and 4:00 p.m. Central Standard Time or Central Daylight Time, as applicable.

(b) Price Increments. The minimum price fluctuation shall be 1/10 of 1%.

(c) Trading Unit: Two Barges (3000 Tons).

(d) Price Quote: 1/10 of a Percentage Point of the Illinois Waterway Tariff Rate between mile marker 179 and mile marker 244 (\$5.07).

(e) Contract Value: $(\$5.07 \times \text{Percentage of Fixed Tariff Rate}) =$
\$/Ton x 3000 Tons.

Example: $(\$5.07 \times 300\%) \times 3000 = \$45,630$
 $(\$5.07 \times 80\%) \times 3000 = \$12,168$

(f) Tick Size: Illinois Waterway Contract
1/10 of 1% (.001) or (\$15.21 per tick).

Example: Differential is \$15.21 per Tick
 $(\$5.07 \times 1.599) \times 3000 = \$24,320.79$
 $(\$5.07 \times 1.600) \times 3000 = \$24,336$
 $(\$5.07 \times 1.601) \times 3000 = \$24,351.21$

(g) Daily Price Limit: 20% of Fixed Tariff Rate or (\$3,042/contract) above or below the previous day's settlement price. Limits are lifted two business days before the spot month begins.

(h) Contract Months: 12 calendar Months.

(i) Last Trading Day: The Barge Freight Futures contract will cease trading on the fifth business day of the Delivery Month.

(j) Delivery Days: Outlined within Clearing and Delivery Terms.

(k) Trading Hours: 8:30 a.m. - 4:00 p.m. CT, Mon.-Fri. Trading in expiring contracts close at noon on the last trading day.

(l) Speculative Position Limits:

- Spot-month limit 100 contracts
- Non-spot-month limit 125 contracts
- Position limit for all months combined 1,000 contracts

(m) Liquidation During Delivery Month: Outlined within delivery terms.
(See MESL Rule 905A)

(n) Geographical Boundaries of the Delivery Area: For the Illinois Waterway contract, between mile marker 0 on the Illinois Waterway and up to, but not including, Lake Michigan (including up to mile marker 327 on the Chicago River and mile marker 333 on the Calumet River).

An acceptable placement point is a "fleet." For the purposes of delivery, a "fleet" is an industry-accepted facility for the purpose of switching, storing and monitoring barges managed by an operator insured for the care, custody and cargo of barges.

(o) Delivery Location Price Differentials: Price differentials are as indicated on the following chart.

MESL Benchmark Tariff Rates on the Illinois Waterway

Illinois Waterway Mile Markers	Standard Shipping Stations / End Points for Zones	Tariff Benchmark	% of \$5.07 tariff
303.5 – all points up to, but not including, Lake Michigan (including mile marker 327 on the Chicago River and mile 333 on the Calumet River)	North of Lamont	\$5.78	114.00%
292 – 303.5	Lamont Lockport Lock	\$5.31	104.73%
247 – 290	Lockport Lock Morris, IL Seneca, IL Marseilles Lock	\$5.24	103.35%
179 – 244	Marseilles Lock Ottawa, IL Peru, IL Hennepin, IL Chillicothe, IL	\$5.07	100.00%
145 – 166	Peoria, IL Pekin, IL Kingston Mines	\$4.81	94.87%
0 – 128	Liverpool, IL Havana, IL Naples, IL Grafton, IL	\$4.64	91.52%

There are no MESL accepted barge fleets on the Illinois Waterway between mile markers 128 and 145, or between mile markers 166 and 179.

904A. Reportable Positions

Any Trading Privilege Holder who is long or short more than 25 contracts of a particular Exchange Contract shall be deemed to have a reportable position and shall so notify the Exchange upon such forms as the Exchange may decide.

905A. Delivery

(a) Definitions.

Position Day: The business day proceeding the Notice Day.

Notice Day: The day on which the seller notifies the Clearing House that the seller will make delivery on a barge freight contract.

First Notice Day: Last business day of the month proceeding the delivery month.

Last Notice Day: The fourth business day of the delivery month.

Intention Day: The business day immediately following the Notice Day, on which the Clearing House notifies the Clearing Members of the intention of a seller to make delivery.

Boat Schedule: The name of a particular boat with barges which will be delivered within the specified delivery period.

First Delivery Day: The business day following the Notice Day.

Last Delivery Day: Barge 1 - The 15th calendar day of the spot month during the first placement period.
Barge 2 - The last calendar day of the spot month during the second placement period.

(b) Delivery Timing: Delivery of barge freight may be made by the seller upon such day of the specified placement period as the seller may select in accordance with the boat schedule provided by said seller. The seller may provide a boat schedule to the buyer beginning on the Intention Day.

The buyer shall have the right to name a placement point on the designated waterway.

Upon receipt of a boat schedule from the seller, it shall be the buyer's obligation to furnish the seller with a named placement point. During the applicable placement period after receipt of a boat schedule, if the buyer fails to furnish a placement point to the seller prior to the transiting of a boat (named by the seller in the boat schedule) past any placement point, then the buyer shall not have the right to elect any such transited placement point to receive delivery.

The MESL standard for delivery under its barge freight futures contracts is the same standard that is applied in the cash market for barge freight. Therefore, the boat schedule is for logistical planning and is merely a mandatory courtesy.

If the seller does not provide a boat schedule to the buyer by the 6th business day of the placement period, then the buyer shall be obligated to furnish the seller with a named placement point by no later than 4:00 p.m. Central

Time of the (same) 6th business day of the placement period. If delivery has not been previously made, then delivery must be made no later than the last calendar day of the specified placement period.

(c) Delivery Notices: A seller desiring to make delivery of barge freight during the first five business days of the delivery month shall issue and submit to the Clearing House a delivery notice containing the name and business address of the issuer; the date of issue; the total contracted quantity in satisfaction of which the delivery is being tendered. A delivery notice shall be furnished to the Clearing House in computer readable form. The Clearing House, acting as agent for the seller, shall provide the notice to the buyer.

The seller or its agent shall reduce the notice to written form and retain a copy of the notice for the period of time required by the Commodity Futures Trading Commission.

(d) Obligations to Accept Match: Upon determining buyers obligated to accept deliveries by virtue of a delivery notice or by expiration of the barge freight futures contract, the Clearing House shall promptly furnish to each seller the names of the buyers obligated to accept delivery for barge freight and shall also inform the seller of the number of contracts for which each buyer is obligated. Failure of the seller to object to such assignment by 7:00 a.m. Central Time on Intention Day shall establish an irrefutable presumption that the issuance of the delivery notice was authorized by the person in whose name the notice was issued.

Buyers who are assigned delivery of barge freight and sellers who are obligated to deliver barge freight shall be required to enter into a Physical Cash Contract for the assigned quantity of barge freight for an ultimate destination of New Orleans Harbor, Louisiana or such other destination as the parties may agree.

(e) Sellers' Invoices to Buyers: Upon seller's receipt of the names of the buyers obligated to accept delivery from the seller, and a description of each barge freight contract which was assigned by the Clearing House to each such buyer, the seller shall deliver invoices to its assigned buyers by 5:00 p.m. Central Time on the following business day describing the documents to be delivered to each such buyer. Such invoices shall show the sellers name, business address and phone number and the amount which buyers must pay to sellers in provisional payment for the actual deliveries.

(f) Assignment Notices: Upon receipt of delivery notices or upon expiration of the barge freight futures contract the Clearing House shall assign the deliveries to Clearing Members (buyers) having contracts to take delivery of barge freight. The Clearing House shall notify such Clearing Members of the deliveries which have been assigned to them and shall furnish to the sellers the names of Clearing Members obligated to accept their deliveries. Clearing Members receiving assignment

notices shall assign delivery to the oldest open contracts on their books at the close of business from the previous business day (Position Day) or upon expiration of the barge freight futures contract.

(g) Delivery Notice Issuance: Delivery notices must be submitted to the Clearing House by 4:15 p.m. Central Time on a Notice Day except that, on the Last Notice Day of the spot month, delivery notices must be submitted to the Clearing House by 2:00 p.m. Central Time.

(h) Eligibility to Receive Delivery: Prior to 8:00 p.m. of each day on which delivery notices may be submitted to the Clearing House, each Clearing Member shall report to the Clearing House, at such times and in such manner as shall be prescribed by the Clearing House, the amounts of purchases of barge freight then eligible for delivery which remain open on the Clearing Member's books in accordance with law and with the Rules and Regulations of the Exchange. Such reports shall show purchases, which remain open on the Clearing Member's books pending receipt of delivery and the dates on which such purchases were made; however, all purchases to which the Clearing Member has assigned deliveries shall be excluded.

(i) Delivery of Placement Certificates: Upon actual delivery of barge freight during the relevant placement period, a Placement Certificate shall be submitted from seller to buyer by 4:00 p.m. Central Time on the following business day. The Placement Certificate shall certify the date and time of placement, the buyer, the seller, the barge number, the fleet name, the placement location, and the origin. A standard Placement Certificate shall be provided to each seller by the Clearing House upon furnishing the names of the buyers obligated to accept delivery from the sellers.

(j) Provisional Payment Procedures: Buyers obligated to accept delivery of barge freight must make payment with same day funds upon receipt of a Placement Certificate based upon the actual dollar value of the assigned future(s) contract. Payment shall be made by wire transfer prior to 4:00 p.m. Central Time on the business day following the receipt of a Placement Certificate except on bank holidays when payment must be made before 9:30 a.m. the next banking business day.

(k) Final Payment: Final payment shall be made, less all provisional payments, to seller and from buyer (or to buyer and from seller) based upon the Official Weights (as defined in Rule 6(a) of the NGFA Barge Freight Trading Rules (Affreightment)) determined at the ultimate destination of the barge as outlined in the Physical Cash Contract Delivery Terms. A final invoice, to include a copy of a weight certificate, shall be exchanged between seller and buyer for final payment. The final invoice shall be exchanged by 4:00 p.m. Central Time on the business day following notification to either the buyer or seller of the official weight of the barge cargo. Final payment shall be made by wire transfer prior to 4:00 p.m. Central Time on the business day following the receipt of a final invoice.

(l) Office Deliveries Prohibited: No office deliveries of Shipping Certificates may be made by members of the Clearing Corporation. Where a member of the Clearing Corporation has an interest both long and short for customers on its own books, it must tender to the Clearing Corporation such notices of intention to deliver as it receives from its customers who are short.

(m) Duties of Clearing Members: Barge freight shall be tendered for delivery pursuant to the Rules and Regulations of the Exchange and in accordance with the assignment thereof to eligible buyers by the Clearing House, and shall make no other disposition thereof. A Clearing Member who alters or makes a false endorsement on a notice of assignment of delivery issued by the Clearing House, for the purpose of avoiding acceptance of the delivery specified, shall be deemed guilty of an act detrimental to the welfare of the Exchange.

906A. Force Majeure

Under normal conditions, sellers are obligated to provide a suitable barge to buyers according to delivery terms, as defined in Section 905A. Each seller shall be obligated to provide a suitable barge to each buyer so long as the seller or the buyer is able to purchase an acceptable barge which can be switched to the placement point, regardless of any condition of strike, fire, accident, ice, equipment malfunction or other act of God which might otherwise be described as "force majeure." In the event of strike, fire, accident, ice, equipment malfunction or act of God that leads directly to the unavailability of any suitable barge which can be switched to a named placement point, the seller's contractual obligation to make placement of a suitable barge will be extended daily until a suitable barge becomes available or such condition of Force Majeure no longer exists.

907A. Exhibits

(a) The following is a sample placement certificate to evidence delivery of barge:

<u>Placement Certificate</u>	
Date of Placement:	_____
Time of Placement	_____
Buyer:	_____
Seller:	_____
Barge Number:	_____
Fleet Name:	_____
Placement Location:	_____
Origin:	_____
Remarks:	_____
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(b) The following is a sample cash contract which obligates the buyer and the seller to an ultimate destination for a barge:

Physical Cash Contract Delivery Terms

Buyer: _____

Seller: _____

Origins: Illinois Waterway

Destinations: Baton Rouge through Myrtle Grove, Louisiana or such destination as the parties may agree.

Placement Period: One barge each half month

First Placement Period - First half is the 1st to the 15th of the Spot Month

Second Placement Period - Second half is the 16th to the last day of the Spot Month

Demurrage: Five Days Free
Then 10 days (days 6 - 15) @ \$100/day
Then 10 days (days 16 - 25) @ \$150/day
Then \$250 / day thereafter (day 26 and beyond)
Sundays and Holidays are excluded during the Free Time
(schedule is for origin and destination)

Minimums: Rakes 1,400 Net Short Tons
Boxes 1,600 Net Short Tons

Bills of Lading: Order Bills of Lading

(All terms and conditions are subject to National Grain and Feed Association Barge Freight Trade Rules.)

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CHAPTER 9B
ST. LOUIS HARBOR BARGE FREIGHT
FUTURES CONTRACT SPECIFICATION

901B. Scope of the Contract

All Trading in MESL deliverable barge freight futures contracts shall be conducted pursuant to the requirements of deliverable contracts and the general rules of the Exchange.

902B. Commodity Specifications

One MESL barge freight futures contract for St. Louis Harbor shall be valued at two barges of 1500 tons per barge multiplied by a constant of \$3.99 per ton and then multiplied by the factor traded. Barges tendered for delivery must comply with the NGFA Barge Freight Trade Rules (Affreightment). Dry cargo to be shipped on barges delivered under the contracts must comply with the NGFA Barge Freight Trade Rules (Affreightment) and industry practice.

903B. Futures Specifications for St. Louis Harbor Contract

(a) Trading Months and Hours. Trading shall be conducted in each month within the next 24 months following the current calendar month. Trading in all months shall be conducted between the hours of 8:30 a.m. and 4:00 p.m. Central Standard Time or Central Daylight Time, as applicable.

(b) Price increments. The minimum price fluctuation shall be 1/10 of 1%.

(c) Trading Unit: Two Barges (3000 Tons).

(d) Price Quote: 1/10 of a Percentage Point of the St. Louis Harbor Tariff Rate (\$3.99).

(e) Contract Value: $(\$3.99 \times \text{Percentage of Fixed Tariff Rate})$
 $= \$/\text{Ton} \times 3000 \text{ Tons.}$

Example: $(\$3.99 \times 300\%) \times 3000 = \$35,910$
 $(\$3.99 \times 80\%) \times 3000 = \$9,576$

(f) Tick Size: St. Louis Harbor Contract
1/10 of 1% (.001) or (\$11.97 per tick).

Example: Differential is \$11.97 per Tick
 (\$3.99 x 1.599) x 3000 = \$19,140.03
 (\$3.99 x 1.600) x 3000 = \$19,152.00
 (\$3.99 x 1.601) x 3000 = \$19,163.97

(g) Daily Price Limit: 20% of Fixed Tariff Rate (\$2,394/contract) above or below the previous day's settlement price. Limits are lifted two business days before the spot month begins.

(h) Contract Months: 12 calendar Months

(i) Last Trading Day: The Barge Freight Futures cease trading on the fifth business day of the Delivery Month.

(j) Delivery Days: Outlined within Clearing and Delivery Terms.

(k) Trading Hours: 8:30 a.m. - 4:00 p.m. Central Time, Monday through Friday. Trading in expiring contracts closes at noon on the last trading day.

(l) Speculative Position Limits:

- Spot-month limit 100 contracts
- Non-spot-month limit 125 contracts
- Position limit for all months combined 1,000 contracts

(m) Liquidation During Delivery Month: Outlined within delivery terms. (See MESL Rule 905B)

(n) Geographical Boundaries of the Delivery Area: For the St. Louis Harbor contract, between mile marker 168.0 and 184.7 on the Upper Mississippi River.

An acceptable placement point is a "fleet." For the purposes of delivery, a "fleet" is an industry-accepted facility for the purpose of switching, storing and monitoring barges managed by an operator insured for the care, custody and cargo of barges.

(o) Delivery Location Price Differentials: Price differentials are as indicated on the following chart.

MESL Benchmark Tariff Rates at St. Louis Harbor

Upper Mississippi River Mile Markers	Standard Shipping Stations / End Points for Zones	Tariff Benchmark	% of \$3.99 tariff
168 - 184.7	Alton, IL Granite City, IL St. Louis, MO Cahokia, IL /	\$3.99	100.00%

904B. Reportable Positions

Any Trading Privilege Holder who is long or short more than 25 contracts of a particular Exchange Contract shall be deemed to have a reportable position and shall so notify the Exchange upon such forms as the Exchange may decide.

905B. Delivery

(a) Definitions.

Position Day: The business day proceeding the Notice Day.

Notice Day: The day on which the seller notifies the Clearing House that the seller will make delivery on a barge freight contract.

First Notice Day: Last business day of the month proceeding the delivery month.

Last Notice Day: The fourth business day of the delivery month.

Intention Day: The business day immediately following the Notice Day, on which the Clearing House notifies the Clearing Members of the intention of a seller to make delivery.

Boat Schedule: The name of a particular boat with barges which will be delivered within the specified delivery period.

First Delivery Day: The business day following the Notice Day.

Last Delivery Day: Barge 1 - The 15th calendar day of the spot month during the first placement period. Barge 2 - The last calendar day of the spot month during the second placement period.

(b) Delivery Timing: Delivery of barge freight may be made by the seller upon such day of the specified placement period as the seller may select in accordance with the boat schedule provided by said seller. The seller may provide a boat schedule to the buyer beginning on the Intention Day.

The buyer shall have the right to name a placement point on the designated waterway.

The MESL standard for delivery under its barge freight futures contracts is the same standard that is applied in the cash market for barge freight. Therefore, the boat schedule is for logistical planning and is merely a mandatory courtesy.

If the seller does not provide a boat schedule to the buyer by the 6th business day of the placement period, then the buyer shall be obligated to furnish the seller with a named origin point by no later than 4:00 p.m. Central Time of the (same) 6th business day of the placement period. If delivery has not been previously made, then delivery must be made no later than the last calendar day of the specified placement period.

(c) Delivery Notices: A seller desiring to make delivery of barge freight during the first five business days of the delivery month shall issue and submit to the Clearing House a delivery notice containing the name and business address of the issuer; the date of issue; the total contracted quantity in satisfaction of which the delivery is being tendered. A delivery notice shall be furnished to the Clearing House in computer readable form. The Clearing House, acting as agent for the seller, shall provide the notice to the buyer.

The seller or its agent shall reduce the notice to written form and retain a copy of the notice for the period of time required by the Commodity Futures Trading Commission.

(d) Obligations to Accept Match: Upon determining buyers obligated to accept deliveries by virtue of a delivery notice or by expiration of the barge freight futures contract, the Clearing House shall promptly furnish to each seller the names of the buyers obligated to accept delivery for barge freight and shall also inform the seller of the number of contracts for which each buyer is obligated. Failure of the seller to object to such assignment by 7:00 a.m. Central Time on Intention Day shall establish an irrefutable presumption that the issuance of the delivery notice was authorized by the person in whose name the notice was issued.

Buyers who are assigned delivery of barge freight and sellers who are obligated to deliver barge freight shall be required to enter into a Physical Cash Contract for the assigned quantity of barge freight for an ultimate destination of New Orleans Harbor, Louisiana or such other destination as the parties may agree.

(e) Sellers' Invoices to Buyers: Upon seller's receipt of the names of the buyers obligated to accept delivery from the seller, and a description of each barge

freight contract which was assigned by the Clearing House to each such buyer, the seller shall deliver invoices to its assigned buyers by 5:00 p.m. Central Time on the following business day describing the documents to be delivered to each such buyer. Such invoices shall show the sellers name, business address and phone number and the amount which buyers must pay to sellers in provisional payment for the actual deliveries.

(f) Assignment Notices: Upon receipt of delivery notices or upon expiration of the barge freight futures contract the Clearing House shall assign the deliveries to Clearing Members (buyers) having contracts to take delivery of barge freight. The Clearing House shall notify such Clearing Members of the deliveries which have been assigned to them and shall furnish to the sellers the names of Clearing Members obligated to accept their deliveries. Clearing Members receiving assignment notices shall assign delivery to the oldest open contracts on their books at the close of business from the previous business day (Position Day) or upon expiration of the barge freight futures contract.

(g) Delivery Notice Issuance: Delivery notices must be submitted to the Clearing House by 4:15 p.m. Central Time on a Notice Day except that, on the Last Notice Day of the spot month, delivery notices must be submitted to the Clearing House by 2:00 p.m. Central Time.

(h) Eligibility to Receive Delivery: Prior to 8:00 p.m. of each day on which delivery notices may be submitted to the Clearing House, each Clearing Member shall report to the Clearing House, at such times and in such manner as shall be prescribed by the Clearing House, the amounts of purchases of barge freight then eligible for delivery which remain open on the Clearing Member's books in accordance with law and with the Rules and Regulations of the Exchange. Such reports shall show purchases, which remain open on the Clearing Member's books pending receipt of delivery and the dates on which such purchases were made; however, all purchases to which the Clearing Member has assigned deliveries shall be excluded.

(i) Delivery of Placement Certificates: Upon actual delivery of barge freight during the relevant placement period, a Placement Certificate shall be submitted from seller to buyer by 4:00 p.m. Central Time on the following business day. The Placement Certificate shall certify the date and time of placement, the buyer, the seller, the barge number, the fleet name, the placement location, and the origin. A standard Placement Certificate shall be provided to each seller by the Clearing House upon furnishing the names of the buyers obligated to accept delivery from the sellers.

(j) Provisional Payment Procedures: Buyers obligated to accept delivery of barge freight must make payment with same day funds upon receipt of a Placement Certificate based upon the actual dollar value of the assigned future(s) contract. Payment shall be made by wire transfer prior to 4:00 p.m. Central Time on the business day following the receipt of a Placement Certificate except on bank holidays when payment must be made before 9:30 a.m. the next banking business day.

(k) Final Payment: Final payment shall be made, less all provisional payments, to seller and from buyer (or to buyer and from seller) based upon the Official Weights (as defined in Rule 6(a) of the NGFA Barge Freight Trading Rules (Affreightment)) determined at the ultimate destination of the barge as outlined in the Physical Cash Contract Delivery Terms. A final invoice, to include a copy of a weight certificate, shall be exchanged between seller and buyer for final payment. The final invoice shall be exchanged by 4:00 p.m. Central Time on the business day following notification to either the buyer or seller of the official weight of the barge cargo. Final payment shall be made by wire transfer prior to 4:00 p.m. Central Time on the business day following the receipt of a final invoice.

(l) Office Deliveries Prohibited: No office deliveries of Shipping Certificates may be made by members of the Clearing Corporation. Where a member of the Clearing Corporation has an interest both long and short for customers on its own books, it must tender to the Clearing Corporation such notices of intention to deliver as it receives from its customers who are short.

(m) Duties of Clearing Members: Barge freight shall be tendered for delivery pursuant to the Rules and Regulations of the Exchange and in accordance with the assignment thereof to eligible buyers by the Clearing House, and shall make no other disposition thereof. A Clearing Member who alters or makes a false endorsement on a notice of assignment of delivery issued by the Clearing House, for the purpose of avoiding acceptance of the delivery specified, shall be deemed guilty of an act detrimental to the welfare of the Exchange.

906B. Force Majeure

Under normal conditions, sellers are obligated to provide a suitable barge to buyers according to delivery terms, as defined in Section 905B. Each seller shall be obligated to provide a suitable barge to each buyer so long as the seller or the buyer is able to purchase an acceptable barge which can be switched to the placement point, regardless of any condition of strike, fire, accident, ice, equipment malfunction or other act of God which might otherwise be described as "force majeure." In the event of strike, fire, accident, ice, equipment malfunction or act of God that leads directly to the unavailability of any suitable barge which can be switched to a named placement point, the seller's contractual obligation to make placement of a suitable barge will be extended daily until a suitable barge becomes available or such condition of Force Majeure no longer exists.

907B. Exhibits

(a) The following is a sample placement certificate to evidence delivery of barge:

Placement Certificate

Date of Placement: _____

Time of Placement _____

Buyer: _____

Seller: _____

Barge Number: _____

Fleet Name: _____

Placement Location: _____

Origin: _____

Remarks: _____

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(b) The following is a sample cash contract which obligates the buyer and the seller to an ultimate destination for a barge:

Physical Cash Contract Delivery Terms

Buyer: _____

Seller: _____

Origins: St. Louis Harbor

Destinations: Baton Rouge through Myrtle Grove, Louisiana or such destination as the parties may agree.

Placement Period: One barge each half month

First Placement Period - First half is the 1st to the 15th of the Spot Month

Second Placement Period - Second half is the 16th to the last day of the Spot Month

Demurrage: Five Days Free
Then 10 days (days 6 - 15) @ \$100/day
Then 10 days (days 16 - 25) @ \$150/day
Then \$250 / day thereafter (day 26 and beyond)
Sundays and Holidays are excluded during the Free Time
(schedule is for origin and destination)

Minimums: Rakes 1,400 Net Short Tons
Boxes 1,600 Net Short Tons

Bills of Lading: Order Bills of Lading

(All terms and conditions are subject to National Grain and Feed Association Barge Freight Trade Rules.)

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CHAPTER 10 CLEARING

1001. MESL System Clearing Privileges

Each Trading Privilege Holder that is not a Clearing Member who desires to enter transactions through the MESL System must obtain authorization from a single Clearing Member who will guarantee the transactions effected through the MESL System or enter into an arrangement with a person that has such authorization from a Clearing Member. The Clearing Member shall guarantee and assume financial responsibility for all such contracts traded through the MESL System of the Trading Privilege Holder it guarantees. A written authorization must be on file with the Exchange authorizing such Trading Privilege Holder that is not a Clearing Member to submit trades effected through the MESL System through the Clearing Member. The Clearing Member shall be liable upon all such trades made by the Trading Privilege Holder Clearing Member and shall be a party to all disputes arising from trades between authorized Trading Privilege Holder and another Trading Privilege Holder.

A Clearing Member that guarantees and clears the trades of a Trading Privilege Holder may terminate such Trading Privilege Holder's ability to place orders through MESL System by providing written notice to the Exchange. MESL will then deactivate such Trading Privilege Holder's password and cancel all orders entered under such password from the time such notice was received until the cessation of the Trading Privilege Holder's access.

1002. Responsibility of Traders and Brokers

Every Trading Privilege Holder shall have the responsibility of aiding his respective clearing firm in the clearing of his trades. Every Trading Privilege Holder must provide the Clearing Member through which or for which he has traded a telephone number so that he may be reached during the day in the event there is a discrepancy in the clearing of his trades.

Every Trading Privilege Holder must be available to resolve out-trades in contracts in which he executed trades on the previous day no later than 30 minutes prior to the opening of the relevant market (or at such other times as may be designated by the Clearing House or its designees from time to time). Trading Privilege Holders may appoint a representative for this purpose. If neither the Trading Privilege Holder nor such representative, who is authorized to resolve out-trades, is present at the time specified above, the Clearing Member through which or for which the Trading Privilege Holder has traded shall be authorized to resolve any out-trade in the manner it deems appropriate, but such resolution shall not be relevant to the determination of the liability of any party to the out-trade.