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Electronic Mail

July 28, 2006

Ms. Eileen A. Donovan  
Acting Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street NW  
Washington, D.C. 20581

SUBJECT: Rule Certification

Dear Ms. Donovan:

Pursuant to Commodity Exchange Act ("CEAct") Section 5c(c)(1) and Commodity Futures Trading Commission ("Commission") Regulation 40.6(a), the Minneapolis Grain Exchange ("MGEX" or "Exchange") hereby certifies that the attached amended Regulation 2087.00. complies with the CEAct and the regulations thereunder. Additionally, attached is a housekeeping change to the Index page of the MGEX Rulebook. Additions have been underlined while deletions have been marked through.

The purpose for amending the Regulation is to include financial requirements for Non-Futures Commission Merchants and Independent Introducing Brokers who are members of the Exchange.

Pursuant to the authority of MGEX Rule 253.00., the Finance Committee unanimously recommended amending the Regulation, and pursuant to the authority of MGEX Rule 210.01., the Board of Directors unanimously approved amending the Regulation. The MGEX plans to implement the changes the next business day after receipt of this letter to the Commission.

If there are any questions regarding this submission, please contact me at (612) 321-7190. Thank you for your attention to this matter.

Sincerely,

Sandra S. Sullivan  
Director, Market Regulation

Enclosure

cc: Anne Reuter

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**2087.00. MINIMUM FINANCIAL REQUIREMENTS FOR NON-FUTURES  
COMMISSION MERCHANTS MEMBER FIRMS AND NON-GUARANTEED  
INDEPENDENT INTRODUCING BROKERS.**

A. Financial Requirements. All Non-Futures Commission Merchants ("FCM") and Independent Introducing Brokers ("IB") who are Members of the Exchange must meet the minimum financial requirements set forth by the Finance Committee pursuant to MGEX Rule 253.00. as now in effect or hereafter amended.

AB. Financial Statement Content. All Non-FCM non-Futures Commission Merchant ("FCM") Member Firms and Independent IBs non-Guaranteed Introducing Broker ("IB") must submit financial statements in the manner and form prescribed by the Finance Committee. At a minimum, all annual audited financial statements must include a balance sheet, footnotes, and be accompanied by an opinion of an independent Certified Public Accountant indicating that an examination of the annual statement has been made. Interim statements, which are those financial statements prepared for periods other than the Member Firm's fiscal year end, must contain, at a minimum, a balance sheet.

BC. Reports. All ~~non~~Non-FCM Member Firms and Independent non-Guaranteed-IBs must submit to the Exchange an annual certified financial statement for its fiscal year (or calendar year if the Member Firm is on a calendar year basis.) The certified annual financial statement must be submitted to the Exchange within ninety (90) days after the Member Firm's fiscal year end.

Additionally, all ~~non~~Non-FCM Member Firms and Independent non-Guaranteed-IBs must submit an interim financial statement to the Exchange. Such interim statement shall be as of a date six (6) months subsequent to the Member Firm's fiscal year end and must be submitted to the Exchange within forty-five (45) days from the date of the statement.

The Finance Committee may require additional financial statements or financial information as it deems appropriate or necessary.

CD. Extension of Time to File. Upon request in advance and for good cause shown, the Finance Committee may grant a ~~non~~Non-FCM Member Firm and Independent non-Guaranteed-IB an extension of the time for the filing of its annual or interim financial statement.

All costs associated with the requirements of this Regulation shall be borne by the Member Firm involved.

## **CASH GRAIN**

- 2035.00. Reporting Cash Commodity Sales
- 2036.00. Disposition Orders: Form Of
- 2038.00. Pan Tickets
- 2039.00. Delivery And Payment To Invoices And Requests For Advances On Truck/Rail Commodities
- 2040.00. Wheat Unfit For Human Consumption Not Deliverable On Futures Contracts

## **MISCELLANEOUS**

- 2050.00. Holidays
- 2051.00. Honorary Membership
- 2053.00. Limitations On Options Transactions-Solicitation And Acceptance
- 2054.00. Board Of Arbitration: Fees
- 2054.01. Customer Claims Arbitration Panel: Fees
- 2055.00. Registration Of Floor Brokers/Floor Traders
- 2058.00. Collection Of Trading Documents
- 2059.00. Designation Of Open And Close On Trading Cards
- 2060.00. Official Closing Period: Futures
- 2061.00. Official Closing Period: Options
- 2062.00. Trading Cards: Form, Preparation And Maintenance
- 2062.01. Trading Records And Errors
- 2063.00. Time-Stamps
- 2064.00. Unmatched Trade Resolution
- 2065.00. Identification And Registration Of Broker Associations
- 2066.00. Market Maker Program
- 2067.00. Electronic And Open Outcry Trading

## **FINANCIAL REQUIREMENTS**

- 2085.00. Financial And Reporting Requirements For All Members
- 2086.00. Minimum Financial Requirements For Futures Commission Merchants And Guaranteed Introducing Brokers
- 2087.00. Minimum Financial Requirements For Non-Futures Commission Merchant Member Firms And ~~Non-Guaranteed~~ Independent Introducing Brokers
- 2088.00. Reduction Of Capital
- 2089.00. Election Of Fiscal Year

## **DELEGATED POWERS**

- 2090.00. Physical Emergencies
- 2091.00. Inclement Weather Or Transportation Breakdown