

MGEX

MINNEAPOLIS GRAIN EXCHANGE

Via Electronic Mail

May 9, 2008

Mr. David Stawick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, D.C. 20581

SUBJECT: Rule Submission

Dear Mr. Stawick:

Pursuant to Commodity Exchange Act ("CEAct") Section 5c(c) and Commodity Futures Trading Commission ("Commission") Regulations 40.4(a) and 40.5, the Minneapolis Grain Exchange ("MGEX") hereby submits for expedited Commission review and approval the attached amended Regulation 2027.00. Additions have been underlined; deletions have been crossed out.

The purpose for amending the Regulation is to increase load-out and storage rates on Spring Wheat delivered in satisfaction of a warehouse receipt received under a futures contract. Specifically, load-out charges would increase from 6 cents per bushel to 8 cents. Further, storage rates would increase from 4 cents per bushel per month to 5 cents. Both changes would be effective with the September 2009 futures contract month. September 2009 is the first month of a new crop year, and implementation at the beginning of crop year is intended as well as necessary to lessen any potential impact the amendments may have upon the very limited number of open position holders. (The attached amended Regulation also includes a housekeeping clarification to the wording of the current storage rate.)

The amendments are necessary to maintain pace with what is occurring in the underlying cash markets. Storage rates are rising in part to reflect the increasing value of the commodity and in part to cover the increasing costs of public storage. Similarly, load-out costs are increasing. The amended changes should also improve the efficiency of the delivery market, and help maintain the excellent price convergence of the MGEX Spring Wheat futures contract and the underlying cash market.

The MGEX is of the opinion that reasonable and sound economic business practice argues in support of this submission and request.



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Pursuant to the authority of MGEX Rule 811.00., the Board of Directors unanimously approved amending the Regulation. The MGEX has not identified any Commission regulations or sections of the CEAct that need to be amended or interpreted.

With the need to provide market participants legal certainty, it is important to implement the amendments in a timely manner. Therefore, the MGEX respectfully requests immediate attention to this submission by the Commission. If there are any questions regarding this submission, please contact me at (612) 321-7169. Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Layne G. Carlson", followed by a large, sweeping flourish.

Layne G. Carlson
Corporate Secretary

Enclosure

cc: Thomas J. Bloom
Anne Reuter

Attachment

2027.00. LOAD-OUT, STORAGE AND INSURANCE CHARGES: DELIVERY GRAIN.

Pursuant to **Rule 811.00.**, the Board of Directors adopted this Regulation.

The maximum load-out charges on delivery grain, which is tendered in satisfaction of a Minneapolis Grain Exchange Futures Contract, shall be six cents (6¢) per bushel for wheat regardless of the date of the warehouse receipt.

The maximum storage charges on delivery grain, which is tendered in satisfaction of a Minneapolis Grain Exchange Futures Contract, shall be one hundred ~~thirty three one~~ thousandths of a cent (\$.00133) per bushel per day for wheat regardless of the date of the warehouse receipt.

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Insurance charges shall be included within the maximum storage charges.

The following amendments will be affective with all contracts after and including the September 2009 contract:

The maximum load-out charges on delivery grain, which is tendered in satisfaction of a Minneapolis Grain Exchange Futures Contract, shall be ~~eight cents (8¢)~~ per bushel for wheat regardless of the date of the warehouse receipt.

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The maximum storage charges on delivery grain, which is tendered in satisfaction of a Minneapolis Grain Exchange Futures Contract, shall be ~~one hundred sixty five one~~ thousandths of a cent (~~\$00165~~) per bushel per day for wheat regardless of the date of the warehouse receipt.

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Insurance charges shall be included within the maximum storage charges.