



Via Electronic Mail

June 17, 2010

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

Subject: MGEX Minnesota and MGEX Delaware Requests for Transfer of Contract Market Designation; Requests for Transfer of Derivatives Clearing Organization Registration; Requests for Transfer of Listed Contracts and Associated Open Interest, Requests for Approval of Changes to Bylaws and Rulebook

Dear Mr. Stawick:

Pursuant to the Agreement and Plan of Merger by and between Minneapolis Grain Exchange ("MGEX Minnesota"), a nonprofit corporation organized and existing under the Minnesota Nonprofit Corporation Act, and Minneapolis Grain Exchange, Inc. ("MGEX Delaware"), a nonstock, nonprofit corporation organized and existing under the Delaware General Corporation Law, MGEX Minnesota intends to merge with and into MGEX Delaware, the surviving corporation and successor-in-interest being MGEX Delaware. Upon execution of the merger, MGEX Minnesota will cease to exist and all of its rights and obligations will be assumed without limitation by MGEX Delaware. Thereafter, MGEX Delaware intends to amend its certificate of incorporation and thereby to convert to a nonstock, for-profit corporation.

MGEX Minnesota and MGEX Delaware hereby request that the Commodity Futures Trading Commission ("Commission") approve and issue orders permitting the transfer to MGEX Delaware of: (1) MGEX Minnesota's Contract Market Designation; (2) MGEX Minnesota's Derivatives Clearing Organization Registration; and (3) MGEX Minnesota's listed contracts as specified in Appendix A, as well as (4) all associated open interest. In addition, MGEX Minnesota and MGEX Delaware hereby request that the Commission approve the proposed changes to MGEX Delaware's Bylaws and Rulebook, as attached and submitted in Appendix C. If approved, all Bylaw and Rulebook changes will be effective at the execution of the merger.

MGEX Minnesota and MGEX Delaware have made certain representations in connection with these requests, which are attached to this letter as Appendix B. Thank you for your attention to this matter. If there are questions concerning these requests, please feel free contact me at (612) 321-7169.

Sincerely,

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

Layne G. Carlson
Corporate Secretary
Minneapolis Grain Exchange

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

Layne G. Carlson
Corporate Secretary
Minneapolis Grain Exchange, Inc.

cc: Mark G. Bagan, MGEX President & CEO
Riva Spear Adriance, Associate Director, Division of Market Oversight
Joseph R. Cisewski, Attorney-Advisor, Division of Market Oversight
Phyllis P. Dietz, Associate Director, Division of Clearing and Intermediary Oversight
Lois J. Gregory, Special Counsel, Division of Clearing and Intermediary Oversight

Appendix A: Schedule of MGEX Minnesota's Listed Contracts

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Appendix E: Agreement and Plan of Merger between MGEX Minnesota and MGEX Delaware

Appendix A

Schedule of MGEX Minnesota's Listed Contracts

All Futures and Options on Futures for:

Hard Red Spring Wheat
Hard Red Spring Wheat Index
Soft Red Winter Wheat Index
Hard Red Winter Wheat Index
National Corn Index
National Soybean Index



Via Electronic Mail

June 17, 2010

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

Subject: Minneapolis Grain Exchange and Minneapolis Grain Exchange, Inc. Representations to the Commodity Futures Trading Commission

Dear Mr. Stawick:

Consistent with the requests made by Minneapolis Grain Exchange ("MGEX Minnesota") and Minneapolis Grain Exchange, Inc. ("MGEX Delaware"), as stated in the Request Letter to which this letter is attached as appendix B, each corporation hereby makes the following representations:

1. That for purposes, among others, of contract and regulatory obligations, upon the Commission's approval and issuance of Orders permitting the transfer of MGEX Minnesota's Contract Market Designation and Derivatives Clearing Organization Registration to MGEX Delaware,
 - (a) MGEX Delaware will be the surviving corporation and successor-in-interest to MGEX Minnesota and will retain and assume, without limitation, all the assets and liabilities of MGEX Minnesota;
 - (b) MGEX Delaware shall assume responsibility for and comply with all the criteria for contract market designation under Section 5(b) of the Commodity Exchange Act ("Act") and all regulations promulgated thereunder;
 - (c) MGEX Delaware shall assume responsibility for and comply with all the requirements for derivatives clearing organization registration under Section 5b of the Act and all regulations promulgated thereunder;
 - (d) MGEX Delaware will comply with all Core Principles applicable to designated contract markets listed in Appendix B to Part 38 pursuant to Section 5(d) of the Act;
 - (e) MGEX Delaware will comply with all Core Principles applicable to derivatives clearing organizations listed in Appendix A to Part 39 pursuant to Section 5b(c)(2) of the Act; and
 - (f) MGEX Delaware will assume, maintain and enforce all rules implementing and complying with these Core Principles and Designation Criteria.
2. That, upon merger, MGEX Delaware will adopt MGEX Minnesota's Rulebook as proposed to be amended, and any amendments to the Rulebook will be submitted to the Commission pursuant to Section 5c(c) of the Act and Part 40 of the Commission's regulations.
3. That MGEX Delaware will present to and for the approval of its Board of Directors or Membership, as appropriate, all such rule amendments as the Commission's staff deems necessary to clarify the definitions of "record holder," "record owner," "authorized voter," and "member," as well as any amendments that the Commission's staff deems necessary to clarify the rights and prohibitions associated with each, and that this presentation will occur no later than twelve weeks from the date of the Commission's Order of Transfer of Designation.

4. That, at the time of the merger, the rules and practices by which MGEX Delaware will comply with its self-regulatory responsibilities will be identical to those in currently effect for MGEX Minnesota, that any future changes to such rules and practices will be submitted to the Commission as appropriate, and that MGEX Delaware will maintain and enforce all such self-regulatory programs.
5. That MGEX Delaware will comply with all applicable provisions of the Act and the Commission's regulations promulgated thereunder.
6. That, upon merger, all open interest in all contracts listed on MGEX Minnesota's Designated Contract Market will be transferred to and represent open interest in all contracts listed on MGEX Delaware's Designated Contract Market.
7. That MGEX Delaware will assume responsibility for and maintain compliance with Core Principles for all contracts previously listed for trading through MGEX Minnesota's Designated Contract Market, whether by certification or approval.
8. That none of the proposed rule changes will affect the rights and obligations of any participant with open positions transferred from MGEX Minnesota to MGEX Delaware and that the proposed rule changes do not modify the manner in which such contracts are settled or cleared.
9. That market participants will be notified via website of all changes to the MGEX Minnesota Rulebook prior to execution of the merger and will be further notified of the concurrent transfer of MGEX Minnesota's Contract Market Designation and Derivatives Clearing Organization Registration, and the related transfer of all listed contracts and all associated open interest, to MGEX Delaware upon Commission approval and issuance of Orders permitting these transfers.
10. That all material MGEX Minnesota agreements and arrangements relating to or necessary for its compliance with the Act and regulations promulgated thereunder, including but not limited to its clearing and settlement agreements and arrangements with financial institutions, will be assumed, maintained and enforced by MGEX Delaware.

Thank you for your attention to this matter. If there are questions concerning these representations, please feel free contact me at (612) 321-7169.

Sincerely,



Layne G. Carlson
Corporate Secretary
Minneapolis Grain Exchange



Layne G. Carlson
Corporate Secretary
Minneapolis Grain Exchange, Inc.

cc: Mark G. Bagan, MGEX President & CEO
Riva Spear Adriance, Associate Director, Division of Market Oversight
Joseph R. Cisewski, Attorney-Advisor, Division of Market Oversight
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Appendix C

CHANGES IN BYLAWS, RULES AND REGULATIONS OF MINNEAPOLIS GRAIN EXCHANGE, INC.

Except for the changes reflected below, the Bylaws, Rules and Regulations of the Minneapolis Grain Exchange, Inc. (MGEX Delaware) are the same as the Bylaws, Rules and Regulations of the Minneapolis Grain Exchange (MGEX).

CHANGES TO LEGAL STATUS OF THE MINNEAPOLIS GRAIN EXCHANGE, INC.

* * * * *

The Exchange was incorporated in 1881 under the name of The Chamber of Commerce of Minneapolis. ~~The original Articles and amendments thereto are printed herein, and T~~the statutes of the State of Minnesota ~~under which the Exchange was incorporated was Chapter 20 of the General Laws of 1868 as amended by Chapter 37, General Laws of 1881.~~

~~The following references are to Minnesota laws enacted subsequent to 1881, which bear directly or indirectly on the operation of the Exchange.~~

~~Chapter 138—General Laws of 1883.~~

~~Chapter 52—General Laws of 1885.~~

~~Chapter 87—General Laws of 1887.~~

~~Chapter 58—Revised Laws of 1905 (Sections 2838, 3112 and 3113).~~

~~Chapter 300—Minnesota Statutes of 1949 (Sections 300.01 through 311.06).~~

~~Chapter 311—Minnesota Statutes of 1949 (Sections 311.01 through 311.06).~~

~~Chapter 550—Session Laws of Minnesota for 1951, coded as Minnesota Statutes of 1949,~~

~~Chapter 317, Sections 317.01 to 317.69; cited as the Minnesota Nonprofit Corporation Act.~~

~~Minnesota Statute 317.64 enacts special provisions applicable to Chambers of Commerce,~~

~~Boards of Trade and Exchanges.~~

~~Chapter 650—Session Laws of Minnesota for 1953, coded as Section 317.22, subsection 4,~~

~~Minnesota Statutes of 1953.~~

~~Chapter 304—Session Laws of Minnesota for 1989, coded as Minnesota Statutes of 1989,~~

~~Chapter 317A, Sections 317A.001 to 317A.909; cited as the Minnesota Nonprofit Corporation~~

~~Act. Minnesota Statute 317.905 enacts special provisions applicable to Chambers of Commerce, Boards of Trade and Exchanges.~~

~~(Copies of these laws are on file in the Secretary's office.)~~

CHANGES TO CHAPTER 1 DEFINITIONS

ASSOCIATION, CORPORATION or EXCHANGE: Minneapolis Grain Exchange, Inc. (a ~~Minnesota~~ Delaware corporation).

AUTHORIZED VOTER: An adult natural person designated from time to time by the Record Owner by written notice to the Secretary of the Corporation authorized to vote a membership owned by the Record Owner. Each Record Owner shall be required to designate an Authorized Voter for each membership owned by the Record Owner and may change the Authorized Voter at any time prior to the applicable record date set by the Corporation for action by the Members by written notice to the Secretary of the Corporation. Record Owners with more than one membership may elect to designate the same or different Authorized Voters for the memberships owned by the Record Owner. The Corporation shall be entitled for all purposes to rely on the Record Owner's designation of its Authorized Voter or Authorized Voters until it receives written notice from the Record Owner of a change in designation. Without limiting the foregoing, in any case in these Rules where a Member or Record Owner vote is referred to or a notice is required or may be given to a Member or Record Owner, such vote shall be by the Authorized Voter and such notice shall be given to the Authorized Voter.

BYLAWS: Chapter 2 and Chapter 3 of the Rules of the Corporation and, to the extent applicable, definitions in this Chapter 1 of the Rules of the Corporation.

CHARTER: The certificate of incorporation of the Corporation as amended from time to time.

CLEARING HOUSE: A department of the Minneapolis Grain Exchange, Inc. (a ~~Minnesota~~ Delaware corporation)

HEARING COMMITTEE: A committee ~~to which the Board of Directors has delegated~~ with the duty and responsibility under these Rules to conduct hearings and, when appropriate, to assess penalties in connection with violations of Exchange Rules or Regulations. (e.g. The Business Conduct Committee or the Futures Trading Conduct Committee).

MEMBER: ~~An individual~~ A natural person or entity who is the Record Owner, provided, however, whenever a Member of the Corporation these Rules refer to a Member where the services or functions contemplate that a natural person provide such services or perform such functions, "Member" shall mean the Record Holder or Holders designated by a Record Owner in accordance with these Rules.

RECORD HOLDER (of a Membership): The adult natural person in whose name a Certificate of Membership has been issued. Each Record Owner shall be required to designate in accordance with these Rules a Record Holder for each membership owned by the Record Owner (which in the case of an adult natural person may be the Record Owner) and may change the Record Holder at any time in accordance with these Rules. Record Owners with more than one membership may elect to designate the same or different Record Holders for the memberships owned by the Record Owner. The Corporation shall be entitled for all purposes to rely on the Record Owner's designation of its Record Holder until the Record Holder is changed in accordance with these Rules.

RECORD OWNER or OWNER (of a Membership): The natural person or entity ~~party~~ who is recorded on the records of the Corporation as having paid the purchase price of a Membership, and as being the owner thereof. The Record Owner's rights and obligations shall include the duty to appoint and the right to change an Authorized Voter and Record Holder in accordance with these Rules for each membership owned by the Record Owner, to receive distributions, if any, by the Corporation in accordance with its membership and to transfer its membership in accordance with these Rules,

RULES: The Rules and Bylaws of the Corporation duly adopted by the Members ~~hip~~.

CHANGES TO CHAPTER 2 GOVERNMENT

201.02. NOMINATIONS COMMITTEE: CANDIDATES.

The Nominations Committee shall direct the Secretary to solicit from the Members ~~hip~~ individuals to serve on the Board of Directors. Such individuals must provide written confirmation to the Secretary of their intention to be nominated. See **Rule 372.00.N**.

201.03. CANDIDATES: NUMBER TO BE NOMINATED.

The Nominations Committee shall nominate any number of candidates. Except by petition, no individual can be placed on the ballot for the Annual Election without being nominated by the Committee.

202.00. BALLOT; PROXY: FORM OF.

Upon expiration of the time for filing Nominating Petitions, the Secretary shall prepare a form of ballot and proxy to use at the Annual Election. The ballot and proxy shall list all candidates in one (1) section. The section shall be marked to indicate the number of candidates to be elected, the term of office and, if the candidate is running for reelection, the word incumbent shall be used. The candidates shall be listed in alphabetical order. The candidates receiving the most votes shall be declared elected. Voting for more than the indicated number of candidates shall cause the ballot or proxy to be null and void.

202.01. VOTING: PROCEDURE.

The Secretary shall, at least ~~eight-ten~~ (8)10 days prior to the date of the Annual Election, or prior to the date fixed by the Board of Directors for any vote ~~ing by ballot by the Members~~, forward to the ~~A~~authorized ~~V~~voter of each Record Owner in good standing a duly prepared ~~ballot proxy~~, with a line for the signature of the ~~A~~authorized ~~V~~voter, and an envelope addressed to the Secretary. The ~~ballot proxy~~ is to be marked, signed and returned to the Secretary. The Secretary shall place all such ~~ballots proxies~~ and envelopes in a locked ballot box. At the Annual Election or any other meeting of the Members, the Secretary shall distribute ballots to the Authorized Voters present in person or proxy at the meeting and Authorized Voters who desire to vote by ballot rather than by a proxy previously delivered to the Corporation shall submit such ballot to the Secretary and the Secretary shall place all such ballots in a locked ballot box. Any ballots validly submitted by an Authorized Voter shall supersede any previously delivered proxy by the Authorized Voter.

202.03. VOTING: NUMBER OF VOTES PERMITTED.

Each Record Owner of a membership shall be entitled to one vote for each membership. However, no Record Owner of multiple memberships may cast ballots for or otherwise vote more than twenty percent (20%) of the Exchange's outstanding memberships, regardless of the number of memberships owned. This restriction shall apply to individuals, corporations, partnerships, associations, joint stock companies, trusts, or unincorporated associations as defined in the Rulebook. Memberships owned directly or indirectly by the Record Owner through subsidiaries or affiliates shall be included in compiling the total number of ballots or votes that may be cast by any entity.

202.04. VOTING: POLLS CLOSE.

All ~~ballots proxies~~ for the Annual Election or on any question submitted to the Record Owners for vote, which are submitted by mail or otherwise delivered to the Secretary of the Corporation prior to the meeting, in order to be counted, must be received at the office of the Secretary before twelve o'clock (12:00) Noon on the date designated for such voting.

202.05. TELLERS: APPOINTMENT AND DUTIES.

The President, prior to any election or other voting ~~by ballot~~ by the Record Owners, shall appoint three (3) tellers to count the proxies and ballots, who shall act only when all three (3) tellers are present.

The tellers shall obtain from the Secretary the locked ballot box and a list of Record Owners in good standing at the time of the election. The tellers shall open the ballot box and remove therefrom all envelopes containing proxies and all ballots. The tellers shall then open all the outside envelopes, and they shall discard the proxies and ballots of all persons who are not Record Owners in good standing.

The tellers shall indicate on the list of the Record Owners in good standing, furnished by the Secretary, the names of the Record Owners who have voted at such election. The tellers shall then count the proxies and ballots and shall make a signed report of the results of the election in writing to the President. Such report shall be entered upon the proper record books of the Corporation, and the Secretary shall post a copy thereof on the Official Bulletin Board and disseminate the results to the Members and Owners of the Corporation.

202.06. CANDIDATES: DECLARED WINNERS.

A plurality of the total votes cast for all candidates to fill any vacancy at any election shall elect the candidates receiving such plurality.

202.07. BALLOTS AND PROXIES: PRESERVATION OF.

The Secretary shall preserve all ballots and proxies for at least two (2) months in order that they may be available for examination if so ordered by the Board of Directors.

203.00. MEETINGS OF MEMBERS.

Meetings of the Members shall be held upon call of the Chairperson. The Chairperson may call such meetings at discretion and shall call them pursuant to instructions from the Board of Directors. Such meetings may be held at any time or place and for any purpose as the Chairperson or the Board of Directors shall provide. Meetings of the Members shall also be called by the Chairperson upon written request signed by not fewer than fifty-five (55) Members stating the object for which such meeting is desired.

Except when a longer time is specifically required by the General Corporation Law of the State of Delaware or the Rules, notice of every meeting stating the ~~time, place, if any, date and hour,~~ and purpose of the meeting shall be disseminated to all Members and to all nonmember officers or directors, properly addressed according to the last available corporate records, not fewer than ~~five-ten (510)~~ nor more than ~~thirty-sixty (3060)~~ days prior to the meeting, excluding the date of the meeting, and a copy of such notice shall be posted on the Official Bulletin Board for at least ~~five-ten (510)~~ consecutive days prior to the date of the meeting.

A quorum for a meeting of the Members is the presence in person or by proxy of Authorized Voters designated to vote at least 100 memberships owned by Record Owners in good standing and entitled to vote at the meeting.

Except for the election of directors or as otherwise required by the General Corporation Law of the State of Delaware, the vote of a majority of memberships owned by the Record Owners in good standing voting through their Authorized Voters present in person or represented by proxy at any meeting of the Members shall be required for action of the Members.

203.01. MEETINGS OF MEMBERS: NOTICE OF.

Notice of meetings of the Members shall state the ~~time, place, if any, date and hour of the meeting, the means of remote communications, if any, by which Authorized Voters and proxyholders may be deemed to be present in person and vote at the meeting, the record date for determining the Authorized Voters entitled to vote at the meeting, if such date is different from the record date for determining Authorized Voters entitled to notice of the meeting~~ and the purpose of such meetings, and no business other than that for which a meeting has been called shall be considered or transacted at such meeting.

203.02. MEETINGS OF MEMBERS: HOW CONDUCTED.

Except as provided otherwise in the ~~Minnesota Non-Profit Corporation Act~~ General Corporation Law of the State of Delaware as amended or in the ~~Articles-Charter~~ and Rules of this Corporation, meetings of the Members shall be conducted in accordance with the established practices of Parliamentary Law; and, in case of a dispute, "Robert's Rules of Order" shall govern.

203.03. MEMBER ACTION WITHOUT MEETING OF MEMBERS.

Any action approved by the Board of Directors required to be taken at any meeting of the Members may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by Authorized Voters of the Record Owners having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of the Members at which all memberships held by Record Owners in good standing and entitled to vote thereon were present and voted. Every written consent shall bear the date of signature of the Authorized Voter of each Record Owner who signs the consent. Prompt written notice of the taking of any corporate action without a meeting by less than unanimous written consent shall be given to the Members who have not consented in writing and who, if action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of Authorized Voters to take the action were delivered to the Corporation.

204.01. AMENDMENT OF RULES: PROCEDURE.

The Rules of the Corporation may be amended only by an affirmative vote ~~by ballot~~ of at least a majority of the Record Owners in good standing present in person or represented by Proxy-proxy at any meeting of the Record Owners; ~~PROVIDED, that at least one hundred (100) Owners were present in person or represented by Proxy at the meeting, and~~ ~~PROVIDED-FURTHER~~, that prior to such meeting the following terms and conditions shall have been met:

- A. The Board of Directors must have proposed the amendment by adopting a resolution setting forth the proposed amendment and directing that it be submitted for adoption at a meeting of the Record Owners, and directing the Chairperson to call a meeting of the Record Owners to consider the adoption of the proposed amendment.
- B. Notice of the meeting of the Record Owners stating the ~~time, place, if any, date and hour,~~ and purpose thereof, together with a copy of the proposed amendment and of any recommendation, explanation or comment concerning the proposed amendment that the Board of Directors may desire to make, and ~~an Instructed Proxy-proxy~~ form wherein the the Authorized Voter for a Record Owner may direct the Proxy-proxy whether to vote for or against each proposed amendment with a return envelope addressed to the Secretary of the Corporation, must have been disseminated to each ~~Owner-Authorized Voter~~ of the Corporation and to each nonmember officer or director thereof, properly addressed according to the latest available corporate records, not fewer than ten (10) days nor more than ~~thirty (30)-sixty (60)~~ days before the meeting, excluding the day of the meeting, and must have been posted on the Official Bulletin Board for at least ~~two-ten (210)~~ consecutive ~~weeks-days~~ prior to the date of the meeting.

210.00. BOARD OF DIRECTORS: COMPOSITION AND TERMS OF OFFICE.

The government of the Corporation shall be vested in a Board of seven (7) Directors, all of whom shall be Members of the Corporation at the time of their election, together with four (4) Public Directors all of whom shall be elected by the seven (7) Directors ~~in accordance with Article III of the Corporation's Articles of Incorporation.~~

The terms of office of the seven (7) Directors who are Members of the Corporation shall commence on the second Monday succeeding their election and continue until their successors have been elected and qualified.

210.01. BOARD OF DIRECTORS: POWERS.

The Board of Directors ("Board") is the governing body of the Minneapolis Grain Exchange ("Exchange") and has the power to:

- A. control all property of the Exchange;
- B. provide, acquire and maintain suitable Exchange quarters and facilities;
- C. review and approve the creation of and all appointments to standing and special committees ~~appointed~~ recommended by the Chairperson;
- D. review and approve the appointment of a President;
- E. review and approve the appointment, titles and responsibilities of all Exchange employees above the level of department head;
- F. delegate its powers to Committees of the Board, ~~or Committees of the Corporation~~, or officers or employees, if such delegation is not inconsistent with the Charter, Rules, customs or usages of the Corporation;
- G. approve all contracts to be executed on behalf of the Exchange by the Chairperson, President or other designated officers;
- H. designate and authorize specific appointed officers to act on behalf of the Board to execute contracts within specified limits;
- I. appoint a Counsel to the Board;
- J. fix, determine and levy all Membership dues, fees and assessments;
- K. act in a judicial capacity (except when such function has been delegated to an appropriate committee as set forth in **Rule 600.00.**) when, at its discretion, it chooses to hear an appeal from a decision rendered by a Hearing Committee, and to ratify certain penalties imposed by a Hearing Committee;
- L. determine the commodities traded, the delivery months, hours of trading, the days of the contract month in which delivery may be made, and margin requirements;
- M. declare any day to be a holiday, during which the Exchange shall not be open for business;
- N. recommend changes to the Rules of the Exchange and rescind Rules governing contracts delisted or declared dormant by the Board;

- O. adopt Regulations to implement any Rule or to conform with orders, recommendations or requests of any duly constituted governmental authority, or that in the opinion of the Board of Directors are necessary and appropriate;
- P. act in emergencies; (See [Rule 210.02.](#))
- Q. without Member vote, amend the ~~Articles of Incorporation~~ Charter as necessary to conform to the Rulebook of the Exchange or to cause the Corporation to become a Delaware nonstock, for profit corporation.

Any authority or discretion by these Rules vested in the Chairperson, President, Clearing House Manager or any committee shall not be construed to deprive the Board of such authority or discretion and, in the event of a conflict, the determination of the matter by the Board shall prevail.

210.03. VACANCIES: OCCURRING DURING TERM OF OFFICE.

- A. Officers: If a vacancy occurs in the office of Chairperson, other than by expiration of the term of office, the First Vice Chairperson, or if the First Vice Chairperson is unable to act, then the Second Vice Chairperson, shall assume all the duties and powers of the Chairperson until such time as the Board of Directors elects a successor to fill the vacancy pursuant to [Rule 200.00.](#)
- B. Member Directors:
 - 1. If a vacancy occurs on the Board of Directors, the Secretary shall promptly notify the Nominations Committee.
 - 2. In the event a vacancy occurs, the Nominations Committee shall direct the Secretary to solicit from the Members ~~hip~~ individuals to serve on the Board of Directors. Such individuals must provide written confirmation to the Secretary of their intention to be nominated. See [Rule 372.00.N.](#) The Committee shall recommend to the Board of Directors one (1) but not more than two (2) Members to fill the vacancy. The Board of Directors, before voting to fill the vacancy, shall give due consideration to the recommendations of the Committee.

211.03. PROCEDURE AT MEETINGS.

The Board of Directors may, from time to time, adopt such regulations for its own government and the conduct of its meetings as are not contrary to the provisions of the ~~Minnesota Non-Profit Corporation Act~~ General Corporation Law of the State of Delaware as amended, and the ~~Articles of Incorporation~~ Charter and Rules of the Corporation. Except as otherwise specifically provided in said Act or in the ~~Articles~~ Charter and Rules of this Corporation, meetings of the Board of Directors shall be conducted according to the established practices of Parliamentary Law and, in case of dispute, "Robert's Rules of Order" shall govern.

215.00. CHAIRPERSON OF THE BOARD: GENERAL DUTIES.

The Chairperson of the Board of Directors shall be the senior officer of the Board and perform the usual duties incident to the office. Unless otherwise specified by Rule, the Chairperson shall recommend appointments to all Committees (as soon as practicable after each Annual Election), any special Committees deemed necessary, and the Chairpersons thereof, subject to the approval of the Board. Unless otherwise specified by Rule, the Chairperson shall be an ex officio, nonvoting member of all Committees. The Chairperson shall preside at all meetings of Members and of the Board, shall see that all bonds of the employees of the Exchange required to give bond are properly executed and shall have the books of the Exchange audited at least once a year by a certified public accountant. The Chairperson

shall be a Member of the Exchange and Board of Directors. In the event of a tie vote at a meeting of the Board of Directors, the Chairperson shall be entitled to vote. If the Chairperson abstains from voting in the case of a tie vote, the Board of Directors will not have an affirmative vote to take action.

221.01. SPECIAL ASSESSMENTS.

The Board of Directors may levy special assessments upon each and every membership in the Corporation for the purposes of the Corporation and may fix the dates upon which such Assessments, in whole or in parts thereof, shall become due and payable; PROVIDED, however, that such assessments must be submitted to the ~~Ownership-Record Owners~~ by ballot and approved by an affirmative vote of at least a majority of the Record Owners of the Corporation who have voted upon such assessments;

~~PROVIDED that at least one hundred (100) Owners were present at the meeting in person or represented by proxy.~~

223.00. BORROWING OF MONEY.

The Board of Directors, on the affirmative vote of at least one half (1/2) of the total number of Directors of the Corporation, permitted under **Rule 210.00.**, may borrow money for and on behalf of the Corporation, for any period of time and on such terms and with such security or mortgage, all as the Board may determine for any event that represents an emergency business purpose, including an actual or potential default to the Clearing House in such amount as may be necessary.

Additionally, the Board may borrow up to and including the amount of three million dollars (\$3,000,000) for ordinary purposes when the Board is of the opinion that such borrowings are necessary in connection with the uses and purposes of the Corporation; and PROVIDED that notwithstanding the foregoing provisions of this **Rule 223.00.**, the Board of Directors in its discretion, may borrow money for and on behalf of the Corporation for any period of time and for any amount in excess of three million dollars (\$3,000,000) for ordinary purposes on such terms and with such security or mortgage as the Board may deem appropriate, PROVIDED FURTHER that such borrowing in excess of three million dollars (\$3,000,000) for ordinary purposes is authorized by an affirmative vote of at least one half (1/2) of the total number of Directors permitted under **Rule 210.00.** and such authorization is submitted to and ratified by the Record Owners ~~and is ratified by an affirmative vote of a simple majority of votes cast by at least one hundred (100) Owners in good standing at the time of such vote.~~

243.00. INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHERS.

The Corporation shall indemnify its directors, officers, and committee members ~~and employees~~ against such expenses and liabilities, in such manner, under such circumstances, and to such extent, as required or permitted by ~~Minnesota Statutes, § 317A.521, Subd. 2~~ Section 145 of the General Corporation Law of the State of Delaware, as amended from time to time, or as required by other provisions of law.

The Corporation shall advance expenses in such manner, under such circumstances, and to such extent, as required or permitted by ~~Minnesota Statutes, § 317A.521, Subd. 3~~ Section 145 of the General Corporation Law of the State of Delaware, as amended from time to time. The provisions of this Section are not intended to limit the ability of any person to receive advances as an insured under any insurance policy maintained by the Corporation.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member or employee against any liability asserted against and incurred by such person in or arising from such capacity, whether or not the Corporation would otherwise be required to indemnify the person against the liability.

The Corporation shall also abide by all other controlling provisions of ~~Minnesota Statutes, §317A.521~~ Section 145 of the General Corporation Law of the State of Delaware, as amended from time to time.

260.00. COMMITTEES OF THE CORPORATION.

Committees of the Corporation shall be established by Rule. Such Committees shall consist of an odd number of individuals and be chaired by a Member-Director of the Board of Directors. Unless otherwise specified by Rule, a majority of the members of a Committee shall constitute a quorum and a majority of the quorum shall be required to take action. In addition to the duties and powers specified by Rule, Committees of the Corporation shall also have such duties and powers as may be ~~delegated~~ specified by the Board of Directors.

CHANGES TO CHAPTER 4 ARBITRATION - CASH TRADES OR MEMBERS' FUTURES

400.00. ARBITRATION POOL.

The Arbitration Pool shall consist of twenty (20) or more persons, all of whom shall be Members of the Corporation. The Chairman of the Corporation shall ~~appoint~~ recommend persons to serve during his term of office. Only persons serving on the Arbitration Pool shall be eligible to serve on a Board of Arbitration. Upon appointment each person will complete the Arbitrator Profile Form (see **Form 4-00.00**) submitting the same to the Secretary of the Corporation.

CHANGES TO CHAPTER 7 FUTURES AND OPTIONS TRADING

700.00. FUTURES AND OPTIONS CONTRACTS: CLEARING OF.

All Futures and Option Contracts made in this market, including all "Scratch" trades, must be made in the name of and between Clearing Members, and all such contracts must be submitted to the Clearing House.

All such contracts that have been accepted for clearing shall be subject to the ~~Articles,~~ Rules and Regulations of the Minneapolis Grain Exchange and to the exercise of the powers reserved therein to the Minneapolis Grain Exchange.

Appendix D

CERTIFICATE OF INCORPORATION OF MINNEAPOLIS GRAIN EXCHANGE, INC.

FIRST: The name of the corporation is Minneapolis Grain Exchange, Inc. (the “Corporation”).

SECOND: The address of the registered office of the Corporation in the State of Delaware is 160 Greentree Drive, Suite 101, Dover, Delaware 19904. The name of the registered agent of the Corporation at that address is National Registered Agents, Inc.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law. This Corporation shall be a nonprofit corporation.

FOURTH: The corporation shall not have the authority to issue any capital stock.

FIFTH: The conditions of membership shall be stated in the bylaws of the Corporation.

SIXTH: The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and members:

A. Each member shall be entitled to one vote for each membership held. However, no member holding multiple memberships may cast ballots for more than twenty percent (20%) of the Corporation's outstanding memberships, regardless of the number of memberships owned. Memberships owned directly or indirectly by the member through subsidiaries or affiliates shall be included in compiling the total number of ballots or votes that may be cast by any member.

B. The certificate of incorporation of the Corporation may be amended by the board of directors to the extent permitted by the bylaws of the Corporation.

C. The bylaws of the Corporation may be amended by the board of directors to the extent permitted by the bylaws of the Corporation.

D. Only members in Good Standing, as defined in the bylaws of the Corporation, are entitled to vote on any question that may come before the Corporation for a vote of the members.

E. Public Directors, as defined in the bylaws of the Corporation, shall be elected by the Member Directors, as defined in the bylaws of the Corporation.

SEVENTH: A director of the Corporation shall not be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

EIGHTH: The incorporator is Peter J. Ekberg, whose mailing address is 2200 Wells Fargo Center, Minneapolis, Minnesota 55402.

I, the undersigned, being the incorporator named herein, for the purpose of forming a corporation under the laws of the State of Delaware, do certify that the facts herein stated are, to the best of my knowledge and belief, true, and I have accordingly hereunto set my hand this [__] day of April, 2010.

Peter J. Ekberg

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Appendix E

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (“Agreement”), dated as of April 19, 2010, is by and between MINNEAPOLIS GRAIN EXCHANGE (the “MGEX”), a nonprofit corporation organized and existing under the Minnesota Nonprofit Corporation Act (“MNCA”), and MINNEAPOLIS GRAIN EXCHANGE, INC. (“MGEX Delaware”), a nonstock, nonprofit corporation organized and existing under the Delaware General Corporation Law (“DGCL”). The MGEX and MGEX Delaware are referred to collectively herein as the “Parties.”

RECITALS

WHEREAS, the MGEX desires to change its state of incorporation to Delaware through the merger of the MGEX with and into MGEX Delaware, with MGEX Delaware being the surviving entity, pursuant to the terms of this Agreement (the “Merger”);

WHEREAS, immediately following the Effective Time (as defined below), each membership of the MGEX will be converted into and exchanged for one membership of MGEX Delaware;

WHEREAS, the boards of directors of MGEX Delaware and the MGEX have each determined that this Agreement and the Merger are advisable and have approved, adopted and authorized this Agreement, the Merger and their respective obligations pursuant hereto;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged and agreed, the Parties hereby agree as follows:

ARTICLE I

THE MERGER

A. *Procedure.*

(1) *General.* On the terms and subject to the conditions set forth in this Agreement, the MGEX shall merge with and into MGEX Delaware as of the Effective Time (as defined below) pursuant to Section 317A.651 of the MNCA and Section 258 of the DGCL, whereupon the separate existence of the MGEX shall cease, and MGEX Delaware shall be the surviving corporation in the Merger (the “Surviving Corporation”), and the MGEX shall file with the Minnesota Secretary of State articles of merger and shall file with the Delaware Secretary of State a certificate of merger and shall make all other filings or recordings required by the MNCA and DGCL in order to effectuate the Merger. The Merger shall become effective in Delaware upon the filing of such certificate of merger with the Delaware Secretary of State and in Minnesota upon filing such articles of merger with the Minnesota Secretary of State (the

“Effective Time”).

(2) *Closing.* The closing of the Merger (the “Closing”) shall take place at such place, date and time as the MGEX may determine (the “Closing Time”), which time shall be on or after the time at which all conditions to consummate the transactions contemplated hereby are satisfied.

(3) *Certificate of Incorporation and Bylaws.* From and after the Effective Time, the certificate of incorporation and bylaws of MGEX Delaware as in effect immediately prior to the Effective Time shall be the certificate of incorporation and bylaws of the Surviving Corporation (together, the “Surviving Corporation Organizational Documents”) until thereafter changed or amended as provided by applicable law. No amendments to the certificate of incorporation of the Surviving Corporation are proposed in connection with the Merger.

(4) *Directors and Officers.* The persons who immediately prior to the Effective Time of the Merger constitute the board of directors and officers of the MGEX shall be the directors and officers of the Surviving Corporation from and after the Effective Time and shall hold office until their respective successors are duly elected or appointed and qualified in the manner provided in the Surviving Corporation Organizational Documents, or as otherwise provided by law.

B. *Conversion and Exchange of Memberships.* At the Effective Time, by virtue of the Merger and without any action on the part of the MGEX, MGEX Delaware, or any other person, each membership of the MGEX issued and outstanding shall be converted into and exchanged for one (1) membership in the Surviving Corporation with such rights, privileges and obligations as are set forth in the Surviving Corporation Organizational Documents.

C. *Additional Actions.* The Surviving Corporation may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name of and on behalf of the MGEX, MGEX Delaware or the members of MGEX Delaware immediately prior to the Effective Time that the Surviving Corporation, in its sole and absolute discretion, deems necessary or advisable in order to effect the transactions contemplated by this Agreement.

ARTICLE II

CONDITIONS TO CLOSING

The respective obligations of the Parties to consummate the transactions contemplated hereby are subject to the approval and adoption by the MGEX membership, in accordance with applicable law, of this Agreement and the Merger contemplated hereby.

ARTICLE III

TERMINATION

A. *Termination of Agreement.* To the fullest extent permitted by applicable law, the

MGEX may, in its sole and exclusive discretion, terminate this Agreement and abandon the Merger at any time prior to the Effective Time.

B. *Effect of Termination.* If the MGEX terminates this Agreement pursuant to Article III, A. above, all rights and obligations of the Parties shall terminate without any liability of any Party or Person to any other Party or Person.

ARTICLE IV

MISCELLANEOUS

A. *No Third Party Beneficiaries.* This Agreement shall not confer any rights or remedies upon any person or entity other than the Parties and their respective successors and permitted assigns.

B. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.

C. *Succession and Assignment.* This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. Neither Party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Party.

D. *Counterparts.* This Agreement may be executed in any number of counterparts, including by facsimile, and by the different Parties on separate counterparts, and each such counterpart shall be deemed to be an original but all such counterparts shall together constitute one and the same Agreement.

E. *Headings.* The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

F. *Governing Law.* This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

G. *Amendments and Waivers.* To the fullest extent permitted by applicable law, the Parties may mutually amend any provision of this Agreement at any time prior to the Effective Time with the prior authorization of their respective boards of directors. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by all of the Parties.

H. *Severability.* Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of

the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

I. *Construction.* Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context otherwise requires. The term “including” shall mean “including without limitation” and all variants shall have similarly inclusive, but not limiting, meanings.

J. *Further Assurances.* From time to time, as and when requested by either Party hereto, the other Party shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions, which documents, instruments or actions are consistent with, and customary and necessary for, the consummation of the transactions contemplated by this Agreement.

* * * * *

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

MINNEAPOLIS GRAIN EXCHANGE, INC.

By: _____
Name: Mark G. Bagan
Title: President and Chief Executive Officer

MINNEAPOLIS GRAIN EXCHANGE

By: _____
Name: Mark G. Bagan
Title: President and Chief Executive Officer

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