



Special Executive Report

S-5424

October 5, 2010

REDUCTION OF CME GROUP SHARE REQUIREMENT FOR CLEARING AND CORPORATE EQUITY MEMBER FIRMS

Effective October 29, 2010, CME, CBOT and NYMEX will reduce the requisite number of CME Group Class A shares (“shares”) that clearing and corporate equity members of CME, CBOT and NYMEX (“equity member firms”) are required to have assigned for their member firm privileges. The share reduction will affect CME Clearing Members and CME Rule 106.J. Equity Member Firms.

Upon the effective date, the share requirement of an equity member firm of:

- One CME Group Exchange (i.e. CME, CBOT or NYMEX) will be reduced from 8,000 shares to 6,000 shares;
- Two CME Group Exchanges will be reduced from 12,000 shares to 9,000 shares; and
- Three CME Group Exchanges will be reduced from 16,000 shares to 12,000 shares.

If you have any questions regarding the changes to these rules, please contact Cathleen Downs, Associate Director, Audits at 312.648.3802.

The amendments to the CME rules appear below.

CME Chapters 1 and 9 Rule Changes (Strikeout Version)

106. TRANSFERS, SECURITY TRANSACTIONS, AND AUTHORIZATIONS TO TRANSFER OR SELL

106.J. Equity Member Firm

A firm may qualify as an equity member firm if two CME memberships, two IMM memberships, two IOM memberships, one GEM membership and ~~68,000~~ CME Group Class A Shares are assigned for the firm’s membership privileges. A higher Division membership may be substituted for a lower Division membership to satisfy these requirements

A CME Rule 106.J. equity member firm shall at all times have assigned to it at least ~~942,000~~ CME Group Class A Shares if it is also either: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm or (b) a CBOT clearing member or CBOT member firm that has an ~~68,000~~ share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be ~~79,750~~.

A CME Rule 106.J. equity member firm shall at all times have assigned to it at least ~~126,000~~ CME Group Class A Shares if it is also both: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm and (b) a CBOT clearing member or CBOT member firm that has an ~~68,000~~ share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be ~~103,750~~.

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902. CLEARING MEMBERSHIP ASSIGNMENT REQUIREMENTS

902.A. Assignment Requirement

Subject to exemptions granted by Exchange staff, each CME clearing member shall have at least: two CME memberships, two IMM memberships, two IOM memberships, one GEM membership and 68,000 CME Group Class A Shares assigned to the Clearing House. A clearing member which was an IMM Class A clearing member on or prior to May 6, 1987, shall have at least one CME membership, three IMM memberships, two IOM memberships, one GEM membership and 68,000 CME Group Class A Shares assigned to the Clearing House. A higher Division membership may be substituted for a lower Division membership to satisfy these requirements.

A CME clearing member shall at all times have assigned to it at least 942,000 CME Group Class A Shares if it is also either: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm or (b) a CBOT clearing member or CBOT member firm that has an 68,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 79,750.

A CME clearing member shall at all times have assigned to it at least 126,000 CME Group Class A Shares if it is also both: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm and (b) a CBOT clearing member or CBOT member firm that has an 68,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 103,750.

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CME Chapters 1 and 9 Rule Changes (Final Version)

106. TRANSFERS, SECURITY TRANSACTIONS, AND AUTHORIZATIONS TO TRANSFER OR SELL

106.J. Equity Member Firm

A firm may qualify as an equity member firm if two CME memberships, two IMM memberships, two IOM memberships, one GEM membership and 6,000 CME Group Class A Shares are assigned for the firm's membership privileges. A higher Division membership may be substituted for a lower Division membership to satisfy these requirements

A CME Rule 106.J. equity member firm shall at all times have assigned to it at least 9,000 CME Group Class A Shares if it is also either: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm or (b) a CBOT clearing member or CBOT member firm that has an 6,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 7,750.

A CME Rule 106.J. equity member firm shall at all times have assigned to it at least 12,000 CME Group Class A Shares if it is also both: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm and (b) a CBOT clearing member or CBOT member firm that has an 6,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 10,750.

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902. CLEARING MEMBERSHIP ASSIGNMENT REQUIREMENTS

902.A. Assignment Requirement

Subject to exemptions granted by Exchange staff, each CME clearing member shall have at least: two CME memberships, two IMM memberships, two IOM memberships, one GEM membership and 6,000 CME Group Class A Shares assigned to the Clearing House. A clearing member which was an IMM Class A clearing member on or prior to May 6, 1987, shall have at least one CME membership, three IMM memberships, two IOM memberships, one GEM membership and 6,000 CME Group Class A Shares assigned to the Clearing House. A higher Division membership may be substituted for a lower Division membership to satisfy these requirements.

A CME clearing member shall at all times have assigned to it at least 9,000 CME Group Class A Shares if it is also either: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm or (b) a CBOT clearing member or CBOT member firm that has an 6,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 7,750.

A CME clearing member shall at all times have assigned to it at least 12,000 CME Group Class A Shares if it is also both: (a) a NYMEX clearing member or NYMEX Rule 106.J. member firm and (b) a CBOT clearing member or CBOT member firm that has an 6,000 share requirement (including a CBOT clearing member or CBOT member firm with a grandfathered share requirement of 4,725). If the CBOT member firm has a 1,750 share requirement, the combined share requirement will be 10,750.

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