



MEMO

TO: Clearing Members and Members

FROM: James D. Facente, Director of Market Operations, Clearing and IT

DATE: May 8, 2008

SUBJECT: MGEXpress® Matching Algorithm

Today, the Minneapolis Grain Exchange (“MGEX” or “Exchange”) Board of Directors approved a change to the matching algorithm for electronic trading purposes. This change will allow for MGEX products which trade electronically to use the identical matching algorithm that the CME Group® employs for its wheat, corn and soybeans contracts.

Per MGEX **Rule 1809.00. MATCHING ALGORITHM FOR THE ELECTRONIC TRADING SYSTEM**, the Board of Directors has the authority to approve any change to an algorithm provided the Membership and Clearing Members are given notice at least ten days prior to the implementation of the new algorithm. Accordingly, the new algorithm will take effect for MGEX products on Sunday evening May 18, 2008, for the business day of May 19, 2008.

The current matching algorithms and proposed changes for MGEX contracts are shown in the table on the following page. Should you have any questions, please contact MGEXpress Support at support@mgex.com.

Contract	Current			Proposed (changes highlighted)			
	Algorithm	Pro-Rata Minimum Volume	Pro-Rata Maximum Volume Cap	Effective Date	Algorithm	Pro-Rata Minimum Volume	Pro-Rata Maximum Volume Cap
MGEX HRSW Futures	Pro-Rata with TOP Order % Allocation with Minimum / Maximum Volume Caps	5	100	5/18/08	Split FIFO/Pro-Rata*	5	25
MGEX HRSW Options		5	100	5/18/08	NO CHANGE	5	25
MGEX Index Futures		5	100	5/18/08	Split FIFO/Pro-Rata*	5	25
MGEX Index Options		5	100	5/18/08	NO CHANGE	5	25
CME Group Wheat Futures		10	100	5/4/08	Split FIFO/Pro-Rata*	10	100
CME Group Wheat Options		10	100		NO CHANGE		
KCBT Wheat Futures		5	50				
KCBT Wheat Options		5	50				

*FIFO component will be set to zero