



MEMO

TO: Clearing Members

FROM: Sandra S. Sullivan, Director, Market Regulation

DATE: April 23, 2007

SUBJECT: Offsets and Positions Reporting

This memo is being issued as a reminder to all clearing members of the deadline to report offsets of **May 2007** Hard Red Spring Wheat Futures, Hard Red Spring Wheat Index, Hard Red Winter Wheat Index, Soft Red Winter Wheat Index, National Corn Index and National Soybean Index futures and options. **The deadline is 8:00 a.m. Friday, April 27, 2007 for the Thursday, April 26, 2007 trade date.** Clearing members may wish to remind customers of the deadline and closely monitor accounts, particularly omnibus accounts.

Minneapolis Grain Exchange Rules and Regulations prohibit transfer trades for the purpose of offsetting existing futures and options positions where no change in ownership is involved two business days prior to the delivery or settlement month, and during the delivery or settlement month when the date of execution or exercise of the position being transferred is not the same as the transfer date. Otherwise, offsets during the prohibition period can only be done by trading, or bona fide EFP or EFR transactions.

In order to help prevent improper offsets from occurring, accurate position information must be recorded on Form 200's and Long Positions reports. The information must also be timely submitted to the Minneapolis Grain Exchange Clearing House. Finally, the total delivery month long positions should be the same on the Form 200's and Long Positions reports.

Please be aware that inaccurate Form 200 and Long Positions submissions as well as improper offsets occurring during the prohibition period are violations of Minneapolis Grain Exchange Rules and Regulations. Such violations, whether intentional or not, may be forwarded to the Business Conduct Committee for potential disciplinary action.

If there are any questions, please contact me at (612) 321-7190 or Tabitha Westberg at (612) 321-7142 or Deborah Krump at (612) 321-7194.