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June 24, 2005

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Ms. Jean A. Webb
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st Street, N.W.
Washington, D.C. 20581

OFFICE OF THE SECRETARIAT

Reference File # 2561.01
Rule Certification

Dear Ms. Webb:

Pursuant to Commission Regulation 40.6(a), the Chicago Board of Trade (CBOT[®]) hereby submits the following:

- **Amendments to various CBOT rules and regulations (in Rulebook Chapters 2, 4 and 7) as indicated in the attached texts (additions underlined; deletions struck through).**

The referenced changes are related to the June 22, 2005 adoption of the so-called "second approval" proposition by the stockholders of CBOT Holdings, Inc. (of which the CBOT is a wholly-owned subsidiary). Receipt of the second approval represents another phase of the CBOT demutualization process that was implemented initially on April 22, 2005. As a result of the adoption of the second approval proposition, certain transfer restrictions previously applicable to CBOT Class B memberships and CBOT Holdings Class A common stock are changing. The referenced CBOT rule and regulation amendments reflect the second approval accordingly, in the following areas:

- Appropriate modifications to the CBOT claims process;
- Provisions for Control Agreements for Class B memberships and Class A stock; (Control Agreements will allow Class B memberships and Class A stock to be pledged as security for the financing of membership purchases and to secure other Exchange-related obligations.) and
- The continuing requirement that firms maintain specified Class A stock as well as Class B memberships for member firm registration purposes.

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The referenced amendments also include several "housekeeping" changes for purposes of updated and consistent terminology.

The CBOT intends to implement the referenced amendments no sooner than one day after the Commission's receipt of this submission.

There were no opposing views concerning these amendments.

The CBOT certifies that these amendments comply with the Commodity Exchange Act and the rules thereunder.

Sincerely,

Paul J. Draths
Vice President and Secretary

B062105

Chapter 2

Membership

Ch2 Applicants

202.01A Investor Application – Any individual who wishes to acquire a membership for investment purposes only (and not for purposes of changing or influencing control of the CBOT or its affiliates) shall file an investor application as prescribed by the Exchange. The name of the individual investor applicant will be posted and made available to the membership in accordance with the provisions of Rule 201.00. The application will be subject to approval by the Chairman of the Membership Committee or, upon delegation by the Chairman, the Member Services Department. The power to deny such an application is expressly reserved to the Regulatory Compliance Committee. An individual who is approved as an investor and who subsequently wishes to engage in trading activities on the Exchange will be subject to filing and approval of a membership application as prescribed by the Exchange. (05/01/0506/21/05)

206.02 Gratuities - No member of the Association-Exchange shall employ any employee of the Association-Exchange or of the Clearing Services Provider, for any service outside the hours of regular employment by the Association-Exchange or such Clearing Services Provider, without having first obtained the approval of the President of the Exchange or of the Clearing Services Provider, as the case may be, and registering therewith the name of said employee, the nature of the services rendered, and the amount of said compensation.

No member shall give any compensation or gratuity to an employee of the Clearing Services Provider unless the giving of such compensation or gratuity be first submitted in writing to the Clearing Services Provider and approved.

No member, member firm or employee thereof shall directly or indirectly give or offer to give any compensation or gratuity in excess of \$250 (or having a reasonable aggregate value in excess of \$250) per person per year to any employee of the Association-Exchange. Employees of the Association-Exchange are forbidden to accept any compensation or gratuity in excess of \$250 from any member, member firm or employee thereof for any service rendered or to be rendered unless the giving of such compensation or gratuity be first submitted in writing to the President and approved. A gift of any kind is considered a gratuity.

No member, member firm or employee thereof, shall give or offer to give gratuities to any other member, member firm or employee thereof in an amount exceeding that which may be considered reasonable and proper under normal business practices as determined by the Business Conduct Committee. The giving or offering to give gratuities to a member, member firm or employee thereof is not to become a vehicle to obtain Exchange related business in a non-competitive fashion. Failure to comply with this Regulation may be deemed an act detrimental to the interest or welfare of the Association Exchange. (01/01/0406/21/05)

209.00 Indemnification of Exchange - In any legal proceeding brought against the Exchange and/or any of its affiliates, including CBOT Holdings, Inc., alleging its failure to prevent, detect or require certain conduct of a member or member firm, which conduct or inaction is alleged to be in violation of any law or of the Rules and Regulations of the Exchange, such member or member firm shall indemnify and hold the Exchange and/or any of its affiliates, including CBOT Holdings, Inc., harmless for the full amount of any expense (including attorneys' fees), judgment or settlement paid by it in respect to such proceeding. 134 (04/01/0506/21/05)

209.05 Membership In OneChicago, LLC – Each holder of a Series B-1 (Full), Series B-2 (Associate), Series B-3 (GIM), Series B-4 (IDEM) or Series B-5 (COM) member-trading-privileges membership is a member of OneChicago, LLC, and to the extent provided in OneChicago rules, becomes bound by OneChicago rules and subject to the jurisdiction of OneChicago by accessing or entering any order into the OneChicago System. (05/01/0506/21/05)

215.00 Deleted

~~**215.00 Series B-2 (Associate) Members Committee** – There will be an elected Committee of Series B-2 (Associate) members whose purpose will be to represent the rights and privileges of the Series B-2 (Associate) membership and to promote those rights and privileges to the mutual benefit of the general membership.~~

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The Committee shall consist of fifteen (15) Series B-2 (Associate) members elected on the Annual Election date by the Series B-2 (Associate) members. Seven members will begin a new two-year term each even-numbered year and eight members will begin a new two-year term each odd-numbered year. The Committee will select its Chairman and Vice Chairman. The Chairman of this Committee will be the liaison to the Chairman of the Board of Directors. 865 (05/01/05)

Ch2 Registration

230.00 Registration - An ~~e~~Eligible ~~b~~Business ~~e~~Organization as ~~determined by the Exchange~~ may be a member firm of the Exchange with respect to all contracts if one Series B-1 (Full) membership, is in the name of any principal or employee thereof, and such membership and its ~~associated 27,338 shares of Class A common stock of CBOT Holdings (which may be acquired and registered as a combination or as separate interests in one or more transactions)~~ are registered on behalf of ~~the firm such organization~~. Such principal or employee shall be referred to as a "nominee," ~~whether the membership is firm-owned or owned by such principal or employee.~~

~~Provided, however, that Notwithstanding the foregoing, four (4) Series B-1 (Full) memberships and two (2) Series B-2 (Associate) memberships must be in the name of any principals or employees thereof of an Eligible Business Organization, and such memberships and their associated 129,352 shares of Class A common stock of CBOT Holdings (which may be acquired and registered as a combination or as separate interests in one or more transactions) must be registered on behalf of the firm such organization, in order for the eligible business such organization to be a member firm under Regulation 230.02, Category (3) "other Non-FCM-Non-clearing".~~

~~A member firm~~ An Eligible Business Organization which is a non-FCM, non-clearing entity and (1) which is wholly owned by one or more members or member firms, (2) which wholly owns a member firm, or (3) which is wholly owned by the same parent company(ies) as a member firm, may be a member firm of the Exchange under Regulation 230.02, Category 2(c), only with respect to those contracts in which Series B-2 (Associate) members have trading privileges if one Series B-2 (Associate) membership is in the name of any principal or employee ~~thereof of such organization~~, and such membership and its ~~associated 10,000 shares of Class A common stock of CBOT Holdings (which may be acquired and registered as a combination or as separate interests in one or more transactions)~~ are registered on behalf of ~~the firm such organization~~.

An Eligible Business Organization may be a member firm of the Exchange under Regulation 230.02, Category (4), solely for the purpose of conducting non-clearing business on e-cbot pursuant to Chapter 9B: (1) if one Series B-2 (Associate) membership is in the name of any principal or employee of such organization, and such membership and 10,000 shares of Class A common stock of CBOT Holdings (which may be acquired and registered as a combination or as separate interests in one or more transactions) are registered on behalf of such organization; or (2) if one Series B-1 (Full) membership, leased in the name of a principal or employee of such organization, is registered on behalf of such organization, and 27,338 shares of Class A common stock of CBOT Holdings are either registered or pledged on behalf of such organization pursuant to procedures established by the Exchange; or (3) if one Series B-2 (Associate) membership, leased in the name of a principal or employee of such organization, is registered on behalf of such organization, and 10,000 shares of Class A common stock of CBOT Holdings are either registered or pledged on behalf of such organization pursuant to procedures established by the Exchange.

Those individuals who desire to register their memberships and associated shares of Class A common stock of CBOT Holdings on behalf of ~~a member firm~~ an Eligible Business Organization shall make application to the Exchange, giving therein such information as may be requested. If the application is granted, their ~~the~~ memberships and their ~~associated~~ shares of Class A common stock of CBOT Holdings shall be registered for the benefit of the member firm, and such member firm shall be entitled to member firm privileges with respect to all contracts or only with respect to contracts in which Series B-2 (Associate) Members have trading privileges, as the case may be.

A ~~An~~ Eligible Business Organization, having been first qualified as a member firm pursuant to this Rule 230.00 may be a CBOT Clearing Member and entitled to clearing privileges with respect to all contracts, pursuant to the membership registration requirements of Rule 703.00. ~~All such memberships shall be registered hereunder in the manner described above, and under the criteria prescribed in Rule 703.00.~~ Member firms shall be subject to all requirements and prohibitions contained in the Rules and Regulations applicable to members, and in such cases, all registered members ~~nominees~~ shall be subject to discipline and their ~~the~~ registered memberships and their ~~associated~~ shares of Class A common stock of CBOT Holdings shall be subject to sale by the Exchange for the acts or delinquencies of the member firm for which they are registered. In addition, the proceeds of the sale of registered memberships and shares of Class common stock of CBOT Holdings shall be subject to claims pursuant to Rule 252.00. All such registrations may be terminated at any time by the Exchange, or by the registered members ~~nominees~~ with the prior written approval of the Exchange.

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All memberships and shares of Class A common stock of CBOT Holdings described above that are owned by a Regulation 230.02, Category (2b), (3), or (6) member firm: (1) may be delegated upon the terms and conditions set forth in Rule 221.00 (in the case of memberships); or (2) may be in the name of a principal or employee of, and may be registered, with their associated shares of Class A common stock of CBOT Holdings, on behalf of, another member firm which is wholly owned by such member firm, which wholly owns such member firm, or which is wholly owned by the same parent company(ies) as such member firm. During the term of any such delegation or registration on behalf of another member firm, the Category (2b) or (3) member firm owning the membership(s) and shares of Class A common stock will not be entitled to member firm transaction fees. In addition, no Category (6) member firm will be entitled to member firm transaction fees. However, any such Category (2b) or (3) member firm, and Category (6) member firms, will remain subject to all applicable Exchange Rules and Regulations, including the disciplinary procedures set forth in Chapter 5, and the arbitration procedures set forth in Chapter 6.-226

For purposes of this Rule 230.00 and Regulation 450.02D, all Series B memberships and all shares of Class A common stock of CBOT Holdings registered on behalf of a member firm or member firm affiliate must be owned by either the member firm, the member firm's affiliates or the nominees who registered such memberships or shares, except in those instances where a leased membership may be registered for a member firm or a member firm affiliate, or shares of Class A common stock of CBOT Holdings may be pledged on behalf of a member firm or member firm affiliate under Rule 230.00 or Regulation 450.02D.

230.02 Registration of Membership for Eligible Business Organizations - An individual desiring to register a membership and/or its associated shares of Class A common stock of CBOT Holdings for an eEligible bBusiness eOrganization under Rule 230.00 shall submit an application giving the name of the eEligible bBusiness eOrganization and the business in which it is engaged, and any other information requested by the Exchange. The application must also show that the member is a principal or employee of the eEligible bBusiness eOrganization. In addition, the application must designate the type of business activity, as measured by from the following list, for which registration is requested:

- (1a) Registered Futures Commission Merchant ("FCM") – Clearing.
- (1b) Registered FCM – Non-clearing.
- (2a) Non-FCM – Clearing.
- (2b) Non-FCM – Non-clearing: (Must be wholly-owned by members or members and employees of the firm; or must have a business purpose deemed appropriate by the Exchange, including cash grain firms, financial institutions, market makers designated by the Exchange, proprietary trading firms that do not otherwise fall under category (3) below, or other forms of business approved by the Exchange.)
- (2c) Non-FCM – Non-clearing Series B-2 (Associate) member affiliate of another member firm ("member firm affiliate").
- (3) Other Non-FCM-Non-clearing (Commodity pools, hedge funds, or other collective investment vehicles).
- (4) e-cbot member firm: (~~Solely for purposes of Chapter 9B, the owner of a Series B-2 (Associate) membership and its associated 10,000 shares of Class A common stock of CBOT Holdings, or the delegate of a Series B-1 (Full) membership or Series B-2 (Associate) membership, shall be entitled to register under Rule 230.00 for an eEligible bBusiness eOrganization, solely to conduct non-clearing business on e-cbot.~~)
- (5) Sole Proprietor – Clearing
- (6) Investment Only

If activity level (1a), (1b) or (2a) has been designated, the member applicant shall submit the following financial information of the eEligible bBusiness eOrganization: a certified financial statement prepared

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by an independent Certified Public Accountant as of the most recent fiscal year end, and a financial statement (which need not be certified) which is current as of the most recent preceding calendar month end. If activity level (2b), (2c), (3), (4) or (6) is designated, the ~~member applicant~~ shall submit such financial information of the ~~eEligible bBusiness eOrganization~~ that may be required, in the discretion of the Exchange. ~~A member~~ An applicant who is applying to be a Sole Proprietor CBOT Clearing Member shall submit a financial statement in the form designated by the Exchange.

The Exchange may in its discretion waive or modify the foregoing requirements in the case of changes in registration necessitated by reorganization of firms currently registered with the Exchange.

Approval is required for a member firm changing or expanding its type of business to a higher level of business activity as set forth above. A member firm requesting approval to operate as a type (1a), (1b) or (2a) firm which was previously registered as any other type firm must first submit the financial information required for approval as a type (1a), (1b) or (2a) firm as specified above.

The Exchange may in its discretion grant temporary approval in the case of changes in registration necessitated by reorganization of firms currently registered with the Exchange.

Upon receipt of an application for new firm registration for an ~~eEligible bBusiness eOrganization~~, the Exchange shall, within fifteen days thereafter, make available to the membership the name of the ~~eEligible bBusiness eOrganization~~, and shall post the same information on the bulletin board for a period of at least ten days after such notification to the membership.

No member may register any one of his or her memberships for, nor may any member register any particular shares of Class A common stock of CBOT Holdings on behalf of, or pledge such shares for the benefit of, more than one member firm or member firm affiliate.

Except as provided herein regarding e-cbot member firms, or as provided in Rule 230.00, no membership registered for any member firm under Rule 230.00 may be delegated under the provisions of Rule 221.00.

An ~~eEligible bBusiness eOrganization~~ which has been conditionally approved for member firm status shall have six (6) months after the date that it was notified of such approval, or within such extension of said period as may be granted by the Exchange, to satisfy any conditions or contingencies imposed on such approval. If the conditions or contingencies are not satisfied by the applicable deadline, the Exchange's approval of the ~~eEligible bBusiness eOrganization~~ for member firm status shall be deemed void. 1060 (05/04/0506/21/05)

230.03 Designated Persons -

- (a) Subject to approval by the Exchange, which approval is in the absolute discretion of the Exchange, each member firm shall designate one or more senior managerial employees responsible for the member firm's financial, compliance, operational and ultimate supervisory obligations and activities as a member firm. Such individuals must either: (i) have be a nominee for a membership registered on behalf of the member firm, or (ii) be registered with the Exchange by the member firm as a "Designated Person". A Designated Person shall be subject to the Rules and Regulations of the Exchange as if a member; provided, however, that a Designated Person shall not be liable for the actions and/or omissions of other employees, agents or independent contractors if the member firm or the Designated Person demonstrates to the satisfaction of the Exchange that all of his or her relevant conduct on behalf of the member firm was performed in good faith with reasonable care.
- (b) Any individual who is not a registered member or Designated Person or any nonmember entity, which holds more than a 25% financial interest in a member firm, or who or which exercises actual control over the management of the member firm may, at the Exchange's sole discretion, be required to execute a Consent to Jurisdiction in such form as may be prescribed by the Exchange. Upon the member firm's request, the Membership and Financial Compliance Committees may exempt individuals and/or entities from this requirement for good cause shown. (04/04/06/21/05)

230.05 Additional Seat Requirement A firm registered under Regulation 230.02, Category (3) may take up to eighteen months from the date of its registration approval to acquire and complete the registration of its six required memberships and 129,352 shares of Class A common stock of CBOT Holdings. However, no such firm will be approved for member firm status until such time as it has purchased, or has registered on its behalf, at least one Series B-1 (Full) membership and its

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~~associated 27,338 shares of Class A common stock of CBOT Holdings and one Series B-2 (Associate) membership and its associated 10,000 shares of Class A common stock of CBOT Holdings.~~

A firm registered under Regulation 230.02, Category (1a), (1b), (2a) or (2b) may take up to eighteen months from the date that it has designated a commodity pool or hedge fund for member transaction fee treatment, pursuant to Regulation 450.02D, in which to acquire and complete registration of the six memberships and 129,352 shares of Class A common stock of CBOT Holdings required for this purpose. In order to initiate this designation process, the firm must have purchased or must have registered on its behalf, at least one Series B-1 (Full) membership and ~~its associated 27,338 shares of Class A common stock of CBOT Holdings and one Series B-2 (Associate) membership and its associated 10,000 shares of Class A common stock of CBOT Holdings.~~

Until such time as the six membership/stock requirement has been met, the Category (3) member firm and the qualified commodity pool or hedge fund of Category (1a), (1b), (2a) and (2b) member firms will continue to be charged exchange transaction fees at the non-member level. Once the membership/stock requirements ~~have~~ has been completely satisfied, the Exchange will grant an adjustment to the appropriate member fee level via a fee credit. This adjustment period will not exceed eighteen months. If the member firm takes more than eighteen months to register the required seats meet the membership/stock requirement, the Exchange will grant an adjustment only for the eighteen months immediately prior to ~~completion of meeting the registration membership/stock~~ requirements. (05/04/0506/21/05)

230.06 Member Firm Status Upon Death or Withdrawal of Registered Member - Upon the death or withdrawal of a member whose membership is registered on behalf of a member firm or a nominee whose shares of Class A common stock of CBOT Holdings are registered on behalf of a member firm, where such death or withdrawal would result in failure of the member firm to meet the requirements of Rule 230.00, Rule 703.00, Regulation 230.02 or Regulation 230.05, the Exchange may, upon application of the member firm, grant the member firm an extension of privileges under the applicable Rules and Regulations for such period and under such conditions as the Exchange may fix. Upon the death or withdrawal of a member whose membership is registered on behalf of a member firm or a nominee whose Class A common stock is registered on behalf of a member firm, the member firm shall, within five business days of such death or withdrawal, notify the Exchange of the departure of its ~~registered member nominee~~. Failure to comply with the provisions of this Regulation shall be referred to the Business Conduct Committee, for possible disciplinary action. 1063 (04/01/0506/21/05)

230.07 Primary Clearing Member Permission for Member Registration - A member may register his or her membership and shares of Class A common stock of CBOT Holdings for a member firm under Rule 230.00, if that member firm is not his or her Primary Clearing Member, only if he or she has written permission to do so from his or her Primary Clearing Member. Such written permission of the Primary Clearing Member must be filed with the Member Services Department. (04/01/05)06/21/05

230.11 Discipline of Partners or Members of Limited Liability Companies - A member of the Exchange who is a general partner of a member firm is liable to the same discipline and penalties for any act or omission of said firm as for his or her own personal act or omission, but the Regulatory Compliance Committee may, in its discretion, by a vote of not less than two-thirds of its members present, relieve him or her from the penalty therefor.

A member of the Exchange who is also a ~~member managing member or a member of the board of managers (or a person a member with similar authority)~~ of a limited liability company which is a member firm is liable to the same discipline and penalties for any act or omission of said firm as for his or her own personal act or omission, but the Regulatory Compliance Committee may, in its discretion, by a vote of not less than two-thirds of its members present, relieve him or her from the penalty therefor. 1076 (04/01/0506/21/05)

230.17 Changes in Organization - A member firm must notify the Exchange prior to any change in its organizational structure. Organizational changes shall include, but not be limited to: i) a corporation, limited liability company, general partnership, limited partnership or sole proprietorship which is dissolved or which changes to another form; ii) a merger or acquisition involving the member firm; or iii) replacement of any general partner of a partnership or member of any limited liability

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~~company managing member or a member of the board of managers, (or is a person otherwise a member with similar authority) of a limited liability company.~~ Any failure to comply with this Regulation may be referred to the Business Conduct Committee for possible disciplinary action. The Exchange may grant the member firm a period of time in which to come into compliance with the requirements for member firm status. The Business Conduct Committee may also determine whether such a member firm is entitled to member transaction fees for any time period in which the firm fails to comply with the requirements for member firm status. (04/04/0506/21/05)

Ch2 Purchase and Sale or Transfer of Membership

249.01 Purchase and Sale or Transfer of Membership - Memberships may not be purchased, sold or transferred except as authorized by the Exchange.

(a) Purchase and Sale of Memberships by Individuals -

- (i) An individual may purchase or sell a membership pursuant to the procedures and conditions established by the Exchange, including any required deposits or clearing member guarantee agreements.

A clearing member guarantee agreement shall be executed on a form prescribed by the Exchange. In the event that the prospective purchaser of a membership fails to make payment in the amount of his bid by 5:00 p.m. of the next business day following the day on which he was notified that his bid was matched to an offer, the clearing member who has executed a clearing member guarantee agreement shall purchase the membership and shall make payment in the full amount of the bid by 5:00 p.m. of the business day following the day upon which payment was due from the prospective purchaser.

Failure to fulfill the obligations set forth in a clearing member guarantee agreement shall constitute acts detrimental to the interest and welfare of the Exchange.

- (ii) Within ten (10) business days of notice to the purchaser that his or her bid has been matched to an offer, the purchaser, if not already a member, shall file with the Department of Member Services an application for the appropriate membership status, in such form as may be prescribed by the Exchange. Such form shall include an agreement by the applicant to take no recourse against the Exchange in the event he or she is not approved for a particular membership status, except as may be permitted under Section 8c of the Commodity Exchange Act as amended and a release of the Exchange of any claim or right that such individual would otherwise have had by reason of such failure to be so elected. No person may exercise the rights of a particular membership status until he or she is approved for such membership status.

If a purchaser of a membership fails to file an application for membership, is not approved for membership status, or if for any reason his application is withdrawn, the Exchange shall retain any membership processing fee charged pursuant to Rule 243.00, and the purchaser shall assume all risk of gain or loss from the resale of the membership. The purchaser shall take all necessary steps to sell the membership within thirty (30) days of notification of his failure to be approved for membership status, withdrawal of his application, or the purchase of the membership if he failed to file an application.

If the purchaser fails to effect a sale within the time period specified in this paragraph ~~section (ii)~~, the Exchange shall be entitled to sell the membership and any associated restricted shares of Class A common stock of CBOT Holdings at the price of the highest ~~current~~ bid to purchase ~~on~~ at any time during the next business day following the thirtieth (30) day after notification of his failure to be approved for membership status, withdrawal of his application, or the purchase of the membership if he failed to file an application. If, at the open of business on the next business day following the thirtieth day after such notification, withdrawal, or purchase, there is no ~~current~~ bid to purchase, the membership and any associated restricted shares of Class A common stock of CBOT Holdings shall be offered for sale by the Exchange at the same price as the lowest ~~current~~ offer to sell. The total amount realized from the sale of the membership and any associated restricted shares of Class A common stock of CBOT Holdings shall be remitted to the unsuccessful applicant in full satisfaction of all obligations of the Exchange, subject to Exchange Rule 252.00.

- (iii) An individual whose membership status was terminated through a sale of his membership, transfer of a firm-owned membership which was in the individual's name pursuant to paragraph (b) below, or termination of a temporary family designation pursuant to paragraph (d)(ii) below, and who is not subject to a suspension or expulsion, shall remain eligible, for a period of six (6) months following such sale, transfer, or termination to acquire another membership. The Exchange may, in its discretion, grant extensions to this six (6) month approval period.

(b) Nomination and Substitution by Member Firm

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- (i) A member firm may own a Series B-1 (Full) or Series B-2 (Associate) membership which is in the name of a ~~an individual member ("nominee"), nominee,~~ provided that (A*i*) the nominee is a principal or employee of such member firm; and (B*ii*) ~~the membership is registered on behalf of such member firm; and (C) the appropriate number of shares of Class A common stock of CBOT Holdings is registered on behalf of such member firm, in each case,~~ pursuant to Rule 230.00, except as otherwise provided in Rule 230.00 or Regulation 221.09. Additionally, a member firm may own Series B-3 (GIM), Series B-4 (IDEM), and Series B-5 (COM) memberships which are in the names of nominees who are principals or full-time employees of such firm, or which memberships may be delegated pursuant to Regulation 221.09. However, no Series B-3 (GIM), Series B-4 (IDEM), or Series B-5 (COM) membership may be registered on behalf of a member firm.
 - (ii) A member firm may terminate a nominee's right to exercise the rights and privileges of a firm-owned membership at any time. In that event, the nominee's right to exercise the rights and privileges of that membership terminates immediately and automatically. If a nominee wrongfully exercises any right or privilege of membership after termination, the member firm shall remain responsible for that nominee's liabilities and actions arising from such exercise until the member firm provides written notice of the termination to the Exchange and such notice has been made available to the membership.
 - (iii) A member firm that owns a membership may substitute one nominee for another nominee who is a principal or employee of the member firm, or of another member firm as permitted by paragraph (iv)(B*b*) below or Rule 230.00, pursuant to the procedures and conditions established by the Exchange, including any required deposits or clearing firm guarantees.
 - (iv) (A*a*) In the event that a member firm that owns a membership is acquired by another member firm through the purchase of 100% of the partnership or limited liability company property or corporate stock, the acquiring member firm may substitute one of its own principals or employees as the nominee with the right to exercise the rights and privileges of the membership, pursuant to the procedures and conditions established by the Exchange, including any required deposits of clearing firm guarantees.

(B*b*) A member firm that owns a membership may substitute, as the nominee, a principal or employee of another member firm which is its wholly-owned subsidiary, a parent entity which owns 100% of the member firm, or a sister entity that is 100% owned by its parent entity, pursuant to the procedures and conditions established by the Exchange, including any required deposits or clearing firm guarantees.

(C*e*) Each substitution described in paragraphs (iv)(A*a*) and (iv)(B*b*) above, with respect to a Series B-3 (GIM) membership, shall count toward the two consecutive assignments specified in Rule 296.00(a4).
 - (v) A member firm shall be entitled to transfer a firm-owned membership, and to receive the net proceeds from such transfer, or to substitute one nominee for another nominee, after satisfaction of all claims against the nominee, and against the member firm, in accordance with Rule 252.00.
 - (vi) The Exchange may discipline the member firm that owns the membership, or for which the membership is registered, and the individual nominee, and may direct a sale of the membership, for the acts or delinquencies of the member firm that owns the membership or for which the membership is registered, and for the acts or delinquencies of the individual nominee, in accordance with the Rules and Regulations of the Exchange.
- (c) Transfer by Member under Loan Agreement -
- A member firm may advance the cost of membership to an employee pursuant to a loan agreement, subject to any conditions that the Exchange may prescribe. Such an employee may transfer his membership to another employee of the same member firm, pursuant to any procedures and conditions established by the Exchange, including any required deposits.
- (d) Transfer within Family -
- (i) It shall be permissible to transfer a membership between members of the same family (a

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spouse, parent, sibling, child, grandparent, grandchild, aunt, uncle or in-laws), or a decedent's membership within the same family, on a temporary or permanent basis, pursuant to procedures and conditions established by the Exchange, including any required deposits or clearing firm guarantees, provided such transferee is approved for the appropriate membership status.

(e) Sale by Legal Representative -

The membership of a deceased member or a member who has been adjudicated incompetent may be sold by his legal representative pursuant to procedures and conditions established by the Exchange.

(f) Exchange of Memberships -

Members may exchange certain series of B memberships for certain other series of B memberships, either directly or indirectly, pursuant to procedures and conditions established by the Exchange, including any required deposits or clearing firm guarantees.

(g) Transfer to a Trust -

(i) A member or a member's personal representative (including his or her agent under a durable power of attorney) may transfer his or her membership to a trust of which the member is a grantor, pursuant to procedures and conditions established by the Exchange, if: (A4) while the member is living and competent, the member is the sole trustee of the trust, (B2) the member retains the right to revoke the trust during his or her life, and (C3) all beneficiaries of the trust are members of the grantor's family who would be eligible for a family transfer from the grantor pursuant to section (d)(i) of this regulation.

(ii) A trust shall take the membership subject to all of the rules of the Exchange, including Rules 230.00 and 252.00; however, Rule 252.00 shall not apply to the transfer of a membership to a trust wherein the member/grantor is the trustee. The transfer of a Series B-3 (GIM) membership to a trust wherein the member/grantor is the trustee shall not count toward the two consecutive assignments specified in Rule 296.00(a4).

(iii) The interests in the membership that inure to the beneficiaries of the trust shall be subject to all of the rules of the Exchange; the Exchange's rights with respect to the membership shall be superior to those of the beneficiaries; and the Exchange shall have no liability to the beneficiaries of the trust in the event of the mishandling of the trust assets by the trustee.

(iv) The trustee (and any successor), if not already a member, shall be required to qualify for membership and satisfy the requirements of Chapter 2 of these Rules and Regulations.

(v) The grantor's liability to the Exchange under Rule 209.00 shall continue with respect to any claim arising out of an act or omission occurring prior to such transfer, and the membership will continue to be treated as the asset of the grantor for the purposes of Rule 209.00 and for otherwise meeting any obligations to the Exchange arising out of the grantor's use of the membership prior to the transfer to the trust, including fines imposed with respect to conduct occurring prior to the transfer.

(vi) A member/grantor, who is the sole trustee of a trust to which he has transferred his membership, may temporarily transfer the trading rights and privileges of his membership to a member of his same family, as defined in paragraph (d)(i) above, ~~pursuant to the provisions of paragraph (d)(ii) above.~~

(vii) A membership held in trust may not be registered for member firm privileges, unless it is a self-owned registered membership and the member complies with procedures and conditions established by the Exchange.

(viii) The transfer shall be revoked and the membership shall revert to the transferor upon official notice to the Exchange that the trust has been revoked.

(h) Notice of Membership Sale or Transfer and Filing Claims -

(i) On the first and sixteenth calendar day of each month (or if the first or sixteenth is not a

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business day on the following business day) ("notice days"), the Exchange shall make available to the membership a notice listing the following claims events; each sale, transfer or exchange of a membership, ~~including a temporary transfer pursuant to subparagraph (d)(ii) above~~; each termination or expiration of a delegation agreement, each termination of the nomination of an individual to exercise the rights and privileges of a membership that is owned by a member firm, and each termination of registration of a membership on behalf of a member firm, whether individually-owned or firm-owned, that occurred during the period beginning on the preceding notice day and ending on the business day preceding the current notice day.

- (ii) A member or member firm, to establish his or its claim and to become entitled to his or its rights under Rule 252.00 to share in the proceeds of a membership and any associated shares of Class A common stock of CBOT Holdings as provided therein, must file a statement of claim by no later than the business day immediately preceding the notice day that follows the notice day on which the Exchange provides notice of the relevant claims event to the membership. The Exchange shall hold the proceeds from the sale of a membership and any associated shares of Class A common stock of CBOT Holdings until such time as the relevant claims period has run and/or any disputed claims have been resolved. (05/04/0506/21/05)

250.01 Sale and Transfer of Membership and Continuing Jurisdiction - A member (or his legal representative) desiring to sell his membership shall deliver to the Department of Member Services a signed authorization of sale, in the form prescribed by the Exchange. The member must also deliver to the Department of Member Services a signed consent to jurisdiction in the form prescribed by the Exchange before his authorization of sale will be accepted. With respect to the sale of a firm-owned membership, the consent to jurisdiction must be signed by the last nominee and, if the sale would terminate the firm's member firm status, a consent to jurisdiction must also be executed on behalf of the firm.

The Exchange shall continue to have jurisdiction with respect to members and member firms for a period of five years after the termination of such individuals' or firms' membership status, whether or not such members or member firms have signed a consent to jurisdiction. Each such individual and firm:

- Remains responsible for any violations of Exchange rules and regulations committed while a member or member firm; and
- Agrees to have any disputes which arose while a member or member firm and which relate to or arose out of any transaction upon the Exchange or membership in the Exchange, resolved in accordance with Exchange rules and regulations.

The Exchange may retain, in its discretion, some or all of the proceeds from the sale of a membership and any associated shares of Class A common stock of CBOT Holdings, as defined in Rule 252.00, until the conclusion of any potential or pending disciplinary matter against the member or member firm, of which the Exchange is aware or becomes aware prior to the distribution of such proceeds. (05/04/0506/21/05)

251.00 Membership Transfer - All purchases or sales of memberships ~~privileges~~ shall be made pursuant to Regulations adopted by the Exchange and no commission or other compensation for services in connection with the purchase or sale of a membership in the Exchange shall be paid. 127 (04/01/05)

251.01 Member Under Investigation - No member may transfer his membership ~~privileges~~ by intra-family transfer under Regulation 249.01(d) and no member firm may transfer a firm-owned membership from one member employee to another employee under Regulation 249.01(b), unless the approval of the Regulatory Compliance Committee is first secured, when the member is under investigation by the Exchange or when disciplinary charges have been filed against him or when he is under suspension for causes other than default, insolvency, or non-payment of assessments or dues. 1835 (04/01/05)

252.00 Proceeds of Membership and Class A Common Stock -

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- (a) **GRANT OF SECURITY INTEREST.** Each member of the Exchange grants to the Exchange for the benefit of the Exchange, the Clearing Services Provider, such member's Primary Clearing Member, all other Clearing Members and all other members of the Exchange, a security interest in the shares of Class A common stock of CBOT Holdings associated with each of such member's memberships in the Exchange, which, for purposes of this Rule 252.00, includes all restricted shares of Class A common stock of CBOT Holdings associated with each of such member's memberships (regardless of holder) and all restricted and unrestricted shares of Class A common stock of CBOT Holdings registered on behalf of, or pledged for the benefit of, CBOT Clearing Members, member firms, member firm affiliates and designated passive investor entities under Regulation 450.02D, and the proceeds thereof, for the purpose of securing such member-s', member firms', member firm affiliates', or designated passive investor entities' obligations, whether direct or indirect, absolute or contingent, under the Certificate of Incorporation, Bylaws and Rules and Regulations of the Exchange, including, without limitation, this Rule 252.00.
- (b) **ORDER OF DISTRIBUTION.** This Rule applies to each sale, transfer or other disposition of a membership and all shares of Class A common stock of CBOT Holdings associated with such membership, whether made by a member voluntarily or at the direction of the Exchange. In connection with any such sale, transfer or other disposition, the proceeds of the membership and the associated shares of Class A common stock of CBOT Holdings shall be applied to the following purposes and in the following order of priority prior to the payment of any proceeds to the member:
- (i1) **FIRST**, the payment of all debts owed to the Clearing Services Provider, if the membership transferred was registered for a Clearing Member in order to qualify the Clearing Member for clearing status pursuant to Rule 703.00, by the member whose membership is transferred. With respect to any other membership, the Exchange shall have the first priority for the debts described in paragraph (ii2) below, and the Clearing Services provider shall have the second priority.
 - (ii2) **SECOND**, the payment of all debts owed to the Exchange by such member, including, but not limited to, dues, assessments, service fees and fines.
 - (iii3) **THIRD**, the payment to such member's Primary Clearing Member or Members, as specified in Rule 333.00, of all claims filed under Regulation 249.01(h) for trading losses of such member arising out of transactions on the Exchange, and which claims have been allowed by the Exchange.
 - (iv4) **FOURTH**, the payment to other Clearing Members of all claims filed under Regulation 249.01(h) for trading losses of such member arising out of transactions on the Exchange, and which claims have been allowed by the Exchange.
 - (v5) **FIFTH**, the payment to members and member firms of all claims filed under Regulation 249.01(h) for money owed on loans which had been made to the member whose membership was transferred, exclusively for the purpose of financing the purchase of such membership, and which claims have been allowed by the Exchange.
 - (vi6) **SIXTH**, the payment to members and member firms of all claims filed under Regulation 249.01(h) otherwise arising from Member's Contracts, exclusive of personal debts which are not related to the conduct of business as a broker, trader or futures commission merchant, and which claims have been allowed by the Exchange. Provided, however, that this provision shall not apply to a membership subject to Regulation 249.01(b) or 249.01(c).
- (c) **PRO RATA PAYMENT.** If the proceeds of a sale, transfer or other disposition of membership and the associated shares of Class A common stock of CBOT Holdings are insufficient to pay all filed claims allowed by the Exchange, such claims, within the priorities listed in (ba) above, shall be paid pro rata, except as provided in (fe) below.
- (d) **SURPLUS, IF ANY.** Claims which are not filed during the period specified in Regulation 249.01(h) but which would otherwise qualify under (a) above may, if allowed by the Exchange, be paid out of any surplus after all other claims allowed by the Exchange have been paid in full and shall be paid in preference to claims referred to in (f) below. The remaining surplus, if any, of the proceeds of a transfer of membership and the associated shares of Class A common stock of CBOT Holdings, after payment of all claims allowed by the Exchange under this Rule, shall be paid to the person

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whose membership is transferred, or to his legal representatives, upon the execution by him or them of any releases required by the Exchange.

(e) VALUATION.

(i1) Claims which have not matured at the time of the transfer of the membership may be treated as though they had matured, and the amount due may be fixed and determined by the Exchange on the basis of market values or such other basis as the Exchange deems to be fair and just.

(ii2) If a claim is contingent or the amount that will ultimately be due cannot be immediately ascertained and determined, the Exchange may reserve and retain such amount from the proceeds as it deems appropriate, pending determination of the amount due on the claim.

(iii3) A claim shall be allowed by the Exchange only for the amount due after deducting the amount of the proceeds of the sale of any collateral held by the claimant or the fair value of such collateral as determined by the Exchange. The Exchange may require, before determining whether to allow the claim, that all such collateral be sold.

(f) CLAIMS OF PARTNERS. Claims growing out of transactions between partners, who are members of the Exchange, shall not share in the proceeds of the membership and associated Class A shares of CBOT Holdings of one of such partners until all other claims as allowed by the Exchange have been paid in full.

However, where a partnership is the Primary Clearing Member or other Clearing Member for one of its member partners, or where a partnership has made a loan to one of its member partners exclusively for the purpose of financing the purchase of the partner's membership, the partnership may share in the proceeds from the sale of such partner's membership pursuant to the priorities in subparagraphs (a)(iii3), (a)(iv4) or (a)(v5) above, as applicable.

(g) RIGHTS OF CREDITORS OF DECEASED, INCOMPETENT, SUSPENDED, OR EXPELLED MEMBER. The death, incompetency, expulsion or suspension of a member shall not affect the rights of creditors under the provisions of this Rule.

(h) DEATH OR INCOMPETENCY OF CREDITOR MEMBERS. When a member is in debt to another member, the death or incompetency of the creditor member or the transfer of his membership either by his estate or legal representative or at the direction of the Exchange, shall not affect the rights of the creditor member or his estate, to share in proceeds of the debtor's membership and the associated Class A shares of CBOT Holdings under this Rule. (05/04/0506/21/05)

252.01 Control Agreements

A member or applicant for membership may enter into a Control Agreement, in order to grant control of the disposition of such member's or applicant's membership(s) in the Exchange and/or shares of Class A common stock of CBOT Holdings to a secured party in order to secure the payment or performance of certain obligations of the applicant or member to the secured party resulting from financing provided by the secured party to the applicant or member for the purchase of a membership in the Exchange and for other obligations of the applicant or member arising under the Exchange's charter, bylaws, rules and regulations.

A Control Agreement is only effective if executed in the form prescribed by the Exchange, signed by the applicant or member, the secured party, CBOT Holdings and the CBOT, and filed with the Department of Member Services. The applicant or member may not revoke or terminate a Control Agreement without the written consent of the secured party. (06/21/05)

296.00 Transfer Restrictions on Series B-3 (GIM) Memberships — Upon the Exchange's demutualization, ~~e~~Each Series B-3 (GIM) membership shall be subject to the restrictions, conditions and limitations set forth below.

(a1) Non-Transferred Series B-3 (GIM) Memberships. Except as otherwise provided below, a

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holder of a Series B-3 (GIM) membership that has not been sold or transferred prior to the Exchange's demutualization as of April 22, 2005 ("Non-Transferred Series B-3 (GIM) membership") may continue as a Series B-3 (GIM) membership holder following the demutualization with all the privileges and obligations such membership entails. However, in the event that any Non-Transferred Series B-3 (GIM) membership is sold or transferred on or after the Exchange's demutualization April 22, 2005, such Non-Transferred Series B-3 (GIM) membership shall be treated as a Transferred Series B-3 (GIM) membership (as defined in clause (2) below). This limitation shall not apply when (i) the transferor is the estate of a deceased Non-Transferred Series B-3 (GIM) membership holder and the transferee is the decedent's spouse and (ii) the Non-Transferred Series B-3 (GIM) membership has not already been transferred pursuant to this sentence.

Furthermore, a member firm may assign any Series B-3 (GIM) membership that it owns to two consecutive nominees following the nominee who was assigned such membership as of January 21, 1986, and still retain the status of such membership as a Non-Transferred Series B-3 (GIM) membership.

- (b2) Transferred Series B-3 (GIM) Memberships. Non-Transferred Series B-3 (GIM) memberships that have been sold or transferred on or after the Exchange's demutualization April 22, 2005 in a manner other than as permitted in clause (1) above (collectively, "Transferred Series B-3 (GIM) memberships") shall not be permitted to exercise the trading rights and privileges associated with the Series B-3 (GIM) memberships.

None of the foregoing shall preclude the holders of Transferred Series B-3 (GIM) memberships or Non-Transferred Series B-3 (GIM) memberships from exercising their right to convert two Series B-3 (GIM) memberships into one Series B-2 (Associate) membership in accordance with the terms of Article IV D.3 of the Exchange's Certificate of Incorporation. (05/04/05)

Chapter 4

Futures Commission Merchant

Ch4 Transfer Trades/Exchange Service Fees

450.02D Member Firm Affiliates and Designated Passive Investor Entities

(i) Member Firm Affiliates - For purposes of this regulation, the term "member firm affiliate" shall mean a non-Futures Commission Merchant, non-clearing entity which is wholly owned by one or more member firms, which wholly owns a member firm, or which is wholly owned by the same parent company(ies) as a member firm. For purposes of this regulation, the term "member firm" shall refer only to a firm registered with the Exchange pursuant to registration categories (1a), (1b), (2a) or (2b) of Regulation 230.02.

(a) A member firm affiliate may lease a ~~Series B-1 (Full) or Series B-2 (Associate) membership in its own behalf, thereby~~ qualifying for delegate fee treatment (i.e., the applicable member firm fee plus the applicable delegate fee) with respect to its transactions on the Exchange: (1) if a Series B-1 (Full) membership, leased in the name of one of its principals or employees, has been registered on behalf of such member firm affiliate, and 27,338 shares of Class A common stock of CBOT Holdings are either registered or pledged on its behalf pursuant to procedures established by the Exchange; or (2) if a Series B-2 (Associate) membership, leased in the name of one of its principals or employees, has been registered on behalf of such member firm affiliate, and 10,000 shares of Class A common stock of CBOT Holdings are either registered or pledged on its behalf pursuant to procedures established by the Exchange.

(b) A member firm which owns one or more Series B-1 (Full) memberships in addition to those required for its own registration under Rule 230.00, and/or any Series B-2 (Associate) membership(s), (hereinafter "non-qualifying memberships") may designate such a non-qualifying membership to make its member firm affiliate eligible for member firm transaction fee treatment. A non-qualifying membership may not be designated for more than one member firm affiliate at any given time. A member firm affiliate, for which a non-qualifying Series B-1 (Full) membership has been designated, must have 27,338 shares of Class A common stock of CBOT Holdings either registered or pledged on its behalf pursuant to procedures established by the Exchange, in order to be eligible for member firm transaction fee treatment. A member firm affiliate, for which a non-qualifying Series B-2 (Associate) membership has been designated, must have 10,000 shares of Class A common stock of CBOT Holdings either registered or pledged on its behalf pursuant to procedures established by the Exchange, in order to be eligible for member firm transaction fee treatment.

(c) A member firm that has at least four (4) Series B-1 (Full) memberships and two (2) Series B-2 (Associate) memberships and 129,352 shares of Class A common stock of CBOT Holdings (which may be acquired and registered as combinations or as separate interests in one or more transactions) registered on its behalf, including any Series B-1 (Full) memberships and shares of Class A common stock of CBOT Holdings required for its own registration under Rule 230.00, may designate any number of its member firm affiliates for member firm transaction fee treatment. A member firm whose proprietary trading on the Exchange includes only agricultural contracts may, at its option, designate for member firm transaction fee treatment any number of its member firm affiliates whose proprietary trading on the Exchange also includes only agricultural contracts, if the member firm has at least five (5) Series B-1 (Full) memberships and 136,690 shares of Class A common stock of CBOT Holdings registered on its behalf (which may be acquired and registered as combinations or as separate interests in one or more transactions).

(ii) Member Firm Designation of Passive Investor Entities – A member firm that is registered with the Exchange pursuant to registration categories (1a), (1b), (2a) or (2b) of Regulation 230.02, and that has at least four (4) Series B-1 (Full) memberships and two (2) Series B-2 (Associate) ~~m~~Memberships and 129,352 shares of Class A common stock of CBOT Holdings registered on its behalf, including any Series B-1 (Full) ~~m~~Memberships and shares of Class A common stock of CBOT Holdings required for its own

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registration under Rule 230.00, and/or member firm affiliates of such a category (1a), (1b), (2a) or (2b) member firm, or a member firm registered with the Exchange pursuant to registration category (3) of Regulation 230.02, may designate, for member firm transaction fee treatment, up to a total of five non-FCM, non-clearing passive investor entities, where the member firm or member firm affiliate exercises trading control over, or is under common trading control with, such entities, or in addition with respect to a category (3) member firm, which wholly owns such entities. For purposes of this regulation, a "passive investor entity" is defined as a commodity pool, hedge fund, or other collective investment vehicle.

If a Regulation 230.02, category (1a), (1b), (2a) or (2b) member firm and/or its member firm affiliates, or (3) member firm wishes to designate more than five passive investor entities as described in this paragraph (ii), there must be an additional four (4) Series B-1 (Full) memberships and two (2) Series B-2 (Associate) memberships and 129,352 shares of Class A common stock of CBOT Holdings registered on the member firm's behalf (~~which may be acquired and registered as combinations or as separate interests in one or more transactions~~), in order for the member firm and/or member firm affiliates to be eligible to designate up to a total of six additional such entities.

(iii) Provisions Applicable to Designations of Member Firm Affiliates and Passive Investor Entities – All designations of member firm affiliates and passive investor entities, as described in paragraphs (i) and (ii) above, shall be subject to the following provisions:

- (a) In order to become effective, the designation must be documented with, and approved by, the Exchange in such manner as the Exchange prescribes.
- (b) Upon such designation, the member firm affiliate or passive investor entity shall be subject to the Exchange's jurisdiction and to all duties and obligations imposed upon members and member firms under the Rules and Regulations; provided, however, that the Exchange may exempt such member firm affiliates or passive investor entities from any such duty or obligation which, in the Exchange's sole judgment, is incompatible or in conflict with, or is unrelated to, the activities of the member firm affiliate or passive investor entity.
- (c) The Exchange may withdraw its approval of such designation for good cause.
- (d) A non-qualifying membership described in paragraph (i)(b) and ~~or~~ all of the four (4) Series B-1 (Full) memberships and two (2) Series B-2 (Associate) memberships or five (5) Series B-1 (Full) memberships and shares of Class A common stock of CBOT Holdings pursuant to described in paragraphs (i)(c) and (ii), registered on behalf of a Regulation 230.02, category (1a), (1b), (2a), (2b) or (3) member firm will be subject to sale by the Exchange for the acts or delinquencies of the member firm for which they are registered and/or for the acts or delinquencies of any member firm affiliate or passive investor entity that has been designated by the member firm under this regulation.
- (e) Upon the sale or transfer of a non-qualifying membership described in paragraph (i)(b) or any of such four (4) Series B-1 (Full) memberships or two (2) Series B-2 (Associate) memberships, or five (5) Series B-1 (Full) memberships and shares of Class A common stock of CBOT Holdings pursuant to described in paragraphs (i)(c) and (ii), claims may be filed pursuant to Regulation 249.01(h) against the member firm for which they ~~membership is~~ are registered and/or against any member firm affiliate or passive investor entity that has been designated by the member firm under this regulation.
(05/04/05 06/21/05)

450.02F Transaction Fees for e-cbot Member Firms – Delegate transaction fee rates shall apply to eligible business organizations which are e-cbot member firms pursuant to Rule 230.00 and Regulation 230.02 based on either the registration of a delegated Series B-1 (Full) or Series B-2 (Associate) membership or the registration of ~~or a firm-registered~~ Series B-2 (Associate) membership that is owned by such member firm or its nominee (as well as the share requirements described in Rule 230.00).
(05/04/05 06/21/05)

Chapter 7

Clearing

Ch7 Clearing

703.00 Clearing Membership - The Clearing Services Provider may prescribe the qualifications of CBOT Clearing Members that may be admitted as Special Clearing Members of the Clearing Services Provider, subject to the provisions of the relevant Clearing Services Agreement. However, no person, corporation, limited liability company, partnership, or any other type of eligible business organization (hereinafter collectively referred to as "Eligible Business Organization") shall become a CBOT Clearing Member until approved by the Exchange, subject to the following conditions:

- (a) No Eligible Business Organization shall become a CBOT Clearing Member for the purpose of clearing trades for others unless two Series B-1 (Full) memberships and their associated ~~54,676~~ shares of Class A common stock of CBOT Holdings (which may be acquired and registered as combinations or as separate interests in one or more transactions) have been registered on behalf of the firm pursuant to Rule 230.00. Such memberships may be held in the name of any principal or employee of the Eligible Business Organization.
- (b) A Sole Proprietor may be a CBOT Clearing Member provided that he clears trades exclusively for his own account.
- (c) No Eligible Business Organization may be a CBOT Clearing Member for the purpose of clearing its own trades exclusively unless one Series B-1 (Full) membership and its associated ~~27,338~~ shares of Class A common stock of CBOT Holdings (which may be acquired and registered as a combination or as separate interests in one or more transactions) have been registered on behalf of the firm pursuant to Rule 230.00. Such membership may be held in the name of any principal or employee of the Eligible Business Organization.
- (d) A lawfully formed and conducted cooperative association of producers having adequate financial responsibility and which is engaged in any cash commodity business, may become a CBOT Clearing Member provided it meets the registration requirements for Eligible Business Organizations as set forth in this Rule.
- (e) A member firm which is also a clearing member firm of the Exchange, or a managerial employee of such firm, shall not be prohibited from owning, controlling, or being a shareholder, member or limited partner in one other clearing member firm provided that when both clearing members are corporations, the second clearing member is a 100% wholly owned subsidiary of the first clearing member corporation and further provided that each clearing member must, in its own right, meet all the conditions and requirements contained in this chapter.
- (f) An Eligible Business Organization which is not a clearing member of this Exchange shall not be prohibited from owning and controlling two clearing members, provided that each of the two clearing members is a 100% wholly-owned subsidiary of the Eligible Business Organization and provided that each of the two clearing members meets all of the conditions and requirements contained in this chapter in its own right. (05/04/0506/21/05)