

# NYMEX HOLDINGS INC

## FORM 8-K

(Current report filing)

Filed 07/23/08 for the Period Ending 07/18/08

Address	ONE NORTH END AVENUE WORLD FINANCIAL CTR NEW YORK, NY 10282-1101
Telephone	2122992000
CIK	0001105018
Symbol	NMX
SIC Code	6200 - Security & Commodity Brokers, Dealers, Exchanges & Services
Industry	Investment Services
Sector	Financial
Fiscal Year	12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): July 18, 2008**

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**NYMEX Holdings, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-33149**  
(Commission File Number)

**13-4098266**  
(IRS Employer  
Identification No.)

**One North End Avenue, World Financial Center,  
New York, NY**  
(Address of principal executive offices)

**10282-1101**  
(Zip Code)

**Registrant's telephone number, including area code (212) 299-2000**

(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into a Material Definitive Agreement.**

On July 18, 2008, CME Group, Inc. (“CME Group”), CME NY Inc. (“Merger Sub”), NYMEX Holdings, Inc. (“NYMEX Holdings”) and New York Mercantile Exchange, Inc. (“NYMEX”), entered into Amendment No. 2 (the “Amendment”) to the Agreement and Plan of Merger, dated as of March 17, 2008 and amended as of June 30, 2008, by and among CME Group, Merger Sub, NYMEX Holdings and NYMEX (the “Merger Agreement”), pursuant to which NYMEX Holdings will merge with and into Merger Sub (the “Merger”).

Pursuant to the terms of the Amendment, each owner of record of a NYMEX Class A membership as of the close of business on the closing date of the Merger who executes and delivers a waiver and release within 60 days following the closing date of the Merger will receive \$750,000 with respect to each NYMEX Class A membership owned of record. The exchange ratio and cash consideration offered to NYMEX Holdings stockholders pursuant to the terms of the Merger Agreement will remain unchanged.

The Amendment also provides that NYMEX Class A members will retain the right to use or lease their memberships for NYMEX open outcry and electronic trading purposes, the number of NYMEX Class A memberships will be limited to 816 and the NYMEX seat market will be preserved. Substantially all other rights of the NYMEX Class A members, including the revenue sharing rights contained in Section 311(G) of the NYMEX bylaws, will be eliminated and replaced with certain commitments, including (a) maintenance of the NYMEX trading floor in New York until at least December 31, 2012, (b) maintenance of fee differentials between NYMEX Class A members and non-members and account-based rates and (c) establishment of certain clearing firm requirements. These changes will be implemented pursuant to amendments to NYMEX’s current certificate of incorporation and bylaws, which will require the affirmative vote of owners of 75% of the outstanding NYMEX Class A memberships.

The Amendment also provides for the reduction of (a) certain change in control severance payments and tax gross-up payments payable to certain NYMEX executives in connection with the consummation of the Merger pursuant to NYMEX Holdings’ Change in Control Severance Plan and (b) certain other merger-related expenses, totaling \$30 million in the aggregate.

The foregoing summary of the Amendment and the transactions contemplated thereby does not purport to be complete and is subject to and qualified in its entirety by reference to the full text of the Amendment, which is attached hereto as Exhibit 2.1, and the full text of the Merger Agreement, which was filed as Exhibit 2.1 to NYMEX Holdings’ Current Report on Form 8-K, filed on March 20, 2008, and is incorporated herein by reference.

**Item 8.01. Other Events.**

On July 18, 2008, NYMEX Holdings and CME Group issued a joint press release announcing the execution of the Amendment. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

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| Exhibit 2.1  | Amendment No. 2, dated as of July 18, 2008, to Agreement and Plan of Merger, dated as of March 17, 2008 and amended as of June 30, 2008, by and among CME Group Inc., CME NY Inc., NYMEX Holdings, Inc. and New York Mercantile Exchange, Inc. |
| Exhibit 99.1 | Joint Press Release, dated July 18, 2008, issued by NYMEX Holdings, Inc. and CME Group Inc.  |

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**NYMEX Holdings, Inc.**

By: /s/ Richard Kerschner

Richard Kerschner  
General Counsel

Date: July 23, 2008

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 2.1	Amendment No. 2, dated as of July 18, 2008, to Agreement and Plan of Merger, dated as of March 17, 2008 and amended as of June 30, 2008, by and among CME Group Inc., CME NY Inc., NYMEX Holdings, Inc. and New York Mercantile Exchange, Inc.
Exhibit 99.1	Joint Press Release, dated July 18, 2008, issued by NYMEX Holdings, Inc. and CME Group Inc.

**AMENDMENT NO. 2  
TO  
AGREEMENT AND PLAN OF MERGER**

This AMENDMENT NO. 2, dated as of July 18, 2008 (this “Amendment”), to the Agreement and Plan of Merger, dated as of March 17, 2008 and amended as of June 30, 2008 (the “Agreement”), is by and among CME Group Inc., a Delaware corporation (“CME Group”), CME NY Inc., a Delaware corporation and a direct, wholly-owned Subsidiary of CME Group (“Merger Sub”), NYMEX Holdings, Inc., a Delaware corporation (“NYMEX Holdings”), and New York Mercantile Exchange, Inc., a Delaware non-stock corporation and a wholly-owned Subsidiary of NYMEX Holdings (“NYMEX”).

**RECITALS**

WHEREAS, CME Group, Merger Sub, NYMEX Holdings and NYMEX desire to amend and supplement certain terms of the Agreement as described in this Amendment; and

WHEREAS, the Boards of Directors of CME Group, Merger Sub, NYMEX Holdings and NYMEX have each determined that the Amendment is consistent with, and will further, their respective business strategies and goals, and have deemed it advisable and in the best interests of their respective companies and stockholders that NYMEX Holdings merge with and into Merger Sub; and

WHEREAS, all capitalized terms not defined in this Amendment shall have the meaning ascribed to such terms in the Agreement.

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained herein and in the Agreement, the Parties agree as follows:

1. *Amendment to Section 1.1* . Section 1.1 of the Agreement is hereby amended as follows:

(a) Each of the following definitions is deleted in its entirety: “Current Products”, “Designated Provisions”, “Designated Provisions Dispute”, “JAMS”, “Member Waiver and Release”, “Membership Purchase Agreement”, “Membership Purchase Offer”, “Membership Purchase Offer Documents”, “Minimum Condition”, “Quarterly Financial Tests”, “Trading Floor”, “Trading Floor Permits” and “Trading Structure Revisions”.

(b) The following definition is added immediately after the definition of “Closing Date”: ““Closing NYMEX Class A Member” has the meaning set forth in Section 6.1(c).”

(c) The following definition is added immediately after the definition of “Membership Interests”: ““Membership Rights Payment” has the meaning set forth in Section 6.16(a).”

(d) The following definitions are added immediately after the definition of “NYMEX”:

(i) ““NYMEX Bylaws” means the Bylaws of NYMEX as in effect on the date hereof.”

(ii) ““NYMEX Charter” means the Amended and Restated Certificate of Incorporation of NYMEX as in effect on the date hereof.”

(e) The definition of “NYMEX Holdings Identified Representations” is hereby amended and restated in its entirety as follows: ““NYMEX Holdings Identified Representations” means Section 3.3, Section 3.4, Section 3.5 and Section 3.11.”

(f) The following definition is added immediately after the definition of “Self-Regulatory Organization”: ““Severance Benefit Waiver” has the meaning set forth in Section 6.19.”

(g) The following definitions are added immediately after the definition of “ Voting and Support Agreement ”:

(i) “ Waiver and Release ” has the meaning set forth in Section 6.1(b).”

(ii) “ Waiver and Release Documents ” has the meaning set forth in Section 6.1(b).

2. *Amendment to Section 1.9(a)* . Section 1.9(a)(iii)(1) of the Agreement is hereby amended by deleting the reference to “ Section 7.2(e) ” and replacing it with the reference to “ Section 7.2(d) ”.

3. *Amendment to Section 1.10(a)* . Section 1.10(a) of the Agreement is hereby amended and restated in its entirety as follows:

“Not less than twenty-six (26) days prior to the anticipated Effective Time (the “ Mailing Date ”), an election form in such form as CME Group shall specify (the “ Election Form ”) shall be mailed to each holder of record of shares of NYMEX Holdings Common Securities not greater than five (5) Business Days prior to the Mailing Date (the “ Election Form Record Date ”).”

4. *Amendment to Section 1.13(a)* . Section 1.13(a) of the Agreement is hereby amended by deleting all references to “ Section 7.2(e) ” and replacing them with references to “ Section 7.2(d) ”.

5. *Amendment to Section 3.3(f)* . Section 3.3(f) of the Agreement is hereby amended, solely for the purpose of the bring-down of such representation to the Closing Date as set forth in the condition contained in Section 7.2(b) of the Agreement, by deleting the clause “Except for the Membership Purchase Offer,” from the beginning of the third sentence.

6. *Amendment to Section 3.4(c)* . Section 3.4(c) of the Agreement is hereby amended and restated in its entirety as follows, solely for the purpose of the bring-down of such representation to the Closing Date as set forth in the condition contained in Section 7.2(b) of the Agreement:

“The Board of Directors of NYMEX Holdings, at meetings duly called and held, duly and unanimously adopted resolutions (i) determining that the terms of the Merger and the other transactions contemplated by this Agreement are advisable, fair to and in the best interests of NYMEX Holdings and its stockholders, (ii) approving this Agreement, the Merger and the other transactions contemplated by this Agreement, (iii) approving the Voting and Support Agreements, (iv) approving the Membership Rights Payments and (v) recommending that NYMEX Holdings’ stockholders adopt this Agreement.”

7. *Amendment to Section 5.1*. Section 5.1 of the Agreement is hereby amended as follows:

(a) Section 5.1(b) of the Agreement is hereby amended and restated in its entirety as follows:

“(i) declare, set aside, make or pay any dividend or other distribution (whether in cash, stock or property) in respect of any of its Securities or Membership Interests, other than dividends or distributions by wholly owned NYMEX Holdings Subsidiaries to NYMEX Holdings or regular quarterly cash dividends by NYMEX Holdings consistent with past practice to holders of NYMEX Holdings Common Securities, which shall not exceed \$0.10 per share per calendar quarter, (ii) split, combine or reclassify any of its Securities or Membership Interests or issue or propose or authorize the issuance of any other Securities, Membership Interests or Equity Rights in respect of, in lieu of, or in substitution for, shares of its Securities or Membership Interests, other than (A) the conversion of the NYMEX Holdings Series A-3 Common Stock and NYMEX Holdings Series B-3 Common Stock into NYMEX Holdings Common Stock pursuant to the terms of the Amended and Restated Certificate of Incorporation of NYMEX Holdings as in effect on the date of this Agreement or (B) issuances of NYMEX Holdings Common Stock in connection with the exercise of NYMEX Holdings Stock-Based Awards issued pursuant to a NYMEX Holdings Benefit Plan prior to the date of this Agreement or (iii) repurchase, redeem or otherwise acquire any Securities, Membership Interests or Equity Rights of

NYMEX Holdings or any NYMEX Holdings Subsidiary, or any other equity interests or any rights, warrants or options to acquire any such Securities, Membership Interests or Equity Rights;”

(b) Section 5.1(f) of the Agreement is hereby amended and restated in its entirety as follows:

“(i) make any loans, advances or capital contributions to, or investments in, any other Person other than (A) by NYMEX Holdings or any wholly owned NYMEX Holdings Subsidiary to or in NYMEX Holdings or any wholly owned NYMEX Holdings Subsidiary or (B) pursuant to any contract or other legal obligation existing at the date of this Agreement set forth on Section 5.1(f) of the NYMEX Holdings Disclosure Letter, (ii) create, incur, guarantee or assume any Indebtedness, issuances of debt securities, guarantees, loans or advances not in existence as of the date of this Agreement, except (A) Indebtedness incurred in the ordinary course of business not to exceed \$5,000,000 in the aggregate, (B) Indebtedness in replacement of existing Indebtedness on customary commercial terms, but in all cases consistent with the Indebtedness being replaced, and (C) guarantees by NYMEX Holdings of Indebtedness of wholly-owned NYMEX Holdings Subsidiaries or guarantees by Subsidiaries of Indebtedness of NYMEX Holdings or (iii) other than as set forth in NYMEX Holdings’ capital budget, a copy of which was delivered to CME Group prior to the date hereof, make or commit to make any capital expenditure;”

(c) Section 5.1(v) of the Agreement is hereby amended by deleting the word “or” at the end of the section.

(d) A new Section 5.1(w) of the Agreement is hereby added (and, accordingly, former Section 5.1(w) of the Agreement hereby becomes Section 5.1(x) of the Agreement) as follows:

“modify, amend, waive, release or eliminate any Severance Benefit Waiver; or”

8. *Amendment to Section 6.1* . Section 6.1 of the Agreement is hereby amended and restated in its entirety as follows:

“Section 6.1 Preparation and Mailing of NYMEX Member Meeting Notice.

(a) As promptly as reasonably practicable following the date hereof and concurrently with the preparation of the Joint Proxy Statement/Prospectus pursuant to Section 6.2 (Preparation and Mailing of the Joint Proxy Statement/Prospectus), NYMEX Holdings and NYMEX shall prepare, in form and substance reasonably satisfactory to CME Group, materials that shall constitute the special meeting notice relating to the matters to be submitted to the members of NYMEX at the NYMEX Member Meeting (the “NYMEX Member Meeting Notice”). The Boards of Directors of NYMEX Holdings and NYMEX agree, subject to Section 6.6 (No Solicitation), (x) to use commercially reasonable efforts to seek the NYMEX Member Approval and (y) to not take or authorize any action or make any public statement in connection with the NYMEX Holdings Stockholders Meeting or the NYMEX Member Meeting inconsistent with the foregoing obligations.

(b) As promptly as practicable following July 18, 2008, CME Group shall prepare, in form and substance reasonably satisfactory to NYMEX Holdings and NYMEX, materials relating to the distribution of the Waiver and Release as may be necessary to facilitate the Membership Rights Payments, including without limitation, the waiver and release in the form attached hereto as Exhibit F (the “Waiver and Release” and, collectively, such materials, the “Waiver and Release Documents”).

(c) Promptly after the Effective Time, NYMEX shall and NYMEX Holdings shall cause NYMEX to mail to each owner of record of a NYMEX Class A Membership as of the close of business on the Closing Date (a “Closing NYMEX Class A Member”), the Waiver and Release Documents.

(d) Prior to the distribution by NYMEX Holdings or NYMEX of any written communications, including the Waiver and Release Documents and the NYMEX Member Meeting Notice, to the holders of the NYMEX Class A Memberships, CME Group and its Representatives shall be given a reasonable opportunity (but in any event no less than five (5) Business Days) to review and comment on such material written communications.”

9. *Amendment to Section 6.2(a)* . Section 6.2(a) of the Agreement is hereby amended and restated in its entirety as follows:

“As promptly as reasonably practicable following the date hereof, CME Group and NYMEX Holdings shall prepare and file with the SEC mutually acceptable proxy materials that shall constitute the proxy statement/prospectus relating to the matters to be submitted to the stockholders of CME Group at the CME Group Stockholders Meeting and to the stockholders of NYMEX Holdings at the NYMEX Holdings Stockholders Meeting (such proxy statement/prospectus, and any amendments or supplements thereto, the “Joint Proxy Statement/Prospectus”) and CME Group shall prepare and file the Form S-4. The Joint Proxy Statement/Prospectus will be included in and will constitute a part of the Form S-4 as CME Group’s prospectus. The Form S-4 and the Joint Proxy Statement/Prospectus shall comply as to form in all material respects with the applicable provisions of the Securities Act and the Exchange Act and the rules and regulations thereunder. CME Group and NYMEX Holdings shall cooperate with each other and provide to each other all information necessary in order to prepare the NYMEX Member Meeting Notice, the Membership Waiver and Release Documents, the Form S-4 and the Joint Proxy Statement/Prospectus, and shall provide promptly to the other party any information such party may obtain that could necessitate amending any such document.”

10. *Amendment to Section 6.8* . Section 6.8 of the Agreement is hereby amended and restated in its entirety as follows:

“Subject to Section 8.3 (Termination Fee), whether or not the Merger is consummated, all Expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such Expenses, except (a) with respect to Expenses of printing and mailing the Joint Proxy Statement/Prospectus, all filing and other fees paid to the SEC in connection with the Merger and all fees associated with the HSR Act, which shall be borne equally by CME Group and NYMEX Holdings and (b) if this Agreement is terminated pursuant to Section 8.1(c)(iv) (No Member Approval) and a fee is not payable pursuant to Section 8.3(b), then NYMEX Holdings shall reimburse CME Group for all of its Expenses up to a maximum amount of \$25 million (the “Termination Expense Reimbursement”), within five (5) Business Days of receipt of a reasonably detailed written notice from CME Group requesting payment thereof. As used in this Agreement, “Expenses” includes all out-of-pocket expenses (including, all fees and expenses of counsel, accountants, investment bankers, experts and consultants to a Party hereto and its Affiliates) incurred by a Party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement and the transactions contemplated hereby, including the preparation, printing, filing and mailing, as the case may be, of the Joint Proxy Statement/Prospectus and the Form S-4 and any amendments or supplements thereto, the Membership Waiver and Release Documents, the solicitation of the NYMEX Holdings Stockholder Approval, the CME Group Stockholder Approval, the NYMEX Member Approval and all other matters related to the transactions contemplated hereby.”

11. *Amendment to Section 6.15* . Section 6.15 of the Agreement is hereby amended and restated in its entirety as follows:

“NYMEX Holdings shall promptly advise CME Group orally and in writing of any litigation brought by (a) any stockholder of NYMEX Holdings against NYMEX Holdings and/or its directors or (b) any member of NYMEX or COMEX against NYMEX Holdings, NYMEX or COMEX and/or their respective directors, relating to this Agreement and/or the transactions contemplated by this Agreement, including the Merger and the Membership Rights Payments, and shall keep CME Group fully informed regarding any such litigation. NYMEX Holdings and NYMEX shall, and shall cause COMEX to, give CME Group the opportunity to participate in, subject to a customary joint defense agreement, but not control the defense or settlement of any such litigation, shall give due consideration to CME Group’s advice with respect to such litigation and shall not settle or offer to settle any such litigation without the prior written consent of CME Group (not to be unreasonably withheld, conditioned or delayed).”

12. *Amendment to Section 6.16* . Section 6.16 of the Agreement is hereby amended and restated in its entirety as follows:

“Section 6.16 Membership Rights Payments.

(a) Subject to the terms and conditions of this Section 6.16 , following the Effective Time, each Closing NYMEX Class A Member who executes and delivers a Waiver and Release within sixty (60) days following the Closing Date shall be entitled to receive \$750,000 in cash in respect of each NYMEX Class A Membership owned of record by such Closing NYMEX Class A Member (each a “ Membership Rights Payment ” and, collectively, the “ Membership Rights Payments ”).

(b) Promptly after the Effective Time, CME Group shall cause to be deposited with a depository agent appointed by CME Group, in trust for the benefit of the Closing NYMEX Class A Members who execute and deliver a Waiver and Release within sixty (60) days following the Closing Date, the amount of \$612,000,000 in cash for the payment of the Membership Rights Payments. Upon receipt of a duly and validly executed Waiver and Release as determined by NYMEX, the depository agent shall promptly pay the applicable Closing NYMEX Class A Member the Membership Rights Payment for each NYMEX Class A Membership owned by such Closing NYMEX Class A Member. NYMEX will determine in its sole discretion all questions as to the validity, eligibility (including time of receipt), and acceptance of the Waiver and Release. Any such determinations will be final and binding on all parties. NYMEX reserves the absolute right to reject the Waiver and Release if it determines that the Waiver and Release is not in proper form or the acceptance of such may, in NYMEX’s opinion, be unlawful. NYMEX also reserves the right to waive any defect or irregularity in the Waiver and Release, and NYMEX’s interpretation of the terms of the Waiver and Release will be final and binding on all parties. Any portion of the \$612,000,000 deposited with the depository agent in connection with the Membership Rights Payments for which a duly and validly executed Waiver and Release has not been received prior to the 61<sup>st</sup> day following the Closing Date shall be returned to CME Group.

(c) Following the Closing, the only rights and privileges of holders of NYMEX Class A Memberships will be those contained in the Amended and Restated Certificate of Incorporation of NYMEX and the Amended and Restated Bylaws of NYMEX, which shall take effect immediately following the Effective Time, and those contained in Section 6.16(a), (b) and (d) of this Agreement.

(d) Each Closing NYMEX Class A Member shall be a third-party beneficiary with respect to Section 6.16(a), (b) and (d) and the applicable provisions of Section 1.1 and Article IX to the extent necessary for the interpretation and enforcement of Section 6.16(a), (b) and (d) .”

13. *Amendment to Section 6.19*. Section 6.19 of the Agreement is hereby added as follows:

“Section 6.19 Severance Benefit Waivers and Transaction Cost Reductions . Prior to the NYMEX Holdings Stockholders Meeting:

(a) the members of NYMEX Holdings’ management set forth on Schedule 6.19 (a) shall have waived the right to receive severance benefits consisting of severance payments and tax gross-up payments under NYMEX Holdings’ Change in Control Severance Plan pursuant to the Form of Waiver attached hereto as Exhibit G (the “ Severance Benefit Waivers ”), which amount shall be equal to approximately \$16.5 million in the aggregate;

(b) NYMEX Holdings and Executive shall have duly and validly executed and delivered to CME Group each of the Severance Benefit Waivers in accordance with Section 6.19(a) , and when so delivered, shall become a legal, valid and binding obligation of NYMEX Holdings and Executive, enforceable against them in accordance with its terms; and

(c) NYMEX Holdings shall deliver to CME Group evidence of reductions in transaction costs related to the Merger that are, in each case, reasonably satisfactory to CME Group, which shall amount to approximately \$13.5 million in the aggregate, subject to adjustment as provided on Schedule 6.19(c) .”

14. *Amendment to Section 7.2* . Section 7.2 of the Agreement is hereby amended and restated in its entirety as follows:

“Section 7.2 Conditions to Obligations of CME Group and Merger Sub. The obligations of CME Group and Merger Sub to effect the Merger are subject to the satisfaction of, or waiver by CME Group, on or prior to the Closing Date of the following additional conditions:

(a) NYMEX Member Approval . NYMEX shall have obtained the NYMEX Member Approval; provided, that this condition shall be deemed waived in the event that this Agreement is not terminated pursuant to Section 8.1(c)(iv) within twenty (20) Business Days of the NYMEX Member Meeting (or any adjournment or postponement thereof).

(b) Representations and Warranties . Each of the representations and warranties of NYMEX Holdings and NYMEX set forth in this Agreement, in each case, made as if none of such representations and warranties contained any qualifications or limitations as to “materiality” or Material Adverse Effect, shall be true and correct, in each case, as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent in either case that such representations and warranties speak as of another date), except where the failure of such representations and warranties to be true and correct as so made does not have and is not, individually or in the aggregate, reasonably expected to result in a Material Adverse Effect on NYMEX Holdings; provided, however, that, notwithstanding the foregoing, each of the NYMEX Holdings Identified Representations shall be true and correct in all material respects, except that Section 3.3 shall be deemed untrue and incorrect if not true and correct except to a *de minimis* extent (relative to Section 3.3 taken as a whole). CME Group shall have received a certificate of the chief executive officer or the chief financial officer of NYMEX Holdings to such effect.

(c) Performance of Obligations of NYMEX Holdings . Each of NYMEX Holdings and NYMEX shall have performed or complied in all material respects with all agreements and covenants required to be performed by it under this Agreement at or prior to the Closing Date and CME Group shall have received a certificate of the chief executive officer or the chief financial officer of NYMEX Holdings and NYMEX to such effect.

(d) Tax Opinion . CME Group shall have received an opinion of Skadden, Arps, Slate, Meagher & Flom LLP, in form and substance reasonably satisfactory to CME Group, based on facts, representations and assumptions set forth in such opinion that are consistent with the state of facts existing at the Effective Time, to the effect that (i) the Merger will be treated for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code and (ii) each of CME Group, Merger Sub and NYMEX Holdings will be a party to such reorganization. In rendering such opinion, counsel may require and rely upon representations contained in certificates of officers of CME Group, NYMEX Holdings and others.”

15. *Amendment to Section 8.1(c)* . Section 8.1(c) of the Agreement is hereby amended and restated in its entirety as follows:

“by CME Group, if:

(i) Breach by NYMEX Holdings . NYMEX Holdings or NYMEX shall have breached or failed to perform any of its representations, warranties or covenants contained in this Agreement, which breach or failure to perform (A) is incapable of being cured by NYMEX Holdings or NYMEX, as applicable, prior to the Outside Date or is not cured by the earlier of (x) thirty (30) Business Days following written notice to NYMEX Holdings or NYMEX by CME Group of such breach or (y) the Outside Date and (B) would result in a failure of any condition set forth in Sections 7.2(b) or (c) (No Breach of Representations and Warranties; Performance of Obligations of NYMEX Holdings);

(ii) Violation of Non-Solicitation . NYMEX Holdings or any of the NYMEX Holdings Subsidiaries or their respective Representatives shall have breached in any material respect any of their respective obligations under Section 6.6 (No Solicitation);

(iii) Failure to Recommend or Change in Recommendation. Except if CME Group has exercised the Stockholder Vote Option pursuant to Section 6.6(c) (No Solicitation), the Board of Directors of NYMEX Holdings shall (A) fail to authorize, approve or recommend the Merger, (B) effect a Change in Recommendation, or (C) in the case of a Takeover Proposal made by way of a tender offer or exchange offer, fail to remain silent (except for issuing a “stop, look and listen” communication pursuant to Rule 14d-9(f) of the Exchange Act) or fail to recommend that NYMEX Holdings’ stockholders reject such tender offer or exchange offer within the ten (10) Business Day period specified in Section 14e-2(a) under the Exchange Act; or

(iv) No Member Approval. The NYMEX Member Approval shall not have been obtained; provided that such right to terminate pursuant to this Section 8.1(c)(iv) shall expire twenty (20) Business Days following the date of the NYMEX Member Meeting (or any adjournment or postponement thereof).”

16. *Amendment to Section 8.3*. Section 8.3 of the Agreement is hereby amended as follows:

(a) Section 8.3(a)(ii) of the Agreement is hereby amended and restated in its entirety as follows:

“(x) if this Agreement is terminated (A) pursuant to Section 8.1(c)(i) (Breach by NYMEX Holdings) if the breach giving rise to such termination was willful, (B) pursuant to Section 8.1(b)(iii)(A) (No Stockholder Approval) or Section 8.1(c)(iv) (No Member Approval), or (C) pursuant to Section 8.1(b)(i) (Termination Date) without a vote of the stockholders of NYMEX Holdings contemplated by this Agreement at the NYMEX Holdings Stockholders Meeting having occurred or without a vote of the members of NYMEX contemplated by this Agreement at the NYMEX Member Meeting or otherwise, and in any such case of (A), (B) or (C) above, a Takeover Proposal shall have been publicly announced or otherwise communicated to the Board of Directors of NYMEX Holdings (or any Person shall have publicly announced or communicated a bona fide intention, whether or not conditional, to make a Takeover Proposal) at any time after the date of this Agreement and prior to the taking of the vote of the stockholders of NYMEX Holdings at the NYMEX Holdings Stockholders Meeting, in the case of clause (B), or the date of termination, in the case of clauses (A) or (C), and (y) if within twelve (12) months after the date of such termination, NYMEX Holdings enters into a definitive agreement to consummate, or consummates, the transactions contemplated by any Takeover Proposal, then NYMEX Holdings shall pay to CME Group the Termination Fee by the second (2<sup>nd</sup>) Business Day following the date NYMEX Holdings enters into a definitive agreement or consummates such transaction; provided, that, solely for purposes of this Section 8.3(a)(ii) and Section 8.3(b), the term “Takeover Proposal” shall have the meaning ascribed thereto in Section 6.6(d) (No Solicitation), except that all references to fifteen percent (15%) shall be changed to fifty percent (50%). The amount of any Termination Expense Reimbursement actually paid pursuant to Section 6.8 (Fees and Expenses) shall be credited against any Termination Fee payable under this Section 8.3(a)(ii).”

(b) Section 8.3(b) of the Agreement is hereby amended and restated in its entirety as follows:

“In the event NYMEX Holdings or any of the NYMEX Holdings Subsidiaries or their respective Representatives shall have breached in any material respect any of their respective obligations under Section 6.6 (No Solicitation), which breach has resulted in a Takeover Proposal being publicly announced or otherwise communicated to a member of senior management or the Board of Directors of NYMEX Holdings and (i) CME Group shall have not exercised its right to terminate this Agreement under Section 8.1(c)(ii) (Violation of Non-Solicitation) prior to a vote of the stockholders of NYMEX Holdings at the NYMEX Holdings Stockholders Meeting and (ii) this Agreement is terminated (x) pursuant to Section 8.1(b)(iii)(A) (No Stockholder Approval) or Section 8.1(c)(iv) (No Member Approval) or (y) pursuant to Section 8.1(b)(i) (Termination Date) without a vote of the stockholders of NYMEX Holdings contemplated by this Agreement at the NYMEX Holdings Stockholders Meeting having occurred or without a vote of the members of NYMEX contemplated by this Agreement at the

NYMEX Member Meeting or otherwise, then NYMEX Holdings shall pay to CME Group, by wire transfer of immediately available funds, an amount equal to \$50 million within three (3) Business Days following such termination; provided, however, that if within twelve (12) months after the date of such termination, NYMEX Holdings enters into a definitive agreement to consummate, or consummates, the transactions contemplated by any Takeover Proposal, then NYMEX Holdings shall pay to CME Group the Termination Fee, less the amount of the fee described in this Section 8.3(b) to the extent already paid, by the second (2<sup>nd</sup>) Business Day following the date NYMEX Holdings enters into a definitive agreement or consummates such transaction.”

17. *Amendment to Section 9.5(b)* . Section 9.5(b) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall be binding upon and inure solely to the benefit of each Party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any Person not a party to this Agreement any rights, benefits or remedies of any nature whatsoever, other than Section 6.9 (Directors’ and Officers’ Indemnification and Insurance) and Section 6.16(a), (b) and (d) (Membership Rights Payment) (which are intended to be for the benefit of the Persons covered thereby and may be enforced by such Persons).”

18. *Amendment to Section 9.7* . Section 9.7 of the Agreement is hereby amended and restated in its entirety as follows:

“Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties, in whole or in part (whether by operation of Law or otherwise), without the prior written consent of the other Parties, and any attempt to make any such assignment without such consent shall be null and void. In addition, none of the third-party beneficiary rights set forth in Section 6.16(d) may be assigned, in whole or in part, by any of the Closing NYMEX Class A Members. Any purported assignment or delegation in violation of this Section 9.7 shall be null and void. Subject to the above, this Agreement will be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.”

19. *Amendment of Certificate of Incorporation of NYMEX* . The Form of Amended and Restated Certificate of Incorporation of NYMEX attached to the Agreement as Exhibit C is hereby removed and replaced in its entirety with the Form of Amended and Restated Certificate of Incorporation of NYMEX attached hereto as Exhibit C.

20. *Amendment of Bylaws of NYMEX* . The Form of Amended and Restated Bylaws of NYMEX attached to the Agreement as Exhibit D is hereby removed and replaced in its entirety with the Form of Amended and Restated Bylaws of NYMEX attached hereto as Exhibit D.

21. *Form of Waiver and Release* . The Form of Waiver and Release attached to the Agreement as Exhibit F is hereby removed and replaced in its entirety with the Form of Waiver and Release attached hereto as Exhibit F.

22. *Form of Waiver and Acknowledgment* . The Form of Waiver and Acknowledgment is hereby attached hereto as Exhibit G.

23. *Schedule 6.16*. Schedule 6.16 to the Agreement is hereby deleted in its entirety.

24. *Interpretation* . The Agreement shall not be amended or otherwise modified by this Amendment except as set forth in Sections 1 through 24 of this Amendment. The provisions of the Agreement that have not been amended hereby shall remain in full force and effect. The provisions of the Agreement amended hereby shall remain in full force and effect as amended hereby. In the event of any inconsistency or contradiction between the terms of this Amendment and the Agreement, the provisions of this Amendment shall prevail and control.

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23. *Reference to the Agreement* . On and after the date hereof, each reference in the Agreement to “this Agreement”, “hereof”, “herein”, “herewith”, “hereunder” and words of similar import shall, unless otherwise stated, be construed to refer to the Agreement as amended by this Amendment. No reference to this Amendment need be made in any instrument or document at any time referring to the Agreement, a reference to the Agreement in any such instrument or document to be deemed to be a reference to the Agreement as amended by this Amendment.

24. *Counterparts; Effectiveness* . This Amendment may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same instrument. This Amendment shall become effective when each Party hereto shall have received counterparts thereof signed and delivered (by telecopy or otherwise) by the other Parties hereto.

25. *Governing Law* . This Amendment shall be deemed to be made in and in all respects shall be interpreted, construed and governed by and in accordance with the law of the State of Delaware without regard to its rules of conflicts of law.





## News Release

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**FOR IMMEDIATE RELEASE**

**CME Group Inc. and NYMEX Holdings Approve Revised Merger Agreement**

*Revised Agreement Represents Full and Final Offer, Maintains Original Exchange Ratio and Cash Consideration Per Share*

*NYMEX Class A Members to Retain Seats and Receive Increased Consideration CME Group and NYMEX Shareholders and NYMEX Class A Members to Vote on Transaction August 18, 2008, Subject to Completing SEC Review; Record Date is July 18, 2008*

CHICAGO AND NEW YORK – July 18, 2008 – CME Group Inc. (NASDAQ: CME) and NYMEX Holdings, Inc. (NYSE: NMX) today announced they have revised the terms of their merger agreement, representing CME Group’s full and final offer to acquire NYMEX Holdings (NYMEX) and that the boards of directors of both companies and of New York Mercantile Exchange, Inc. have approved the revised agreement. The exchange ratio and cash consideration per share offered to holders of NYMEX Holdings common stock in the companies’ original agreement will remain unchanged.

The revised agreement increases the consideration payable to NYMEX Class A members from \$612,000 to \$750,000 per membership. Additionally, NYMEX Class A members will retain the right to use or lease their memberships for NYMEX open outcry and electronic trading purposes, the number of Class A memberships will be limited to 816 and the NYMEX seat market will be preserved. Substantially all other rights, including the revenue sharing rights contained in Section 311(G) of the NYMEX bylaws will be eliminated and replaced with the following commitments:

- **Trading Floor Commitment:** NYMEX will maintain a trading floor in the current NYMEX facility until December 31, 2012; or, if the occupancy agreement is terminated, a trading floor will be maintained elsewhere in New York City. Thereafter, NYMEX will maintain a trading floor in New York City as long as profitability and revenue thresholds are met. If a trading pit is closed, it will not be reopened in Chicago for at least 18 months if a majority of NYMEX Class A members oppose the move.

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- **Member Differentiated Pricing:** For so long as CME or CBOT members retain a differentiated and lower fee than non-member customers of CME or CBOT, respectively, NYMEX will maintain differential pricing such that NYMEX Class A members are charged lower fees than non-members on current NYMEX products.
  - **Trading Rights Commitments:** NYMEX will preserve current NYMEX rules regarding account-based trading for Class A members, as well as rules establishing that clearing member firms or member firms must hold two full Class A memberships to clear at NYMEX or receive member rates.

The change in Class A member rights will be accomplished through amendments to the certificate of incorporation and bylaws of NYMEX which require the affirmative vote of the owners of 75 percent of the outstanding NYMEX Class A memberships. The approval of these amendments is a condition to the closing of the merger. Class A members will receive the specified consideration upon the closing of the merger and execution of a required release.

The companies have set July 18, 2008, as the record date for shareholders and members entitled to vote at the companies' special meetings. NYMEX shareholders and members and CME Group shareholders will vote on the transaction on August 18, 2008, subject to completing SEC review.

General Atlantic LLC, which holds an approximately 7 percent equity stake in NYMEX, has endorsed the revised merger agreement and has committed to fully support the combination of CME Group and NYMEX, including committing to vote all of its NYMEX shares in favor of the transaction. Additionally, each director on the boards of NYMEX Holdings, NYMEX and CME Group has indicated an intent to vote all of their shares, and as applicable, their NYMEX seats, in favor of the merger.

The companies also announced that NYMEX has accepted the offer made by Chairman Richard Schaeffer, President and Chief Executive Officer James Newsome and other members of the executive management team to reduce their change in control severance benefits, which combined with the reduction of certain other merger related expenses by NYMEX, will equal \$30 million in the aggregate.

Separately, the parties announced that they have entered into an agreement to extend the term for their highly successful technology partnership for an additional two years until 2018, and delayed the early termination right of either party by one year. This extension is effective following the NYMEX and CME shareholder vote. Upon a successful completion of the CME Group/NYMEX transaction, the technology partnership will no longer be in effect as the parties will utilize the CME Globex platform as the electronic trading solution for the combined company.

"CME Group and NYMEX have the potential to create tremendous value for our shareholders, customers and members, and today's revised merger agreement makes that opportunity a reality," said CME Group Executive Chairman Terry Duffy. "We remain committed to maintaining a significant presence in the NYMEX facility in New York and working with the NYMEX Class A members to achieve a seamless and successful integration."

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“We believe that the merger with CME is in the best interests of all NYMEX shareholders and Class A Members,” said NYMEX Chairman Richard Schaeffer. “CME Group remains the best partner for continuing to build the NYMEX business around the world, and NYMEX senior management has demonstrated that we are absolutely committed to delivering the benefits of this combination to our shareholders and members. We look forward to proceeding to our vote and focusing on a smooth integration so that our combined company can quickly achieve its significant growth potential.”

“We believe the additional consideration and commitments offered to NYMEX Class A members are warranted to compensate Class A members for the value of the rights they are giving up, which is essential to the successful integration of NYMEX into CME Group, while also solidifying Class A members’ commitment as users of the exchange in a way that should benefit all of our shareholders,” said CME Group Chief Executive Officer Craig Donohue. “As we look to further expand our business and generate efficiencies for all stakeholders, we are committed to completing this transaction and creating \$60 million in cost synergies for shareholders. This transaction will also produce millions of dollars in savings for our clearing firms and additional efficiencies for customers, will further diversify our revenues going forward and better position our combined company to compete globally in all asset classes.”

“We are pleased today to move closer to completing our transaction with CME Group,” said NYMEX President and Chief Executive Officer James E. Newsome. “We continue to believe that a combination with CME Group is the best way to expand our opportunity for growth overall, and the enhancements announced today are further evidence of our confidence in and dedication to this transaction.

Bill Ford, a member of NYMEX’s Board of Directors and CEO of global growth investment firm General Atlantic LLC, stated, “As a growth investor and a prospective significant shareholder in the combined company, General Atlantic fully supports this transaction because we believe it provides the best strategic opportunity for NYMEX’s long-term growth. Together, NYMEX and CME Group will provide shareholders an investment in the largest and most diversified global futures and derivatives exchange, with world class technology, an outstanding management team and the opportunity for significant business synergies. Moreover, we believe the revised terms of the merger agreement will allow for an even more vibrant and competitive marketplace for current NYMEX Class A members and customers. General Atlantic will vote all of our shares in favor of the merger, and we look forward to participating in the growth and success of the combined company.”

Strategic Benefits of the Transaction:

- Financially Attractive: CME Group and NYMEX Holdings expect the transaction to become accretive to earnings on a GAAP basis within 12 to 18 months after the closing.

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- Synergy Opportunities: Anticipated pre-tax cost savings of approximately \$60 million annually, driven primarily by technology and administrative cost reductions.
  - Operational Efficiencies: Expected customer benefits derived from clearing efficiencies, harmonized trading and administrative technology systems.
  - Strategic Position: Affords CME Group the opportunity to continue to provide a regulated, transparent exchange for global energy and metals market participants.
  - Commitment to New York: The combined company will maintain a significant presence in New York City, continuing to develop the futures industry in New York and around the world.
  - Global Growth: The combination will also significantly expand CME Group's presence where energy and metals products are central to risk management strategies, particularly in the Middle East and Asia.
  - Worldwide Partnerships: Efforts to expand NYMEX's energy presence globally through its existing relationships with the Dubai Mercantile Exchange, the Norwegian derivatives exchange, Imarex, the recently announced Green Exchange and the initiative with LCH remain unchanged under the terms of the agreement and will complement CME Group's existing partnerships with BM&F and Korea Exchange.

The transaction is subject to approvals of shareholders of both companies and of NYMEX Class A members, as well as the satisfaction of customary closing conditions. Subject to obtaining the necessary approvals, the companies expect to close the merger in the third quarter of 2008.

### **About CME Group**

CME Group ( [www.cmegroup.com](http://www.cmegroup.com) ) is the world's largest and most diverse exchange. Formed by the 2007 merger of the Chicago Mercantile Exchange (CME) and the Chicago Board of Trade (CBOT), CME Group serves the risk management needs of customers around the globe. As an international marketplace, CME Group brings buyers and sellers together on the CME Globex electronic trading platform and on its trading floors. CME Group offers the widest range of benchmark products available across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, agricultural commodities, and alternative investment products such as weather and real estate. CME Group is traded on the NASDAQ under the symbol "CME."

### **About NYMEX Holdings, Inc.**

NYMEX Holdings, Inc. (NYSE: NMX) is the parent company of New York Mercantile Exchange, Inc., the world's largest physical commodities exchange, offering futures and options trading in energy, metals and other contracts and clearing services for more than 400 off-exchange contracts. Through a hybrid model of open outcry floor trading and electronic trading on the CME Globex<sup>®</sup> electronic platform, as well as clearing off-exchange instruments through NYMEX ClearPort<sup>®</sup> Clearing, NYMEX offers crude oil, petroleum products, natural gas, coal, electricity, gold, silver, copper, aluminum, platinum group metals, emissions, and soft commodities contracts for trading and clearing virtually 24 hours each day. Further information about NYMEX Holdings, Inc. and the New York Mercantile Exchange, Inc. is available on the NYMEX website at <http://www.nymex.com/>.

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**Additional Information****Forward Looking Statements:**

This press release may contain forward-looking information regarding CME Group Inc. (“CME Group”) and NYMEX Holdings, Inc. (“NYMEX Holdings”) and the combined company after the completion of the merger that are intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. These statements include, but are not limited to, the benefits of the business combination transaction involving CME Group and NYMEX Holdings, including future financial and operating results, the new company’s plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based on current beliefs, expectations, forecasts and assumptions of CME Group’s and NYMEX Holdings’ management which are subject to risks and uncertainties which could cause actual outcomes and result to differ materially from these statements. Other risks and uncertainties relating to the proposed transaction include, but are not limited to the satisfaction of conditions to closing; including receipt of shareholder, antitrust, regulatory and other approvals on the proposed terms and schedule; the proposed transaction may not be consummated on the proposed terms and schedule; uncertainty of the expected financial performance of CME Group following completion of the proposed transaction; CME Group may not be able to achieve the expected cost savings, synergies and other strategic benefits as a result of the proposed transaction or may take longer to achieve the cost savings, synergies and benefits than expected; the integration of NYMEX Holdings with CME Group’s operations may not be successful or may be materially delayed or may be more costly or difficult than expected; general industry and market conditions; general domestic and international economic conditions; and governmental laws and regulations affecting domestic and foreign operations.

For more information regarding other related risks, see Item 1A of CME Group’s Annual Report on Form 10-K for the fiscal year ended December 31, 2007 and Item 1A of NYMEX’s Annual Report on Form 10-K for the fiscal year ended December 31, 2007 and additional updates to these risks contained in our Quarterly reports. Copies of said 10-Ks and 10-Qs are available online at <http://www.sec.gov/> or on request from the applicable company. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. Except for any obligation to disclose material information under the Federal securities laws, CME Group and NYMEX Holdings undertake no obligation to release publicly any revisions to any forward- looking statements to reflect events or circumstances after the date of this press release.

**Important Merger Information**

In connection with the merger transaction involving CME Group and NYMEX Holdings, CME Group has filed a registration statement on Form S-4 with the Securities and Exchange Commission (“SEC”) on June 11, 2008 containing a preliminary joint proxy statement/prospectus. The registration statement has not yet become effective. This material is not a substitute for the final prospectus/proxy statement or any other documents the parties will file with the SEC. Investors and security holders are urged to read the final prospectus/proxy statement and any other such documents, when available, which will contain important information about the proposed transaction. The final prospectus/proxy statement will be, and other documents filed or to be filed by CME Group with the SEC are or will be available free of charge at the SEC’s Web site ( <http://www.sec.gov/> ) or from CME Group Inc., Attention: Shareholder Relations, 20 S. Wacker Drive, Chicago, Illinois 60606 , (312) 930-1000 or NYMEX Holdings, Inc., Attention: Investor Relations, at One North End Avenue, World Financial Center, New York, New York 10282, (212) 299-2000.

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CME Group and NYMEX Holdings and their respective directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from CME Group and NYMEX Holdings shareholders in respect of the proposed transaction. Information regarding CME Group and NYMEX Holdings' directors and executive officers is available in their respective proxy statements for their 2008 annual meeting of stockholders. Additional information regarding the interests of such potential participants is included in the joint proxy statement/prospectus and the other relevant documents filed with the SEC when they become available. This document shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.