

**CHICAGO MERCANTILE EXCHANGE HOLDINGS INC.
GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS**

CHARTER

I. Purpose

The Governance Committee (the "Committee") is a committee of the Board of Directors (the "Board") of Chicago Mercantile Exchange Holdings Inc. ("CME"). The primary purpose of the Committee is to develop and recommend to the Board a set of corporate governance principles applicable to CME; oversee CME's policies, practices and procedures in the area of corporate governance; and oversee the evaluation of the Board.

II. Membership & Organization

- The members of the Committee and its Chairperson shall be appointed by the Board shortly following the annual meeting of shareholders or more frequently as determined by the Board.
- The Committee shall be comprised of four or more directors who qualify as independent directors under the listing standards for the New York Stock Exchange.
- The Chairperson shall schedule all meetings of the Committee and provide the Committee with a written agenda. A quorum of the Committee shall consist of a majority of the appointed members of the Committee. The Committee may ask members of management or others to attend the meeting and provide information.
- Subject to approval of the Board, the Committee may hire specialists or rely upon other outside advisors or specialists, including independent counsel, in performance of its functions. The Committee may, within limits set by the Board, approve the fees and retention terms applicable to such specialists and advisors.

III. Committee Meetings, Tasks and Authority

General

- The Committee shall meet at least four times per year, keep minutes of its proceedings and report as necessary or desirable to the Board.

Responsibilities

- The Committee shall review and approve periodically, and at least annually, CME's policies and procedures relating to corporate governance.
- The Committee shall address the following:
 - Director qualification standards. The qualification standards established by the Committee should include the independence requirements of the New York Stock Exchange.
 - Director responsibilities.
 - Director access to management and, as necessary and appropriate, independent advisors.
 - Director orientation and continuing education.
 - The size of the Board and any changes thereto.
- The Committee shall advise the Board respecting CME's written guidelines on corporate governance.
- The Committee shall oversee CME's Compliance Program, including the Compliance Committee.
- The Committee shall develop and recommend to the Board standards to be applied in making determinations as to the absence of material relationships between CME and its directors.
- The Committee shall review and, where appropriate, make recommendations to the Board regarding inconsistencies between the Board's practices and CME's written guidelines on corporate governance.
- The Committee shall make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including but not limited to, procedures with respect to the waiver by the Board of any CME rule, guideline, procedure or corporate governance principle.
- The Committee shall adopt procedures for shareholders to communicate with the Board and shall monitor the receipt of any such communications.
- The Committee shall oversee and make recommendations to the Board with respect to shareholder proposals submitted to CME.
- The Committee shall periodically review the form and amount of compensation for the non-employee directors to assess its impact on a determination of independence.
- The Committee shall oversee the evaluation of the Board.
- The Committee shall consider and review any other corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board.
- The Committee shall have the following responsibilities respecting the committee structure of the Board:
 - To make recommendations to the Board regarding the size and composition of each standing committee of the Board, including when appropriate, recommendations regarding the resignation or removal of any committee member.

- To make recommendations to the Board for any changes, including the creation and elimination of committees. Each committee of the Board shall retain the right to establish subcommittees as it determines are appropriate, subject to the review of such decision by the full Board.
- To recommend that the Board establish such special committees as may be desirable or necessary from time to time in order to address ethical, legal or other matters that may arise. The Committee's power to make such a recommendation under this Charter shall be without prejudice to the right of any other committee of the Board, or any individual director, to make such a recommendation at any time.

IV. Reporting Activities

- The Committee Chairperson shall make reports to the Board as appropriate.
- The Committee shall prepare and adopt an annual report to the Board summarizing the activities, conclusions and recommendations of the Committee during the previous year and the Committee's draft or working agenda for the coming year, including any recommended changes to CME's or the Board's policies or procedures.
- The Committee shall confer with CME staff to the extent it may deem necessary or appropriate to fulfill its duties.
- The Committee shall reassess the adequacy of this Charter on an annual basis and submit any recommended changes to the full Board for approval.
- The Committee shall evaluate its performance on an annual basis and establish criteria for such evaluation. The Committee shall report to the Board regarding the results of its evaluation.

Revised June 2004