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By Shruti Date Singh

Melamed, Sandner get contracts

The Chicago Mercantile Exchange Holdings Inc. board approved arrangements with directors Leo Melamed and Jack Sandner to pay each several hundred thousand dollars annually "to secure the continued service" of the two men who helped build the firm, according to a Securities & Exchange Commission filing Monday afternoon.

Mr. Melamed, who is chair emeritus for the company and a current board member, will receive \$300,000 per year plus "all reasonable and necessary" out-of-pocket travel and other expenses incurred in connection with the consulting services. He'll also receive up to \$150,000 annually for non-travel expenses related to his consulting duties such as office and secretarial costs, according to the filing.

Mr. Sandner, a current board member and former chairman, will receive \$200,000 per year plus additional money for out-of-pocket travel and other expenses incurred in connection with his consulting services, according to the filing.

As non-executive board members they are also entitled to an annual cash stipend of \$17,500, annual equity grant of 100 shares and up to \$100,000 per year for board and committee meetings attended.

Under the Sept. 7 agreement, Mr. Melamed and Mr. Sandner may not provide services to any competitor or otherwise compete with the company throughout the term of the agreement and for one year after without the prior written consent of the company.