



Via Portal Submission

February 25, 2021  
MGEX Submission No. 21-7

Mr. Christopher J. Kirkpatrick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street NW  
Washington, DC 20581

**RE: Rule Certification Submission Pursuant to CFTC Regulation 40.6(a); Update to MGEX Bylaws**

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c) of the Commodity Exchange Act (“CEAct”) and Commodity Futures Trading Commission (“CFTC”) Regulation 40.6(a), the Minneapolis Grain Exchange, LLC (“MGEX”) hereby certifies that the amendments to MGEX Bylaws 2.2., 4.1., 7.6., and 7.9., as set forth in the attached Exhibit A, comply with the CEAct and the CFTC Regulations promulgated thereunder (the “Proposed Amendments”). MGEX further certifies that the submission has been posted on the MGEX website at the following link: <http://www.mgex.com/regulation.html>.

**I. AMENDMENTS TO MGEX BYLAWS**

The Proposed Amendments to the MGEX Bylaws are to align the term “Nominations Committee” throughout the Bylaws, provide additional clarity to the duties and responsibilities of the Nominations Committee, provide additional clarity regarding the process for election of directors, and to remove the Personnel and Compensation Committee.

**II. COMPLIANCE WITH CORE PRINCIPLES**

MGEX has reviewed the Core Principles for designated contract markets (“DCM Core Principles”) and identified that the Proposed Amendments and Addition may impact the following DCM Core Principles:

- *DCM Core Principle 2, Compliance with Rules:* The Proposed Amendments will enhance the clarity of Bylaws related to the Nominations Committee’s duties and responsibilities, the process for election of directors, and the removal of the Personnel and Compensation Committee.

- *DCM Core Principle 7, Availability of General Information:* The Proposed Amendments have been disseminated on the MGEX website, and will be available in the MGEX Rulebook, which is accessible online.
- *DCM Core Principle 12, Protection of Markets and Market Participants:* The Proposed Amendments will enhance the clarity of the Bylaws related to the Nominations Committee's duties and responsibilities, the process for election of directors, and the removal of the Personnel and Compensation Committee.
- *DCM Core Principle 15, Governance Fitness Standards:* The Proposed Amendments do not conflict with the establishment and enforcement of appropriate governance fitness standards.
- *DCM Core Principle 16, Conflicts of Interest:* The Proposed Amendments will enhance the clarity of Bylaws related to the Nominations Committee's duties and responsibilities and process for election of directors.

Pursuant to the authority set forth in MGEX Bylaw 3.1., the MGEX Board of Directors unanimously approved the Proposed Amendments at its meeting held on February 25, 2021. There were no substantive opposing views expressed by the Board of Directors with respect to this filing.

The Proposed Amendments are intended to become effective ten (10) business days from the date of this submission. If there are any questions regarding this submission, please contact me at (612) 321-7128. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter D. Sparby". The signature is written in a cursive, flowing style.

Peter D. Sparby  
Corporate Counsel

Enclosure

## Exhibit A

The following MGEX Bylaws are to be amended. Additions are underlined while deletions are ~~marked through~~.

### **2.2. ELECTION OF DIRECTORS; TERMS OF OFFICE.**

The Nominationsing Committee ~~each year~~ shall nominate Directors for each Director position standing for election ~~at the annual meeting of the LLC Member that~~ not later than sixty (60) days prior to the date announced as the date for ~~the annual meeting of the LLC Member~~ election. Unless stated otherwise, the ~~annual meeting~~ election shall occur ~~on or before the first Thursday in October in~~ each calendar year. At each ~~annual meeting~~ election occurring during an even year, the LLC Member shall elect a minimum of four (4) Directors ~~shall be elected~~ for terms of two (2) years each, and at each ~~annual meeting~~ election occurring during an odd year, the LLC Member shall elect a minimum of four (4) Directors ~~shall be elected~~ for terms of two (2) years each, so that the total Directors are at least eight (8) in number.

### **~~4.1. ANNUAL MEETING; ELECTION OF DIRECTORS, AND OTHER MATTERS.~~**

The ~~annual meeting of the LLC Member~~ election of directors shall be held at such place and time as determined by the ~~Board~~ LLC Member for the purpose of the LLC Member electing Directors of the Board ~~MGEX and members of the MGEX Nominating Committee, and for conducting such other business as may properly come before the meeting. Written notice of the annual meeting stating the place, date and hour of the meeting shall be given to the LLC Member not less than ten (10) nor more than sixty (60) days before the date of the meeting. Unless stated otherwise, the annual meeting shall occur on or before the first Thursday in October in each year.~~

### **~~7.6. PERSONNEL AND COMPENSATION COMMITTEE.~~**

~~There shall be established a Committee of the Board of Directors to be known as the Personnel and Compensation Committee. It shall be composed of five (5) Directors.~~

~~The Committee shall have the duties and powers to fix the compensation and benefits of the President.~~

### **7.9. NOMINATIONS COMMITTEE.**

There shall be established a Committee of the Board of Directors to be known as the Nominations Committee which shall be composed of five (5) directors, including the Chairperson of the Board and three (3) Public Directors. The Nominationsing Committee shall each be elected on an annual basis by vote of the LLC Member. The chair of the Nominations Committee shall be a Public Director. The Nominationsing Committee shall identify individuals qualified to serve on the Board and nominate candidates for election to the Board ~~at the annual LLC Member meeting~~ and all other vacant or new Director positions on the Board. The Nominationsing Committee, in making such nominations, is responsible for ensuring that candidates meet the compositional requirements of these Bylaws.