



Via Portal Submission

May 22, 2015
MGEX Submission No. 15-11

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

RE: Rule Certification Submission Pursuant to CFTC Regulation 40.6(a); Update to MGEX Rules and Regulations

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, Inc. ("MGEX") hereby certifies that the amendments to MGEX Rules 210.00., 267.00., and 268.00., as set forth in the attached Exhibit A, comply with the CEAct and the CFTC Regulations promulgated thereunder. MGEX further certifies that the submission and pending changes to the MGEX Rules and Regulations have been posted on the MGEX website at the following link: <http://www.mgex.com/regulation.html>.

I. AMENDMENTS TO MGEX RULES.

MGEX is focused on ensuring that its corporate governance practices are compliant with industry best practices as well as CFTC requirements and core principles. Consequently, MGEX has proposed the following amendments to its Rules and Regulations in order to better clarify its corporate governance and governance fitness standards.

A. Amendments to MGEX Rule 210.00., Board of Directors: Composition and Terms of Office.

MGEX takes seriously its governance fitness standards and the corporate duties of its Board of Directors. Pursuant to CFTC Regulations, MGEX has established a yearly performance review of its Board of Directors by the Chief Compliance Officer. The proposed amendments to MGEX Rule 210.00. empower MGEX Officers to remove Directors that are not adequately performing their corporate duties, so as to ensure MGEX Members and market participants are adequately represented, as well as complying with CFTC standards relating to Board fitness.

B. Amendments to MGEX Rule 267.00., Hard Red Spring Wheat Committee.

The proposed amendments to MGEX Rule 267.00. clarify that what was formerly referred to as the “Contracts Committee” is primarily responsible for changes to MGEX Rules and Regulations relating to the North American Hard Red Spring Wheat futures and options markets.

C. Amendments to MGEX Rule 268.00., Cash Markets Committee.

The proposed amendments to MGEX Rule 268.00. impose certain minimal qualifications on members of the Cash Markets Committee, the intent being to ensure that committee members have commercial experience within MGEX cash markets.

II. COMPLIANCE WITH CORE PRINCIPLES.

MGEX has reviewed the core principles for designated contract markets (“DCM Core Principles”) and identified that the proposed amendments (collectively, the “Proposed Changes”) may impact the following DCM Core Principles:

- *DCM Core Principle 2, Compliance with Rules:* The Proposed Changes consist of certain upgrades to MGEX’s ability to enforce MGEX Rules and Regulations, as well as various governance fitness policies relating to the MGEX Board of Directors. By adopting the Proposed Changes, MGEX will be in a better position to enforce its own rules relating to governance fitness.
- *DCM Core Principle 7, Availability of General Information:* The Proposed Changes will be publicly available in the MGEX Rules and Regulations. In addition, the Proposed Changes have been disseminated on the MGEX website.
- *DCM Core Principle 15, Governance Fitness Standards:* The Proposed Changes directly aid in the enforcement of MGEX’s existing governance fitness standards for Directors by allowing MGEX Officers to remove Directors that do not adequately perform their duties. In addition, the Proposed Changes provide clarity for the qualifications and obligations of certain committee members.

Pursuant to the authority set forth in MGEX Rule 210.01., the MGEX Board of Directors unanimously approved the proposed amendments to Rules 210.00., 267.00., and 268.00. at its meeting held on April 28, 2015. There were no substantive opposing views expressed by the Board of Directors, nor is MGEX aware of any substantive opposing views with respect to this filing.

Pursuant to the procedures and authority set forth in Chapter Two of the MGEX Rules and Regulations, the Members of MGEX approved the proposed amendments to Rules 210.00., 267.00., and 268.00. by an overwhelming vote, which was duly tallied on May 19, 2015. There were no substantive opposing views expressed by the Members, nor is MGEX aware of any substantive opposing views with respect to this filing.

These amendments are intended to become effective ten (10) 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 blue ink that reads "Aaron Nyquist". The signature is written in a cursive style with a large initial "A" and "N".

Aaron C. Nyquist
Assistant Corporate Counsel

Enclosure

EXHIBIT A

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

210.00. BOARD OF DIRECTORS: COMPOSITION AND TERMS OF OFFICE.

The government of the Corporation shall be vested in a Board of seven (7) Directors, all of whom shall be Members of the Corporation at the time of their election, together with four (4) Public Directors all of whom shall be elected by the seven (7) Directors.

The terms of office of the seven (7) Directors who are Members of the Corporation shall commence on the second Monday succeeding their election. ~~and~~ The terms of all Directors shall continue until either their successors have been elected and qualified, a Director provides written notice of his or her resignation, or a Director is removed from the Board. A Director may be removed from the Board following three (3) consecutive absences pursuant to Rule 211.01, or if the Chief Compliance Officer determines that the Director failed to adequately carry out his or her duties as a Director, provided that the Exchange officers approve of such determination. In the event of the latter, the Director's removal will be effective immediately after the Director is notified. Upon removal, the vacancy shall be filled pursuant to Rules 200.00. and 210.03.

267.00. ~~CONTRACTS~~ HARD RED SPRING WHEAT COMMITTEE.

There shall be established a Committee of the Corporation to be known as the ~~Contracts~~ Hard Red Spring Wheat ("HRSW") Committee. It shall be composed of a minimum of seven (7) Members of the Corporation.

The Committee shall have the ~~duties and powers~~ duty and power to :

A. ~~Review~~ Review and recommend Rules and Regulations governing ~~contract~~ HRSW markets, including, but not limited to: contract specifications and delivery procedures.

B. ~~Monitor and review the implementation of new Futures and Options contracts.~~

C. ~~Establish nonpermanent subcommittees of the Contracts Committee. Such subcommittees shall be composed of not less than five (5) persons who shall be members of the Contracts Committee, Members of the Corporation and/or knowledgeable members of the public. The Chairperson of the Committee shall appoint the members of the subcommittees. The Chairperson of the Board of Directors may also appoint members. Such subcommittees shall have such duties and powers as may be delegated by the Contracts Committee and shall report to the Contracts Committee.~~

268.00. CASH MARKETS COMMITTEE.

There shall be established a Committee of the Corporation to be known as the Cash

Markets Committee. It shall be composed of a minimum of seven (7) Members of the Corporation that are employed by entities having cash trading privileges pursuant to MGEX Rules and Regulations.

The Committee shall have the duties and powers to:

- A. Review and recommend Rules and Regulations governing the cash markets.
- B. Monitor cash market activity to ensure orderly trading and efficient price discovery.
- C. Approve guidelines for reporting of cash market activity to appropriate agencies.