



Via Portal Submission

December 23, 2014
MGEX Submission No. 14-32

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 Regulation 1231.00., 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 STOCKS REPORTING DEADLINE REGULATIONS.

MGEX is the primary market for North American Hard Red Spring Wheat ("HRSW"). As part of its efforts to monitor deliverable supplies of HRSW, the Department of Audits and Investigations ("Department") enforces prompt stocks reporting deadlines for all HRSW Regular facilities. For the benefit of MGEX market participants, MGEX proposes to amend Regulation 1231.00., Stocks Reporting Facilities, to establish consistent reporting deadlines.

II. COMPLIANCE WITH CORE PRINCIPLES.

MGEX has reviewed the core principles for designated contract markets ("DCM Core Principles") and identified that the proposed amendment may impact the following DCM Core Principles:

- *DCM Core Principle 2, Compliance with Rules:* The proposed amendment clarifies reporting requirements in order to help MGEX enforce MGEX Rules and Regulations. By adopting the proposed amendment, MGEX and the Department will be in a better position to monitor and investigate possible reporting deadline violations.
- *DCM Core Principle 3, Contracts Not Readily Subject to Manipulation:* The proposed amendment is being adopted to better monitor deliverable supply to ensure contracts are not subject to manipulation. The proposed amendment will assist in monitoring convergence and monitoring for impediments to delivery of a physically settled contract.

Additionally, it will help in identifying and investigating potential manipulation by reporting entities or other position holders.

- *DCM Core Principle 4, Prevention of Market Disruption:* The proposed amendment is designed to improve the monitoring of the adequacy and availability of the deliverable supply.
- *DCM Core Principle 7, Availability of General Information:* The proposed amendment will be publicly available in the MGEX Rules and Regulations. In addition, the proposed amendment has been disseminated on the MGEX website.

In Resolution 210.01.F. of the MGEX Rules and Regulations, the Board of Directors delegated limited authority to MGEX officers to amend certain aspects of the MGEX Rules and Regulations, including deadlines for the reporting of information. Pursuant to this authority, MGEX officers approved the proposed amendment to Regulation 1231.00. on December 8, 2014. There were no substantive opposing views expressed by any officer, 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, appearing to read "Aaron Nyquist".

Aaron C. Nyquist
Assistant Corporate Counsel

Enclosure

EXHIBIT A

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

1231.00. STOCKS REPORTING FACILITIES.

All Hard Red Spring Wheat Regular facilities must submit accurate stocks reports to the Exchange pursuant to the deadlines below.

Daily Stocks Reports (<u>Form SRM</u>):	12:00 p.m. (Central Time)
Weekly Stocks Reports (<u>Form 38M</u>):	1:00 p.m. (Central Time) Monday (Tuesday if Monday is a MGEX holiday)

All stocks reports received after the scheduled deadlines are subject to fines as follows:

1 st Offense:	Warning Letter
2 nd Offense:	\$1,000 fine
3 rd Offense:	\$2,000 fine
4 th Offense	\$3,000 fine

The 5th offense and every subsequent offense will be referred to the Disciplinary Committee. Offenses and fines shall be based upon events occurring within a rolling twelve (12) month period. The Exchange may determine whether a fine is warranted based on facts and circumstances, and may take further disciplinary action, increase the fine amount, or present the matter to the Disciplinary Committee.

In the event a fine is imposed, the Exchange will issue a notice of the offense and fine amount to the offending party. Any fines must be paid within thirty (30) days of issuance unless otherwise stated by the Exchange.