



Via Portal Submission

September 12, 2024
MGEX DCM Submission No. 24-23

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

RE: CFTC Regulation 40.6(a) Certification: Delisting of Ag Index Products

Dear Mr. Kirkpatrick:

Pursuant to Commodity Exchange Act Section 5c and Commodity Futures Trading Commission Regulation 40.6(a), the Minneapolis Grain Exchange, LLC (“MGEX”) hereby certifies the delisting of National Corn Index Futures, National Corn Index Options, National Soybean Index Futures, National Soybean Index Options, Hard Red Winter Wheat Index Futures, Hard Red Winter Wheat Index Options, Soft Red Winter Wheat Index Futures, Soft Red Winter Wheat Index Options, Hard Red Spring Wheat Index Futures, and Hard Red Spring Wheat Index Options (collectively, the “Ag Index Products”). There is no open interest for these products. In conjunction with the delisting, the Ag Index Products rules as well as references to the Ag Index Products will be stricken and removed from the MGEX Rulebook. See *Attachment A*.

MGEX reviewed the Core Principles for designated contract markets (“DCM Core Principles”) and identified that delisting the Ag Index Products may impact the following DCM Core Principles:

- *DCM Core Principle 6, Emergency Authority:* There is no open interest in the products, and therefore there will be no market disruption related to the delisting.
- *DCM Core Principle 7, Availability of General Information:* The Exchange will make publicly available the details of the delisting of the Ag Index Products on the MGEX website at <https://www.miaxglobal.com>.

Pursuant to MGEX Bylaw 2.4. and 3.3., the Exchange has the authority to delist the Ag Index Products. There were no substantive opposing views expressed, nor is the Exchange aware of any substantive opposing views with respect to this filing.

The delisting of the Ag Index Products is effective after the close of trading on Friday, September 13, 2024. Removal of the product rules from the Rulebook will become effective as soon as practical. MGEX certifies that the delisting of the Ag Index Products complies with the CEAct and CFTC Regulations promulgated thereunder. MGEX further certifies that this submission has been posted on the MGEX website at the following link: <https://www.miaxglobal.com/markets/us-futures/mgex/rule-filings>.

MINNEAPOLIS GRAIN EXCHANGE, LLC

400 South 4th Street | 130 Grain Exchange Building | Minneapolis, MN 55415

612-321-7101

[miaxglobal.com](https://www.miaxglobal.com)



If there are any questions regarding this submission, please contact me at (612) 979-7133 or psparby@miaxglobal.com. Thank you for your attention to this matter.

Sincerely,

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

Peter D. Sparby
Vice President, Counsel

Enclosure

MINNEAPOLIS GRAIN EXCHANGE, LLC

400 South 4th Street | 130 Grain Exchange Building | Minneapolis, MN 55415

612-321-7101

miaxglobal.com

Attachment A

3.4.2. PRE-EXECUTION COMMUNICATIONS REGARDING ELECTRONIC TRADES.

Persons may engage in pre-execution communications with regard to Futures and Options for MGEX ~~Agricultural Indexes and~~ HRSW transactions executed on the Electronic Trading System, where one Person wishes to be assured that an opposing, secondary Person, will take the opposite side of the order under the following circumstances:

- A. A Person may not engage in pre-execution communications with market participants on behalf of another Person unless the Person for whose benefit the trade is being made has previously consented to permit such communications.
- B. Persons involved in pre-execution communications shall not disclose the details of such communications to any third Person. Additionally, no Persons shall enter orders based on information conveyed during pre-execution communications except for the orders required and in accordance with the protocol noted within this Rule.
- C. Utilizing the RFQ + RFC Cross ("R-Cross") protocol. Following the pre-execution communication, a Request for Quote ("RFQ") for Futures or Options must be entered into the Electronic Trading System. Thereafter, the Request for Cross ("RFC") order must be entered no less than five (5) seconds for Futures, or fifteen (15) seconds for Options, as well as no more than thirty (30) seconds for either Futures or Options after the entry of the RFQ in order to proceed with the trade. The RFQ and RFC must be entered within the same trading session. Failure to enter the RFC within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry of the RFC, and in accordance with the aforementioned timing parameters.

2011.00. HOURS OF TRADING.

The Hours of Trading at the Exchange shall conform to Central Time.

A. **CASH MARKET**

The Hours of Trading in the cash market shall be from nine-thirty o'clock (9:30) a.m. to one-thirty o'clock (1:30) p.m.

B. **FUTURES AND OPTIONS**

Unless otherwise stated elsewhere in the MGEX Rules, the Hours of Trading for any MGEX futures or options traded on the Electronic Trading Platform shall be the following:

Sunday to Friday: from seven o'clock (7:00) p.m. to one-thirty o'clock (1:30) p.m. A pause in trading occurs from seven forty-five o'clock (7:45) a.m. to eight-thirty o'clock (8:30) a.m.

~~Notwithstanding the foregoing, the Hours of Trading for the National Corn Index, National Soybean Index, Hard Red Winter Wheat Index, Hard Red Spring Wheat Index and Soft Red Winter Wheat Index shall be from seven o'clock (7:00) p.m. to one forty-five o'clock (1:45) p.m. with no pauses.~~

2011.02. LAST DAY FOR EXCHANGE FOR PHYSICAL AND RISK TRANSACTIONS.

~~The last day that a National Corn Index, National Soybean Index or Wheat Index futures contract may be exchanged for, or in connection with, a physical (“EFP”) or risk (“EFR”) transaction shall be the last business day of the contract month.~~

The last day that a Spring Wheat futures contract may be exchanged for, or in connection with, an EFP or EFR transaction shall be the sixth (6th) business day following the last trading day of the contract month.

After the last trading day of the Spring Wheat futures contract, EFP and EFR transactions are permitted only for the purpose of liquidating futures positions. Such transactions shall not be permitted to initiate or establish new futures positions.

2012.00. TRADING LIMITS.

Trading is prohibited during any day in Futures Contracts of commodities traded on this Exchange at a price outside the limit above or the limit below either the settlement price for such commodity on the previous business day or the price of the first trade during the first day of trading in a Futures Contract.

- A- Wheat \$0.60 per bushel
Should two or more wheat Futures Contract months within a crop year close at limit bid or limit offer, the daily price limits for all contract months shall increase by 50 percent the next business day. Daily price limits shall revert back to \$0.60 the business day after which no wheat Futures Contract month closes at the expanded limit bid or limit offer.
- ~~B. National Corn Index..... \$0.40~~
- ~~C. National Soybean Index..... \$0.80~~
- ~~D. Wheat Indices \$0.60~~

Notwithstanding the foregoing provisions, there shall be no price limits on the spot Hard Red Spring Wheat Futures Contract month commencing the first business day after expiration of non-serial options on the spot month.

~~Further, there shall be no price limits on Index Futures and Options Contracts commencing two business days preceding the first business day of the expiring contract month.~~

2013.00. FUTURES POSITION LIMITS.

~~A. National Corn Index.~~

~~No individual or entity shall own or control in excess of thirteen thousand five hundred (13,500) contracts net long or short in the settlement month, thirteen thousand five hundred (13,500) contracts net long or short in any single month, or twenty-two thousand (22,000) contracts net long or short in all contract months combined.~~

~~B. National Soybean Index.~~

~~No individual or entity shall own or control in excess of six thousand five hundred (6,500) contracts net long or short in the settlement month (except during the last five trading days when the limit shall be five thousand six hundred (5,600) contracts net long or short), six thousand five hundred (6,500) contracts net long or short in any single month, or ten thousand (10,000) contracts net long or short in all contract months combined.~~

C. ~~Hard Red Winter Wheat Index.~~

~~No individual or entity shall own or control in excess of five thousand (5,000) contracts net long or short in the settlement month, five thousand (5,000) contracts net long or short in any single month, or six thousand five hundred (6,500) contracts net long or short in all contract months combined.~~

D. ~~Hard Red Spring Wheat Index.~~

~~No individual or entity shall own or control in excess of five thousand (5,000) contracts net long or short in the settlement month (except during the last five trading days the limit shall be three thousand four hundred (3,400) contracts net long or short), five thousand (5,000) contracts net long or short in any single month, or six thousand five hundred (6,500) contracts net long or short in all contract months combined.~~

E. ~~Soft Red Spring Wheat Index.~~

~~No individual or entity shall own or control in excess of five thousand (5,000) contracts net long or short in the settlement month (except during the last five trading days when the limit shall be two thousand seven hundred fifty (2,750) contracts net long or short), five thousand (5,000) contracts net long or short in any single month, or six thousand five hundred (6,500) contracts net long or short in all contract months combined.~~

2013.01. OPTIONS POSITION LIMITS.

A. ~~National Corn Index.~~

~~No individual or entity shall own or control a combination of Options and underlying Futures Contracts that exceeds twenty-two thousand (22,000) futures-equivalent contracts net long or short in all contract months combined, thirteen thousand five hundred (13,500) futures-equivalent contracts net long or short in any single contract month, or thirteen thousand five hundred (13,500) futures-equivalent contracts net long or short in the settlement month.~~

B. ~~National Soybean Index.~~

~~No individual or entity shall own or control a combination of Options and underlying Futures Contracts that exceeds ten thousand (10,000) futures-equivalent contracts net long or short in all contract months combined, six thousand five hundred (6,500) futures-equivalent contracts net long or short in any single contract month, or six thousand five hundred (6,500) futures-equivalent contracts net long or short in the settlement month (except during the last five trading days when the limit shall be five thousand six hundred (5,600) futures-equivalent contracts net long or short).~~

C. ~~Hard Red Winter Wheat Index.~~

~~No individual or entity shall own or control a combination of Options and underlying Futures Contracts that exceeds six thousand five hundred (6,500) futures-equivalent contracts net long or short in all contract months combined, five thousand (5,000) futures-equivalent contracts net long or short in any single contract month, or five thousand (5,000) futures-equivalent contracts net long or short in the settlement month.~~

D. ~~Hard Red Spring Wheat Index.~~

~~No individual or entity shall own or control a combination of Options and underlying Futures Contracts that exceeds six thousand five hundred (6,500) futures-equivalent contracts not long or short in all contract months combined, five thousand (5,000) futures-equivalent contracts not long or short in any single contract month, or five thousand (5,000) futures-equivalent contracts not long or short in the settlement month (except during the last five trading days when the limit shall be three thousand four hundred (3,400) futures-equivalent contracts not long or short).~~

~~E. **Soft Red Spring Wheat Index.**~~

~~No individual or entity shall own or control a combination of Options and underlying Futures Contracts that exceeds six thousand five hundred (6,500) futures-equivalent contracts not long or short in all contract months combined, five thousand (5,000) futures-equivalent contracts not long or short in any single contract month, or five thousand (5,000) futures-equivalent contracts not long or short in the settlement month (except during the last five trading days when the limit shall be two thousand seven hundred fifty (2,750) futures-equivalent contracts not long or short).~~

~~For the purpose of this **Rule 2013.01**, a long call option, a short put option and a long underlying Futures Contract are on the long side of the market; similarly, a short call option, a long put option and a short underlying Futures Contract are on the short side of the market.~~

2023.00. STRIKING PRICES.

The Exchange shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions, subject to the provisions of the CEA and CFTC Regulations.

A. Spring Wheat.

1. Trading may be conducted for Options with striking price increments of five cents (\$0.05) and ten cents (\$0.10) per bushel. At the commencement of trading in an option class, the following striking prices shall be listed: the striking price closest to the previous day's settlement price on the underlying Spring Wheat Futures Contract and the next five (5) consecutive higher and five (5) consecutive lower in five cent (\$0.05) increments, and the next ten (10) consecutive higher and ten (10) consecutive lower in ten cent (\$0.10) increments. If the previous day's settlement price on the underlying Spring Wheat Futures Contract is midway between two (2) striking prices, the closest price shall be the larger of the two (2).

Sufficient new striking prices shall be added prior to the next trading session to insure there are five (5) consecutive higher and five (5) consecutive lower in five cent (\$0.05) increments and an additional ten (10) consecutive higher and ten (10) consecutive lower in ten cent (\$0.10) increments above and below the previous day's settlement price.

2. When Options in months not listed for trading in Futures become available to trade, the following striking prices shall be listed: the striking price closest to the previous day's settlement price on the underlying Spring Wheat Futures Contract and the next ten (10) higher and ten (10) lower striking prices in five cent (\$0.05) increments. If the previous day's settlement price on the underlying Spring Wheat Futures Contract is midway between two (2) striking prices, the closest price shall be the larger of the two (2).

Sufficient new striking prices shall be added prior to the next trading session to insure at least ten (10) striking prices in five cent (\$0.05) increments above and below the previous day's settlement price.

~~B. National Corn Index.~~

~~Trading may be conducted for Options with striking price increments of five cents (\$0.05) and ten cents (\$0.10). At the commencement of trading in an option class, the following striking prices shall be listed: the striking price closest to the previous day's settlement price on the underlying National Corn Index Futures Contract and the next five (5) consecutive higher and the next consecutive lower in five cent (\$0.05) increments, and the next five (5) consecutive higher and five (5) consecutive lower in ten cent (\$0.10) increments. If the previous day's settlement price on the underlying National Corn Index Futures Contract is midway between two (2) striking prices, the closest price shall be the larger of the two (2).~~

~~Sufficient new striking prices shall be added prior to the next trading session to insure there are five (5) consecutive higher and five (5) consecutive lower in five cent (\$0.05) increments and an additional five (5) consecutive higher and five (5) consecutive lower in ten cent (\$0.10) increments above and below the previous day's settlement price.~~

~~C. National Soybean Index.~~

~~Trading may be conducted for Options with striking price increments of ten cents (\$0.10) and twenty cents (\$0.20). At the commencement of trading in an option class, the following striking prices shall be listed: the striking price closest to the previous day's settlement price on the underlying National Soybean Index Futures Contract and the next five (5) consecutive higher and the next five (5) consecutive lower in ten cent (\$0.10) increments, and the next five (5) consecutive higher and five (5) consecutive lower in twenty cent (\$0.20) increments. If the previous day's settlement price on the underlying National Soybean Index Futures Contract is midway between two (2) striking prices, the closest price shall be the larger of the two (2).~~

~~Sufficient new striking prices shall be added prior to the next trading session to insure there are five (5) consecutive higher and five (5) consecutive lower in ten cent (\$0.10) increments and an additional five (5) consecutive higher and five (5) consecutive lower in twenty cent (\$0.20) increments above and below the previous day's settlement price.~~

~~D. Wheat Indices.~~

~~Trading may be conducted for Options with striking price increments of five cents (\$0.05) and ten cents (\$0.10). At the commencement of trading in an option class, the following striking prices shall be listed: the striking price closest to the previous day's settlement price on the underlying Wheat Index Futures Contract and the next five (5) consecutive higher and five (5) consecutive lower in five cent (\$0.05) increments, and the next five (5) consecutive higher and five (5) consecutive lower in ten cent (\$0.10) increments. If the previous day's settlement price on the underlying Wheat Index Futures Contract is midway between two (2) striking prices, the closest price shall be the larger of the two (2).~~

~~Sufficient new striking prices shall be added prior to the next trading session to insure there are five (5) consecutive higher and five (5) consecutive lower in five cent (\$0.05) increments and an additional five (5) consecutive higher and five (5) consecutive lower in ten cent (\$0.10) increments above and below the previous day's settlement price.~~

~~CHAPTER 73. NATIONAL CORN INDEX FUTURES~~

~~7300.00. AUTHORITY.~~

~~Trading in National Corn Index futures contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7301.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to futures trading of the National Corn Index. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7302.00. THE NATIONAL CORN INDEX: DEFINITION.~~

~~The National Corn Index shall be a calculated average numerical value of the daily commercial bids placed for U.S. No. 2 yellow corn throughout the United States.~~

~~7303.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be the National Corn Index multiplied by five thousand (5,000) bushels.~~

~~7304.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-quarter cent (\$0.0025) or twelve dollars fifty cents (\$12.50) per contract. All prices shall be quoted in U.S. dollars.~~

~~7305.00. TRADING MONTHS AND HOURS.~~

~~The months available for trading in National Corn Index futures, the number of months available for trade at one time and the Hours of Trading shall be determined by the Board of Directors. See **Rules 2010.00.** and **2011.00.**~~

~~7306.00. DAILY PRICE LIMITS.~~

~~Daily price limits shall be set by the Board of Directors. See **Rule 2012.00.**~~

~~7307.00. LAST TRADING DAY.~~

~~The last trading day shall be determined by the Board of Directors and shall be the trade day preceding cash settlement. See **Rule 2011.01.**~~

~~7308.00. POSITION LIMITS.~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions. See **Rule 2013.00.**~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any futures position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be~~

~~allowed one (1) business day to liquidate the excess position without being considered in violation of the limits.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~7309.00. EXEMPTION FROM POSITION LIMITS.~~

~~To be eligible for an exemption under this Rule, an applicant must submit a written request to the Department of Audits and Investigations. Such request shall include the following:~~

- ~~A. a description of the size and nature of the proposed transactions;~~
- ~~B. information which will demonstrate that the proposed transactions are *bona fide* hedging transactions;~~
- ~~C. a statement indicating whether the person on whose behalf the request is made (i) maintains positions in the futures contract for which the exemption is sought with any other account holder or owner, and/or (ii) has made a previous or contemporaneous request pursuant to the Rule through another applicant, and if so, the relationship of the information set forth in such requests;~~
- ~~D. a statement that the intended transactions will be *bona fide* hedges;~~
- ~~E. a statement that the applicant will immediately supply the Exchange with any material changes to the information submitted pursuant hereto;~~
- ~~F. such further information as the Exchange may request.~~

~~Within five (5) business days of the submission of the information set forth above, the Department of Audits and Investigations shall notify the applicant whether the exemption has been granted and the limitations placed thereon. An exemption will remain in full force and effect until (i) the applicant or person on whose behalf the request is made requests a withdrawal; or (ii) the Exchange revokes, modifies or places further limitations thereon.~~

~~Applicants must file separate written requests for exemptions from the notice period position limits and other position limits specified in this Chapter.~~

~~7310.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~7311.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more National Corn Index futures on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7.**~~

~~7312.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing futures positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~7313.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the futures contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~7314.00. CASH SETTLEMENT.~~

~~National Corn Index futures positions open as of the close of business on the last trading day shall be cash settled. The cash settlement shall be based upon the simple average of the last three (3) published National Corn Index prices for days the contract is available for trade during the settlement month using standard rounding techniques and rounded to the nearest one-quarter cent (\$0.0025).~~

~~7315.00. THE NATIONAL CORN INDEX: CALCULATION.~~

~~The National Corn Index is based upon a select sample of commercial bids placed for U.S. No. 2 yellow corn throughout the United States. The sample will be conducted and obtained by an independent third party. The third party must meet collection and time parameters established by the Exchange. Additionally, the sample shall be taken from as many sources and locations as practical. The National Corn Index shall then be the calculated average numerical value of the sample using standard rounding techniques. Upon certification by the third party, and confirmation, review or verification of the data by the Exchange, the National Corn Index will be disseminated prior to the start of trading the next business day.~~

~~The Exchange reserves the right to refuse to use the data or the National Corn Index based upon evidence of an error in the data gathering process, manipulation of the data, faulty computation, or other unusual, questionable or suspicious activity involving the National Corn Index calculation. In the event the Exchange rejects the data, the procedures of **Rule 7316.00.** shall govern.~~

~~7316.00. EMERGENCIES.~~

~~In the event of an emergency, as determined by the Exchange, the Board of Directors shall have the authority and power to follow the procedures described in **Bylaw 2.4.**~~

~~An emergency may include, but is not limited to, Force Majeure, interference, interruptions or breakage of communication, accident, or any event or occurrence that is causing or may cause disruption in the marketplace.~~

~~Additionally, in the event the MGEX is unable to timely receive sufficient data necessary to calculate, report or verify the National Corn Index or believes the data or the National Corn Index to be in error, the Board of Directors or Executive Committee shall have such authority and power to determine the National Corn Index. The Board of~~

~~Directors or Executive Committee may utilize such sources, means or methods that it determines to be in the best interest of the Exchange and the market. The decision of the Board of Directors or Executive Committee shall be final and binding upon all parties. The Exchange shall not be liable to any party as a result of actions and decisions taken in good faith.~~

~~CHAPTER 74. NATIONAL CORN INDEX OPTIONS~~

~~7400.00. AUTHORITY.~~

~~Trading in National Corn Index options contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7401.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to trading in put and call options on National Corn Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7402.00. NATIONAL CORN INDEX PUT OPTIONS.~~

~~The Buyer of one (1) National Corn Index put option may exercise such option at any time prior to expiration to assume a short position in one (1) National Corn Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) National Corn Index put option incurs the obligation of assuming a long position in one (1) National Corn Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the put option Buyer.~~

~~7403.00. NATIONAL CORN INDEX CALL OPTIONS.~~

~~The Buyer of one (1) National Corn Index call option may exercise such option at any time prior to expiration to assume a long position in one (1) National Corn Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) National Corn Index call option incurs the obligation of assuming a short position in one (1) National Corn Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the call option Buyer.~~

~~7404.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be a put or a call option exercisable for one (1) Minneapolis Grain Exchange National Corn Index futures contract.~~

~~7405.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one eighth cent (\$0.00125) or six dollars twenty five cents (\$6.25) per contract. All prices shall be quoted in U.S. dollars. In the case of a cabinet trade, when both sides are closing transactions, the option premium may be one dollar (\$1.00).~~

~~7406.00. TRADING MONTHS AND HOURS.~~

~~Trading may be conducted in National Corn Index options in such contract months as may be determined by the Board of Directors. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant. There shall be no trading in National Corn Index options for months in which the underlying~~

National Corn Index futures months have not yet traded. The Hours of Trading for National Corn Index options shall be determined by the Board of Directors. See ~~Rules 2010.00, and 2011.00.~~

~~7407.00. DAILY PRICE LIMITS.~~

Trading is prohibited during any day in National Corn Index options at a premium of more than the trading limit for National Corn Index futures contracts above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.

~~7408.00. LAST TRADING DAY.~~

The last trading day shall be the same day as the last day of trading for the underlying futures contract. See ~~Rule 2011.01.~~

~~7409.00. EXPIRATION OF OPTIONS.~~

The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. Central Time on the first Business Day following the last day of trading.

~~7410.00. STRIKING PRICES.~~

The Board of Directors shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions. See ~~Rule 2023.00.~~

~~7411.00. PAYMENT OF OPTION PREMIUM.~~

The option premium must be paid in full by each Clearing Member to the Exchange.

~~7412.00. POSITION LIMITS.~~

A. ~~Limits.~~ Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions within the meaning of ~~Rule 1503.00.~~, provided that the provisions of ~~Rule 1504.00.~~ have been satisfied. See ~~Rule 2013.01.~~

B. ~~Compliance.~~ The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any option position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, an option position exceeds position limits when evaluated using the previous day's delta factors, but does not exceed the limits when evaluated using the delta factors for that day's close of trading, then the position shall not constitute a position limit violation.

C. ~~Enforcement.~~ The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.

~~7413.00. EXEMPTIONS FROM POSITION LIMITS.~~

To be eligible for an exemption from the position limits, an applicant must submit a written request to the Department of Audits and Investigations. The request shall follow the requirements of **Rule 7309.00**.

~~7414.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~7415.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more National Corn Index put or call options on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~7416.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing options positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~7417.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the options contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~7418.00. OPTION EXERCISES.~~

~~The Buyer of a National Corn Index option may exercise the option on any Business Day prior to the expiration date by giving notice of exercise to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on such day. Notwithstanding the foregoing, the Buyer may exercise the option prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instruction or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~

~~7419.00. AUTOMATIC EXERCISE.~~

~~Notwithstanding the provisions of Rule 7418.00., based upon the National Corn Index cash settlement, the Exchange shall automatically exercise all in-the-money options unless notice to cancel automatic exercise is given to the Clearing House.~~

~~Notice to cancel automatic exercise shall be given to the Clearing House at such time as determined by the Exchange (see Res. 2101.00.C.) on the last day of trading except that such notice may be given to the Clearing House prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instructions or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see Res. 2101.00.C.) on the last day of trading.~~

~~CHAPTER 75. NATIONAL SOYBEAN INDEX FUTURES~~

~~7500.00. AUTHORITY.~~

~~Trading in National Soybean Index futures contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7501.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to futures trading of the National Soybean Index. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7502.00. THE NATIONAL SOYBEAN INDEX: DEFINITION.~~

~~The National Soybean Index shall be a calculated average numerical value of the daily commercial bids placed for U.S. No. 1 yellow soybeans throughout the United States.~~

~~7503.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be the National Soybean Index multiplied by five thousand (5,000) bushels.~~

~~7504.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-quarter cent (\$0.0025) or twelve dollars fifty cents (\$12.50) per contract. All prices shall be quoted in U.S. dollars.~~

~~7505.00. TRADING MONTHS AND HOURS.~~

~~The months available for trading in National Soybean Index futures, the number of months available for trade at one time and the Hours of Trading shall be determined by the Board of Directors. See Rules 2010.00. and 2011.00.~~

~~7506.00. DAILY PRICE LIMITS.~~

~~Daily price limits shall be set by the Board of Directors. See Rule 2012.00.~~

~~7507.00. LAST TRADING DAY.~~

~~The last trading day shall be determined by the Board of Directors and shall be the trade day preceding cash settlement. See Rule 2011.01.~~

~~7508.00. POSITION LIMITS.~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions. See Rule 2013.00.~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any futures position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~7509.00. EXEMPTION FROM POSITION LIMITS.~~

~~To be eligible for an exemption under this Rule, an applicant must submit a written request to the Department of Audits and Investigations. Such request shall include the following:~~

- ~~A. a description of the size and nature of the proposed transactions;~~
- ~~B. information which will demonstrate that the proposed transactions are *bona fide* hedging transactions;~~
- ~~C. a statement indicating whether the person on whose behalf the request is made (i) maintains positions in the futures contract for which the exemption is sought with any other account holder or owner, and/or (ii) has made a previous or contemporaneous request pursuant to the Rule through another applicant, and if so, the relationship of the information set forth in such requests;~~
- ~~D. a statement that the intended transactions will be *bona fide* hedges;~~
- ~~E. a statement that the applicant will immediately supply the Exchange with any material changes to the information submitted pursuant hereto;~~
- ~~F. such further information as the Exchange may request.~~

~~Within five (5) business days of the submission of the information set forth above, the Department of Audits and Investigations shall notify the applicant whether the exemption has been granted and the limitations placed thereon.~~

An exemption will remain in full force and effect until (i) the applicant or person on whose behalf the request is made requests a withdrawal; or (ii) the Exchange revokes, modifies or places further limitations thereon.

Applicants must file separate written requests for exemptions from the notice period position limits and other position limits specified in this Chapter.

~~7510.00. AGGREGATION OF POSITIONS.~~

In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.

~~7511.00. REPORTABLE POSITIONS.~~

A position of twenty-five (25) or more National Soybean Index futures on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7.**

~~7512.00. OFFSETS AND TRANSFER TRADES.~~

Except by same day trade activity, existing futures positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.

~~7513.00. CONTRACT MODIFICATIONS.~~

Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.

The Board of Directors, to maintain the viability of the futures contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.

~~7514.00. CASH SETTLEMENT.~~

National Soybean Index futures positions open as of the close of business on the last trading day shall be cash settled. The cash settlement shall be based upon the simple average of the last three (3) published National Soybean Index prices for days the contract is available for trade during the settlement month using standard rounding techniques and rounded to the nearest one-quarter cent (\$0.0025).

~~7515.00. THE NATIONAL SOYBEAN INDEX: CALCULATION.~~

The National Soybean Index is based upon a select sample of commercial bids placed for U.S. No. 1 yellow soybeans throughout the United States. The sample will be conducted and obtained by an independent third party. The third party must meet collection and time parameters established by the Exchange. Additionally, the sample shall be taken

~~from as many sources and locations as practical. The National Soybean Index shall then be the calculated average numerical value of the sample using standard rounding techniques. Upon certification by the third party, and confirmation, review or verification of the data by the Exchange, the National Soybean Index will be disseminated prior to the start of trading the next business day.~~

~~The Exchange reserves the right to refuse to use the data or the National Soybean Index based upon evidence of an error in the data gathering process, manipulation of the data, faulty computation, or other unusual, questionable or suspicious activity involving the National Soybean Index calculation. In the event the Exchange rejects the data, the procedures of **Rule 7516.00**, shall govern.~~

~~**7516.00. EMERGENCIES.**~~

~~In the event of an emergency, as determined by the Exchange, the Board of Directors shall have the authority and power to follow the procedures described in **Bylaw 2.4**.~~

~~An emergency may include, but is not limited to, Force Majeure, interference, interruptions or breakage of communication, accident, or any event or occurrence that is causing or may cause disruption in the marketplace.~~

~~Additionally, in the event the MGEX is unable to timely receive sufficient data necessary to calculate, report or verify the National Soybean Index or believes the data or the National Soybean Index to be in error, the Board of Directors or Executive Committee shall have such authority and power to determine the National Soybean Index. The Board of Directors or Executive Committee may utilize such sources, means or methods that it determines to be in the best interest of the Exchange and the market. The decision of the Board of Directors or Executive Committee shall be final and binding upon all parties. The Exchange shall not be liable to any party as a result of actions and decisions taken in good faith.~~

~~**CHAPTER 76. NATIONAL SOYBEAN INDEX OPTIONS**~~

~~**7600.00. AUTHORITY.**~~

~~Trading in National Soybean Index options contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~**7601.00. SCOPE OF CHAPTER.**~~

~~This Chapter is limited in application to trading in put and call options on National Soybean Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~**7602.00. NATIONAL SOYBEAN INDEX PUT OPTIONS.**~~

~~The Buyer of one (1) National Soybean Index put option may exercise such option at any time prior to expiration to assume a short position in one (1) National Soybean Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) National Soybean Index put option incurs the obligation of assuming a long position in one (1) National Soybean Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the put option Buyer.~~

~~**7603.00. NATIONAL SOYBEAN INDEX CALL OPTIONS.**~~

~~The Buyer of one (1) National Soybean Index call option may exercise such option at any time prior to expiration to assume a long position in one (1) National Soybean Index futures contract of a specified contract month at a striking~~

~~price set at the time the option was purchased. The Seller of one (1) National Soybean Index call option incurs the obligation of assuming a short position in one (1) National Soybean Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the call option Buyer.~~

~~**7604.00. CONTRACT TRADING UNIT.**~~

~~The unit of trading shall be a put or a call option exercisable for one (1) Minneapolis Grain Exchange National Soybean Index futures contract.~~

~~**7605.00. MINIMUM PRICE FLUCTUATION.**~~

~~The minimum price fluctuation shall be one-eighth cent (\$0.00125) or six dollars twenty-five cents (\$6.25) per contract. All prices shall be quoted in U.S. dollars. In the case of a cabinet trade, when both sides are closing transactions, the option premium may be one dollar (\$1.00).~~

~~**7606.00. TRADING MONTHS AND HOURS.**~~

~~Trading may be conducted in National Soybean Index options in such contract months as may be determined by the Board of Directors. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant. There shall be no trading in National Soybean Index options for months in which the underlying National Soybean Index futures months have not yet traded. The Hours of Trading for National Soybean Index options shall be determined by the Board of Directors. See **Rules 2010.00.** and **2011.00.**~~

~~**7607.00. DAILY PRICE LIMITS.**~~

~~Trading is prohibited during any day in National Soybean Index options at a premium of more than the trading limit for National Soybean Index futures contracts above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.~~

~~**7608.00. LAST TRADING DAY.**~~

~~The last trading day shall be the same day as the last day of trading for the underlying futures contract. See **Rule 2011.01.**~~

~~**7609.00. EXPIRATION OF OPTIONS.**~~

~~The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. Central Time on the first Business Day following the last day of trading.~~

~~**7610.00. STRIKING PRICES.**~~

~~The Board of Directors shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions. See **Rule 2023.00.**~~

~~**7611.00. PAYMENT OF OPTION PREMIUM.**~~

~~The option premium must be paid in full by each Clearing Member to the Exchange.~~

~~**7612.00. POSITION LIMITS.**~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions within the meaning of Rule 1503.00, provided that the provisions of Rule 1504.00, have been satisfied. See Rule 2013.01.~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any option position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, an option position exceeds position limits when evaluated using the previous day's delta factors, but does not exceed the limits when evaluated using the delta factors for that day's close of trading, then the position shall not constitute a position limit violation.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~7613.00. EXEMPTIONS FROM POSITION LIMITS.~~

~~To be eligible for an exemption from the position limits, an applicant must submit a written request to the Department of Audits and Investigations. The request shall follow the requirements of Rule 7509.00.~~

~~7614.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~7615.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more National Soybean Index put or call options on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See Rule 2.3.7.~~

~~7616.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing options positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~7617.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the options contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~7618.00. OPTION EXERCISES.~~

~~The Buyer of a National Soybean Index option may exercise the option on any Business Day prior to the expiration date by giving notice of exercise to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on such day. Notwithstanding the foregoing, the Buyer may exercise the option prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instruction or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~

~~7619.00. AUTOMATIC EXERCISE.~~

~~Notwithstanding the provisions of **Rule 7618.00.**, based upon the National Soybean Index cash settlement, the Exchange shall automatically exercise all in-the-money options unless notice to cancel automatic exercise is given to the Clearing House.~~

~~Notice to cancel automatic exercise shall be given to the Clearing House at such time as determined by the Exchange (see **Res. 2101.00.C.**) on the last day of trading except that such notice may be given to the Clearing House prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instructions or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Res. 2101.00.C.**) on the last day of trading.~~

~~CHAPTER 77. HARD RED WINTER WHEAT INDEX FUTURES~~

~~7700.00. AUTHORITY.~~

~~Trading in Hard Red Winter Wheat Index futures contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7701.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to futures trading of the Hard Red Winter Wheat Index. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7702.00. THE HARD RED WINTER WHEAT INDEX: DEFINITION.~~

~~The Hard Red Winter Wheat Index shall be a calculated average numerical value of the daily commercial bids placed for U.S. No. 1 Hard Red Winter Wheat throughout the United States.~~

~~7703.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be the Hard Red Winter Wheat Index multiplied by five thousand (5,000) bushels.~~

~~7704.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-quarter cent (\$0.0025) or twelve dollars fifty cents (\$12.50) per contract. All prices shall be quoted in U.S. dollars.~~

~~7705.00. TRADING MONTHS AND HOURS.~~

~~The months available for trading in Hard Red Winter Wheat Index futures, the number of months available for trade at one time and the Hours of Trading shall be determined by the Board of Directors. See **Rules 2010.00.** and **2011.00.**~~

~~7706.00. DAILY PRICE LIMITS.~~

~~Daily price limits shall be set by the Board of Directors. See **Rule 2012.00.**~~

~~7707.00. LAST TRADING DAY.~~

~~The last trading day shall be determined by the Board of Directors and shall be the trade day preceding cash settlement. See **Rule 2011.01.**~~

~~7708.00. POSITION LIMITS.~~

- ~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions. See **Rule 2013.00.**~~
- ~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any futures position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits.~~
- ~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~7709.00. EXEMPTION FROM POSITION LIMITS.~~

~~To be eligible for an exemption under this Rule, an applicant must submit a written request to the Department of Audits and Investigations. Such request shall include the following:~~

- ~~A. a description of the size and nature of the proposed transactions;~~
- ~~B. information which will demonstrate that the proposed transactions are *bona fide* hedging transactions;~~
- ~~C. a statement indicating whether the person on whose behalf the request is made (i) maintains positions in the futures contract for which the exemption is sought with any other account holder or owner, and/or (ii) has made a previous or contemporaneous request pursuant to the Rule through another applicant, and if so, the relationship of the information set forth in such requests;~~
- ~~D. a statement that the intended transactions will be *bona fide* hedges;~~
- ~~E. a statement that the applicant will immediately supply the Exchange with any material changes to the information submitted pursuant hereto;~~
- ~~F. such further information as the Exchange may request.~~

~~Within five (5) business days of the submission of the information set forth above, the Department of Audits and Investigations shall notify the applicant whether the exemption has been granted and the limitations placed thereon. An exemption will remain in full force and effect until (i) the applicant or person on whose behalf the request is made requests a withdrawal; or (ii) the Exchange revokes, modifies or places further limitations thereon.~~

~~Applicants must file separate written requests for exemptions from the notice period position limits and other position limits specified in this Chapter.~~

~~7710.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~7711.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more Hard Red Winter Wheat Index futures on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~7712.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing futures positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~7713.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the futures contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~7714.00. CASH SETTLEMENT.~~

~~Hard Red Winter Wheat Index futures positions open as of the close of business on the last trading day shall be cash settled. The cash settlement shall be based upon the simple average of the last three (3) published Hard Red Winter Wheat Index prices for days the contract is available for trade during the settlement month using standard rounding techniques and rounded to the nearest one-quarter cent (\$0.0025).~~

~~7715.00. THE HARD RED WINTER WHEAT INDEX: CALCULATION.~~

~~The Hard Red Winter Wheat Index is based upon a select sample of commercial bids placed for U.S. No. 1 Hard Red Winter Wheat throughout the United States. The sample will be conducted and obtained by an independent third party. The third party must meet collection and time parameters established by the Exchange. Additionally, the sample shall be taken from as many sources and locations as practical. The Hard Red Winter Wheat Index shall then be the calculated average numerical value of the sample using standard rounding techniques. Upon certification by the third party, and confirmation, review or verification of the data by the Exchange, the Hard Red Winter Wheat Index will be disseminated prior to the start of trading the next business day.~~

~~The Exchange reserves the right to refuse to use the data or the Hard Red Winter Wheat Index based upon evidence of an error in the data gathering process, manipulation of the data, faulty computation, or other unusual, questionable or suspicious activity involving the Hard Red Winter Wheat Index calculation. In the event the Exchange rejects the data, the procedures of **Rule 7716.00.** shall govern.~~

~~7716.00. EMERGENCIES.~~

~~In the event of an emergency, as determined by the Exchange, the Board of Directors shall have the authority and power to follow the procedures described in **Bylaw 2.4.**~~

~~An emergency may include, but is not limited to, Force Majeure, interference, interruptions or breakage of communication, accident, or any event or occurrence that is causing or may cause disruption in the marketplace.~~

~~Additionally, in the event the MGEX is unable to timely receive sufficient data necessary to calculate, report or verify the Hard Wheat Index or believes the data or the Hard Wheat Index to be in error, the Board of Directors or Executive Committee shall have such authority and power to determine the Hard Wheat Index. The Board of Directors or Executive Committee may utilize such sources, means or methods that it determines to be in the best interest of the Exchange and the market. The decision of the Board of Directors or Executive Committee shall be final and binding upon all parties. The Exchange shall not be liable to any party as a result of actions and decisions taken in good faith.~~

~~CHAPTER 78. HARD RED WINTER WHEAT INDEX OPTIONS~~

~~7800.00. AUTHORITY.~~

~~Trading in Hard Red Winter Wheat Index options contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7801.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to trading in put and call options on Hard Red Winter Wheat Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7802.00. HARD RED WINTER WHEAT INDEX PUT OPTIONS.~~

~~The Buyer of one (1) Hard Red Winter Wheat Index put option may exercise such option at any time prior to expiration to assume a short position in one (1) Hard Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Hard Red Winter Wheat Index put option incurs the obligation of assuming a long position in one (1) Hard Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the put option Buyer.~~

~~7803.00. HARD RED WINTER WHEAT INDEX CALL OPTIONS.~~

~~The Buyer of one (1) Hard Red Winter Wheat Index call option may exercise such option at any time prior to expiration to assume a long position in one (1) Hard Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Hard Red Winter Wheat Index call option incurs the obligation of assuming a short position in one (1) Hard Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the call option Buyer.~~

~~7804.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be a put or a call option exercisable for one (1) Minneapolis Grain Exchange Hard Red Winter Wheat Index futures contract.~~

~~7805.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-eighth cent (\$0.00125) or six dollars twenty-five cents (\$6.25) per contract. All prices shall be quoted in U.S. dollars. In the case of a cabinet trade, when both sides are closing transactions, the option premium may be one dollar (\$1.00).~~

~~7806.00. TRADING MONTHS AND HOURS.~~

~~Trading may be conducted in Hard Red Winter Wheat Index options in such contract months as may be determined by the Board of Directors. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant. There shall be no trading in Hard Red Winter Wheat Index options for months in which~~

~~the underlying Hard Red Winter Wheat Index futures months have not yet traded. The Hours of Trading for Hard Red Winter Wheat Index options shall be determined by the Board of Directors. See **Rules 2010.00**, and **2011.00**.~~

~~**7807.00. DAILY PRICE LIMITS.**~~

~~Trading is prohibited during any day in Hard Red Winter Wheat Index options at a premium of more than the trading limit for Hard Red Winter Wheat Index futures contracts above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.~~

~~**7808.00. LAST TRADING DAY.**~~

~~The last trading day shall be the same day as the last day of trading for the underlying futures contract. See **Rule 2011.01**.~~

~~**7809.00. EXPIRATION OF OPTIONS.**~~

~~The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. Central Time on the first Business Day following the last day of trading.~~

~~**7810.00. STRIKING PRICES.**~~

~~The Board of Directors shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions. See **Rule 2023.00**.~~

~~**7811.00. PAYMENT OF OPTION PREMIUM.**~~

~~The option premium must be paid in full by each Clearing Member to the Exchange.~~

~~**7812.00. POSITION LIMITS.**~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions within the meaning of **Rule 1503.00**, provided that the provisions of **Rule 1504.00** have been satisfied. See **Rule 2013.01**.~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any option position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, an option position exceeds position limits when evaluated using the previous day's delta factors, but does not exceed the limits when evaluated using the delta factors for that day's close of trading, then the position shall not constitute a position limit violation.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~**7813.00. EXEMPTIONS FROM POSITION LIMITS.**~~

~~To be eligible for an exemption from the position limits, an applicant must submit a written request to the Department of Audits and Investigations. The request shall follow the requirements of **Rule 7709.00**.~~

~~**7814.00. AGGREGATION OF POSITIONS.**~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~**7815.00. REPORTABLE POSITIONS.**~~

~~A position of twenty-five (25) or more Hard Red Winter Wheat Index put or call options on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~**7816.00. OFFSETS AND TRANSFER TRADES.**~~

~~Except by same day trade activity, existing options positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~**7817.00. CONTRACT MODIFICATIONS.**~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the options contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~**7818.00. OPTION EXERCISES.**~~

~~The Buyer of a Hard Red Winter Wheat Index option may exercise the option on any Business Day prior to the expiration date by giving notice of exercise to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C**.) on such day. Notwithstanding the foregoing, the Buyer may exercise the option prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instruction or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C**.) on the last day of trading.~~

~~**7819.00. AUTOMATIC EXERCISE.**~~

~~Notwithstanding the provisions of **Rule 7818.00**, based upon the Hard Red Winter Wheat Index cash settlement, the Exchange shall automatically exercise all in-the-money options unless notice to cancel automatic exercise is given to the Clearing House.~~

~~Notice to cancel automatic exercise shall be given to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C**.) on the last day of trading except that such notice may be given to the Clearing House prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instructions or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C**.) on the last day of trading.~~

~~CHAPTER 79. SOFT RED WINTER WHEAT INDEX FUTURES~~

~~7900.00. AUTHORITY.~~

~~Trading in Soft Red Winter Wheat Index futures contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~7901.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to futures trading of the Soft Red Winter Wheat Index. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~7902.00. THE SOFT RED WINTER WHEAT INDEX: DEFINITION.~~

~~The Soft Red Winter Wheat Index shall be a calculated average numerical value of the daily commercial bids placed for U.S. No. 2 Soft Red Winter Wheat throughout the United States.~~

~~7903.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be the Soft Red Winter Wheat Index multiplied by five thousand (5,000) bushels.~~

~~7904.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one quarter cent (\$0.0025) or twelve dollars fifty cents (\$12.50) per contract. All prices shall be quoted in U.S. dollars.~~

~~7905.00. TRADING MONTHS AND HOURS.~~

~~The months available for trading in Soft Red Winter Wheat Index futures, the number of months available for trade at one time and the Hours of Trading shall be determined by the Board of Directors. See **Rules 2010.00** and **2011.00**.~~

~~7906.00. DAILY PRICE LIMITS.~~

~~Daily price limits shall be set by the Board of Directors. See Rule 2012.00.~~

~~7907.00. LAST TRADING DAY.~~

~~The last trading day shall be determined by the Board of Directors and shall be the trade day preceding cash settlement. See Rule 2011.01.~~

~~7908.00. POSITION LIMITS.~~

- ~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions. See Rule 2013.00.~~
- ~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any futures position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits.~~
- ~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~7909.00. EXEMPTION FROM POSITION LIMITS.~~

~~To be eligible for an exemption under this Rule, an applicant must submit a written request to the Department of Audits and Investigations. Such request shall include the following:~~

- ~~A. a description of the size and nature of the proposed transactions;~~
- ~~B. information which will demonstrate that the proposed transactions are *bona fide* hedging transactions;~~
- ~~C. a statement indicating whether the person on whose behalf the request is made (i) maintains positions in the futures contract for which the exemption is sought with any other account holder or owner, and/or (ii) has made a previous or contemporaneous request pursuant to the Rule through another applicant, and if so, the relationship of the information set forth in such requests;~~
- ~~D. a statement that the intended transactions will be *bona fide* hedges;~~
- ~~E. a statement that the applicant will immediately supply the Exchange with any material changes to the information submitted pursuant hereto;~~
- ~~F. such further information as the Exchange may request.~~

~~Within five (5) business days of the submission of the information set forth above, the Department of Audits and Investigations shall notify the applicant whether the exemption has been granted and the limitations placed thereon. An exemption will remain in full force and effect until (i) the applicant or person on whose behalf the request is made requests a withdrawal; or (ii) the Exchange revokes, modifies or places further limitations thereon.~~

~~Applicants must file separate written requests for exemptions from the notice period position limits and other position limits specified in this Chapter.~~

~~**7910.00. AGGREGATION OF POSITIONS.**~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~**7911.00. REPORTABLE POSITIONS.**~~

~~A position of twenty-five (25) or more Soft Red Winter Wheat Index futures on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~**7912.00. OFFSETS AND TRANSFER TRADES.**~~

~~Except by same day trade activity, existing futures positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~**7913.00. CONTRACT MODIFICATIONS.**~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the futures contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~**7914.00. CASH SETTLEMENT.**~~

~~Soft Red Winter Wheat Index futures positions open as of the close of business on the last trading day shall be cash settled. The cash settlement shall be based upon the simple average of the last three (3) published Soft Red Winter Wheat Index prices for days the contract is available for trade during the settlement month using standard rounding techniques and rounded to the nearest one-quarter cent (\$0.0025).~~

~~**7915.00. THE SOFT RED WINTER WHEAT INDEX: CALCULATION.**~~

~~The Soft Red Winter Wheat Index is based upon a select sample of commercial bids placed for U.S. No. 2 Soft Red Winter Wheat throughout the United States. The sample will be conducted and obtained by an independent third party. The third party must meet collection and time parameters established by the Exchange. Additionally, the sample shall be taken from as many sources and locations as practical. The Soft Red Winter Wheat Index shall then be the calculated average numerical value of the sample using standard rounding techniques. Upon certification by~~

~~the third party, and confirmation, review or verification of the data by the Exchange, the Soft Red Winter Wheat Index will be disseminated prior to the start of trading the next business day.~~

~~The Exchange reserves the right to refuse to use the data or the Soft Red Winter Wheat Index based upon evidence of an error in the data gathering process, manipulation of the data, faulty computation, or other unusual, questionable or suspicious activity involving the Soft Red Winter Wheat Index calculation. In the event the Exchange rejects the data, the procedures of **Rule 7916.00**, shall govern.~~

~~**7916.00. EMERGENCIES.**~~

~~In the event of an emergency, as determined by the Exchange, the Board of Directors shall have the authority and power to follow the procedures described in **Bylaw 2.4**.~~

~~An emergency may include, but is not limited to, act Force Majeure, interference, interruptions or breakage of communication, accident, or any event or occurrence that is causing or may cause disruption in the marketplace.~~

~~Additionally, in the event the MGEX is unable to timely receive sufficient data necessary to calculate, report or verify the Soft Red Winter Wheat Index or believes the data or the Soft Red Winter Wheat Index to be in error, the Board of Directors or Executive Committee shall have such authority and power to determine the Soft Red Winter Wheat Index. The Board of Directors or Executive Committee may utilize such sources, means or methods that it determines to be in the best interest of the Exchange and the market. The decision of the Board of Directors or Executive Committee shall be final and binding upon all parties. The Exchange shall not be liable to any party as a result of actions and decisions taken in good faith.~~

~~**CHAPTER 80. SOFT RED WINTER WHEAT INDEX OPTIONS**~~

~~**8000.00. AUTHORITY.**~~

~~Trading in Soft Red Winter Wheat Index options contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~**8001.00. SCOPE OF CHAPTER.**~~

~~This Chapter is limited in application to trading in put and call options on Soft Red Winter Wheat Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~**8002.00. SOFT RED WINTER WHEAT INDEX PUT OPTIONS.**~~

~~The Buyer of one (1) Soft Red Winter Wheat Index put option may exercise such option at any time prior to expiration to assume a short position in one (1) Soft Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Soft Red Winter Wheat Index put option incurs the obligation of assuming a long position in one (1) Soft Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the put option Buyer.~~

~~**8003.00. SOFT RED WINTER WHEAT INDEX CALL OPTIONS.**~~

~~The Buyer of one (1) Soft Red Winter Wheat Index call option may exercise such option at any time prior to expiration to assume a long position in one (1) Soft Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Soft Red Winter Wheat Index call option incurs the obligation of assuming a short position in one (1) Soft Red Winter Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the call option Buyer.~~

~~**8004.00. CONTRACT TRADING UNIT.**~~

~~The unit of trading shall be a put or a call option exercisable for one (1) Minneapolis Grain Exchange Soft Red Winter Wheat Index futures contract.~~

~~**8005.00. MINIMUM PRICE FLUCTUATION.**~~

~~The minimum price fluctuation shall be one-eighth cent (\$0.00125) or six dollars twenty-five cents (\$6.25) per contract. All prices shall be quoted in U.S. dollars. In the case of a cabinet trade, when both sides are closing transactions, the option premium may be one dollar (\$1.00).~~

~~**8006.00. TRADING MONTHS AND HOURS.**~~

~~Trading may be conducted in Soft Red Winter Wheat Index options in such contract months as may be determined by the Board of Directors. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant. There shall be no trading in Soft Red Winter Wheat Index options for months in which the underlying Soft Red Winter Wheat Index futures months have not yet traded. The Hours of Trading for Soft Red Winter Wheat Index options shall be determined by the Board of Directors. See **Rules 2010.00.** and **2011.00.**~~

~~**8007.00. DAILY PRICE LIMITS.**~~

~~Trading is prohibited during any day in Soft Red Winter Wheat Index options at a premium of more than the trading limit for Soft Red Winter Wheat Index futures contracts above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.~~

~~**8008.00. LAST TRADING DAY.**~~

~~The last trading day shall be the same day as the last day of trading for the underlying futures contract. See **Rule 2011.01.**~~

~~**8009.00. EXPIRATION OF OPTIONS.**~~

~~The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. Central Time on the first Business Day following the last day of trading.~~

~~**8010.00. STRIKING PRICES.**~~

~~The Board of Directors shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions. See **Rule 2023.00.**~~

~~**8011.00. PAYMENT OF OPTION PREMIUM.**~~

~~The option premium must be paid in full by each Clearing Member to the Exchange.~~

~~**8012.00. POSITION LIMITS.**~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions within the meaning of **Rule 1503.00**, provided that the provisions of **Rule 1504.00** have been satisfied. See **Rule 2013.01**.~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any option position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, an option position exceeds position limits when evaluated using the previous day's delta factors, but does not exceed the limits when evaluated using the delta factors for that day's close of trading, then the position shall not constitute a position limit violation.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~**8013.00. EXEMPTIONS FROM POSITION LIMITS.**~~

~~To be eligible for an exemption from the position limits, an applicant must submit a written request to the Department of Audits and Investigations. The request shall follow the requirements of **Rule 7909.00**.~~

~~**8014.00. AGGREGATION OF POSITIONS.**~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~**8015.00. REPORTABLE POSITIONS.**~~

~~A position of twenty-five (25) or more Soft Red Winter Wheat Index put or call options on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~**8016.00. OFFSETS AND TRANSFER TRADES.**~~

~~Except by same day trade activity, existing options positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~**8017.00. CONTRACT MODIFICATIONS.**~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the options contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~8018.00. OPTION EXERCISES.~~

~~The Buyer of a Soft Red Winter Wheat Index option may exercise the option on any Business Day prior to the expiration date by giving notice of exercise to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on such day. Notwithstanding the foregoing, the Buyer may exercise the option prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instruction or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~

~~8019.00. AUTOMATIC EXERCISE.~~

~~Notwithstanding the provisions of **Rule 8018.00.**, based upon the Soft Red Winter Wheat Index cash settlement, the Exchange shall automatically exercise all in-the-money options unless notice to cancel automatic exercise is given to the Clearing House.~~

~~Notice to cancel automatic exercise shall be given to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading except that such notice may be given to the Clearing House prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instructions or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~

~~CHAPTER 81. HARD RED SPRING WHEAT INDEX FUTURES~~

~~8100.00. AUTHORITY.~~

~~Trading in Hard Red Spring Wheat Index futures contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~8101.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to futures trading of the Hard Red Spring Wheat Index. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~8102.00. THE HARD RED SPRING WHEAT INDEX: DEFINITION.~~

~~The Hard Red Spring Wheat Index shall be a calculated average numerical value of the daily commercial bids placed for U.S. No. 1 Hard Red Spring Wheat throughout the United States.~~

~~8103.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be the Hard Red Spring Wheat Index multiplied by five thousand (5,000) bushels.~~

~~8104.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-quarter cent (\$0.0025) or twelve dollars fifty cents (\$12.50) per contract. All prices shall be quoted in U.S. dollars.~~

~~8105.00. TRADING MONTHS AND HOURS.~~

~~The months available for trading in Hard Red Spring Wheat Index futures, the number of months available for trade at one time and the Hours of Trading shall be determined by the Board of Directors. See **Rules 2010.00.** and **2011.00.**~~

~~8106.00. DAILY PRICE LIMITS.~~

~~Daily price limits shall be set by the Board of Directors. See **Rule 2012.00.**~~

~~8107.00. LAST TRADING DAY.~~

~~The last trading day shall be determined by the Board of Directors and shall be the trade day preceding cash settlement. See **Rule 2011.01.**~~

~~8108.00. POSITION LIMITS.~~

- ~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions. See **Rule 2013.00.**~~
- ~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any futures position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits.~~
- ~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~8109.00. EXEMPTION FROM POSITION LIMITS.~~

~~To be eligible for an exemption under this Rule, an applicant must submit a written request to the Department of Audits and Investigations. Such request shall include the following:~~

- ~~A. a description of the size and nature of the proposed transactions;~~
- ~~B. information which will demonstrate that the proposed transactions are *bona fide* hedging transactions;~~
- ~~C. a statement indicating whether the person on whose behalf the request is made (i) maintains positions in the futures contract for which the exemption is sought with any other account holder or owner, and/or (ii) has made a previous or contemporaneous request pursuant to the Rule through another applicant, and if so, the relationship of the information set forth in such requests;~~
- ~~D. a statement that the intended transactions will be *bona fide* hedges;~~
- ~~E. a statement that the applicant will immediately supply the Exchange with any material changes to the information submitted pursuant hereto;~~
- ~~F. such further information as the Exchange may request.~~

~~Within five (5) business days of the submission of the information set forth above, the Department of Audits and Investigations shall notify the applicant whether the exemption has been granted and the limitations placed thereon. An exemption will remain in full force and effect until (i) the applicant or person on whose behalf the request is made requests a withdrawal; or (ii) the Exchange revokes, modifies or places further limitations thereon.~~

~~Applicants must file separate written requests for exemptions from the notice period position limits and other position limits specified in this Chapter.~~

~~8110.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~8111.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more Hard Red Spring Wheat Index futures on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~8112.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing futures positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~8113.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the futures contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~8114.00. CASH SETTLEMENT.~~

~~Hard Red Spring Wheat Index futures positions open as of the close of business on the last trading day shall be cash settled. The cash settlement shall be based upon the simple average of the last three (3) published Hard Red Spring Wheat Index prices for days the contract is available for trade during the settlement month using standard rounding techniques and rounded to the nearest one-quarter cent (\$0.0025).~~

~~8115.00. THE HARD RED SPRING WHEAT INDEX: CALCULATION.~~

~~The Hard Red Spring Wheat Index is based upon a select sample of commercial bids placed for U.S. No. 1 Hard Red Spring Wheat throughout the United States. The sample will be conducted and obtained by an independent third party. The third party must meet collection and time parameters established by the Exchange. Additionally, the sample shall be taken from as many sources and locations as practical. The Hard Red Spring Wheat Index shall then be the calculated average numerical value of the sample using standard rounding techniques. Upon certification by the third party, and confirmation, review or verification of the data by the Exchange, the Hard Red Spring Wheat Index will be disseminated prior to the start of trading the next business day.~~

~~The Exchange reserves the right to refuse to use the data or the Hard Red Spring Wheat Index based upon evidence of an error in the data gathering process, manipulation of the data, faulty computation, or other unusual, questionable or suspicious activity involving the Hard Red Spring Wheat Index calculation. In the event the Exchange rejects the data, the procedures of **Rule 8116.00.** shall govern.~~

~~8116.00. EMERGENCIES.~~

~~In the event of an emergency, as determined by the Exchange, the Board of Directors shall have the authority and power to follow the procedures described in **Bylaw 2.4.**~~

~~An emergency may include, but is not limited to, Force Majeure, interference, interruptions or breakage of communication, accident, or any event or occurrence that is causing or may cause disruption in the marketplace.~~

~~Additionally, in the event the MGEX is unable to timely receive sufficient data necessary to calculate, report or verify the Hard Red Spring Wheat Index or believes the data or the Hard Red Spring Wheat Index to be in error, the Board of Directors or Executive Committee shall have such authority and power to determine the Hard Red Spring Wheat Index. The Board of Directors or Executive Committee may utilize such sources, means or methods that it determines to be in the best interest of the Exchange and the market. The decision of the Board of Directors or Executive Committee shall be final and binding upon all parties. The Exchange shall not be liable to any party as a result of actions and decisions taken in good faith.~~

~~CHAPTER 82. HARD RED SPRING WHEAT INDEX OPTIONS~~

~~8200.00. AUTHORITY.~~

~~Trading in Hard Red Spring Wheat Index options contracts may be conducted under such terms and conditions as the Board of Directors shall determine by MGEX Rules, subject to the CEA and CFTC Regulations.~~

~~8201.00. SCOPE OF CHAPTER.~~

~~This Chapter is limited in application to trading in put and call options on Hard Red Spring Wheat Index futures contracts. The procedures for trading, clearing and settlement and any other matters not specifically covered herein shall be governed by MGEX Rules.~~

~~8202.00. HARD RED SPRING WHEAT INDEX PUT OPTIONS.~~

~~The Buyer of one (1) Hard Red Spring Wheat Index put option may exercise such option at any time prior to expiration to assume a short position in one (1) Hard Red Spring Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Hard Red Spring Wheat Index put option incurs the obligation of assuming a long position in one (1) Hard Red Spring Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the put option Buyer.~~

~~8203.00. HARD RED SPRING WHEAT INDEX CALL OPTIONS.~~

~~The Buyer of one (1) Hard Red Spring Wheat Index call option may exercise such option at any time prior to expiration to assume a long position in one (1) Hard Red Spring Wheat Index futures contract of a specified contract month at a striking price set at the time the option was purchased. The Seller of one (1) Hard Red Spring Wheat Index call option incurs the obligation of assuming a short position in one (1) Hard Red Spring Wheat Index futures contract of a specified contract month at a striking price set at the time the option was sold, upon exercise by the call option Buyer.~~

~~8204.00. CONTRACT TRADING UNIT.~~

~~The unit of trading shall be a put or a call option exercisable for one (1) Minneapolis Grain Exchange Hard Red Spring Wheat Index futures contract.~~

~~8205.00. MINIMUM PRICE FLUCTUATION.~~

~~The minimum price fluctuation shall be one-eighth cent (\$0.00125) or six dollars twenty-five cents (\$6.25) per contract. All prices shall be quoted in U.S. dollars. In the case of a cabinet trade, when both sides are closing transactions, the option premium may be one dollar (\$1.00).~~

~~8206.00. TRADING MONTHS AND HOURS.~~

~~Trading may be conducted in Hard Red Spring Wheat Index options in such contract months as may be determined by the Board of Directors. However, the Board of Directors may, at its discretion, restrict trading in any month should market conditions so warrant. There shall be no trading in Hard Red Spring Wheat Index options for months in which~~

~~the underlying Hard Red Spring Wheat Index futures months have not yet traded. The Hours of Trading for Hard Red Spring Wheat Index options shall be determined by the Board of Directors. See **Rules 2010.00**, and **2011.00**.~~

~~**8207.00. DAILY PRICE LIMITS.**~~

~~Trading is prohibited during any day in Hard Red Spring Wheat Index options at a premium of more than the trading limit for Hard Red Spring Wheat Index futures contracts above and below the previous day's settlement premium for that option. On the first (1st) day of trading, limits shall be set from the lowest premium of the opening range.~~

~~**8208.00. LAST TRADING DAY.**~~

~~The last trading day shall be the same day as the last day of trading for the underlying futures contract. See **Rule 2011.01**.~~

~~**8209.00. EXPIRATION OF OPTIONS.**~~

~~The contractual rights and obligations arising from the option contract expire at ten o'clock (10:00) a.m. Central Time on the first Business Day following the last day of trading.~~

~~**8210.00. STRIKING PRICES.**~~

~~The Board of Directors shall set the procedure for introduction of striking prices and may modify the procedure as it deems appropriate in order to respond to market conditions. See **Rule 2023.00**.~~

~~**8211.00. PAYMENT OF OPTION PREMIUM.**~~

~~The option premium must be paid in full by each Clearing Member to the Exchange.~~

~~**8212.00. POSITION LIMITS.**~~

~~A. **Limits.** Position limits shall be determined by the Board of Directors. The position limits shall not apply to positions which are *bona fide* hedging transactions or positions within the meaning of **Rule 1503.00**, provided that the provisions of **Rule 1504.00** have been satisfied. See **Rule 2013.01**.~~

~~B. **Compliance.** The Exchange may direct any Market Participant owning, controlling or carrying a position for a person in excess of the limits set forth in this Rule to liquidate or otherwise reduce the position to achieve conformity with this Rule. However, for any option position that exceeds position limits for passive reasons such as a market move or exercise assignment, the person shall be allowed one (1) business day to liquidate the excess position without being considered in violation of the limits. In addition, if at the close of trading, an option position exceeds position limits when evaluated using the previous day's delta factors, but does not exceed the limits when evaluated using the delta factors for that day's close of trading, then the position shall not constitute a position limit violation.~~

~~C. **Enforcement.** The carrying Market Participant shall maintain books and records in the United States, available to the Exchange, upon request, which disclose the identity of and positions held by any person carried by such Market Participant.~~

~~**8213.00. EXEMPTIONS FROM POSITION LIMITS.**~~

To be eligible for an exemption from the position limits, an applicant must submit a written request to the Department of Audits and Investigations. The request shall follow the requirements of **Rule 8109.00**.

~~8214.00. AGGREGATION OF POSITIONS.~~

~~In determining whether any person has exceeded the position limits, all positions in accounts for which such person by power of attorney or otherwise directly or indirectly holds positions or controls trading shall be included with the positions held by such person. Such limits upon positions shall apply to positions held by two (2) or more persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single person.~~

~~8215.00. REPORTABLE POSITIONS.~~

~~A position of twenty-five (25) or more Hard Red Spring Wheat Index put or call options on this Exchange, long or short, in any one (1) month shall be the reportable position level. All such positions shall be reported in a manner and form as designated by the Commission or the Exchange. See **Rule 2.3.7**.~~

~~8216.00. OFFSETS AND TRANSFER TRADES.~~

~~Except by same day trade activity, existing options positions in a settlement month may not be offset during the period beginning two (2) business days prior to the settlement month and continuing through the end of the settlement month. Clearing Members will be responsible for compliance with the requirement by their omnibus accounts. This prohibition also applies to transfer trades where no change in ownership is involved when the date of execution or exercise of the position being transferred is not the same as the transfer date. Such positions are required to be offset by trading. If such positions are carried on the books of different Clearing Members, the receiving Clearing Member is responsible for compliance with this Rule.~~

~~8217.00. CONTRACT MODIFICATIONS.~~

~~Specifications shall be fixed as of the first day of trading of a contract. A change in any Federal Law, regulation, ruling, directive or order that conflicts with these Rules will become effective upon the affirmative vote of the Board of Directors.~~

~~The Board of Directors, to maintain the viability of the options contract, is granted the authority to change such contract specifications as it deems appropriate and/or necessary for any unopened contract month.~~

~~8218.00. OPTION EXERCISES.~~

~~The Buyer of a Hard Red Spring Wheat Index option may exercise the option on any Business Day prior to the expiration date by giving notice of exercise to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on such day. Notwithstanding the foregoing, the Buyer may exercise the option prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instruction or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~

~~8219.00. AUTOMATIC EXERCISE.~~

~~Notwithstanding the provisions of **Rule 8218.00**, based upon the Hard Red Spring Wheat Index cash settlement, the Exchange shall automatically exercise all in-the-money options unless notice to cancel automatic exercise is given to the Clearing House.~~

~~Notice to cancel automatic exercise shall be given to the Clearing House at such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading except that such notice may be given to the Clearing House prior to ten o'clock (10:00) a.m. Central Time on the expiration date:~~

- ~~A. _____ to correct errors or mistakes made in good faith;~~
- ~~B. _____ to take appropriate action as the result of unreconciled MGEX option transactions;~~
- ~~C. _____ in exceptional cases involving a customer's inability to communicate to the Clearing Member exercise instructions or the Clearing Member's inability to receive such instructions prior to such time as determined by the Exchange (see **Resolution 2101.00.C.**) on the last day of trading.~~