



Via Electronic Mail

April 30, 2012

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

SUBJECT: Rule Certification

Dear Mr. Stawick:

Pursuant to Commodity Exchange Act ("CEAct") Section 5c and Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.6(a), the Minneapolis Grain Exchange, Inc. ("MGEX" or "Exchange") hereby certifies that adoption and amendment of the respective Regulations to the MGEX Rules and Regulations complies with the CEAct and the Commission regulations thereunder. MGEX further certifies that the submission and pending changes to the MGEX Rules and Regulations have been posted on the Exchange website at the following link: <http://www.mgex.com/regulation.html>.

The explanation and purpose for the adoption of Regulation 2068.00. is to clarify the stock reporting requirements for Regular facilities of MGEX.

The explanation and purpose for the amendments of Regulations 2086.00. and 2087.00. are to update MGEX procedures and authority with regard to financial oversight of MGEX's Futures Commission Merchant clearing members.

Pursuant to the authority of MGEX Rule 210.01., the Board of Directors unanimously approved adoption and amendment of Regulations 2068.00.; 2086.00.; and 2087.00., respectively. There were no substantive opposing views expressed by the Board of Directors.

The amendments of the MGEX Rules and Regulations are to be effective immediately after the 10<sup>th</sup> business day following the date of this filing. If there are any questions regarding this submission, please contact me at (612) 321-7128. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric J. Delain".

Eric J. Delain  
Corporate Counsel

Enclosure

cc: Thomas J. Bloom

The following Regulations are to be amended or added to the MGEX Rules and Regulations. Additions are underlined while deletions are marked through.

2068.00. STOCKS REPORTING FACILITIES

Pursuant to Rule 901.01, and any applicable MGEX Rules and Regulations, all facilities approved as Regular by the Exchange must submit accurate stocks reports to the Exchange pursuant to the deadlines below.

Daily Stocks Reports: 2:00 p.m. (Central Time)

Weekly Stocks Reports: 1:00 p.m. (Central Time) Monday (Tuesday if Monday is a MGEX holiday)

All submissions received after the scheduled deadline are subject to fines as follows:

Reports received within one (1) hour past the deadline will incur a \$100 fine.

Reports received in excess of one (1) hour past the deadline will incur an additional \$50 fine for each subsequent 15 minute period the report is late.

A single submission that is found to be inaccurate and has not been corrected by the designated deadline shall be deemed late until such submission is corrected.

The maximum fine amount shall not exceed \$2,000 for a single submission, however, assessment of a fine does not prevent the Exchange from taking further disciplinary action or presenting the matter to the Disciplinary Committee for recurring and/or significantly late submissions or inaccurate submissions.

The amount due or charged by the Exchange shall be billed on a monthly basis unless otherwise specified by the Exchange.

**2086.00. MINIMUM FINANCIAL REQUIREMENTS FOR FUTURES COMMISSION MERCHANTS AND GUARANTEED INTRODUCING BROKERS.**

Pursuant to Rule 616.00., the Board of Directors adopted this Regulation.

A. **Financial Requirements.** All Futures Commission Merchants ("FCM") and Guaranteed Introducing Brokers ("IB") who are Members of the Exchange must meet the minimum financial requirements set forth in CFTC Regulation 1.17 as now in effect or hereafter amended.

B. **FCM and IB Reports.** All FCMs and Guaranteed IBs who are Members of the Exchange shall file with the Exchange reports, as required by the Exchange, which shall be in the form and setting forth the information required by CFTC Regulation 1.10 as now in effect or hereafter amended, at least one of which reports in each year must be certified in accordance with CFTC Regulation 1.16; provided, however, that the Finance CommitteeExchange may in its discretion, require such additional reports as it deems appropriate or necessary.

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C. Additional FCM Clearing Member Reports.

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1. All FCM Clearing Members shall file daily segregated, secured 30.7 and sequestered statements, as applicable, in a manner designated by the Exchange. These statements must be signed off by the firm's Chief Executive Officer, Chief Financial Officer or other representative as allowed by the Exchange.
2. All FCM Clearing Members of the Exchange shall file bi-monthly Segregation Investment Detail Reports ("SIDRs") as required by the Exchange.
3. All FCM Clearing Members of the Exchange shall provide immediate notice to the Exchange of all disbursements of customer segregated, secured 30.7, and sequestered funds that are not made for the benefit of customers of the respective customer origin and that exceed 25% of the excess segregated, secured 30.7 and sequestered funds, as applicable. Any such disbursements by the FCM Clearing Member must also be pre-approved, in writing, by a principal of the FCM Clearing Member.

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All costs associated with the requirements of this Regulation shall be charged to the Member involved.

**2087.00. MINIMUM FINANCIAL REQUIREMENTS FOR NON-FUTURES  
COMMISSION MERCHANT MEMBER FIRMS AND INDEPENDENT  
INTRODUCING BROKERS.**

- A. **Financial Requirements.** All Non-Futures Commission Merchants ("FCM") and Independent Introducing Brokers ("IB") who are Members of the Exchange must meet the minimum financial requirements set forth by the Finance Committee Exchange pursuant to MGEX Rule 253.00, as now in effect or hereafter amended.
- B. **Financial Statement Content.** All Non-FCM Member Firms and Independent IBs must submit financial statements in the manner and form prescribed by the Finance Committee Exchange. At a minimum, all annual audited financial statements must include a balance sheet, footnotes, and be accompanied by an opinion of an independent Certified Public Accountant indicating that an examination of the annual statement has been made. Interim statements, which are those financial statements prepared for periods other than the Member Firm's fiscal year end, must contain, at a minimum, a balance sheet.
- C. **Reports.** All Non-FCM Member Firms and Independent IBs must submit to the Exchange an annual certified financial statement for its fiscal year (or calendar year if the Member Firm is on a calendar year basis.) The certified annual financial statement must be submitted to the Exchange within ninety (90) days after the Member Firm's fiscal year end.

Additionally, all Non-FCM Member Firms and Independent IBs must submit an interim financial statement to the Exchange. Such interim statement shall be as of a date six (6) months subsequent to the Member Firm's fiscal year end and

must be submitted to the Exchange within forty-five (45) days from the date of the statement.

All Non-FCM Member Firms with clearing privileges must submit quarterly financial statements to the Exchange subsequent to the Member Firm's fiscal year end. Such financial statements must be submitted to the Exchange within forty-five (45) days from the date of the statement.

The Finance Committee ~~Exchange~~ may require additional financial statements or financial information as it deems appropriate or necessary.

- D. **Extension of Time to File.** Upon request in advance and for good cause shown, the Finance Committee may grant a Non-FCM Member Firm and Independent IB an extension of the time for the filing of its annual or interim financial statement.

All costs associated with the requirements of this Regulation shall be borne by the Member Firm involved.