

Via Electronic Mail

July 18, 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: Submission Pursuant to CFTC Regulation 40.6(a)

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 of the respective attached Definitions and Regulations to the MGEX Rules and Regulations complies with the CEAct and the Commission regulations promulgated thereunder. MGEX further certifies that the submission and pending change 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 addition of the Chapter 22 Regulations is to establish and govern participation on the message board system to be known as the MGEX Info Xchange ("MIX"). The MIX is an accessible website forum that will offer a public venue for registered users interested in anonymously discussing permitted trading and market information. The general public will be able to view the MIX; only registered users will have the ability to actively post messages. The MIX is not a trading platform nor is it linked to a trading platform. There is no trade matching that is completed on the MIX. MGEX developed the MIX to meet the needs and requests of our market participants and to provide additional transparency to the marketplace.

The MGEX Board of Directors has unanimously approved this addition to the MGEX Rules and Regulations; there were no substantive opposing views. The adoption of the Regulations is 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)

Eric J. Delain Corporate Counsel

Enclosure(s) cc: Mark G. Bagan Layne G. Carlson

> 130 Grain Exchange Building 400 South 4th Street Minneapolis, MN 55415-1413 800.827.4746 612.321.7128 Fax: 612.339.1155 equal opportunity employer



James D. Facente Jesse M. Bartz Athena R. Elias Tom Bloom The following Definitions are to be added.

# CHAPTER 1 DEFINITIONS

**MGEX INFO XCHANGE**: An accessible website forum offering a public venue for registered users who are interested in discussing permitted trading and market information, as determined by the Exchange.

MIX: Refers to the MGEX Info Xchange.

## The following Regulations are to be added.

# CHAPTER 22 MGEX INFO XCHANGE REGULATIONS

- 2200.00. Authority
- 2201.00. MGEX Info Xchange
- 2202.00. Purpose
- 2203.00. Access
- 2204.00. Internet Services
- 2205.00. Electronic Mail Accounts
- 2206.00. Misuse Of MGEX Info Xchange Prohibited
- 2207.00. Hours Of Operation
- 2208.00. Records Of Information
- 2209.00. Disciplinary Procedures
- 2210.00. Termination Of Access
- 2211.00. System Security
- 2212.00. Physical Location Emergencies; Suspension Of Service
- 2213.00. Limitation Of Liability
- 2214.00. MGEX Info Xchange Procedures
- 2215.00. Powers

# CHAPTER 22 MGEX INFO XCHANGE REGULATIONS

#### 2200.00. AUTHORITY.

Pursuant to the provisions of Rule 210.01., the Board of Directors has adopted this Chapter to govern participation on the message board system to be known as the MGEX Info Xchange, also known as the MIX, for the limited purposes described in Regulation 2202.00. Should there be provisions in this Chapter that appear to conflict with other sections of the MGEX Rules and Regulations, this Chapter supersedes such. Otherwise, registered users and public viewers are fully subject to applicable MGEX Rules and Regulations unless specifically and expressly excluded therefrom. Registered users and public viewers must also abide by the Commodity Exchange Act and the regulations promulgated thereunder, and any other applicable jurisdiction's laws, rules or regulations.

### 2201.00. MGEX INFO XCHANGE.

The Exchange may establish an MGEX Info Xchange, the structure and operation of which may be modified, suspended or terminated at any time by the Exchange. The Exchange has sole discretion to determine those individuals and entities eligible and permitted to participate on the MIX. Those eligible and approved pursuant to Regulation 2203.00. shall be known as registered users. Eligibility standards may include an applicant's business reputation, financial resources, trading activity in relevant futures, options, or related cash markets, or any other factor or standard. Any individual or entity participating on the MIX must maintain compliance with the requirements established by the Exchange. The Exchange may, without notice, deny or remove any individual or entity access to the MIX if they fail to comply with Exchange requirements.

#### 2202.00. PURPOSE.

The purpose of the MIX is to provide an accessible website forum offering a public venue for registered users who are interested in discussing permitted trading and market information, as determined by the Exchange. The MIX is not a trading platform nor is it linked to a trading platform. There is no matching that is completed on the MIX. All matching of orders must separately take place on an independent matching engine and platform.

#### 2203.00. ACCESS.

The ability to post communications on the MIX is limited to registered users.

To become a registered user, an applicant must complete and sign a user agreement. The Exchange has sole discretion to approve, reject or revoke registered user status.

#### 2204.00. INTERNET SERVICES.

Registered users and public viewers are responsible for procuring their own Internet access to the MGEX website and the MIX. MGEX does not warrant access, posting, listing, entry, quote or response speed or time.

## 2205.00. ELECTRONIC MAIL ACCOUNTS.

All registered users must maintain a valid electronic mail account. Each registered user is responsible for promptly viewing, and if required, responding to all electronic mail emanating from the Exchange.

## 2206.00. MISUSE OF MGEX INFO XCHANGE PROHIBITED.

Misuse of the MIX or website is strictly prohibited. It shall be deemed an act detrimental to the interest and welfare of MGEX to willfully or negligently engage in unauthorized use of the MIX or website, to assist any person in obtaining unauthorized access to the MIX or website, to alter equipment accessing the website, to interfere with the operation of the MIX or website, to intercept or interfere with information provided thereby, or in any way to participate on the MIX or use the website in a manner contrary to the MGEX Rules and Regulations or any other applicable laws or regulations.

No individual or entity may distribute, sell or retransmit information displayed on the MIX or website to any third party.

#### 2207.00. HOURS OF OPERATION.

The hours of operation of the MIX shall be determined by the Exchange and are subject to change at any time provided notice is given to the marketplace.

### 2208.00. RECORDS OF INFORMATION.

All information entered onto the MIX will be retained by the Exchange and will be deemed original records.

## 2209.00. DISCIPLINARY PROCEDURES.

All suspensions, expulsions and other restrictions imposed upon a registered user by the Exchange pursuant to disciplinary procedures contained in MGEX Rules and Regulations shall restrict, with equal force and effect, access to and participation on the MIX.

Registered users shall promptly respond, provide documentation, and cooperate in all inquiries by the Exchange. Failure to do so shall subject the registered user to disciplinary procedures, including but not limited to immediate termination of access to the MIX and website.

#### 2210.00. TERMINATION OF ACCESS.

The Exchange shall have the right to summarily terminate access to and participation on the MIX and website.

#### 2211.00. SYSTEM SECURITY.

Each registered user shall be responsible for the security of their respective terminals which have access to the MIX and website. Each registered user assigned an individual user name and password shall not disclose such identifiers to any other person or permit any other person to access the MIX or website using such individual user name and password. Each registered user shall be responsible for monitoring the security of their individual identifiers. Identifiers will be assigned by account.

# 2212.00. PHYSICAL LOCATION EMERGENCIES; SUSPENSION OF SERVICE.

If the MIX or website experiences a full or partial breakdown in any area, the Exchange may, without warning and in its sole discretion, immediately suspend access to the MIX and website.

# 2213.00. LIMITATION OF LIABILITY.

Except in instances where there has been a finding of willful or wanton misconduct in which case the party found to have engaged in such conduct cannot avail itself of the protections in this Regulation, neither MGEX, the Clearing House, Members, Clearing Members, other persons acting as agents nor any of their officers, directors or employees, shall be liable for any losses, damages or costs, including direct, indirect, special, incidental or consequential damages and lost profits, regardless of whether any of the use or performance of the MIX or website, or any component(s) thereof, or any fault, failure, malfunction or other alleged defect in the MIX or website, or any other cause in connection with the furnishing, performance, maintenance, use of or inability to use all or any part of the MIX or website, disruption of common carrier lines, loss of power, acts or failures to act by any third party, natural disasters or any and all other causes. MGEX does not guarantee continuous, uninterrupted or secure access to the MIX or website.

Each registered user and public viewer assumes all risks associated with the reliance on information posted on or other use of the MIX, and waives any right to assert any claim against MGEX, including but not limited to, such claims as those alleging access or information was not provided by MGEX or that access or information provided by MGEX was improper, inaccurate or inadequate. Further, such registered user and public viewer waives any right to contest that access was interrupted or denied. Each registered user and public viewer also waives any claim that communication to MGEX was interrupted or denied, or that priority of communication to MGEX was incorrect, inaccurate, improper or unfair.

There are no express or implied warranties or representations provided by MGEX, the Clearing House, Members, Clearing Members, registered users, public viewers or any of their officers, directors or employees, relating to the MIX or website, including but not limited to, warranties of merchantability and warranties of fitness for a particular purpose or use.

### 2214.00. MGEX INFO XCHANGE PROCEDURES.

The Exchange may immediately adopt, cancel or modify MIX procedures, including but not limited to, access, postings, listings, reporting, notification and recordkeeping procedures that the Exchange determines to be necessary so as to comply with the Commodity Exchange Act, Commission Regulations, MGEX Rules and Regulations and surveillance obligations, or other controlling or governing authority; or determined to be in the best interest of MGEX, Membership, users or public, or required as a result of changes to the website or Internet access providers or servers.

#### 2215.00. POWERS.

The Board of Directors shall have the authority and power to operate the MIX, to approve, modify and implement any MGEX Rules and Regulations not inconsistent with this Chapter, and hereby delegates said authority to Exchange officers.