



MINNEAPOLIS GRAIN EXCHANGE

C.F.T.C.  
OFFICE OF THE SECRETARIAT  
2009 SEP 30 PM 4 55

Via Electronic Mail

September 30, 2009

Mr. David Stawick  
Secretary of the Commission  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street NW  
Washington, D.C. 20581

SUBJECT: Rule Certification

Dear Mr. Stawick:

Pursuant to Commodity Exchange Act ("CEAct") Section 5c(c)(1) and Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.6(a), the Minneapolis Grain Exchange ("MGEX") hereby certifies that the attached amended Rules comply with the CEAct and the regulations promulgated thereunder. Additions have been underlined while deletions have been marked through.

The purpose for amending Rules 264.00., 264.02., 265.00. and 265.02. is to comply with disciplinary committee composition requirements as stated within CFTC Core Principle 15 and the safe harbor provisions. The amendments are effective October 2, 2009. Thereafter, MGEX disciplinary committees will include an individual who meets the requirements of a public director as defined by Commission regulations.

Pursuant to the authority of MGEX Rule 204.01., the Board of Directors unanimously approved amending the Rules. Additionally, the Ownership overwhelmingly approved the amendments. If there are any questions regarding this submission, please contact me at (612) 321-7169. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Layne G. Carlson".

Layne G. Carlson  
Corporate Secretary

Enclosure  
cc: Thomas J. Bloom  
Anne Reuter

**264.00. BUSINESS CONDUCT COMMITTEE: APPOINTMENT.**

There shall be established a Committee to be known as the Business Conduct Committee, which shall be composed of ~~seven (7)~~ members with voting privileges as hereinafter provided:

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- A. ~~Four-Three (43)~~ of such members shall be appointed from Members of the Corporation who are not serving as Officers or Directors or as members of the Arbitration Pool, or the Futures Trading Conduct Committee.
- B. Three (3) members of the Committee shall be ~~ex officio~~ consist of ~~one (1)~~ of whom shall be the Chairperson of the Board of Directors, another the Chairperson of the Clearing House Committee, and ~~the third,~~ the President of the Corporation.

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The Chairperson of the Board of Directors may appoint a member of the Board of Directors to serve in his/her stead as a member of the Business Conduct Committee. If no member of the Board of Directors is available for such an appointment, the Chairperson may appoint a Member of the Corporation. The Chairperson of the Clearing House Committee may appoint a member of the Clearing House Committee to serve in his/her stead as a member of the Business Conduct Committee. If no member of the Clearing House Committee is available for such appointment, the Chairperson of the Board of Directors shall appoint a Member of the Corporation who is a Clearing Member to fill such vacancy. ~~The~~ President may appoint another person who is not a Record Holder ~~Member of the Corporation~~ to serve in his/her stead as a member of the Business Conduct Committee.

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No member of the Board of Directors or Member of the Corporation who is to serve as a substitute member in the place of the Chairperson of the Board of Directors shall be appointed as a member of the Business Conduct Committee if the ~~m~~Member of the Board is a member of the Arbitration Pool or the Futures Trading Conduct Committee.

- C. One (1) member shall be an individual who qualifies as a Public Director.

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The ~~m~~Members of the Business Conduct Committee shall be as representative as practicable of the Membership. Five (5) members of the Committee shall be required to constitute a quorum and must include an individual who meets the qualifications of a Public Director.

~~Whenever the subject of a proceeding is a member of the Board of Directors, the Business Conduct Committee or the Futures Trading Conduct Committee; or whenever the allegations involve manipulation of the price of a commodity or a futures contract; or whenever the allegations involve conduct which results in financial harm to a nonmember, the Committee which hears the case shall have at least one (1) member who is not a Member of the Corporation.~~

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**264.02. BUSINESS CONDUCT COMMITTEE: APPOINTMENT OF ALTERNATES.**

If the Business Conduct Committee shall determine that it is improper for any or all of its members to serve during the consideration of and action upon any particular matter, or if any or all of the regular members shall be unable to serve during such consideration and action, the Business Conduct Committee may request the President to appoint, and the President shall appoint, an alternate or alternates (from the Members of the Corporation who are not members of the Board of Directors, the Board of Arbitration, or the Futures Trading Conduct Committee) to sit throughout the consideration of and action upon such matter. If an alternate is substituting for a Member position, the alternate must be a Member of the Corporation who is not a member of the Board of Directors, the Board of Arbitration or the Futures Trading Conduct Committee. If an alternate is substituting for the individual who meets the qualifications of a Public Director, the alternate must also qualify as a Public Director. When so appointed, any alternate shall, with respect to the consideration of and action upon such particular matter, have all the powers and duties of the regular member for whom the alternate is acting; and such Committee, so constituted and consisting of such alternate or alternates and the remaining regular members of the Business Conduct Committee, if any, shall with respect to the consideration of and action upon such particular matter have all the duties and powers of the regular Business Conduct Committee. During the period that such a Business Conduct Committee appointed with respect to a particular matter is functioning, the regular Business Conduct Committee and the regular members thereof shall continue to have all their usual powers and to perform all their usual duties concerning matters other than that before a Business Conduct Committee appointed with respect to a particular matter.

**265.00. FUTURES TRADING CONDUCT COMMITTEE: APPOINTMENT.**

There shall be established a Committee to be known as the Futures Trading Conduct Committee, which shall be composed of seven (7) members with voting privileges as hereinafter provided:

- A. Five-Four (54) of such members, including the Chairperson of the Committee, shall be appointed by the Chairperson of the Board of Directors from Members of the Corporation whose principal business activity is related to futures and options trading.
- B. Two (2) members of the Committee shall be ex-officio consist of one (1) of whom shall be the Chairperson of the Board of Directors and the other, the President of the Corporation.

The Chairperson of the Board of Directors may appoint a member of the Board of Directors to serve in his/her stead as a member of the Futures Trading Conduct Committee. If no member of the Board of Directors is available for such an appointment, the Chairperson may appoint a Member of the Corporation. The President may appoint another person who is not a Record Holder Member of the Corporation to serve in his/her stead as a member of the Futures Trading Conduct Committee.

No member of the Board of Directors or Member of the Corporation who is to serve as a substitute member in the place of the Chairperson of the Board of Directors shall be appointed as a member of the Futures Trading

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Conduct Committee if the ~~Member of the Board~~ is a member of the Arbitration Pool or the Business Conduct Committee.

C. One (1) member shall be an individual who qualifies as a Public Director.

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The ~~Members~~ of the Futures Trading Conduct Committee shall be as representative as practicable of the Membership. Five (5) members of the Committee shall be required to constitute a quorum and must include an individual who meets the qualifications of a Public Director.

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~~Whenever the subject of a proceeding is a member of the Board of Directors, the Business Conduct Committee or the Futures Trading Conduct Committee, or whenever the allegations involve manipulation of the price of a commodity or a futures contract, or whenever the allegations involve conduct which results in financial harm to a nonmember, the Committee which hears the case shall have at least one (1) member who is not a Member of the Corporation.~~

#### **265.02. FUTURES TRADING CONDUCT COMMITTEE: APPOINTMENT OF ALTERNATES.**

If the Futures Trading Conduct Committee shall determine that it is improper for any or all of its members to serve during the consideration of and action upon any particular matter, or if any or all of the regular members shall be unable to serve during such consideration and action, the Futures Trading Conduct Committee may request the President to appoint, and the President shall appoint, an alternate or alternates ~~(from the Members of the Corporation who are not members of the Board of Directors, the Board of Arbitration or the Business Conduct Committee)~~ to sit throughout the consideration of and action upon such matter. If an alternate is substituting for a Member position, the alternate must be a Member of the Corporation who is not a member of the Board of Directors, the Board of Arbitration or the Business Conduct Committee. If an alternate is substituting for the individual who meets the qualifications of a Public Director, the alternate must also qualify as a Public Director. When so appointed, any alternate shall, with respect to the consideration of and action upon such particular matter, have all the powers and duties of the regular member for whom the alternate is acting; and such Committee, so constituted and consisting of such alternate or alternates and the remaining regular members of the Futures Trading Conduct Committee, if any, shall with respect to the consideration of and action upon such particular matter have all the duties and powers of the regular Futures Trading Conduct Committee. During the period that such Futures Trading Conduct Committee appointed with respect to a particular matter is functioning, the regular Futures Trading Conduct Committee and the regular members thereof shall continue to have all their usual powers and to perform all their usual duties concerning matters other than that before a Futures Trading Conduct Committee appointed with respect to a particular matter.