



Via Portal Submission

May 9, 2023
MGEX Submission No. 23-21

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

RE: Rule Certification Submission Pursuant to Regulation 40.6(a); Amendments to MGEX Bylaws and Rules

Dear Mr. Kirkpatrick:

Pursuant to Commodity Exchange Act (“CEAct”) Section 5c and Commodity Futures Trading Commission (“CFTC” or “Commission”) Regulation 40.6(a), the Minneapolis Grain Exchange, LLC (“MGEX” or “Exchange”) hereby certifies that the amendments to MGEX Bylaws 2.16., 6.1., 6.2., 6.3., Chapter 1, Rule 2215.00., and Resolution 210.01.F., as set forth in Exhibit A, comply with the CEAct and the Commission regulations promulgated thereunder (the “Proposed Amendments”). MGEX further certifies that the submission and pending changes to the MGEX Bylaws and Rules have been posted on the Exchange website at the following link: <http://www.mgex.com/regulation.html>.

Overview of Bylaw Amendments

The Proposed Amendments to the above-referenced Bylaws and Rules clarify the MGEX Board of Directors’ (“Board’s”) authority to elect or appoint all MGEX officers, and define Exchange Officers.

DCM Core Principles

MGEX has reviewed the Core Principles for designated contract markets (“DCM Core Principles”) and identified that the Proposed Amendments may impact the following DCM Core Principles:

- *DCM Core Principle 2 – Compliance with Rules:* The Proposed Amendments will clarify the Board’s authority to elect or appoint all MGEX officers.
- *DCM Core Principle 7 – Availability of General Information:* The Proposed Amendments have been disseminated on the MGEX website, and will be available in the MGEX Rulebook, which is accessible online.

Pursuant to MGEX Bylaw 3.1., the Board unanimously approved the Proposed Amendments at its meeting held on May 8, 2023. There were no substantive opposing views expressed by the Board, nor is the Exchange aware of any substantive opposing views with respect to this filing. The Proposed Amendments are to be effective when incorporated into the MGEX Rulebook and posted on its website, which will be at least 10 business days following the date of this submission.

If there are any questions regarding this submission, please contact me at (612) 321-7141 or cstuhlmann@mgex.com. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'C.M. Stuhlmann', with a stylized flourish at the end.

Carmen M. Stuhlmann
Associate Counsel

Enclosure

MINNEAPOLIS GRAIN EXCHANGE, LLC

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EXHIBIT A

The following MGEX Bylaws and Rules are to be amended. Additions are underlined while deletions are ~~marked through~~.

BYLAWS

2.16. APPOINTMENT OF EXCHANGE OFFICERS, OTHER OFFICERS, AND EMPLOYEES.

The Board of Directors shall from time to time elect or appoint Exchange Officers, including a President, ~~a~~ Secretary, and ~~a~~ Treasurer, as well as other officers, including a Chief Regulatory Officer, a Chief Compliance Officer, a Chief Risk Officer, and such other officers or employees as in its judgment may be necessary. The offices of Secretary and Treasurer may be held by the same person. The Board of Directors may assign any title to any of such other officers or employees as it deems advisable. The Board of Directors may prescribe the duties and fix the compensation of all such officers and employees, and all such officers and employees shall hold office or be employed during the will of the Board of Directors. The Board of Directors may require a good and sufficient bond from any of such officers or employees for the faithful performance of their duties and trusts.

6.1. CHIEF REGULATORY OFFICER.

The ~~Exchange shall designate the individual to serve as the~~ Chief Regulatory Officer ~~who~~ shall report to, consult with and provide information to the Regulatory Oversight Committee, and execute any other duties or responsibilities as required by CFTC Regulation 17 CFR Part 38, as amended.

6.2. CHIEF COMPLIANCE OFFICER.

The ~~Exchange shall designate the individual to serve as the~~ Chief Compliance Officer ~~who~~ shall report to the President and execute the duties and responsibilities required by CFTC Regulation 17 CFR Part 39, as amended.

6.3. CHIEF RISK OFFICER.

The ~~Exchange shall designate the individual to serve as the~~ Chief Risk Officer ~~who~~ shall implement the risk management framework of the Exchange, make recommendations regarding the Exchange's risk management functions, and execute any other duties or responsibilities required by CFTC Regulation 17 CFR Part 39, as amended.

CHAPTER 1 DEFINITIONS

EXCHANGE OFFICERS: The President, Secretary, and Treasurer of the Minneapolis Grain Exchange, LLC.

CHAPTER 22 MGEX INFO XCHANGE RULES

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 not inconsistent with this Chapter, and hereby delegates said authority to Exchange eOfficers.

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CHAPTER 72 RESOLUTIONS

RESOLUTION 210.01.F.

Pursuant to the provisions of **Bylaw 2.3**, the Board of Directors has adopted this Resolution.

Limited authority of the Board of Directors to amend MGEX Rules and to take emergency action is hereby delegated to Exchange Officers. Such authority includes, suspending or curtailing trading, amending Hours of Trading, imposing margin requirements, declaration of holidays, amending reportable position limits, price limits and intraday market restrictions, managing settlement procedures, open or closing periods, fees, forms, notices, deadlines, dress and decorum policies, minimum financial requirements, notification and reporting requirements, striking prices, cash market reporting, recordkeeping requirements, default procedures, give-up procedures, transferring customer contracts and margins, definition of emergencies, declarations of Force Majeure and action taken as a result of such declarations. The Exchange shall also have the authority to take such market action as may be directed by the CFTC. The President and Chairperson of the Board of Directors may determine whether a Rule can be amended by Exchange Officers. Such amendments must be forwarded promptly to the Board of Directors.

Further, limited authority of the Board of Directors is hereby delegated to Exchange Officers to exercise certain other powers including amending transfer procedures, transfers, applications and cancellations, approving applications, renewals, or withdrawals for Regularity, approving applications for cash trading privileges and/or clearing privileges, establishing minimum filing and financial requirements, establishing and amending summary fine schedules, approving standing committee appointments, and amending the matching algorithm for the electronic trading system. Such approvals and changes must be forwarded promptly to the Board of Directors.

Limited authority of the Board of Directors is hereby delegated to MGEX risk management personnel, which includes such employees and/or officers as the Exchange, in its discretion, shall determine (collectively, the "MGEX Risk Team"), to independently exercise certain risk management powers and to be responsible and accountable for making risk decisions, including in crises and emergencies. The Board of Directors further assigns the MGEX Risk Team the responsibility for implementing the (i) default rules and procedures required by CFTC Regulations 39.16 and 39.35, (ii) system safeguard rules and procedures required by CFTC Regulations 39.18 and 39.34, and (iii) recovery and wind-down plans required by CFTC Regulation 39.39.

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