



Via Portal Submission

August 25, 2023
MGEX Submission No. 23-45

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 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 addition of MGEX Rule 3.6.13. (the “Proposed Amendments”), as set forth in Exhibit A, complies with the CEAct and the Commission regulations promulgated thereunder. MGEX further certifies that the submission and pending changes to the MGEX Rules have been posted on the Exchange website at the following link: <http://www.mgex.com/regulation.html>.

Overview of Rule Amendments

The Proposed Amendments expressly prohibit the abusive trading practice commonly known in the derivatives industry as “front running”.

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 expressly prohibit front running activity, in accordance with the abusive trading practices prohibited by CFTC Regulation 38.152.
- *DCM Core Principle 4 – Prevention of Market Disruption:* The Proposed Amendments codify the Exchange's authority enforce the prohibition of front running in compliance with this Core Principle.
- *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.
- *DCM Core Principle 12 – Protection of Markets and Market Participants:* The Proposed Amendments will protect the market and market participants by expressly prohibiting the abusive trading practice of front running.

Pursuant to MGEX Bylaw 3.1., the Proposed Amendments were approved on August 25, 2023. There were no substantive opposing views expressed 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

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EXHIBIT A

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

3.6.13. FRONT RUNNING PROHIBITED.

No Market Participant shall place an order or execute any transaction based on non-public information regarding an impending transaction by another Person in the same or related product, which is commonly known within the derivatives trading industry as “front running”.

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