



Via Portal Submission

June 12, 2025
MIA X Futures DCM Submission No. 25-20

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)

Dear Mr. Kirkpatrick:

Pursuant to Commodity Exchange Act ("CEAct") Section 5c and Commodity Futures Trading Commission ("CFTC" or "Commission") Regulation 40.6(a), the MIA X Futures Exchange, LLC ("MIA X Futures" or "Exchange") hereby certifies that the proposed amendments to the MIA X Futures Rules as set forth in Exhibit A comply with the CEAct and the Commission regulations promulgated thereunder ("Proposed Amendments"). MIA X Futures further certifies that the submission and pending changes to the MIA X Futures Rules have been posted on the Exchange website at the following link: <https://www.miaxglobal.com/markets/futures/miax-futures/rule-filings>.

Overview of Rule Amendments

MIA X Futures currently offers Minneapolis Hard Red Spring Wheat options on futures ("HRSW Options") trading both electronically (on the CME Globex platform) and via Block Trades. Beginning June 29, 2025 (for trade date June 30, 2025), HRSW Options will only be available via Block Trades. This timing aligns with MIA X Futures' migration of Minneapolis Hard Red Spring Wheat futures from CME Globex to the MIA X Futures Onyx electronic trading platform ("Onyx"). MIA X Futures will continue to allow for the trading of HRSW Options exclusively via Block Trades only until such time that it launches functionality on Onyx to trade options on futures electronically, at which time trading will again be available both electronically and via Block Trades.

MIA X Futures previously filed DCM Submission No. 25-17 on June 2, 2025 to amend certain block trading Rules. MIA X Futures is withdrawing such submission in order to make two notable changes:

- i. the removal of the requirement that only Eligible Contract Participants ("ECPs"), as defined in Section 1a(18) of the Commodity Exchange Act, be allowed to trade HRSW Options via block trades; and
- ii. the lowering of the block trading threshold from 5 to 1 contract.

Collectively, these changes allow any open position holders, including those that are non-ECPs, to trade out of their positions after the transition to Block only.

Additionally, MIA X Futures has removed the proposed change to the reporting time requirement; the reporting time requirement will remain at 15 minutes.

MIA X FUTURES EXCHANGE, LLC

400 South 4th Street, 130 Grain Exchange Building | Minneapolis, MN 55415

MIA X Futures | [miaxglobal.com](https://www.miaxglobal.com)

Legal Analysis

Minneapolis HRSW Options are considered an enumerated agricultural product under the CEAct. In accordance with CFTC Regulation § 40.4, a rule that “would materially change” an enumerated “product’s term or condition, as defined in § 40.1,” must be submitted to the Commission for approval under the procedures of § 40.5. A threshold question is therefore whether the Proposed Amendments constitute a material change **to the terms and conditions** of HRSW Options. A change impacting the product or the product’s rules, regardless of materiality, alone is insufficient to bring the changes under the statutory provisions of § 40.4 and accordingly must be submitted under Regulation § 40.6(a). The legislative history of Part 40 confirms this reading of the statute. When amending § 40.4 in 2024, the CFTC clarified, “The Commission notes that §40.4(a) applies strictly to rules that materially change a product’s economic terms and conditions, and does not apply to other rules.”¹

As explained below, the Proposed Amendments are properly submitted under Regulation § 40.6(a) rather than § 40.4 because they do not materially change a product’s term or condition under the plain language of CFTC Regulation § 40.1. Under CFTC Regulation § 40.1,

Terms and conditions means any definition of the trading unit or the specific commodity underlying a contract for the future delivery of a commodity or commodity option contract, description of the payments to be exchanged under a swap, specification of cash settlement or delivery standards and procedures, and establishment of buyers' and sellers' rights and obligations under the swap or contract. Terms and conditions include provisions relating to the following:

- (1) For a contract for the purchase or sale of a commodity for future delivery or an option on such a contract or an option on a commodity (other than a swap):
 - (i) Quality and other standards that define the commodity or instrument underlying the contract;
 - (ii) Quantity standards or other provisions related to contract size;
 - (iii) Any applicable premiums or discounts for delivery of nonpar products;
 - (iv) Trading hours, trading months and the listing of contracts;
 - (v) The pricing basis, minimum price fluctuations, and maximum price fluctuations;
 - (vi) Any price limits, no cancellation ranges, trading halts, or circuit breaker provisions, and procedures for the establishment of daily settlement prices;
 - (vii) Speculative position limits, position accountability standards, and position reporting requirements, including an indication as to whether the contract meets the definition of a referenced contract as defined in § 150.1 of this chapter, and if so, the name of either the core referenced futures contract or other referenced contract upon which the new referenced contract submitted under this part is based.
 - (viii) Delivery points and locational price differentials;
 - (ix) Delivery standards and procedures, including fees related to delivery or the delivery process; alternatives to delivery and applicable penalties or sanctions for failure to perform;
 - (x) If cash settled; the definition, composition, calculation and revision of the cash settlement price or index;
 - (xi) [Reserved];
 - (xii) Option exercise price, if it is constant, and method for calculating the exercise price, if it is variable;
 - (xiii) Threshold prices for an option contract, the existence of which is contingent upon those prices; and
 - (xiv) Any restrictions or requirements for exercising an option[.]

MIAX Futures addresses each provision in turn below within the plain meaning of the text.²

¹ Federal Register Vol. 89, No. 216, p. 88607.

² See *Asgrow Seed Co. v. Winterboer*, 513 U.S. 179, 187, 115 S.Ct. 788 (1995) (holding an undefined term in a statute is generally given its ordinary meaning); See also, *Morrisette v. United States*, 342 U.S.

(i) Quality and other standards that define the commodity or instrument underlying the contract;

The Proposed Amendments and the temporary transition to the trading of HRSW Options exclusively via Block does not impact the quality or other standards that define Hard Red Spring Wheat underlying the HRSW Options contract; the deliverable standards remain unchanged.

(ii) Quantity standards or other provisions related to contract size;

The Proposed Amendments and the temporary transition to the trading of HRSW Options exclusively via Block does not impact the quality standards or other provisions related to the size of a HRSW Options contract; the contract size remains the same with one MIAX Futures HRSW contract (sized at 5,000 bushels of Hard Red Spring Wheat) underlying the HRSW Options contract.

(iii) Any applicable premiums or discounts for delivery of nonpar products;

The Proposed Amendments do not change any premiums or discounts for delivery of nonpar products.

(iv) Trading hours, trading months and the listing of contracts;

The Proposed Amendments and the temporary transition to the trading of HRSW Options exclusively via Block does not impact the trading months, hours, or listing of HRSW Options; the trading hours and trading months for HRSW Options remains unchanged, and the contract remains listed for trading.

(v) The pricing basis, minimum price fluctuations, and maximum price fluctuations;

The Proposed Amendments and the temporary transition to the trading of HRSW Options exclusively via Block does not impact the pricing basis for the contract; market participants must execute Block transactions competitively at a price that is fair and reasonable in light of (A) the size of such Block Trade, (B) the price and size of other Trades in the same contract at the relevant time, and (C) the price and size of Trades in other relevant markets, at the relevant time. The pricing basis analysis that MIAX Futures will perform is addressed in detail below. The Proposed Amendments do not change any minimum or maximum price fluctuations.

(vi) Any price limits, no cancellation ranges, trading halts, or circuit breaker provisions, and procedures for the establishment of daily settlement prices;

The Proposed Amendments do not change any price limits, cancellation ranges, trading halts, circuit breaker provisions, or procedures for the establishment of daily settlement prices.

(vii) Speculative position limits, position accountability standards, and position reporting requirements, including an indication as to whether the contract meets the definition of a referenced contract as defined in § 150.1 of this chapter, and if so, the name of either the core referenced futures contract or other referenced contract upon which the new referenced contract submitted under this part is based.

The Proposed Amendments do not change any position limits, position accountability standards, or position reporting requirements.

(viii) Delivery points and locational price differentials;

The Proposed Amendments do not change any delivery points or locational price differentials.

(ix) Delivery standards and procedures, including fees related to delivery or the delivery process; alternatives to delivery and applicable penalties or sanctions for failure to perform;

The Proposed Amendments do not change any delivery standards or procedures, including fees related to delivery or the delivery process, alternatives to delivery or applicable penalties or sanctions for failure to perform.

246, 263, 72 S.Ct 240 (1952) (holding that undefined statutory words that are not terms or art are given their ordinary meanings, frequently derived from the dictionary).

(x) If cash settled; the definition, composition, calculation and revision of the cash settlement price or index;

The Proposed Amendments do not change settlement. In-the-money HRSW Options automatically exercise on the last day of trading unless notice to cancel is provided, so this provision is not applicable to the Proposed Amendments.

(xi) [Reserved];

(xii) Option exercise price, if it is constant, and method for calculating the exercise price, if it is variable;

The Proposed Amendments do not change the option exercise price or methodology for calculating the exercise price as stated in MIAX Futures Rules 5715.00. and 51.18.

(xiii) Threshold prices for an option contract, the existence of which is contingent upon those prices; and

The Proposed Amendments do not change the threshold prices for HRSW Options.

(xiv) Any restrictions or requirements for exercising an option[.]

HRSW Options are currently already available to trade via Blocks in minimum quantities of 15 and by ECPs. The Proposed Amendments are necessary to ensure no new restrictions or requirements are imposed on Market Participants trading HRSW Options. During the temporary period when the trading of HRSW Options occurs exclusively via Block, a minimum contract size of 1 and allowing non-ECP execution allows any HRSW Option holder to freely transact in their positions as is currently the case. As stated above, in order to ensure all position holders are unrestricted and able to freely transact out of their positions should they so choose, the Proposed Amendments remove the impediment to non-ECP position holders with more than 1 HRSW Options contract, and therefore the Proposed Amendments do not impose any restriction or requirement for exercising an option.

As shown above, the Proposed Amendments and the temporary transition to trading of HRSW Options exclusively via Block does not materially change any term or condition of the product. This filing is therefore properly submitted under § 40.6(a) rather than § 40.4.

Moreover, as submission under § 40.4 is not triggered, neither MIAX Futures nor the Commission is required to conduct any analysis related to Appendix E to Part 40—Guidance on Compliance With the Materiality Assessment in § 40.4. However, even if the Commission believes the transition to Block only falls under the definition of terms and conditions under § 40.1 (v) or (xiv) and a materiality assessment was considered, the Proposed Amendments do not *materially* change any term and condition of the contract, as the Proposed Amendments remove any potential impediment to market participants holding open interest from transacting in HRSW Options, and the pricing basis for the contract must be fair, reasonable, and in line with current market conditions (see pricing basis analysis below), as is currently the case under MIAX Futures rules. Therefore, there is no material change in “pricing basis” or “any restrictions or requirements for exercising an option” and the temporary transition to trading of HRSW Options exclusively via Block thus would not affect:

- i. “a reasonable trader's decision to enter into, or maintain, a position”;
- ii. “a reasonable trader's decision to make or take delivery on the contract or to exercise an option on the contract”;
- iii. and would not have “an effect on the value of existing positions, including, but not limited to, a change affecting the price of the contract due to a change in the commodity quality characteristics of the existing contract, a change to the size of the existing contract, or a change to a cost of effecting delivery for the existing contract.”

The above factors for which the Commission uses to determine whether a change to a contract's terms and conditions is non-material are fulfilled by the market itself. The Exchange has contacted and sought feedback from over 50 market participants from the time period between November 2024 and June 2025

regarding the transition to a Block only HRSW Options market. Importantly, MIAX Futures received not one negative response or concern from any of the 50 plus market participants regarding the transition. In addition to the individual and firm market participants MIAX Futures contacted, the Exchange also held two client forums – one in Chicago on April 22, 2025 and another in New York City on April 29, 2025, where the initial lack of options functionality on Onyx and the plan for a temporary Block only HRSW Options market was discussed. The market has been well-informed of this plan and overwhelmingly supports both the temporary transition and the need for Block Trades. It is clear that the market does not view this as a material change.

Therefore, the market itself, who CFTC Regulation § 40.4 and Appendix E to part 40 is meant to protect, does not view the temporary transition to trading of HRSW Options exclusively via Block as a material change and thus a submission under § 40.4 is not required.

Pricing Basis Analysis

To determine whether the price is fair and reasonable, the MIAX Futures Market Regulation Department (“Market Regulation”) will review each Block reported by analyzing other comparable block trade prices, the previous day’s settlement prices, the current price of the futures contract, and high/low ranges. Additionally, similar to EFRPs, Market Regulation may request further information from the parties involved. The information received can provide negotiation details (chat logs, emails, audio recordings, etc.) that may allow Market Regulation to see any internal controls or approval processes for such transactions. In the case of a price deviation, such documentation may explain why the Block Trade was transacted and may be a violation of MIAX Futures Rules as a result.

Additionally, Market Regulation will utilize a proprietary application for options analysis and pricing application to monitor HRSW Options block transactions based on volatility levels. The application provides a variety of tools for comparing trade execution to prior settlement volatility values and has been integrated into our suite of market tools to monitor MIAX Futures products for a number of years. MIAX Futures currently uses the application to conduct analyses and is confident in how it has implied vols and tracked trades during that time.

MIAX Futures will enter each Block Trade into the application’s trade blotter and determine how the implied volatility of the individual contract or multi-legged spreads compare(s) to the prior day’s settlement volatility values. A sample trade blotter was provided to the Commission via letter dated June 11, 2025, and more information is available upon request.

By monitoring the VCHG column (Current Implied Trade Volatility – Settlement Volatility), MIAX Futures can determine whether each trade has been executed within a reasonable volatility band around the settlement volatility curve. The volatility band for the day can start at one level and may be adjusted (wider usually) based on the activity of the underlying. This provides enough flexibility for easy comparison adjustments on more volatile trading days. MIAX Futures will continue to conduct volatility band refinement as further data points become available.

DCM Core Principles

MIAX Futures 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:

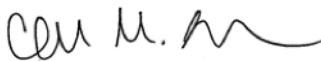
- *DCM Core Principle 4 – Prevention of Market Disruption:* The Exchange monitors and surveils trading in all contracts to prevent manipulation and price distortions in compliance with DCM Core Principle 4. MIAX Futures will review Block Trades submitted; this review will include evaluating whether Block Trade prices are fair and reasonable at the time of execution. To determine whether the price is fair and reasonable, the MIAX Futures Market Regulation Department (“Market Regulation”) will review Block Trades as described in the Pricing Basis Analysis above.

- *DCM Core Principle 7 – Availability of General Information:* The Proposed Amendments have been disseminated on the Company's website and will be available in the MIAX Futures Rulebook, which is accessible online. MIAX Futures will also issue notice regarding these changes on its website. Additionally, MIAX Futures has verbally communicated with market participants its plans to move HRSW Options to block only transactions. The Exchange has not represented to the marketplace that the new Onyx Trading System would have functionality to trade options electronically. MIAX Futures also plans to disseminate additional information in the near future to position holders and the public to explain how they are able to continue to trade in HRSW Options after the transition to Block transactions only.
- *DCM Core Principle 8 – Daily Publication of Trading Information:* The Exchange will continue to make public daily information on settlement prices, volume, open interest, and opening and closing ranges for actively traded contracts on the Exchange and will publish Block Trade volume and pricing information.
- *DCM Core Principle 9 – Execution of Transactions:* Market Participants executing Block Trades on Minneapolis HRSW Options Contracts are subject to the MIAX Futures Block Trade Rules, which require competitive, fair and reasonable pricing of Block trade transactions, in addition to other requirements to maintain a competitive, open, and efficient market and to protect the price discovery process. MIAX Futures demonstrates how it will comply with this Core Principle as described in the Pricing Basis Analysis above.

The Proposed Amendments were approved in accordance with MIAX Futures Bylaws. There were no substantive opposing views expressed with respect to this filing. The Proposed Amendments are to be effective when incorporated into the MIAX Futures 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@miaxglobal.com. Thank you for your attention to this matter.

Sincerely,



Carmen M. Stuhlmann
AVP, Associate Counsel

EXHIBIT A

The following MIAX Futures Rules are to be amended. Additions are underlined while deletions are ~~strike through~~.

CHAPTER 51. MINNEAPOLIS HARD RED SPRING WHEAT OPTIONS (BLOCK TRADE ONLY)

51.1. PRODUCT TRADING PLATFORM.

Minneapolis HRSW Options are only available for trading via Block Trades pursuant to Rule 51.16. and are not available on the Electronic Trading System until further notice from the Exchange.

51.16. BLOCK TRADES.

For the purpose of this Rule, Block Trades are transactions that are privately negotiated off the Exchange's Electronic Trading System ~~and can only be entered into by Eligible Contract Participants, as defined in Section 1a(18) of the Commodity Exchange Act. Clearing Members are responsible for ensuring Market Participants, including customer accounts, conducting Block Trades are Eligible Contract Participants.~~

Block Trades are permitted to be executed in the Minneapolis Hard Red Spring Wheat Options Contract, provided they are in accordance with the following provisions:

- A. A Block Trade must be for a quantity that is at or in excess of the applicable minimum threshold. Orders for different accounts may not be aggregated in order to achieve the minimum transaction size. The Block Trade minimum threshold in the Minneapolis HRSW Options Contract is ~~45~~1 contracts.
- B. A Party shall not execute any order as a Block Trade for a customer unless such customer has specified that the order be executed as a Block Trade.
- C. The Block Trade is executed competitively at a price that is fair and reasonable in light of (A) the size of such Block Trade, (B) the price and size of other Trades in the same contract at the relevant time, and (C) the price and size of Trades in other relevant markets, at the relevant time. The minimum price increment for a Block Trade in the Minneapolis HRSW Options Contract is 1/8 cent per bushel.
- D. ~~Block Trades will not trigger conditional orders or otherwise affect orders in the underlying Minneapolis HRSW Options Contract traded on the Electronic Trading System~~Reserved.
- E. Clearing Members must ensure that each side of the Block Trade is reported to the Exchange within fifteen (15) minutes and in the manner specified by the Exchange. The reporting of each side of the Block Trade must include the: contract, contract month, price, quantity of the transaction including quantities for each leg, buy/sell side, CTI and Regular (House) or Segregated (Customer) indicators, Transaction Type Indicator (B), account

number, the respective Clearing Member(s) code, the time of execution, strike price, put or call designation, expiration month, and any other information required in accordance with MIAF Futures Rules.

- F. Each counterparty to a Block Trade must have a separate and independent bona-fide legal or business purpose for entering into the Block Trade.
- G. Parties involved in the solicitation or negotiation of a Block Trade may not disclose the details of such communication to any other party for any purpose other than to facilitate the execution of the Block Trade.