

CX Futures Exchange, L.P.
Rule Amendment Submission #2022-02
April 15, 2022

- 1. The text of the change to the CX Futures Exchange L.P. (“Exchange”) Rules is attached. Additions are underlined. This change was approved by the Board of Directors.
- 2. The proposed effective date is ten business days after receipt by the Commodity Futures Trading Commission (“Commission”) of this submission.
- 3. Attached, please find a certification that: (1) this rule complies with the Commodity Exchange Act and the Commission’s regulations thereunder; and (2) concurrent with this submission, the Exchange posted on its website: (i) a notice of pending certification of the rule submissions with the Commission; and (ii) a copy of this submission.
- 4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule changes appear below.
- 5. There were no opposing views expressed regarding this amendment.

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**CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND
EFFECT OF THE CERTIFIED RULE AND ITS COMPLIANCE WITH APPLICABLE
PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION’S
REGULATIONS THEREUNDER**

Pursuant to Commission Rule 40.6(a)(7)(vi), the following is a concise explanation and analysis of the operation, purpose, and effect of the amended rules.

The Exchange is amending its Rule for the Regulatory Oversight Committee to require that when there are only two members of the committee their votes be unanimous in order to be effective.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT,
7 U.S.C. §7A-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17
C.F.R. §40.6

I hereby certify that:

(1) the amended Rule below complies with the Commodity Exchange Act and the
Commodity Futures Trading Commission's regulations thereunder; and

(2) concurrent with this submission, CX Futures Exchange, L.P. posted on its
website: (a) a notice of pending certification of the above Rule with the
Commission; and (b) a copy of this submission.



By: Thomas Thompson
Title: Chief Compliance Officer
Date: April 15, 2022

Attachment — Rule Amendment

Additions are underlined.

II-3. Regulatory Oversight Committee

The Regulatory Oversight Committee of the Board of Directors shall consist only of Public Directors, who shall be members of the Board of Directors, and shall be appointed from time to time by the chairperson of, and approved by, the Board of Directors. The Regulatory Oversight Committee shall oversee the Exchange's regulatory program on behalf of the Board of Directors. It shall make such recommendations to the Board of Directors as will, in its judgment, best promote the interests of the Exchange, provided that, for the avoidance of doubt, any dissenting opinions from one or more members of the Regulatory Oversight Committee shall be reported to the Board of Directors along with any such recommendation. The Regulatory Oversight Committee shall also have such other powers and perform such other duties as the Board of Directors may delegate to it from time to time.

The Board of Directors shall confirm one member of the Regulatory Oversight Committee as the committee's chairperson. The Chairperson of the Regulatory Oversight Committee shall determine the agenda for the committee and shall cast the tiebreaking vote on any matter where the voting members of the committee are equally divided; provided, however, that if the Regulatory Oversight Committee has only two members all decisions of the Regulatory Oversight Committee must be unanimous.

Without limiting the generality of the foregoing, the Regulatory Oversight Committee shall have authority to: (a) monitor the Exchange's regulatory program for sufficiency, effectiveness and independence, (b) oversee all facets of the Exchange's regulatory program, including trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to Participants (including ensuring compliance with financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations, (c) review the size and allocation of the regulatory budget and resources; and the number, hiring and termination, and compensation of regulatory personnel, (d) supervise the Exchange's Compliance Director, who will report directly to the Regulatory Oversight Committee, (e) prepare an annual report assessing the Exchange's self-regulatory program for the Board of Directors and the CFTC, which sets forth the regulatory program's expenses, describes its staffing and structure, catalogues disciplinary actions taken during the year, and reviews the performance of disciplinary committees and panels, (f) recommend changes that would ensure fair, vigorous, and effective regulation, (g) review regulatory proposals and advise the Board of Directors as to whether and how such changes may impact regulation, and (h) exercise any other functions expressly assigned to it in these Rules.