

FMX Futures Exchange, L.P.
Amendment to Rule XIII-12 Disruptive Practices
Submission #2026-09
April 8, 2026

Via Electronic Portal

Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

1. FMX Futures Exchange, L.P. (“FMX” or the “Exchange”) hereby certifies to the Commodity Futures Trading Commission (“CFTC” or “Commission”) the attached amendment to FMX Rule XIII-12 Disruptive Practices in accordance with CFTC Regulation 40.6(a).
 2. The proposed effective date of the rule amendment is trade date April 23, 2026.
 3. Attached please find a certification that: (1) this Rule amendment 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 this rule submission with the Commission; and (ii) a copy of this submission.¹
 4. A concise explanation of the amendment to Rule XIII-12 appears below.
 5. No opposing views to this rule amendment were expressed to FMX.
-

¹ See <https://www.fmxfutures.com/rules-notice/exchange-notice/>. Capitalized terms used but not defined herein shall have the meanings given to such terms in the FMX Rules, and references to “FMX Rules” or an “FMX Rule” refer to such rules.

A CONCISE EXPLANATION OF THE RULE AMENDMENT, INCLUDING CORE PRINCIPLES.

Attached to this document is Exhibit I, which reflects an amendment to Rule XIII-12, Disruptive Practices, and Exhibit II, an associated update to Compliance Notice to Participants #1 (Disruptive Practices), that will take effect trade date April 23, 2026.

Rule XIII-12 Disruptive Practices

The amendments to Rule XIII-12 will clarify that, in addition to any trading, practice, or conduct that violates Section 4c(a)(5) of the Commodity Exchange Act, which are incorporated by reference in existing Rule XIII-12(a), it shall be a violation of this Rule XIII-12(b) for any Person to submit an order or message, or cause an order or message to be entered, with: (i) the intent to cancel or modify the order to avoid execution at the time of submission;(ii) the intent to deceive or mislead other Persons;(iii) the intent to overload or delay the Exchange Trading System or disrupt other Persons' activities; or (iv) the intent to disrupt trading, or in a manner that recklessly disregards the potential negative impact on fair transaction executions or market orderliness.

Furthermore, the Exchange is requiring in Rule XIII-12 that all orders must be placed with the genuine intent of executing legitimate transactions, and all messages must be submitted in good faith and for appropriate business purposes.

Finally, the Exchange is clarifying that the provisions of this Rule apply to all electronic trading activity, whether entered manually or by automated means, and will apply to all market trading hours.

The addition of Rule XIII-12(b) is intended to provide market participants with further granularity of specific trading behaviors that the Exchange believes may be abusive and disruptive to the orderly execution of Transactions on the Exchange. Additionally, the Rule addresses conduct that demonstrates intentional or reckless disregard for orderly execution, including during critical periods such as market close, which supports the maintenance of orderly markets and reliable settlement pricing. Consistent with CFTC Regulation 38.152, the Exchange has determined additional trading practices it deems to be abusive to its markets and is prohibiting such trading practices with the goal of protecting market participants from prevent artificial price movements, impairments in the price discovery process, or disruptions to the proper functioning of its markets.

Compliance Notice to Participants #1 (Disruptive Practices)

This document, initially issued in January 24, 2025, provides further information to FMX market participants regarding the expectations of the FMX Compliance Department concerning disruptive

trading practices, and the factors considered by the Compliance Department when evaluating a market participant's trading practices in accordance with FMX Rule XIII-12. This notice has been revised to align with amended Rule XIII-12.

Core Principles

FMX has reviewed the core principles for DCMs set forth in Section 5 of the Commodity Exchange Act and in the Commission's Part 38 Regulations thereunder ("Core Principles"), as well as the FMX Rules. Based on its review, FMX has identified the following Core Principles as relevant to its assessment of the amendment to the Rules:

Core Principle 2, Compliance with Rules. The Rule amendment and associated Compliance Notice to Participants establishes clear, enforceable standards governing market participant conduct on the Exchange. These provisions enhance the Exchange's ability to monitor, investigate, and enforce compliance with the Rules across all trading activity on the Exchange.

Core Principle 3, Contracts Not Readily Subject to Manipulation. The Rule amendment and associated Compliance Notice to Participants adds to a robust compliance framework designed to reduce susceptibility of its contracts to manipulation. By prohibiting disruptive practices that are commonly known as spoofing or layering, in addition to other deceptive conduct, the Rule mitigates the risk of artificial price formation and supports the integrity of Exchange contracts.

Core Principle 4, Prevention of Market Disruption. The Rule amendment and associated Compliance Notice to Participants is designed to prevent market disruption and promotes fair and orderly trading. The Rule provides market participants with further granularity of specific trading behaviors that the Exchange believes may be disruptive. By prohibiting disruptive practices, including spoofing, layering, and conduct intended to overload or delay the Exchange Trading System or interfere with other market participants, the Rule directly addresses activity that may create artificial price movements, impair price discovery, or disrupt the proper functioning of the market. Additionally, the Rule addresses conduct that demonstrates intentional or reckless disregard for orderly execution, including during critical periods such as market close, which supports the maintenance of orderly markets and reliable settlement pricing.

Core Principle 7, Availability of General Information. FMX is making information about the Rule amendment available to the Commission, its regulatory services provider, all Participants, Direct Access Customers, Customers, and the public.

Core Principle 12, Protection of Markets and Market Participants. The Rule amendment and associated Compliance Notice to Participants is designed to protect market participants from additional disruptive practices. By requiring all orders and messages to be entered with a bona fide intent to execute the trade and prohibiting conduct intended to mislead other market participants or disrupt trading, the Rule promotes transparency and fairness in the Exchange's marketplace. The application of the Rule amendment to all electronic trading activity, whether entered manually

or through automated means, ensures that market participants are protected from improper conduct regardless of the method of order entry, or the time in which the order was entered.

Chapter XIV of the FMX Rules also provides for the Exchange's Chief Compliance Officer to conduct investigations and to bring disciplinary measures against such parties for violation of its Rules.

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 rule as attached complies with the Commodity Exchange Act and the Commission's regulations thereunder; and
- (2) Concurrent with this submission, FMX Futures Exchange, L.P. posted on its website, <https://www.fmxfutures.com/rules-notices/exchange-notices/>: (a) a notice of pending certification of this rule submission with the Commission; and (b) a copy of this submission.

Rhianna Ross

By: Rhianna Ross
Title: Chief Compliance Officer
Date: April 8, 2026

CHAPTER XIII
BUSINESS CONDUCT

XIII-12 Disruptive Practices

(a) It shall be a violation of this Rule for any Person ~~to enter an Order into the Trading System with the intention to cancel such bid or offer before it is executed or~~ to engage in any trading, practice, or conduct prohibited by the CEA on or subject to the rules of the Exchange that:

- (i) violates bids or offers;
- (ii) demonstrates intentional or reckless disregard for orderly execution of transactions during the closing period; or
- (iii) is, is of the character of, or is commonly known to the trade as, “spoofing” or “layering.”

(b) All orders or messages must be placed with the genuine intent of executing legitimate transactions, and all orders or messages must be submitted in good faith and for appropriate business purposes. The provisions of this Rule apply to all electronic trading activity, whether entered manually or by automated means, and will apply to all market trading hours. It shall be a violation of this Rule for any Person to submit an order or message, or cause an order or message to be entered, with:

- (i) the intent to cancel or modify the order to avoid execution at the time of submission;
- (ii) the intent to deceive or mislead other Persons;
- (iii) the intent to overload or delay the Exchange Trading System or disrupt other Persons’ activities; or
- (iv) the intent to disrupt trading, or in a manner that recklessly disregards the potential negative impact on fair transaction executions or market orderliness.

Compliance Notice to Participants #1

Disruptive Practices

Subject	Compliance Notice to Participants on Disruptive Practices
Rules	CFTC 38.152, FMX Rule XIII-12
Issue Date	January 24, 2025 April 8, 2026
Effective Date	Upon issuance April 23, 2026

This Compliance Notice to Participants (“CNTP”) provides guidance ~~on how Participants should comply to assist market participants’ understanding of the trading practices that the Exchange believes may constitute with the Commodity Futures Trading Commission (“CFTC”) Regulation 38.152 Abusive trading practices prohibited to prevent~~ abusive trading practices, [in accordance with CFTC Regulation 38.152 Abusive trading practices prohibited](#), on FMX Futures Exchange, and the factors the Exchange Compliance Department may consider in making its determination of whether trading activity is disruptive in accordance with FMX Rule XIII-12.

FMX Futures Exchange prohibits front-running, wash/cross trading, pre-arranged trading, fraudulent trading, accommodation trading, money passes, price manipulation, and any other trading practices that FMX Futures Exchange deems to be abusive. Additionally, FMX Futures Exchange prohibits other manipulative or disruptive trading practices prohibited by the Commodity Exchange Act and pursuant to FMX Futures Exchange Chapter XIII *Business Conduct*, specifically FMX Futures Exchange Rule XIII-12.

Summary of Updates:

[April 23, 2026: The guidance has been amended to incorporate the addition of Rule XIII-12\(b\) in accordance with FMX Submission 2026-09.](#)

Rule XIII-12

[Under FMX Rule XIII-12, it shall be a violation for any Person to engage in any trading, practice, or conduct prohibited by the Commodity Exchange Act \(CEA\) on or subject to the rules of the Exchange that: \(i\) violates bids or offers; \(ii\) demonstrates intentional or reckless disregard for orderly execution of transactions during the closing period; or \(iii\) is, is of the character of, or is commonly known to the trade as, “spoofing” or “layering.”](#)

[Furthermore, all orders or messages must be placed with the genuine intent of executing legitimate transactions, and all orders or messages must be submitted in good faith and for appropriate business purposes.](#)

The provisions of Rule XIII-12 apply to all electronic trading activity, whether entered manually or by automated means, and will apply to all market trading hours.

Finally, it shall be a violation of Rule XIII-12 for any Person to submit an order or message, or cause an order or message to be entered, with: (i) the intent to cancel or modify the order to avoid execution at the time of submission; (ii) the intent to deceive or mislead other Persons; (iii) the intent to overload or delay the Exchange Trading System or disrupt other Persons' activities; or (iv) the intent to disrupt trading, or in a manner that recklessly disregards the potential negative impact on fair transaction executions or market orderliness.

Guidance

The Compliance Department may evaluate various factors to determine whether specific conduct qualifies as a disruptive practice. These factors include, but are not limited to:

- (a) whether the market participant ~~Participant~~ intended to prompt others to trade when they otherwise would not have;
- (b) whether the ~~intent~~ market participant intended ~~was~~ to influence price movements rather than adjust their position;
- (c) whether the market participant ~~intent~~ intended ~~was~~ to create deceptive or misleading market conditions or to deceive or mislead other Persons;
- (d) whether the market participant intended to cancel or modify the order to avoid execution at the time the order was placed;
- ~~(e)~~ (e) whether the market participant intended to overload or delay the Exchange Trading System or disrupt other Persons' activities;
- (f) prevailing market conditions in the affected market or related markets;
- ~~(d)~~ (g) the market participant's activity in related markets; and
- ~~(e)~~ (h) the impact on other ~~Participants~~ market participants;
- ~~(f)~~ (i) the ~~Participant's~~ market participant's historical trading patterns;
- ~~(g)~~ (j) the ~~Participant's~~ market participant's order placement and cancellation activities;
- ~~(h)~~ (k) the size of the order(s) compared to market conditions at the time they were placed;
- ~~(i)~~ (l) the size of the order(s) relative to the ~~Participant's~~ market participant's position and financial resources;
- ~~(j)~~ (m) the number of orders submitted;
- ~~(k)~~ (n) the ~~Participant's~~ market participant's ability to handle the risks associated with the order(s) if fully executed;
- ~~(h)~~ (o) the length of time the order(s) remained open in the market;
- ~~(m)~~ (p) the time intervals and frequency of order messages;
- ~~(n)~~ (q) the order's position or priority within the order book;
- ~~(o)~~ (r) the prices of bids, offers, and trades before and after the order(s);
- (s) adherence to industry standards for designing, testing, implementing, managing, monitoring, and documenting automated trading systems order placement on the Exchange Trading System.

- (t) whether the Person demonstrates appropriate business rationale for its activity; and
(u) whether the Person recklessly disregards the potential negative impact on fair transaction executions or market orderliness.

All orders must be entered for the purpose of executing legitimate transactions and must be entered in good faith for appropriate business purposes. ~~although Rule XIII-12 does not prohibit all orders may from subsequently be~~ subsequent modification or cancelled cancellation if not executed due to a perceived change in circumstances.

For example, ~~it~~ would be considered a disruptive trading practice to submit ~~enter~~ or cause to be entered a bid or offer with the intent, at the time of order entry, to cancel or modify the bid or offer ~~before~~ in order to avoid execution.

Please note that while the time an order rests in the market may be one factor in assessing whether ~~its~~ subsequent cancellation or modification represents a disruptive trading practice, there is no guaranteed safe harbor. The Compliance Department will evaluate multiple factors, as outlined above, including resting time, to determine whether an order(s) or other message constitutes a disruptive practice.

Please note, the “closing period” referred to in Rule XIII-12~~(a)~~(ii) is the time at which daily Settlement Prices are determined, however, the provisions of Rule XIII-12 apply to all electronic trading activity, whether entered manually or by automated means, and will apply to all market trading hours. ~~.~~

Furthermore, orders of any size entered with the aim of verifying a Participant’s connection to the FMX Trading System or the flow of the executed orders through the Exchange back-office systems for clearing purposes must be entered with the intent to execute legitimate transactions.

The Exchange’s determination of intent is not limited to instances in which a market participant admits its state of mind and may also include circumstances where the conduct was such that it more likely than not was intended to produce a prohibited disruptive consequence, intent may be found.

The Exchange’s determination of “reckless disregard” of the potential negative impact on fair transaction executions or market orderliness” will consider the commonly defined standard where the market participant’s conduct “departs so far from the standards of ordinary care that it is very difficult to believe the actor was not aware of what he or she was doing.” See *Drexel Burnham Lambert, Inc. v. CFTC*, 850 F.2d 742, 748 (D.C. Cir. 1988).

If the Exchange determines that a Participant has engaged in disruptive practices, the ~~Participant~~ market participant will be subject to disciplinary action in accordance with the Rules. Claims of

lack of knowledge about the activity are not acceptable defenses to intentional or reckless conduct that the Exchange believes to be disruptive.

If you have any questions, please contact the FMX Compliance Department at: futurescompliance@fmx.com.

Rhianna Ross
Chief Compliance Officer
FMX Futures Exchange
April 8, 2026