

June 9, 2016

Mr. Christopher Kirkpatrick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

Re: CBOE Futures Exchange, LLC Rule Certification  
Submission Number CFE-2016-011

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (“CFTC” or “Commission”) under the Act, CBOE Futures Exchange, LLC (“CFE” or “Exchange”) hereby submits a CFE rule amendment (“Amendment”) to amend CFE Rules 403 (Order Entry), 414 (Exchange of Contract for Related Position) (“ECRP”), and 415 (Block Trading) to clarify information that must be included as part of an order. The Amendment will become effective on June 23, 2016.

Rule 403(a) currently provides that Trading Privilege Holders (“TPHs”) are required to include certain information when entering an order into CFE’s trading system. Rule 414(f) currently provides that TPHs must identify and mark an ECRP order as an ECRP. Rule 415(e) currently provides that TPHs are required to include specified information on the order ticket for a Block Trade.

The Amendment provides additional details regarding certain order information that must be provided under these Rules in the following manner: First, the Amendment specifies that, under Rule 403(a), the account designation that must be included in any order submitted to CFE’s trading system is the account number of the account of the party for which the order was placed (except that a different account designation may be included in the case of a bunched order or in the case of an order for which there will be a post-trade allocation of the resulting trade(s) to a different clearing member). Second, the Amendment specifies that, under Rule 414(f), each TPH that acts as agent for an ECRP transaction must include on the order ticket for the ECRP specified information provided for in the Amendment.

CFE believes that the Amendment is consistent with Designated Contract Market Core Principles 7 (Availability of General Information) and 10 (Trade Information) under Section 5 of the Act in that the Amendment will provide greater clarity to TPHs regarding required order information and contribute to enhancing the effectiveness of CFE’s audit trail program by helping to assure that required information is included as part of each order.

CFE believes that the impact of the Amendment will be beneficial to the public and market participants. CFE is not aware of any substantive opposing views to the Amendment. CFE hereby certifies that the Amendment complies with the Act and the regulations thereunder. CFE further certifies that CFE has posted a notice of pending certification with the Commission and a copy of this submission on CFE’s Web site (<http://cfe.cboe.com/aboutcfe/rules.aspx>) concurrent with the filing of this submission with the Commission.

The Amendment, marked to show additions in underlined text and deletions in [bracketed] text, consists of the following:

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### **CBOE Futures Exchange, LLC Rules**

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#### **CFE Rule 403. Order Entry and Maintenance of Front-End Audit Trail Information**

(a) All Orders shall be entered into the CBOE System by electronic transmission through a CBOE Workstation, and the Exchange shall maintain an electronic record of those entries. Each Trading Privilege Holder (including its Authorized Traders) shall be responsible in every respect for any and all Orders entered by it (including its Related Parties) and for compliance by its Related Parties with this Rule 403. Prior to entering any Order, the relevant Related Party shall sign onto the CBOE System by inputting the user identification assigned for such purpose by the Exchange. Each Order must contain the following information: (i) whether such Order is a buy or sell Order; (ii) Order type; (iii) commodity; (iv) contract expiration; (v) price; (vi) quantity; (vii) account type; (viii) account designation ([the number assigned by a Trading Privilege Holder to each of its accounts] which shall be the account number of the account of the party for which the Order was placed, except that a different account designation may be included in the case of a bunched Order processed in accordance with Rules 406(e) and 605 or in the case of an Order for which there will be a post-trade allocation of the resulting trade(s) to a different clearing member); (ix) in the case of Orders for Options, strike price, type of option (put or call) and expiration month; and (x) such additional information as may be prescribed from time to time by the Exchange.

(b) - (c) No changes.

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#### **CFE Rule 414. Exchange of Contract for Related Position**

(a) - (e) No changes.

(f) Each Trading Privilege Holder that acts as agent for an Exchange of Contract for Related Position shall record the following details with respect to the Contract leg of the Exchange of Contract for Related Position on its order ticket: the Contract (including the expiration); the number of contracts traded; the price of execution or premium; the time of execution (i.e., the time the parties agreed to the Exchange of Contract for Related Position); the identity of the counterparty; that the transaction is an Exchange of Contract for Related Position; the account number of the Customer for which the Exchange of Contract for Related Position was executed; and if applicable, the underlying commodity, whether the transaction involved a put or a call and the strike price. Every Trading Privilege Holder handling, executing, clearing or carrying Exchange of Contract for Related Position transactions or positions shall identify and mark as such by appropriate symbol or designation all Exchange of Contract for Related Position transactions or positions and all orders, records and memoranda pertaining thereto.

(g) - (o) No changes.

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**CFE Rule 415. Block Trading**

(a) - (d) No changes.

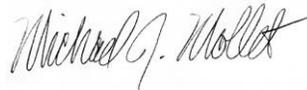
(e) Each Trading Privilege Holder that is party to a Block Trade shall record the following details on its order ticket: the Contract (including the expiration) to which such Block Trade relates; the number of Contracts traded; the price of execution or premium; the time of execution (i.e., the time the parties agreed to the Block Trade); the identity of the counterparty; that the transaction is a Block Trade; and, if applicable, [details regarding] the account number of the Customer for which the Block Trade was executed, the underlying commodity, whether the transaction involved a put or a call and the strike price. Every Trading Privilege Holder handling, executing, clearing or carrying Block Trades or positions shall identify and mark as such by appropriate symbol or designation all Block Trades or positions and all orders, records and memoranda pertaining thereto. Upon request by the Exchange and within the time frame designated by the Exchange, such Trading Privilege Holder shall produce satisfactory evidence, including the order ticket referred to in the preceding sentence, that the Block Trade meets the requirements set forth in this Rule 415.

(f) - (n) No changes.

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Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Nicole Gordon at (312) 786-8109. Please reference our submission number CFE-2016-011 in any related correspondence.

CBOE Futures Exchange, LLC



By: Michael J. Mollet  
Managing Director