



Via Portal Submission

April 5, 2019

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

Re: OneChicago, LLC Rule Submission
Updating Obsolete References and Clarifying Rules in the OneChicago[®]
Rulebook- Chapter 2
(OneChicago Submission Number 19-007)

Dear Mr. Kirkpatrick:

Pursuant to section 5c(c)(1) of the Commodity Exchange Act, as amended (the “Act”), and § 40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (“CFTC” or the “Commission”) under the Act, OneChicago, LLC (“OneChicago” or the “Exchange”) hereby submits the following rule amendments, which will become effective on April 22, 2019. These amendments update and streamline the OneChicago Rulebook by removing superfluous rules and obsolete references or amending language to enhance clarity.

The proposed changes are presented in Attachment A, with Attachment B detailing the actual changes. All the changes are non-substantive.

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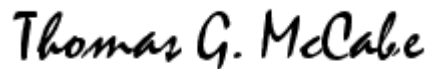
The purpose and effect of the rule amendments are to update the OneChicago Exchange Rulebook (the “Rulebook”) to remove obsolete provisions, move definitions from Chapter 2 to Chapter 1, update references and provide additional clarity. The changes will provide additional clarity to both internal and external users of the Rulebook. Comments on the rule amendments have not been solicited and none have been received. OneChicago is not aware of any opposing views to these rule amendments. OneChicago certifies that the rule amendments comply with the Act, including the core principles, and the Commission’s regulations promulgated thereunder. OneChicago further certifies that a copy of this submission has been posted on the [OneChicago website](#).

OneChicago staff has reviewed the core principles applicable to DCMs, and has concluded that the rule amendment may have some bearing upon the following core principle(s):

Core Principle 7: Core Principle 7 requires DCMs to make available to market authorities, market participants, and the public accurate information concerning the rules and regulations for executing transactions on the contract market. The rule amendments support Core Principle 7 in that they update and clarify OneChicago rules.

If you have any questions or comments related to this filing, please feel free to contact me by telephone at (312) 883-3430 or through e-mail at tmccabe@onechicago.com.

Respectfully Submitted,

Handwritten signature of Thomas G. McCabe in black ink.

Thomas G. McCabe
Chief Regulatory Officer

Attachments: Attachment A
Attachment B

Attachment A

Rule	Action	Change Purpose
Rule 115 (Chief Executive Officer)	Amend	To update reference from old Rule 208(d) to Rule 206(d) to reflect renumbering
Rule 116 (Chief Financial Officer)	Amend	To align with current practice and update reference from old Rule 208(e) to Rule 206(e) to reflect renumbering
Rule 126 (Director)	Amend	To update reference from old Rule 207 to Rule 204 to reflect renumbering
Rule 147 (Owner-Appointed Director)	Amend	To update reference from old Rule 207 to Rule 204 to reflect renumbering
Rule 202 (Principal Place of Business)	Remove	To reduce complexity by removing a rule that serves no regulatory purpose. The number is being re-used within this filing.
Rule 203 (Purpose and Scope of the Exchange)	Remove	To reduce complexity by removing a rule that provides no regulatory purpose. The number is being re-used within this filing.
Rule 204 (Effectiveness of Rules)	Remove	To reduce complexity by removing a rule that serves no regulatory purpose. The number is being re-used within this filing.
Rule 205 (Authorization)	Amend	To enhance clarity by removing obsolete asterisk. The Rule is being renumbered as Rule 202 within this filing.
Rule 206 (Eligibility)	Amend	To streamline the Rulebook by citing Commission Regulations rather than listing Commission requirements. Additionally, to enhance clarity by removing obsolete committee and an asterisk. The Rule is being renumbered as Rule 203.
Rule 207 (Directors)	Amend	To streamline the Rule by only including the information necessary for a member of the public to understand the board's composition and decision-making processes and by separating 207(o) (Regulatory Oversight Committee) into its own rule. The Rule is being renumbered as Rule 204.
Rule 205 (Regulatory Oversight Committee)	Insert	To increase the clarity and accessibility of the Rulebook by stating the rules for the Regulatory Oversight Committee in a separate rule.

Rule	Action	Change Purpose
Rule 208 (Officers)	Amend	To make non-substantive format and case changes and comport to current practice. The Rule is being renumbered as Rule 206.
Rule 209 (Indemnification; Fiduciary Duties)	Amend	The Rule is being renumbered as Rule 207 and modified to reflect its own renumbering
Rule 210 (Confidentiality and Employee Restrictions)	Amend	The Rule is being renumbered as Rule 208 modified to reflect its own renumbering
Rule 211 (Conflicts of Interest)	Amend	To remove “Business Conduct Committee” and the “Probable Cause Committee” neither of which exist under OneChicago Rules. Further, to replace formerly defined “Futures” with futures and to remove a reference to paragraph j in CFTC Regulation 1.3 as the CFTC removed such notation from the Regulation. The Rule is being renumbered as Rule 209.
Rule 212 (Books and Records)	Amend	To clarify that the Chief Executive Officer may designate someone other than the Chief Financial Officer to keep adequate books of account. The Rule is being renumbered as Rule 210.
Rule 213 (Regulatory Cooperation)	Amend	The Rule is being renumbered as Rule 211.
Rule 421 (Emergencies)	Amend	Updating references to reflect re-number of Rule 211 to Rule 209. Further correction to internal rule reference from Rule 420 to Rule 421.

Attachment B

Additions are underlined, deletions are struck through

115. Chief Executive Officer

The term “Chief Executive Officer” means the individual appointed by the Board from time to time as the chief executive officer of the Exchange, with the duties and responsibilities described in Rule 206(d). ~~208(d)~~.

116. Chief Financial Officer

The term “Chief Financial Officer” means the individual appointed by the Exchange Board from time to time as the chief financial officer of the Exchange, with the duties and responsibilities described in Rule 206(e). ~~208(e)~~.

126. Director

The term “Director” means each limited liability company manager, as such term is defined in §18-101(10) of the Delaware LLC Act, who is designated as described in Rule 204 ~~207~~ to serve on the Board.

147. Owner-Appointed Director

The term “Owner-Appointed Director” means a Director appointed pursuant to Rule 204(b) ~~207(b)~~ by the CBOE Subsidiary, the CME or IBG.

202. Principal Place of Business

~~The Exchange shall have its principal place of business at such location in Chicago, Illinois as the Board may from time to time determine.~~

203. Purpose and Scope of the Exchange

~~The sole purpose of the Exchange shall be to develop, list for trading, market, regulate, clear and settle transactions in Single Stock Futures and Stock Index Futures. The Board may further authorize the Exchange to develop, list for trading, market, regulate, clear and settle transactions in other products with substantially the same characteristics as Single Stock Futures and Stock Index Futures if such products are legally authorized to be listed for trading under the same regulatory structure as applies to Single Stock Futures and Stock Index Futures. “Substantially the same characteristics”, as used in the foregoing sentence, means products that are standardized contracts for future delivery of (i) a certain number of shares (or the cash value thereof) of an equity-based instrument or (ii) the cash value or a basket of securities representing a narrow-based index of such instruments.~~

204. Effectiveness of Rules

~~Unless otherwise specified by the Board, all Rules of the Exchange and amendments thereto from time to time adopted by the Board shall become effective on such date (after any required filing with, or approval thereof by, the Commission) as may be determined by the Exchange.~~

202. 205. Authorization

The Board and its committees, as well as the committees and officers of the Exchange, shall be established, appointed or elected as described in this Chapter 2, and shall have the rights, duties and responsibilities set forth herein. Notwithstanding anything in these Rules to the contrary, the Board shall have the power and authority to call for review, and to affirm, modify, suspend or overrule, any and all decisions of its committees and of the committees and officers of the Exchange except for any action of the Regulatory Oversight Committee that is not directly related to the Exchange's budget.*

203. 206. Eligibility

~~No Person may serve as a member or alternate of the Board, the Regulatory Oversight Committee, the Arbitration Committee or the Disciplinary Panel or any other such "disciplinary committee"; "arbitration panel" or "oversight panel" (all as defined in Commission Regulation § 1.63) of the Exchange if, such person does not meet the requirements in Commission Regulation § 1.63(b). ~~in the last three years before the date of determination, such Person was found to have committed any "disciplinary offense" (as defined in Commission Regulation § 1.63), was suspended from trading, had a registration revoked or was suspended from serving on a governing board under federal laws.*~~~~

204 207. Directors

(a) *General Powers.* The business and affairs of the Exchange shall be managed by or under the direction of the Board, with all rights and powers generally conferred by law or necessary, advisable or consistent in connection therewith. The Board may do all such lawful acts and things ~~as are not required~~ by the Delaware LLC Act; to be directed, exercised or performed ~~directed or required to be exercised or performed~~ by the Owners. Meetings of the Board may be conducted by the Chief Executive Officer ~~or President of the Exchange~~ or as the Board otherwise determines. ~~At its discretion, the Board may appoint by majority vote a Director to serve as Chairman of the Board.~~

(b) *Designation of Directors; Alternates*

(i) ~~(i)~~ The Board shall be composed of eight Directors, which shall be elected or appointed as follows:

(A) ~~(i)~~ The CBOE Subsidiary shall appoint one Director;

(B) ~~(ii)~~ The CME shall appoint two Directors;

(C) ~~(iii)~~ IBG shall appoint two Directors, and

(D) ~~(iv)~~ The Board shall appoint three Public Directors for a term of two years each. ~~as set forth in Section (n), below.~~

(ii) ~~(v)~~ The number and or designation of Directors shall be deemed to conform to any change to the definition of "Public Director" set forth in 17 CFR Part 38 Appendix B under Core Principle 16. ~~Core Principle 16 of Section 5(d) of the CEA or any CFTC Regulation.~~

(iii) Each Director, except for the Public Directors, may at any time appoint an alternate to act in their stead, upon notification to the entire board and the secretary of the Exchange Secretary. An alternate Director while acting as Director is vested with all the rights and obligations of the Director for whom the alternate is substituting as provided by law, the Operating Agreement and these Rules provided that the alternate Director may not further designate an alternate.

(c) *Number, Tenure, and Qualifications; Allocation of Directorships.* Each Owner-Appointed ~~Owner Appointed~~ Director shall serve until his or her death, resignation or removal, whichever occurs first, in a manner permitted by Applicable Law. If the Voting Interest of any Owner entitled to vote with Owner-Appointed ~~Owner Appointed~~ Directors under paragraph (b) either falls below four percent, or increases or decreases by five percentage points or more (taken as absolute points rather than a relative degree of increase or decrease) measured against the Voting Interest held by such Owner entitled to vote, or if a new Owner is admitted and has voting ownership of 5% or greater, the Voting Owners shall negotiate in good faith as to a re-allocation of Owner-Appointed ~~Owner Appointed~~ Directors, with the following guiding principles:

- (i) The allocation should be roughly proportionate, taking into account the possibilities for alignment of interest across Owners entitled to vote.
- (ii) The allocation should preserve representation for each initial Owner and IBG if any of them hold a Voting Interest of at least four percent.

If the Owners entitled to vote which hold a Voting Interest of at least four percent cannot agree upon an allocation of Owner-Appointed ~~Owner Appointed~~ Directors to apply following the relevant change in Voting Interest, paragraph (b)(a) above shall be amended automatically to provide that each Owner entitled to vote which holds a Voting Interest of at least four percent shall appoint one Director, and paragraph (j) below shall be amended automatically to provide that Additionally, Board actions shall be by weighted votes, with each Director appointed by an Owner entitled to vote holding votes in proportion to such Owner's Voting Interest.

(d) *Vacancies.* A vacancy created because of the death, disability, resignation or removal of a Director appointed by any Owner entitled to vote pursuant to paragraph (b) above shall be filled by the Owner entitled to appoint such Director.

~~(e) *Regular Meetings.* A regular meeting of the Board shall be held immediately following the close of, and at the same place as, any special meeting of the Owners. No notice of any such meeting, other than this paragraph (e), shall be necessary in order legally to constitute any such meeting, provided a quorum is present. The Board may provide, by resolution, the time and place for the holding of additional regular meetings without notice other than such resolution.~~

~~(f) *Action by Consent.* Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if the Directors unanimously consent thereto in writing, including by electronic mail or facsimile, and the writing or writings are filed with the minutes of the proceedings of the Board.~~

~~(g) *Special Meetings.* Special meetings of the Board may be called by the Chairman, President or any three Directors. The person or persons calling a special meeting of the Board shall fix the time and~~

~~place at which such meeting shall be held, and such time and place shall be specified in the notice of such meeting.~~

~~(h) *Notice.* Notice of any special meeting of the Board shall be given at least five (5) days previous thereto by written notice to each Director at his or her business address or such other address as he or she may have advised the secretary of the Exchange to use for such purpose. If hand delivered, such notice shall be deemed to be given when delivered to such address or to the person to be notified. If mailed, such notice shall be deemed to be given two business days after deposit in the United States mail so addressed, with postage thereon prepaid. Such notice may also be given by telephone or other means not specified herein (including electronic mail), and in each such case shall be deemed to be given when actually received by the Director to be notified. Notice of any meeting of the Board shall set forth the time and place of the meeting. Neither the business to be transacted at, nor the purpose of, any meeting of the Board (regular or special) need be specified in the notice or waiver of notice of such meeting.~~

~~(i) *Waiver of Notice.* A written waiver of notice, signed by a Director entitled to notice of a meeting of the Board or of a committee of such Board of which the Director is a member, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice to that Director. Attendance of a Director at a meeting of the Board or of a committee of such Board of which the Director is a member shall constitute a waiver of notice of such meeting except when the Director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.~~

~~(j) *Quorum and Vote Required for Action.* At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board except as may be otherwise provided in this Chapter 2 or the Delaware LLC Act. If a quorum is not present at any meeting of the Board, a majority of the Directors present at such meeting may adjourn such meeting from time to time, without notice other than announcement at such meeting, until a quorum is present. In the event that there is a tie vote, after all of the Directors eligible to vote have voted, on any matter requiring a majority vote of the Board for approval, the highest ranking executive officer of the Exchange may vote on the matter in order to break the tie.~~

~~(k) *Attendance by Conference Telephone.* Directors or members of any committee designated by the Board may participate in a meeting of the Board or such committee by means of conference telephone, or any similar means of communication through which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at that meeting.~~

~~(e) (4) *Resignation and Removal.* A Director may resign at any time by giving written notice to the chairman or Chief Executive Officer. ~~Chairman or President.~~ A Director may be removed for cause by the act of a Majority in Interest of the Owners at a meeting of the Owners called expressly for the purpose of removing such Director. For these purposes, "for cause" shall mean that (i) the Director has (A) committed a willful serious act, such as fraud, embezzlement or theft, (B) committed or attempted any act against the Exchange intending to enrich himself or herself at the expense of the Exchange or (C) made an unauthorized use or disclosure of confidential information pertaining to the business of the Exchange, (ii) the Director has been convicted of a felony or commits an act constituting a felony, (iii) the Director has engaged in conduct which has caused serious injury,~~

monetary or otherwise, to the Exchange, or (iv) the Director, in carrying out his or her duties, has been guilty of negligence or willful misconduct. A Director may be removed at any time by the Owner that appointed such Director, effective immediately upon providing written notification to the other Owners and to the remaining Directors.

~~(f)(m)~~ *Committees.* The Board may designate by resolution one or more committees, which shall be comprised of individuals appointed by the Board and may at the Board's discretion include non-Board members. Any such committee, to the extent provided in the resolution, shall have the authority and power to exercise the functions delegated to it by the Board, which delegation may be revoked by the Board at any time and in its discretion. The Board may designate one or more Directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of such committee. In the absence or in the case of disqualification of any member of such committee or committees, the member or members thereof present at the meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another person to act at such meeting in the place of such absent or disqualified member. Notwithstanding the above, the Board shall designate a Compensation Committee empowered to make decisions regarding the compensation and benefits programs for the Exchange and to determine the annual compensation for the Exchange's Officers, subject to approval of the Board. Such Compensation Committee shall be comprised of one Director from each of IBG, CME and CBOE. The provisions of this Subsection ~~(f)(m)~~ shall not apply to the Regulatory Oversight Committee.

~~(g)(n)~~ *Public Director.*

~~(i)~~ To qualify as a Public Director, a Person must be found, by action of the Board, on the record, to have no relationship with the Exchange that reasonably could affect the independent judgment or decision making of the Person as a Public Director.

~~(ii)~~ A Person shall not be considered a "Public Director" if any of the following circumstances exist:

~~(A)~~ Within the last year the Person is an officer or employee of the Exchange or an officer or employee of its affiliate. In this context, "affiliate" includes parents or subsidiaries of the Exchange or entities that share a common parent with the Exchange;

~~(B)~~ Within the last year, the Person is a Member of the Exchange, or an officer or director of a member as defined in Rules 118 and 132;

~~(C)~~ Within the last year, the Person, or a firm with which the Person is an officer, director, or partner, receives more than \$100,000 in combined annual payments from the Exchange, or any Affiliate of Exchange for legal, accounting, or consulting services. Compensation for services as a director of the Exchange or as a director of an Affiliate of the Exchange does not count toward the \$100,000 payment limit, nor does deferred compensation for services prior to becoming a director, so long as such compensation is in no way contingent, conditioned, or revocable. In this context a person is "affiliated" with the vendor or Affiliate if their impartiality could be called into question in matters concerning the vendor or Affiliate.

~~(D)~~ Any of the relationships above apply to a member of the director's "immediate family," i.e., spouse, parents, children and siblings.

~~(i)(iii)~~ OneChicago's Public Directors may also serve as directors of OneChicago's Affiliates if they otherwise meet the definition of Public Director in these Rules.

~~(ii)(iv)~~ OneChicago shall disclose to the CFTC which members of its Board are Public Directors, and the basis for those determinations.

~~(v) This Rule shall be deemed to be modified to conform to any change to the definition of “Public Director” set forth in Core Principle 16 of Section 5(d) of the CEA or any CFTC Regulation.~~

~~(e) *Regulatory Oversight Committee.*~~

~~(i) The Regulatory Oversight Committee (ROC) of the Board shall consist only of Public Directors. Each member of the ROC shall serve for a term of two years from their appointment date or for the remainder of the Public Director’s term to which they were appointed and until their earlier resignation or removal (as a member of the ROC or the Board) for cause. The ROC shall oversee the Exchange’s regulatory program on behalf of the Board and shall assist it in minimizing actual and potential conflicts of interest. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the ROC to fulfill its mandate.~~

~~(ii) The ROC shall have the authority to:~~

~~(A) Monitor the Exchange's regulatory program for sufficiency, effectiveness, and independence;~~

~~(B) Oversee all facets of the program, including trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to member firms (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 Chief Regulatory Officer, who will report jointly to the ROC for all regulatory, compliance, supervisory, and surveillance matters and to the Chief Executive Officer for all other matters that are not related to regulation and supervision;~~

~~(E) Prepare an annual report assessing the Exchange’s self-regulatory program for the Board 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; and~~

~~(G) Review regulatory proposals and advise the Board as to whether and how such changes may impact regulation and~~

~~(H) Exercise any other functions expressly assigned to it in these Rules.~~

~~(iii) Quorum and Vote Required for Action. At all meetings of the ROC, a majority of the ROC members shall constitute a quorum for the transaction of business and the act of a majority of the ROC present at any meeting at which there is a quorum shall be the act of the ROC. If a quorum is not present at any meeting of the ROC, a majority of the ROC members present at such meeting may adjourn such meeting from time to time, without notice other than announcement at such meeting, until a quorum is present. In the event that there is a tie vote, after all of the ROC members eligible to vote have voted, on any matter requiring a majority vote of the ROC for approval, a Director (other than a Public Director) representing the Owner with the largest Voting Interest may vote on the matter in order to break the tie.~~

~~(iv) This Rule shall be deemed to be modified to conform to any change to the definition of “Regulatory Oversight Committee” set forth in Core Principle 16 of Section 5(d) of the CEA or any CFTC Regulation.~~

205. Regulatory Oversight Committee

(a) The Regulatory Oversight Committee (ROC) of the Board shall consist only of Public Directors. Each member of the ROC shall serve for a term of two years from their appointment date or for the remainder of the Public Director's term to which they were appointed and until their earlier resignation or removal (as a member of the ROC or the Board) for cause. The ROC shall oversee the Exchange's regulatory program on behalf of the Board and shall assist it in minimizing actual and potential conflicts of interest. The Board shall delegate sufficient authority, dedicate sufficient resources, and allow sufficient time for the ROC to fulfill its mandate.

(b) The ROC shall have the authority to:

- (i) Monitor the Exchange's regulatory program for sufficiency, effectiveness, and independence;
- (ii) Oversee all facets of the program, including trade practice and market surveillance; audits, examinations, and other regulatory responsibilities with respect to member firms (including ensuring compliance with financial integrity, financial reporting, sales practice, recordkeeping, and other requirements); and the conduct of investigations;
- (iii) Review the size and allocation of the regulatory budget and resources; and the number, hiring and termination, and compensation of regulatory personnel;
- (iv) Supervise the Chief Regulatory Officer, who will report jointly to the ROC for all regulatory, compliance, supervisory, and surveillance matters and to the Chief Executive Officer for all others matters that are not related to regulation and supervision;
- (v) Prepare an annual report assessing the Exchange's self-regulatory program for the Board 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;
- (vi) Recommend changes that would ensure fair, vigorous, and effective regulation; and
- (vii) Review regulatory proposals and advise the Board as to whether and how such changes may impact regulation and
- (viii) Exercise any other functions expressly assigned to it in these Rules.

(c) Quorum and Vote Required for Action. At all meetings of the ROC, a majority of the ROC members shall constitute a quorum for the transaction of business and the act of a majority of the ROC present at any meeting at which there is a quorum shall be the act of the ROC. If a quorum is not present at any meeting of the ROC, a majority of the ROC members present at such meeting may adjourn such meeting from time to time, without notice other

than announcement at such meeting, until a quorum is present. In the event that there is a tie vote, after all of the ROC members eligible to vote have voted, on any matter requiring a majority vote of the ROC for approval, a Director (other than a Public Director) representing the Owner with the largest Voting Interest may vote on the matter in order to break the tie.

(d) This Rule shall be deemed to be modified to conform to any change to the definition of “Regulatory Oversight Committee” set forth in 17 CFR Part 38 Appendix B under Core Principle 16.

206. 208. Officers

(a) Designation; Number; Election. The Board shall designate the Chief Executive Officer (who shall also be president of the Exchange), and may appoint a Chief Financial Officer or similar title who shall also serve as the treasurer of the Exchange. In addition, the Chief Executive Officer may appoint one (1) or more officers. The Board shall designate the officers of the Exchange. Such officers of the Exchange shall include a president President (who shall be the chief executive officer of the Exchange), and may include a Chief Financial Officer or similar title who shall also serve as the treasurer of the Exchange, and such other officers as the Board may choose. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. Any two or more offices may be held by the same person. Except as provided by contract with the Exchange, election or appointment as an officer shall not of itself create contract rights.

(b) – (e) No change

(f) The “Chief Regulatory Officer” means the individual appointed by the Exchange to oversee compliance matters and for managing the day-to-day regulatory functions of the Exchange. Such person must (i) satisfy the applicable eligibility requirements of Rule 203 206, (ii) should be knowledgeable about futures trading and futures market operations as well as Applicable Law, and (iii) who will report jointly to the ROC for all regulatory, compliance, supervisory, and surveillance matters and to the Chief Executive Officer for all others matters that are not related to regulation and supervision.

207. 209. Indemnification; Fiduciary Duties

(a) – (b) No Change

(c) *Other Rights of Indemnification.* The indemnification provided or permitted by this Rule 207 209 shall not be deemed exclusive of any other rights to which those indemnified may be entitled by law or otherwise, and shall continue as to any person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

(d) No Change

208. 210. Confidentiality and Employee Restrictions

(a) – (c) No Change

(d) For purposes of this Rule ~~208210~~, the terms “commodity interest,” “employee,” “material information,” “non-public information” and “related commodity interest” shall have the meanings ascribed to them in Commission Regulation § 1.59, and the term “security” shall have the meaning ascribed to it in Section 3(a)(10) of the Exchange Act.

209. 211. Conflicts of Interest

(a) *Named Party in Interest Conflict.*

(i) *Prohibition.* No member of the Board, ~~the Business Conduct Committee, Probable Cause Committee~~ or any ~~other~~ “disciplinary committee” or “oversight panel” (both as defined in Commission Regulation § 1.69) of the Exchange shall knowingly participate in such body’s deliberations or voting in any matter involving a named party in interest where such member (a) is a named party in interest, (B) is an employer, employee or fellow employee of a named party in interest, (C) has any other significant, ongoing business relationship with a named party in interest, excluding relationships limited to executing ~~futures-Futures~~ transactions opposite each other or to clearing ~~futures-Futures~~ transactions through the same Clearing Members or (D) has a family relationship with a named party in interest. For purposes of this clause (i), a “family relationship” exists between a named party in interest and a member if such party is the member’s spouse, former spouse, parent, stepparent, child, sibling, stepbrother, stepsister, grandparent, grandchild, uncle, aunt, nephew, niece or in-law.

(ii) – (iii) No Change

(b) *Financial Interest in a Significant Action Conflict.*

(i) *Prohibition.* No member of the Board, ~~the Business Conduct Committee~~ or any ~~other~~ “disciplinary committee” or “oversight panel” (both as defined in Commission Regulation § 1.69) of the Exchange shall participate in such body’s deliberations and voting on any significant action if such member knowingly has a direct and substantial financial interest in the result of the vote based upon either Exchange or non-Exchange positions that could reasonably be expected to be affected by the significant action under consideration, as determined pursuant to clause (iii) below. For purposes of this clause (i), the term “significant action” means (A) any action or rule change that addresses a specific Emergency or (B) any change in margin level that are designed to respond to extraordinary market conditions or that otherwise are likely to have a substantial effect on prices in any Contract.

(ii) *Disclosure.* Prior to consideration of any significant action, each member of the deliberating body who does not choose to abstain from deliberations and voting shall disclose to the Chief Executive Officer, or his or her designee, position information that is known to such member with respect to any particular month or months that are under consideration, and any other positions which the deliberating body reasonably expects could be affected by the significant action, as follows:

(A) gross positions held at the Exchange in such member's personal accounts or "controlled accounts," as defined in Commission Regulation § 1.3(f);

(B) – (E) No Change

(iii) No Change

(iv) *Deliberation Exemption.* Any member of the Board, ~~the Business Conduct Committee~~ or any other "disciplinary committee" or "oversight panel" (both as defined in Commission Regulation § 1.69) of the Exchange who would otherwise be required to abstain from deliberations and voting pursuant to clause (i) above may participate in deliberations, but not voting, if the deliberating body, after considering the factors specified below, determines that such participation would be consistent with the public interest; *provided, however,* that before reaching any such determination, the deliberating body shall fully consider the position information specified in clause (ii) above which is the basis for such member's substantial financial interest in the significant action that is being contemplated. In making its determination, the deliberating body shall consider:

(A) – (B) No Change

(c) *Documentation.* The minutes of any meeting to which the conflicts determination procedures set forth in this Rule ~~209244~~, apply shall reflect the following information:

(i)– (iii) No Change

210.212. Books and Records

The Exchange shall keep adequate books of account of the exchange wherein shall be recorded all contributions to the capital of the Exchange, and all income, distributions, expenses, and transactions of the Exchange. The books of account of the Exchange shall be kept on a cash or accrual basis to the extent permitted by the Internal Revenue Code, as amended from time to time, and in accordance with U.S. generally accepted accounting principles, as the Chief Financial Officer, or other person designated by the Chief Executive Officer, shall determine. ~~The Exchange shall keep adequate books of account of the Exchange on a cash or accrual basis to the extent permitted by the Internal Revenue Code, as amended from time to time, and in accordance with U.S. generally accepted accounting principles, as the Chief Financial Officer, shall determine, wherein shall be recorded all contributions to the capital of the Exchange, and all income, distributions, expenses, and transactions of the Exchange.~~ The Exchange also shall maintain as a part of the books and records of the Exchange a list of the names and addresses of the Owners. Each Owner's name and address may be changed by such Owner by written notice to the Exchange. The Exchange's books of account, along with the Exchange's federal, state, local and foreign income tax returns for each of the six preceding taxable years of the Exchange, shall be kept at the principal office of the Exchange.

211. 213. Regulatory Cooperation

The Exchange may from time to time enter into such agreements with domestic or foreign self-regulatory organizations, associations, boards of trade and their respective regulators providing for the exchange of information and other forms of mutual assistance for financial surveillance, routine audits, market surveillance, investigative, enforcement and other regulatory purposes as the Exchange may consider necessary or appropriate or as the Commission may require. The Chief Executive Officer, or his or her delegate, is authorized to provide information to any such organization, association, board of trade or regulator that is a party to an information sharing agreement with the Exchange, in accordance with the terms and subject to the conditions set forth in such agreement.

421. Emergencies

(a) – (c) No Change

(d) *Conflicts of Interest*. The conflict of interest provisions set forth in Rule 209(b) ~~211(b)~~ and the related documentation requirements set forth in Rule 209(c) ~~211(e)~~ shall apply, *mutatis mutandis*, to the taking of any action under this Rule 421 ~~420~~ by the Chief Executive Officer, or his or her designee.