



Via Portal Submission

May 6, 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 and Streamlining Rules - Chapter 3
(OneChicago Submission Number 19-009)

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 May 20, 2019. These amendments update and streamline the OneChicago rulebook by removing obsolete references, correcting omissions and errors or amending language to enhance clarity.

The proposed changes to Rules 305, 306, 308 and 309 are non-substantive. Rule 307(d) lists the exchange rules that any person initiating or executing a transaction on the exchange directly, or through an intermediary, who is not a Clearing Member, Exchange Member, or Access Person are bound by and required to comply with. OneChicago is updating the list in Rule 307(d) to reflect corrections and changes that have occurred in the OneChicago Rulebook since the time that Rule 307(d) was first adopted.

The proposed changes are detailed in Attachment A with Attachment B containing the actual changes.

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The purpose and effect of the rule amendment is to update the OneChicago Exchange Rulebook (the “Rulebook”) to remove obsolete provisions and update references. The changes will provide additional clarity to both internal and external users of the Rulebook. Comments on the rule amendment have not been solicited and none have been received. OneChicago is not aware of any

substantive opposing views to this rule amendment. OneChicago certifies that the rule amendment complies 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 amendment supports Core Principle 7 in that it updates and clarifies the OneChicago Rulebook to conform with current exchange practices.

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

Encl: Attachment A

Attachment A

| Rule | Action | Change Purpose |
|--|---------------|---|
| Rule 305 (Dues, Assessments and Fees) | Amend | To enhance clarity by replacing “Clearing Member or Exchange Member” with the now defined term “OneChicago Participant” and to streamline by directly referencing “Exchange Members”. |
| Rule 306 (Limitations of Access Privileges) | Amend | To enhance clarity by replacing “Clearing Member or Exchange Member” with the now defined term “OneChicago Participant” |
| Rule 307 (Application of Rules and Jurisdiction) | Amend | To enhance clarity by replacing “Clearing Member or Exchange Member” with the now defined term “OneChicago Participant” and to update the list of applicable rules |
| Rule 308 (Recording of Conversations) | Amend | To enhance clarity by replacing “Clearing Member or Exchange Member” with the now defined term “OneChicago Participant” |
| Rule 309 (Notices) | Amend | To enhance clarity by declaring that all notices are communicated by posting on the Exchange’s website |

Attachment B

Additions are underlined, deletions are struck through

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305. Dues, Assessments and Fees

(a) No Change

(b) All Exchange Members ~~Persons with member trading privileges on the CME, the CBOE and the CBoT~~ shall be subject to the same fee structure, which may vary by Contract or be subject to differentiation on the basis of whether such Persons enjoy market maker status, Clearing Member status or any other similar designation; *provided* that no such designation may be based upon the identity of the Owner from which such Persons derive their Exchange Member status. ~~The Board may modify the fee structure from time to time as it sees fit.~~

(c) If a OneChicago Participant ~~Clearing Member or Exchange Member~~ fails to pay when due any Exchange dues, assessments or fees levied on such OneChicago Participant ~~Clearing Member or Exchange Member~~ and such payment obligation remains unsatisfied for six consecutive months after its due date, the Exchange may suspend, revoke, limit, condition, restrict or qualify the Access Privileges of such OneChicago Participant ~~and if such OneChicago Participant is a Clearing Member~~ (~~including~~ any or all of the Access Persons that such Clearing Member has permitted to act as such) ~~or Exchange Member~~ as the Exchange ~~it~~ deems necessary or appropriate.

306. Limitations of Access Privileges

The Exchange may at any time revoke, suspend, limit, condition, restrict or qualify the Access Privileges of any OneChicago Participant ~~Clearing Member, Exchange Member or Access Person~~ if, in the sole discretion of the Exchange, such action is in the best interest of the Exchange.

A Clearing Member may at any time revoke the authorization of any Exchange Member or Access Person guaranteed by it, with or without prior notice to such Exchange Member or Access Person. For purposes of the relationship between the relevant Clearing Member and the Exchange, and the obligations of such Clearing Member to the Exchange, any such revocation shall become effective upon the receipt and confirmation of notice thereof by the Exchange. Upon such receipt and confirmation, the Access Privileges of the Exchange Member or Access Person subject thereto shall be automatically terminated, and such Exchange Member ~~or Access Person~~ must obtain another guarantee from a Clearing Member before its Access Privileges will be reinstated.

Application of Rules and Jurisdiction

(a) By accessing, or entering any Order into, the OneChicago System, and without any need for any further action, undertaking or agreement, a OneChicago Participant Clearing Member, Exchange Member or Access Person agrees (i) to be bound by, and comply with, the Rules of the Exchange, the Rules of the Clearing Corporation and Applicable Law, in each case to the extent applicable to it, and (ii) to become subject to the jurisdiction of the Exchange with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such OneChicago Participant Clearing Member, Exchange Member or Access Person.

(b) No Change

(c) Any OneChicago Participant Clearing Member, Exchange Member or Access Person whose Access Privileges are revoked or terminated, whether pursuant to Rule 306 or Chapter 7, shall remain bound by the Rules of the Exchange, the Rules of the Clearing Corporation and Applicable Law, in each case to the extent applicable to it, and subject to the jurisdiction of the Exchange with respect to any and all matters arising from, related to, or in connection with, the status, actions or omissions of such OneChicago Participant Clearing Member, Exchange Member or Access Person prior to such revocation or termination.

(d) Any Person subject to Rule 307(b) that is not a Clearing Member, Exchange Member or Access Person is bound by and required to comply with the following Rules of the Exchange for purposes of Rule 307(b) to the same extent that a Clearing Member, Exchange Member or Access Person is bound by and required to comply with those Rules of the Exchange:

Rules 306, Limitations of Access Privileges; 308, Recording of Conversations; ~~309, Notices~~; 402, Trading Hours; ~~406, Execution of Orders by OneChicago System~~; 411, Requirements for Average Price System Transactions; 412, Application and Closing Out of Offsetting Positions, 413, Errors of Clearing Members; 414, Position Limits and Position Accountability; 416, Exchange of Future for Physical; 417, Block Trading; ~~418, Futures Calendar Spread~~; 422, Limitation of Liability, No Warranties; 423, Transfer of Trades; 424, Concurrent Long and Short Positions; 501, Books and Records; 502, Inspection and Delivery; 505, Treatment of Customer Funds and Securities; 508, Confirmations; 509, Customer Statements; 510, Risk Disclosure Statement; 511, Fraudulent or Misleading Communications; 512, Responsibility for Customer Orders; 513, System Security; 515, General Requirements; Offsetting Positions; Exclusions for Market Makers; 601, Fraudulent Acts; 602, Fictitious Transactions; 603, Market Manipulation; 604, Adherence to Law; 605, Sales Practice Rules; 607, Use of Access Privileges; 608, Acts Detrimental to the Exchange; Acts Inconsistent with Just and Equitable Principles of Trade; 610, Priority of Customers' Orders; 611, Trading Against Customers' Orders; 612, Withholding Orders; 613, Disclosing Orders; 614, Pre-Arranged Trades; 615, Simultaneous Buying and Selling Order; 617, Disruptive Practices; 618, Wash Trades; 619, Money Passes; 620, Accommodation Trading; 621, Front-Running; and all of chapters 7, 8, 9, 10 and 11.

308. Recording of Conversations

The Exchange may record conversations between officers, employees or agents of the Exchange, on one hand, and ~~OneChicago Participants Clearing Members or Exchange Members~~ (including their ~~respective~~ Related Parties) ~~or Access Persons~~, on the other hand. Any such recordings may be retained by the Exchange in such manner and for such periods of time as the Exchange may deem necessary or appropriate.

309. Notices

The Exchange shall publish a notice with respect to each addition to, or modification of, the Rules of the Exchange, in a form and manner that is reasonably designed to enable each Clearing Member and Exchange Member to become aware of and familiar with, and to implement any necessary preparatory measures to be taken by it with respect to, such addition or modification, prior to the effective date thereof; *provided* that any failure of the Exchange to so publish a notice shall not affect the effectiveness of the addition or modification in question. For purposes of publication in accordance with the first sentence of this Rule 309, it shall be sufficient (without limiting the discretion of the Exchange as to any other reasonable means of communication) if a notice is ~~(a) sent to each Clearing Member and Exchange Member by mail, recognized courier service, facsimile or electronic mail (including by means of a hyperlink included in an electronic mail message), to the address, facsimile number or electronic mail address (as applicable) provided by such Clearing Member or Exchange Member for such purpose and (b) published on the Exchange's website.~~