



June 18, 2019

Christopher J. 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-2019-012

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 update, clarify, and amend certain CFE rule provisions primarily relating to trading conduct. The effective date of the Amendment will be on July 2, 2019.

Specifically, CFE is amending the following CFE rule provisions:

- CFE is amending the definition of the term “Contract” in Chapter 1 (Definitions) of the CFE Rulebook to make explicit that a Contract refers to any future, option, or security future offered for trading on CFE. This revision makes clear that a Contract does not include any future, option, or security future offered for trading on another exchange. This clarification is consistent with how CFE has historically interpreted the term “Contract” as that term is utilized in CFE’s rules.
- CFE is adding the defined term “Market Participant” to Chapter 1 of the CFE Rulebook and to CFE Rule 308 (Consent to Exchange Jurisdiction). Rule 308(c) currently provides that any Person initiating or executing a transaction on or subject to CFE rules directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with CFE rules in relation to such transactions, including, but not limited to, rules requiring cooperation and participation in investigatory and disciplinary processes. Chapter 1 defines a “Person” as any natural person, association, partnership, limited liability company, joint venture, trust, or corporation. CFE is amending Rule 308(c) to provide that any Person subject to Rule 308(c) shall be referred to as a “Market Participant” and is amending Chapter 1 to provide that the term “Market Participant” has the meaning set forth in Rule 308(c).
- CFE is revising CFE Rule 303A (Order Entry Operator IDs) to clarify that if a natural person utilizes a front-end trading system with automated functionality (such as spreading functionality) and the use of that functionality is ancillary to the natural

person's manual trading, an Order Entry Operator ID ("OEO ID") is not required to be used for that front-end trading system. In that event, the natural person's OEO ID may be used for the submission of orders originating from that front-end trading system. If, however, the automated functionality of the front-end trading system generates a majority of the natural person's orders, that front-end trading system will be treated as an Automated Trading System for purposes of Rule 303A and an OEO ID for the front-end trading system must be included in each order generated by the front-end trading system in order to differentiate those orders from manual orders submitted by the natural person.

- Rule 308(d) currently provides that any Person subject to Rule 308(c) that is not a CFE Trading Privilege Holder ("TPH") or Related Party of a TPH is bound by and required to comply with a number of CFE rules that are enumerated in Rule 308(d) to the same extent that a TPH or Related Party is bound by and required to comply with those rules. CFE is making the following four revisions to Rule 308(d):
 - CFE is substituting the term "Market Participant" for the reference in Rule 308(d) to any Person subject to Rule 308(c).
 - CFE is amending Rule 308(d) to add Rule 501(c) as a rule that is applicable to Market Participants to the same extent that it is applicable to TPHs. Rule 501(c) provides that if a contract listed on the Exchange is settled by reference to the price of a contract or commodity traded in another venue, including a price or index derived from prices on another designated contract market ("DCM"), TPHs are required to make available to the Exchange upon request in a form and manner prescribed by the Exchange and within the time frame designated by the Exchange information and their books and records regarding their activities in the reference market.
 - CFE is revising Rule 308(d) to delete CFE Rule 607 (Use of Trading Privileges) as a rule that is applicable to Market Participants since Rule 607 relates to the use of trading privileges on CFE and access to CFE and only TPHs have trading privileges on CFE and access to CFE.
 - CFE is amending Rule 308(d) to add new CFE Rule 609(b) (which is described below) as a rule that is applicable to Market Participants.
- CFE is adding new Rule 308(e) to include the following three clarifications relating to Market Participants:
 - The first clarification is that every Person in the chain of custody of an order submitted to CFE that is not a TPH or authorized trader of a TPH, commencing with the original initiation of the order until its receipt by CFE, shall be deemed to be a Market Participant. For example, if an introducing broker or foreign broker that is not a TPH receives an order from a customer and forwards that order to a futures commission merchant that is a TPH for submission to CFE, the customer and the broker that initially received the order would each be deemed a Market Participant. In connection with this clarification, CFE is also amending the definition of the term "Customer" in Chapter 1 to make clear that a Market Participant may have customers.
 - The second clarification is that every authorized reporter for exchange of contract for

related position (“ECRP”) transactions and block trades shall be deemed a Market Participant. This clarification is consistent with CFE Rule 414(i) and CFE Rule 415(f) which currently provide that authorized reporters are obligated to comply with the requirements of Rule 414 (Exchange of Contract for Related Position) and Rule 415 (Block Trades).

- Consistent with the current language of Rule 308(d), the third clarification is that a Market Participant is bound by and required to comply with the CFE rules set forth in Rule 308(d) to the same extent that a TPH or Related Party is bound by and required to comply with those provisions regardless of whether or not those provisions reference Market Participants. In some rules, such as in certain trading conduct rules in Chapter 6 of the CFE Rulebook, CFE is amending various rule provisions to specifically reference Market Participants in order to clarify the applicability of those rules to Market Participants. This does not mean that other CFE rules enumerated in Rule 308(d) that are applicable to Market Participants to the same extent that they are applicable to TPHs and Related Parties no longer apply to Market Participants if they do not specifically reference Market Participants.
- CFE is adding Rule 308(e) to make clear that a TPH or Market Participant remains obligated to comply with CFE rules, the rules of the clearing organization utilized by CFE, applicable law, in each case to the extent applicable to that party, regardless of any use of a third party to assist the TPH or Market Participant with that compliance and regardless of any non-performance by the third party in providing that assistance. Although this is currently the case, CFE believes that including an explicit statement to this effect in Rule 308 will be beneficial to remind TPHs and Market Participants of this point.
- Consistent with the current provisions of CFE Rule 412A (Position Accountability), CFE is amending Rule 412A(e)(iv) to make clear that any reduction in positions that may be required by CFE under Rule 412A needs to be conducted in an orderly manner.
- CFE is revising CFE Rule 414 and CFE Rule 415 to provide that:
 - TPHs that execute or clear ECRP transactions or block trades are responsible for ensuring that their customers that engage in those transactions in CFE contracts are fully informed regarding CFE requirements relating to ECRP transactions or block trades, as applicable.
 - Each clearing member carrying a customer account for which an ECRP transaction or block trade is executed shall be responsible for obtaining and submitting to CFE in a timely and complete manner the records of its customer regarding the ECRP transaction or block trade, as applicable.
- CFE Rule 512A (Denial of Access) provides, in part, that no TPH or Related Party shall transmit any order to CFE that is for the account of any Person denied access to CFE by the Exchange. Consistent with current Rule 308(d), CFE is amending Rule 512A to specifically reference in Rule 512A that Rule 512A is applicable to Market Participants and to make clear that Rule 512A prohibits the transmission to CFE, either directly or indirectly through an intermediary, of any order for the account of any Person denied access to CFE by the Exchange.

- CFE is revising CFE Rule 601 (Fraudulent Acts), CFE Rule 602 (Fictitious Transactions), CFE Rule 603 (Market Manipulation), CFE Rule 604 (Adherence to Law), CFE Rule 610 (Priority of Customers' Orders), CFE Rule 611 (Trading Against Customers' Orders), CFE Rule 612 (Withholding Orders), CFE Rule 613 (Disclosing Orders), CFE Rule 614 (Pre-Arranged Trades), CFE Rule 615 (Simultaneous Buying and Selling Orders), CFE Rule 617 (Money Passes), CFE Rule 618 (Accommodation Trading), CFE Rule 619 (Front-Running), and CFE Rule 620 (Disruptive Practices) to specifically reference in those Rules that they are applicable to Market Participants consistent with current Rule 308(d).
- CFE is amending Rule 601, Rule 603, and Rule 619 as well as Policy and Procedure XVIII of the Policies and Procedures Section of the CFE Rulebook relating to Rule 620 to make clear that provisions of those rules prohibiting fraudulent acts, market manipulation, front-running, and disruptive practices in any contract traded on CFE also apply with respect to activity in any commodity, security, index, or benchmark that underlies any CFE contract, regardless of the exchange on or market in which the underlying is transacted, when that activity has an impact upon or nexus in relation to a CFE contract. Fraudulent acts, market manipulation, front-running, and disruptive practices in the underlying for a CFE contract can also impact the market in the CFE contract or improperly benefit a Person holding that CFE contract. Accordingly, consistent with rules on other designated contract markets which encompass activity in the underlying cash market and underlying commodities or securities,¹ it is important to make clear that CFE is able to bring disciplinary action for such activity by those subject to CFE disciplinary jurisdiction under CFE Rule 308 if warranted under the circumstances. In particular:
 - CFE is amending Rule 601 to make clear that fraudulent acts and attempted fraudulent acts encompassed by Rule 601 may be committed in connection with or related to any CFE contract, either directly through activity in the market for that CFE contract, or indirectly through activity in the market of any commodity, security, index, or benchmark underlying that CFE contract, regardless of the exchange on or market in which the underlying is transacted.
 - CFE is amending Rule 603 to make clear that no TPH, Related Party, or Market Participant shall (i) manipulate, or attempt to manipulate, the price of any CFE contract, either directly by engaging in activity in the market for that contract, or indirectly by engaging in activity in the market of any commodity, security, index, or benchmark underlying that contract, regardless of the exchange on or market in which the underlying is transacted; (ii) purchase or sell, or offer to purchase or sell, any CFE contract, or any commodity, security, index, or benchmark that underlies any CFE contract, regardless of the exchange on or market in which the underlying is transacted, for the purpose of creating a condition in which prices of the contract do not or will not reflect fair market values; or (iii) intentionally or recklessly use or employ, or attempt to use or employ, any manipulative device, scheme, or artifice to

¹ See, e.g., Chicago Mercantile Exchange Inc. Rule 432H, The Board of Trade of the City of Chicago, Inc. Rule 432H, New York Mercantile Exchange, Inc. Rule 432H, and Commodity Exchange, Inc. Rule 432H.

defraud, relating to any CFE contract either directly by engaging in activity in the market for that contract, or indirectly by engaging in activity in the market of any commodity, security, index, or benchmark underlying that contract, regardless of the exchange on or market in which the underlying is transacted. The rules of other DCMs² and Commission Regulation 180.1 also include a prohibition on the employment, or attempted employment, of manipulative and deceptive devices.

- CFE is amending Rule 619 to make clear that no TPH, Related Party, or Market Participant shall take a position in a CFE contract based upon non-public information regarding an impending transaction by another person in the same or a related CFE contract, or in any commodity, security, index, or benchmark underlying that CFE contract regardless of the exchange on or market in which the underlying is transacted, subject to certain existing exceptions enumerated in Rule 619.
- CFE is amending Policy and Procedure XVIII make clear that prohibited activity under Rule 620 may occur directly or indirectly. In particular, prohibited activity encompassed by Rule 620 in relation to any CFE contract may occur directly through any trading, practice, or conduct in the market for that contract that is prohibited by Rule 620. Additionally, the Amendment makes clear that prohibited activity encompassed by Rule 620 in relation to any CFE contract may also occur indirectly through any trading, practice, or conduct in the market of any commodity, security, index, or benchmark underlying that contract, regardless of the exchange on or market in which the underlying is transacted, that would be prohibited by Rule 620 if it were done in that contract and that has an impact in relation to that contract or the market in that contract.
- CFE is adding a provision to CFE Rule 609 (Supervision) in new Rule 609(b) which requires each Market Participant to supervise that Market Participant's activities and automated trading systems to ensure that they comply with applicable law, CFE rules, and the rules of the clearing organization utilized by CFE, in each case to the extent those provisions are applicable to Market Participants.
- CFE is amending Rule 610 to delete superfluous references to the qualifier that actions in violation of Rule 610 must be "knowingly" committed. Rule 610 describes various circumstances under which priority must be given to customer orders. Rule 610(d) already provides for more detailed safe harbors from those provisions making this qualifier unnecessary.

CFE believes that the Amendment is consistent with the DCM Core Principles under Section 5 of the Act. In particular, CFE believes that the Amendment is consistent with:

(i) DCM Core Principle 2 (Compliance with Rules) because the Amendment updates, clarifies, and augments Rule 308 with respect to compliance with CFE rules regardless of the use of a third party to assist with that compliance, Rule 512A relating to denial of access to the Exchange, and CFE rules that prohibit abusive trading practices on CFE's market by TPHs and Market Participants, including among others, CFE rules that address trading ahead of customer orders, trading against customer orders, accommodation trading, front-running, pre-arranged trading, fraudulent trading,

² See, e.g., ICE Futures U.S., Inc. Rule 4.02(d) and the rules cited in footnote 1 above.

money passes, and manipulative and disruptive trading practices;

(ii) DCM Core Principle 4 (Prevention of Market Disruption) in that by updating, clarifying, and augmenting CFE rules that prohibit abusive trading practices on CFE's market by TPHs and Market Participants and by providing that Market Participants are required to make available to CFE upon request information and their books and records regarding their activities in a reference market, the Amendment contributes to the prevention of manipulation, price distortion, and disruption of the cash-settlement process and to the ability of CFE to obtain information in connection with the regulation of CFE's market;

(iii) DCM Core Principle 5 (Position Limits or Accountability) because the Amendment makes clear that any reduction in positions as may be required by CFE under its position accountability provisions shall be conducted in an orderly fashion;

(iv) DCM Core Principle 7 (Availability of General Information) in that the Amendment further clarifies the applicability of CFE rules in relation to Market Participants and the scope of CFE rules that prohibit fraudulent acts, market manipulation, front-running, and disruptive practices;

(v) DCM Core Principle 9 (Execution of Transactions) in that the Amendment serves to enhance CFE mechanisms that allow for the execution of block trades and ECRP transactions by contributing to ensuring that customers are fully informed regarding CFE requirements relating to these transactions and to CFE's ability to obtain customer records regarding these transactions;

(vi) DCM Core Principle 10 (Trade Information) because the Amendment clarifies the application of CFE requirements relating to the use of OEO IDs which are a component of CFE's audit trail; and

(vii) DCM Core Principle 12 (Protection of Markets and Market Participants) in that the Amendment updates, clarifies, and augments CFE rules designed to promote fair and equitable trading and to protect the market and participants in the market from abusive practices including fraudulent, noncompetitive, and unfair actions.

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
Rulebook

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Chapter 1 Definitions

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Contract

The term “Contract” means any Future, Option or Security Future offered for trading on the Exchange. Each single leg expiration is a separate Contract. Each spread for a product is treated like a separate Contract from a system perspective. If TAS transactions are permitted in a product, each TAS single leg expiration and TAS spread for the product is treated like a separate Contract from a system perspective.

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Customer

The term “Customer” means any Person for whom a Trading Privilege Holder or Market Participant carries an account (other than such Trading Privilege Holder or Market Participant or any [of its] Affiliates of such Trading Privilege Holder or Market Participant) or from whom a Trading Privilege Holder or Market Participant solicits or accepts an Order.

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Market Participant

The term “Market Participant” has the meaning set forth in Rule 308(c).

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303A. Order Entry Operator IDs

- (a) - (b) No change.
- (c) Order Entry Operator IDs are subject to the following requirements in relation to Automated Trading Systems:
 - (i) For purposes of this Rule 303A, an Automated Trading System is a system that automates the generation and routing of Orders.
 - (ii) Each Order originating from an Automated Trading System that is submitted to the CFE System shall include an Order Entry Operator ID for that Automated Trading System.
 - (iii) An Order Entry Operator ID issued for an Automated Trading System may only be used for that Automated Trading System. An Order Entry Operator ID issued for an Automated Trading System may not be used for any other Automated Trading System and may not be used as the Order Entry Operator ID for any natural person or entity.
 - (iv) If a natural person utilizes a front-end trading system with automated functionality (such as spreading functionality) and the use of that functionality is ancillary to the natural person’s manual trading, an Order Entry Operator ID is not required to be used for that front-end trading system. In that event, the natural

person's Order Entry Operator ID may be used for the submission of Orders originating from that front-end trading system. If, however, the automated functionality of the front-end trading system generates a majority of the natural person's Orders, that front-end trading system shall be treated as an Automated Trading System for purposes of this Rule 303A and an Order Entry Operator ID for the front-end trading system must be included in each Order generated by the front-end trading system in order to differentiate those Orders from manual Orders submitted by the natural person.

(d) No change.

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308. Consent to Exchange Jurisdiction

(a) By accessing, or entering any Order into, the CFE System, and without any need for any further action, undertaking or agreement, a Trading Privilege Holder or Authorized Trader 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 Trading Privilege Holder or Authorized Trader.

(b) Any Trading Privilege Holder or Authorized Trader whose Trading Privileges are revoked or terminated, whether pursuant to Rule 307 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 Trading Privilege Holder or Authorized Trader prior to such revocation or termination.

(c) Any Person initiating or executing a transaction on or subject to the Rules of the Exchange directly or through an intermediary, and any Person for whose benefit such a transaction has been initiated or executed, expressly consents to the jurisdiction of the Exchange and agrees to be bound by and comply with the Rules of the Exchange in relation to such transactions, including, but not limited to, rules requiring cooperation and participation in investigatory and disciplinary processes. Any Person subject to this Rule 308(c) shall be referred to as a "Market Participant".

(d) Any [Person subject to Rule 308(c)] Market Participant that is not a Trading Privilege Holder or Related Party is bound by and required to comply with the following Rules of the Exchange for purposes of Rule 308(c) to the same extent that a Trading Privilege Holder or Related Party is bound by and required to comply with those Rules of the Exchange: Rules 219, 303A(d)(iii), 303A(d)(iv), 306, 307, 308, 309, 310(a), 401, 402, 404, 404A, 405, 405A, 406, 406A, 407, 408, 409, 410, 411, 412, 412A, 412B(b), 413, 414, 415, 416, 417, 418, 419, 420, 501(c), 511, 512A, 516, 517, 601, 602, 603, 604, 606, [607,] 608, 609(b), 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, and 620, Chapter 7, Chapter 8, Chapter 9, Chapter 10, Rule 1104, every Exchange Contract Specification Chapter, Exchange Policy and Procedures III, IV, XII, XIX, XX and XVIII and the Exchange Fee Schedule.

(e) For the avoidance of doubt:

(i) Every Person in the chain of custody of an Order submitted to the Exchange that is not a Trading Privilege Holder or Authorized Trader, commencing with the original initiation of the Order until its receipt by the Exchange, shall be deemed to be a Market Participant.

(ii) Every Authorized Reporter for Exchange of Contract for Related Position transactions and Block Trades shall be deemed a Market Participant.

(iii) A Market Participant is bound by and required to comply with the Rules of the Exchange set forth in Rule 308(d) to the same extent that a Trading Privilege Holder or Related Party is bound by and required to comply with those provisions regardless of whether or not those provisions reference Market Participants.

(f) A Trading Privilege Holder or Market Participant remains obligated to comply with the Rules of the Exchange, the Rules of the Clearing Corporation and Applicable Law, in each case to the extent applicable to that party, regardless of any use of a third party to assist the Trading Privilege Holder or Market Participant with that compliance and regardless of any non-performance by the third party in providing that assistance.

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412A. Position Accountability

(a) - (d) No change.

(e) A Trading Privilege Holder that is required to provide notice to the Exchange pursuant to paragraph (c) or (d) above or that controls aggregate positions in a Contract in excess of a position accountability level during the time period in which the position accountability level is applicable shall be subject to the following provisions with respect to position accountability:

(i) The Trading Privilege Holder shall provide to the Exchange with such information as the Exchange may prescribe or request pertaining to: the nature and size of the positions, the trading strategy employed with respect to the positions, the Trading Privilege Holder's intentions with respect to the positions, any hedging activities relating to the positions and any other information relating to the positions or the Trading Privilege Holder's intentions with respect to the positions as the Exchange may prescribe or request;

(ii) The Exchange may, in its sole discretion, require the Trading Privilege Holder (a) not to further increase any positions that are above the applicable position accountability levels, (b) to reduce any positions that are above the applicable position accountability levels, or (c) to comply with any prospective levels or limits prescribed by the Exchange which equal or exceed the applicable position accountability levels or the size of the positions controlled by the Trading Privilege Holder;

(iii) The Trading Privilege Holder shall hold all positions in excess of the applicable position accountability levels in an account or accounts designated in

writing to the Exchange and shall not transfer or move the positions to another account absent advance written notice to and approval by the Exchange; and

(iv) Any positions in excess of the applicable position accountability levels shall be initiated and liquidated in an orderly manner. Without limiting the generality of the foregoing, any reduction of positions as may be required by the Exchange pursuant to Rule 412A(e)(ii)(b) above shall be conducted in an orderly manner.

(f) – (h) No change.

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414. Exchange of Contract for Related Position

(a) - (e) No change.

(f) Each party to an Exchange of Contract for Related Position transaction shall comply with all applicable Rules of the Exchange other than those which by their terms only apply to trading through the CFE System Order book. Trading Privilege Holders that execute or clear Exchange of Contract for Related Position transactions on behalf of Customers are responsible for ensuring that their Customers that engage in such transactions in Contracts traded on the Exchange are fully informed regarding Exchange requirements relating to Exchange of Contract for Related Position transactions. Each Contract leg trade that is a component of an Exchange of Contract for Related Position transaction shall be designated as an Exchange of Contract for Related Position in Exchange Market Data and be cleared through the Clearing Corporation as if it were a transaction executed through the CFE System Order book.

(g) No change.

(h) Each Trading Privilege Holder involved in any Exchange of Contract for Related Position transaction shall either maintain records evidencing compliance with the criteria set forth in this Rule 414 or be able to obtain such records from its Customer involved in the Exchange of Contract for Related Position transaction. Such records shall include, without limitation, documentation relating to the Related Position portion of the Exchange of Contract for Related Position transaction, including those documents customarily generated in accordance with Related Position market practices which demonstrate the existence and nature of the Related Position portion of the transaction. Upon request by the Exchange and within the time frame designated by the Exchange, any such Trading Privilege Holder shall produce satisfactory evidence that an Exchange of Contract for Related Position transaction meets the requirements set forth in this Rule 414. Each Clearing Member carrying a Customer account for which an Exchange of Contract for Related Position transaction is executed shall be responsible for obtaining and submitting to the Exchange in a timely and complete manner the records of its Customer regarding the Exchange of Contract for Related Position transaction.

(i) - (q) No change.

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415. Block Trades

(a) - (c) No change.

(d) Each party to a Block Trade shall comply with all applicable Rules of the Exchange other than those which by their terms only apply to trading through the CFE System Order book. Trading Privilege Holders that execute or clear Block Trades on behalf of Customers are responsible for ensuring that their Customers that engage in Block Trades in Contracts traded on the Exchange are fully informed regarding Exchange requirements relating to Block Trades. Each Block Trade shall be designated as a Block Trade in Exchange Market Data and be cleared through the Clearing Corporation as if it were a transaction executed through the CFE System Order book.

(e) Each Trading Privilege Holder that is party to a Block Trade shall record the following details on its order ticket: (i) the Contract (including the expiration); (ii) the number of contracts traded; (iii) the price of execution or premium; (iv) the time of execution (i.e., the time at which the parties agreed to the Block Trade); (v) the arrangement time, if any (i.e., the time at which the parties agreed to enter into the Block Trade at a later time); (vi) the identity of the counterparty; (vii) that the transaction is a Block Trade; (viii) if applicable, the account number of the Customer for which the Block Trade was executed; and (ix) if applicable, the expiration, strike price and type of option (put or call) in the case of an option. 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, any 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. Each Clearing Member carrying a Customer account for which a Block Trade is executed shall be responsible for obtaining and submitting to the Exchange in a timely and complete manner the records of its Customer regarding the Block Trade.

(f) - (r) No change.

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512A. Denial of Access

The Exchange shall post on its website a list of any Persons that are denied access to the Exchange by the Exchange. No Trading Privilege Holder, [or] Related Party or Market Participant shall transmit any Order to the Exchange, either directly or through an intermediary, that is for the account of any such Person denied access to the Exchange.

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601. Fraudulent Acts

[Neither a] No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall engage or attempt to engage in any fraudulent act or engage or attempt to engage in any scheme to defraud, deceive or trick, in connection with or related to any trade on or other activity related to the Exchange or the Clearing Corporation. Prohibited activity encompassed by this Rule in relation to any Contract may occur either directly through activity in the market for that Contract, or

indirectly through activity in the market of any commodity, security, index or benchmark underlying that Contract, regardless of the exchange on or market in which the underlying is transacted.

602. Fictitious Transactions

[Neither a] No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall create fictitious transactions or execute any Order for a fictitious transaction with knowledge of its nature.

603. Market Manipulation

[Any manipulation of the market in any Contract is prohibited. Orders entered into the CFE System for the purpose of generating unnecessary volatility or creating a condition in which prices do not or will not reflect fair market values are prohibited and any Trading Privilege Holder (including its respective Related Parties) who makes or assists in entering any such Order with knowledge of the purpose thereof or who, with such knowledge, in any way assists in carrying out any plan or scheme for the entering of any such Order, shall be deemed to have engaged in an act detrimental to the Exchange.]

No Trading Privilege Holder, Related Party or Market Participant shall

(i) manipulate, or attempt to manipulate, the price of any Contract, either directly by engaging in activity in the market for that Contract, or indirectly by engaging in activity in the market of any commodity, security, index or benchmark underlying that Contract, regardless of the exchange on or market in which the underlying is transacted;

(ii) purchase or sell, or offer to purchase or sell, any Contract, or any commodity, security, index or benchmark that underlies any Contract, regardless of the exchange on or market in which the underlying is transacted, for the purpose of creating a condition in which prices of the Contract do not or will not reflect fair market values; or

(iii) intentionally or recklessly use or employ, or attempt to use or employ, any manipulative device, scheme or artifice to defraud, relating to any Contract either directly by engaging in activity in the market for that Contract, or indirectly by engaging in activity in the market of any commodity, security, index or benchmark underlying that Contract, regardless of the exchange on or market in which the underlying is transacted.

604. Adherence to Law

No Trading Privilege Holder, [(including its] Related [Parties]] Party or Market Participant shall engage in conduct in violation of Applicable Law, the Rules of the Exchange, the Rules of the Clearing Corporation (insofar as the Rules of the Clearing Corporation relate to the reporting or clearance of any transaction in Contracts) or any agreement with the Exchange.

* * * * *

609. Supervision

(a) Each Trading Privilege Holder shall be responsible for establishing, maintaining and administering reasonable, written supervisory procedures to ensure that its Related Parties, automated trading systems and Customers comply with Applicable Law, the Rules of the

Exchange and the Rules of the Clearing Corporation. Each Trading Privilege Holder shall be responsible for supervising its Related Parties and automated trading systems and may be held accountable for the actions of its Related Parties and automated trading systems.

(b) Each Market Participant shall supervise that Market Participant's activities and automated trading systems to ensure that they comply with Applicable Law, the Rules of the Exchange and the Rules of the Clearing Corporation, in each case to the extent those provisions are applicable to Market Participants.

610. Priority of Customers' Orders

(a) No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall [knowingly] buy a Contract for a personal or proprietary account of such Trading Privilege Holder, [or] Related Party or Market Participant or for an account in which such Trading Privilege Holder, [or] Related Party or Market Participant has a proprietary interest, when such Trading Privilege Holder, [or] Related Party or Market Participant has in hand Orders to buy the same Contract for any other Person at the same price or at the market price. No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall [knowingly] sell a Contract for a personal or proprietary account of such Trading Privilege Holder, [or] Related Party or Market Participant or for an account in which such Trading Privilege Holder, [or] Related Party or Market Participant has a proprietary interest, when such Trading Privilege Holder, [or] Related Party or Market Participant has in hand Orders to sell the same Contract for any other Person at the same price or at the market price.

(b) No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall [knowingly] execute a discretionary Order for any Contract, including, without limitation, an Order allowing [such Trading Privilege Holder (including its Related Parties)] for discretion as to time and price, for an immediate family member or for a personal or proprietary account of any other Trading Privilege Holder, [or] Related Party or Market Participant, when such Trading Privilege Holder, [or] Related Party or Market Participant has in hand any Customer Market Order for the same Contract open as to time and price.

(c) An Authorized Trader entering Orders into the CFE System must enter all Customer Orders that the CFE System is capable of accepting before entering an Order for a personal or proprietary account of such Authorized Trader or the related Trading Privilege Holder, an account in which such Authorized Trader or Trading Privilege Holder has a proprietary interest or an Order for a discretionary account, including an Order allowing such Authorized Trader or Trading Privilege Holder discretion as to time and price, for an immediate family member or for a personal or proprietary account of any other Trading Privilege Holder or Related Party.

(d) For purposes of this Rule 610, no Trading Privilege Holder or Market Participant that consists of more than one individual, shall be deemed to [knowingly] buy or sell a Contract or execute a discretionary Order if (i) such Trading Privilege Holder or Market Participant has in place appropriate "firewall" or separation of function procedures and (ii) the individual buying or selling the Contract or executing the discretionary Order in question has no direct knowledge of the Order to buy or sell the same Contract for any other Person at the same price or at the market price or of the Customer Order for the same Contract, as the case may be. Nothing in this Rule 610 shall limit the ability of an "eligible account manager" to bunch Orders in accordance with Commission Regulation § 1.35(b)(5).

611. Trading Against Customers' Orders

No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall enter into a transaction on behalf of a Customer in which such Trading Privilege Holder, [or] Related Party or Market Participant or any Person trading for an account in which such Trading Privilege Holder, [or] Related Party or Market Participant has a financial interest, intentionally assumes the opposite side of the transaction. The foregoing restriction shall not prohibit pre-execution discussions conducted in accordance with procedures established by the Exchange from time to time, and shall not apply to any Exchange of Contract for Related Position, any Block Trade or any facilitation crossing transaction meeting all of the following criteria (or such other criteria as may be established by the Exchange from time to time):

(a) - (e) No change.

Because the Orders entered into the CFE System pursuant to this Rule 611 are exposed to the market, there is no assurance that the Orders of the Trading Privilege Holder will be matched against the Customer Order.

612. Withholding Orders

No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall withhold or withdraw from the market any Order or any part of an Order placed by any Customer, unless expressly instructed or authorized to do so by such Customer.

613. Disclosing Orders

Except in accordance with any policies or procedures for pre-execution discussions from time to time adopted by the Exchange, no Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall disclose to any Person any Order placed by any other Person, except to the Exchange or the Commission.

614. Pre-Arranged Trades

No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall enter any Order [into the CFE System] which has been pre-arranged, except as expressly permitted by Rules 407, 414, 415 and 611 or in accordance with any policies or procedures for pre-execution discussions from time to time adopted by the Exchange.

615. Simultaneous Buying and Selling Orders

(a) No Trading Privilege Holder, [(including its] Related [Parties)] Party or Market Participant shall accept simultaneous buy and sell Orders from the same beneficial owner for the same expiration of a particular Contract that could potentially execute against each other.

(b) A Trading Privilege Holder (including its Related Parties) holding Orders to buy and sell at the same time from different beneficial owners for the same expiration of a particular Contract may enter both Orders into the CFE System subject to compliance with any other applicable Rules of the Exchange such as Rule 407.

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617. Money Passes

No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall prearrange the execution of transactions on the Exchange for the purpose of passing money between accounts. All transactions executed on the Exchange must be made in good faith for the purpose of executing bona fide transactions, and prearranged trades intended to effectuate a transfer of funds from one account to another are prohibited.

618. Accommodation Trading

No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall enter into non-competitive transactions on the Exchange for the purpose of assisting another Person to engage in transactions that are in violation of the Rules of the Exchange or Applicable Law.

619. Front-Running

No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall take a position in a Contract based upon non-public information regarding an impending transaction by another Person in the same or a related Contract, or in any commodity, security, index or benchmark underlying that Contract regardless of the exchange on or market in which the underlying is transacted, except as expressly permitted by Rules 407, 414, 415 and 611 or in accordance with any policies or procedures for pre-execution discussions from time to time adopted by the Exchange.

620. Disruptive Practices

(a) No Trading Privilege Holder, [nor any of its] Related [Parties] Party or Market Participant shall engage in any trading, practice or conduct on the Exchange or subject to the Rules of the Exchange that:

(i) Violates bids or offers;

(ii) Demonstrates intentional or reckless disregard for the 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” (bidding or offering with the intent to cancel the bid or offer before execution).

(b) All Orders must be entered for the purpose of executing bona fide transactions. Additionally, all non-actionable messages must be entered in good faith for legitimate purposes.

(i) No Person shall enter or cause to be entered an Order with the intent, at the time of entry, to cancel the Order before execution or to modify the Order to avoid execution;

(ii) No Person shall enter or cause to be entered an actionable or non-actionable message or messages with intent to mislead other market participants;

(iii) No Person shall enter or cause to be entered an actionable or non-actionable message or messages with intent to overload, delay, or disrupt the systems of the Exchange or other market participants; and

(iv) No Person shall enter or cause to be entered an actionable or non-actionable message with intent to disrupt, or with reckless disregard for the adverse impact on, the orderly conduct of trading or the fair execution of transactions.

The provisions of this Rule apply to all market states, including the pre-opening period, the closing period, and all trading sessions.

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**Cboe Futures Exchange, LLC
Policies and Procedures Section of Rulebook**

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XVIII. Disruptive Trading Practices (Rule 620)

Rule 620 prohibits disruptive trading practices as described by the Rule. The following are a non-exclusive list of factors that the Exchange may consider in assessing whether conduct violates Rule 620.

A. - T. No change.

U. Direct and Indirect Prohibited Activity

Prohibited activity encompassed by Rule 620 in relation to any Contract may occur directly through any trading, practice or conduct in the market for that Contract that is prohibited by Rule 620. Prohibited activity encompassed by Rule 620 in relation to any Contract may also occur indirectly through any trading, practice or conduct in the market of any commodity, security, index or benchmark underlying that Contract, regardless of the exchange on or market in which the underlying is transacted, that would be prohibited by Rule 620 if it were done in that Contract and that has an impact in relation to that Contract or the market in that Contract.

[U.] V. Examples of Prohibited Activity

No change to content of this section.

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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-2019-012 in

any related correspondence.

Cboe Futures Exchange, LLC

[/s/ Matthew McFarland](#)

By: Matthew McFarland
Managing Director