



November 10, 2015

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-2015-028

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 under the Act, CBOE Futures Exchange, LLC (“CFE” or “Exchange”) hereby submits a CFE rule amendment (“Amendment”) to adopt new Policy and Procedure XIX (Submission Time Frames) to set forth in one location within CFE’s Rules the time frames during which CFE Trading Privilege Holders (“TPHs”) may submit quotes, orders, cancels, and order modifications to CFE’s trading system. The Amendment will become effective on November 25, 2015.

The contract specification rule chapter for each CFE product sets forth the trading hours for that product. Additionally, CFE Rule 402(c) provides that the Exchange may from time to time adopt procedures for the opening and closing of trading in any CFE contract. Pursuant to Rule 402(c), CFE has adopted procedures for when quotes, orders, cancels, and order modifications may be submitted to CFE’s trading system outside of trading hours. Quotes and orders that may be submitted outside of trading hours are not executable until trading hours next commence. The purpose of the Amendment is to codify within a new Policy and Procedure in the Policies and Procedures section of the CFE Rulebook CFE’s current procedures under Rule 402(c) and how they interact with CFE’s trading hours. CFE’s current procedures in this regard are not changing in connection with this Amendment.

Specifically, Policy and Procedure XIX sets forth the extent to which quotes, orders, cancels, and order modifications may be submitted during the various states of operation of CFE’s trading system, including the pre-opening period, extended trading hours, regular trading hours, and closed and halt states. Policy and Procedure XIX also addresses how the submission time frames for quotes, orders, cancels, and order modifications apply with respect to CBOE Volatility Index (VX) futures (which have regular and extended trading hours) and other CFE products (which have only regular trading hours) as well as other related matters.

CFE believes that the Amendment is consistent with Designated Contract Market Core Principles 7 (Availability of General Information) and 9 (Execution of Transactions) under Section 5 of the Act because (i) the Amendment further describes in CFE’s rules the manner of operation of CFE’s trading system and (ii) CFE believes that its opening and closing procedures

provides a competitive, open, and efficient mechanism for executing transactions that protects the price discovery process of trading in CFE’s centralized market.

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 is marked to show additions in underlined text and deletions in [bracketed] text to the Policies and Procedures section of CFE’s Rulebook. The Amendment consists of the following:

\* \* \* \* \*

**CBOE Futures Exchange, LLC  
Policies and Procedures**

**XIX. Submission Time Frames (Rule 402(c))**

All times referenced in this Policy and Procedure are Chicago time.

**A. CBOE Volatility Index (“VX”) Futures Submission Time Frames**

The time frames during which Trading Privilege Holders may submit quotes, orders, cancels, and order modifications (“modifications”) to the CBOE System for VX futures are set forth in the chart below.

<u>Time Frame</u>	<u>State of CFE’s Trading System</u>	<u>What May be Submitted to CFE’s Trading System</u>
<u>4: 15 p.m.* to 5:00 p.m. (Sunday)</u>	<u>Pre-Opening Period  (“Pre-Open”)</u>	<u>Quotes, orders, cancels and  modifications.**</u>
<u>5:00 p.m. (Sunday) to 8:30  a.m. (Monday)</u>	<u>Extended Trading Hours</u>	<u>Quotes, orders, cancels and  modifications.</u>
<u>8:30 a.m. to 3:15 p.m.  (Monday – Friday)</u>	<u>Regular Trading Hours</u>	<u>Quotes, orders, cancels and  modifications until 3:14:59  p.m. (submission cut off time).</u>  <u>After 3:15 p.m. all existing  quotes are removed from the  CBOE System.</u>

<u>3:15 p.m. to 3:29 p.m.</u> <u>(Monday – Thursday)</u>	<u>Closed</u>	<u>It may be possible for cancels to be submitted during portions of this time period.</u>
<u>3:15 p.m. (Friday) to 4:15 p.m.</u> <u>(Sunday)</u>	<u>Closed</u>	<u>Nothing, except that it may be possible for cancels to be submitted for some period of time after 3:15 p.m. on Friday and for some period of time before 4:15 p.m. on Sunday.</u>
<u>3:29 p.m.* to 3:30 p.m.</u> <u>(Monday – Thursday)</u>	<u>Pre-Open</u>	<u>Quotes, orders, cancels and modifications.**</u>
<u>3:30 p.m. (previous day) to 8:30 a.m. (Tuesday – Friday)</u>	<u>Extended Trading Hours</u>	<u>Quotes, orders, cancels and modifications.</u>  <u>Quotes, orders, cancels and modifications until 7:59:59 a.m. (submission cut-off time) in expiring VX future on its final settlement date</u>
<u>5:00 p.m. (Sunday) to 3:12 p.m. (Monday)</u>	<u>Extended and Regular Trading Hours for all types of Trade at Settlement (“TAS”) transactions in VX futures</u>	<u>Quotes, orders, cancels and modifications until 3:11:59 p.m. (submission cut off time).</u>
<u>3:30 p.m. (previous day) to 3:12 p.m. (Tuesday – Friday)</u>		<u>After 3:12 p.m. all existing TAS quotes are removed from the CBOE System.</u>  <u>Permitted activity in Pre-Open states above is also applicable with respect to TAS quotes, orders, cancels and modifications.</u>
<u>Whenever trading in VX futures is halted</u>	<u>Halted</u>	<u>Orders, cancels and modifications.**</u>  <u>No quotes.</u>

\* The pre-open state start times referenced are the times that the CBOE System commences its pre-opening process. Accordingly, the CBOE System may not be in a full pre-open state at exactly 4:15:00 p.m. on Sundays or at exactly 3:29:00 p.m. on Monday through Friday.

\*\*Quotes and/or orders permitted to be submitted to the CBOE System during these times are not executable until extended or regular trading hours next commence or open trading resumes following a trading halt.

## **B. Submission Time Frames for All Exchange Contracts Other Than VX Futures**

The pre-open state for Exchange Contracts other than VX futures commences at 6:15 a.m. on each weekday. The pre-open state start time is the time that the CBOE System commences its pre-opening process. Accordingly, the CBOE System may not be in a full pre-open state at exactly 6:15:00 a.m. on Monday through Friday for Exchange Contracts other than VX futures.

The CBOE System accepts orders, quotes, cancels and modifications for Exchange Contracts other than VX futures during the pre-open state and during the respective trading hours for these Contracts until the applicable submission cut-off time (which is one second prior to the close of trading hours) in the applicable Contract. The trading hours for these Contracts are set forth in the contract specification rule chapter for the applicable Contract.

Additionally, cancels may generally be submitted in Exchange Contracts other than VX futures Monday through Thursday between 3:15 p.m. and 6:15 a.m. the following day and it may be possible for cancels to be submitted in these Contracts for some period of time after 3:15 p.m. on Friday and for some period of time before 4:15 p.m. on Sunday until 6:15 a.m. on Monday.

Orders, cancels and modifications may be submitted whenever trading in an Exchange Contract other than VX futures is halted. Quotes may not be submitted in a Contract other than VX futures when that Contract is halted.

Quotes and/or orders permitted to be submitted to the CBOE System during the pre-open state or a trading halt are not executable until trading hours next commence or open trading resumes following the trading halt.

## **C. Submissions Made Prior to Applicable Pre-Open Start Times**

Quotes, orders and modifications that are received prior to the applicable pre-open state start time while the CBOE System is closed will be rejected. It is possible for cancels to be submitted during certain portions of time while the CBOE System is closed as described above. Otherwise, cancels received while the CBOE System is closed will be rejected.

Other Exchange rule provisions also address submissions prior to the start of a pre-open state, including without limitation, Rule 404A(c) and Policy and Procedure XVIII(R).

## **D. Modified Trading Hours**

Trading hours may be modified or shortened in connection with a holiday or period of mourning. In those instances, the time frames for submission of quotes, orders, cancels and modifications will be modified accordingly.

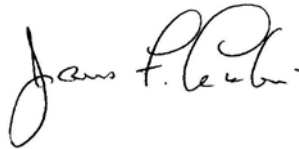
**E. Opening Process**

Rule 405B contains additional provisions relating to the opening process for Exchange Contacts.

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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-2015-028 in any related correspondence.

CBOE Futures Exchange, LLC

A handwritten signature in black ink, appearing to read "James F. Lubin". The signature is written in a cursive style with a large initial "J".

By: James F. Lubin  
Senior Managing Director