



February 18, 2014

Via Electronic Mail

Ms. Melissa Jurgens
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-2014-03

Dear Ms. Jurgens:

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 modify the provisions of CFE Rule 206 (Standing Committees) to implement a tie-breaking procedure to resolve a tie vote of a Standing Committee. The Amendment will become effective on March 5, 2014.

Standing Committees are committees of the CFE Board of Directors. CFE currently has two Standing Committees: an Executive Committee and a Regulatory Oversight Committee. Although it has not occurred to date, it is possible due to the number of directors serving on a Standing Committee at any given time, the absence of a Standing Committee member, or a vacancy on a Standing Committee that a Standing Committee could have a tie vote on a particular issue. Accordingly, CFE is adopting a tie-breaking procedure for Standing Committees.

Specifically, CFE is amending CFE Rule 206(d) to provide that should a Standing Committee be unable to render a decision due to a tie in the vote, then the CFE Board of Directors (“Board”) shall make the decision in lieu of the Standing Committee. CFE believes that it is appropriate to provide the Board with this tie-breaking authority since the Board already has the power and authority under CFE Rule 213 (Power of the Board to Review Exchange Decisions) to call for review, and to affirm, modify, suspend, or overrule, any and all decisions or actions or inactions of Standing Committees. This new provision would not preclude a Standing Committee from seeking to resolve a tie vote through other means before the issue would be presented to the Board such as by further discussion of the issue or holding an additional meeting when an absent Standing Committee member can be present. However, if the Standing Committee is unable to resolve the issue due to the tie vote, the issue would then be presented to the Board.

CFE believes that the Amendment is consistent with Designated Contract Market (“DCM”) Core Principle 16 (Conflicts of Interest) in that the Acceptable Practices under Core

Principle 16 provide for a DCM to have a Regulatory Oversight Committee of the DCM's board of directors to oversee the DCM's regulatory program on behalf of the board and the Amendment improves CFE's regulatory oversight process by providing for a mechanism to resolve tie votes of the CFE Regulatory Oversight Committee. The Amendment similarly improves the voting process for the CFE Executive Committee.

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

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

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CBOE Futures Exchange, LLC Rules

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CFE Rule 206. Standing Committees

(a) The Board shall have such "Standing Committees" as the Board may from time to time appoint.

(b) Except as otherwise specifically provided in these Rules, the members of Standing Committees shall be members of the Board and appointed by the Chairman of the Board, subject to the approval of the Board, as promptly as possible after each annual meeting of the Exchange. Each appointee shall serve for one year or until the due appointment of his or her successor or his or her resignation or removal, with or without cause, by a majority vote of the Board. Subject to the approval of the Board, the Chairman of the Board shall also designate the chairman of each Standing Committee.

(c) Each Standing Committee shall assist in the supervision, management and control of the affairs of the Exchange within its particular area of responsibility. Subject to the control and supervision of the Board, each Standing Committee shall recommend for adoption such Rules of the Exchange or amendments thereto as it may deem necessary or advisable for the orderly conduct of its business, and administer the Rules of the Exchange within its particular area of responsibility.

(d) Except as may be otherwise provided in the Constitutive Documents, and subject to the authority of the Board, each Standing Committee shall determine the manner, form and time of conducting its proceedings. Each Standing Committee may act at a meeting, through a quorum composed of a majority of all its members then in office; provided that a quorum shall not exist unless at least two members of any such Standing Committee are present; provided, further, that members of a Standing Committee that are recused with respect to a particular issue nevertheless shall be deemed present for the purpose of determining the existence of a quorum. The decision of a majority of those voting at a meeting at which a quorum is present shall be the decision of the Standing Committee; provided that should the Standing Committee be unable to render a decision

due to a tie in the vote, then the Board shall make the decision in lieu of the Standing Committee. Any or all members of any Standing Committee may participate in any meeting thereof by conference telephone or similar communications equipment by means of which all members participating in such meeting can hear each other. Alternatively, each Standing Committee may act without a meeting in either of the following ways:

(i) The Standing Committee may act without a meeting if all of its members consent in writing to the action in question.

(ii) The members of the Standing Committee may be individually polled to vote on issues (x) requiring prompt action or action prior to the next regularly scheduled meeting of the Standing Committee and (y) where the calling of a special meeting of the Standing Committee, in the opinion of the Chairman of the Standing Committee or the President, would be impractical. Any such poll may be conducted by telephone, by means of electronic transmission, and/or in person. An attempt shall be made to contact each member of the Standing Committee in any such poll. A poll reaching at least 50% of the members of the Standing Committee shall be sufficient to constitute a quorum of the Standing Committee and the approval of a majority of the members of the Standing Committee voting in such a poll shall constitute requisite Committee action, even if all members of the Standing Committee are not reached in connection with the poll. The results of any such poll shall be reported at the next physical meeting of the Standing Committee.

(e) In the event of the absence or disqualification of any member of a Standing Committee from any meeting thereof, the Chairman of the Board or the President, in the order of their availability, may appoint another qualified individual to act at the relevant meeting in the place of such absent or disqualified member.

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Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Jenny Golding at (312) 786-7466. Please reference our submission number CFE-2014-03 in any related correspondence.

CBOE Futures Exchange, LLC

A handwritten signature in black ink, appearing to read "James F. Lubin". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

By: James F. Lubin
Senior Managing Director

cc: Nancy Markowitz (CFTC)
National Futures Association
The Options Clearing Corporation