



June 13, 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-2014-15

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 clarify and update various CFE rule provisions. The Amendment will become effective on June 30, 2014.

CFE is amending the CFE rules identified below in the following manner in order to clarify and update certain aspects of those rules:

- CFE is amending CFE Rule 305 in three respects in order to clarify the application process to obtain Trading Privileges on CFE. First, CFE is amending Rule 305 to eliminate reference to Trading Privilege Holder ("TPH") application fees because CFE application fees are addressed in CFE's Fee Schedule. Second, CFE is amending Rule 305 to provide that an applicant to be a Trading Privilege Holder must become effective in that status within 90 days of the date of the applicant's approval for that status and to clarify the process for achieving effective status. Third, CFE is making minor, non-substantive clarifying changes to Rule 305.
- CFE Rule 305B provides that CFE TPHs may only be organized in or access CFE from the United States or a foreign jurisdiction approved by CFE. CFE is amending Rule 305B to make clear that CFE can withdraw approval of a foreign jurisdiction, and that, in that event, TPHs from the jurisdiction will have three months after the withdrawal to come into compliance with Rule 305B.
- CFE is amending CFE Rule 308(d) to add CFE Rules 303A(d)(iii) and 303A(d)(iv) to the list of CFE Rules with which non-TPHs that initiate or execute CFE transactions must comply. Rules 303A(d)(iii) and 303A(d)(iv) require the provision of Order Entry Operator ID information as requested or prescribed by CFE. One reason for this

change is to enable CFE to obtain Order Entry Operator ID information from non-TPHs in relation to orders from omnibus accounts where the TPH submitting the order may not have the Order Entry Operator ID information.

- CFE is amending CFE Rules 524 and 530 in the Appendix to Chapter 5 of the CFE Rulebook, which provide that TPHs must comply with Commission Regulations 1.20 and 1.26, respectively, to reflect a minor typographical correction to those Regulations recently published by the CFTC.¹
- CFE is amending CFE Rule 609 to make clear that the requirement that each TPH establish, maintain, and administer reasonable supervisory procedures to ensure that its Related Parties and Customers comply with Applicable Law, the Rules of the Exchange, and the Rules of the Clearing Corporation requires that these procedures must be in writing. The Exchange already interprets Rule 609 to require that supervisory procedures must be written in order to be reasonable, and this change will make this requirement explicit.
- CFE is amending CFE Rules 1602(i), 1702(i), and 2302(i) to delete references to certain circuit breaker halt rule provisions that are now obsolete. Rules 1602(i), 1702(i), and 2302(i) currently provide that, prior to the date on which market-wide trading halt provisions corresponding to the provisions of CFE Rule 417A become effective on national securities exchanges, trading in Volatility Index, Nasdaq-100, and S&P 500 Variance futures contracts, respectively, will be halted whenever a market-wide trading halt commonly known as a circuit breaker is in effect on the New York Stock Exchange in response to extraordinary market conditions. Because the market-wide trading halt provisions under Rule 417A are now effective, CFE is deleting references to the obsolete circuit breaker halt provisions. Rules 1602(i), 1702(i), and 2302(i) will now solely reference the current circuit breaker halt provisions under Rule 417A.
- CFE is amending CFE Policy and Procedure V (Emergency and Physical Emergency Delegations and Procedures) to correct a minor typographical error that references CFE Rule 132 instead of CFE Rule 135.
- CFE is amending CFE Policy and Procedure XII (Confidentiality Policy for Information Received or Reviewed in a Regulatory Capacity) to provide that CFE may use confidential financial data pertaining to TPHs to implement the Exchange's internal Conflict of Interest Policy regarding Securities and Futures Products Transactions. CFE's Conflict of Interest Policy, in part, contains certain prohibitions on Exchange employees holding or trading securities related to TPHs. Certain of these prohibitions depend on whether the TPH in question is a "material subsidiary" of a public holding company, which in turn depends on the percentage of revenue the holding company derives from the TPH. To ascertain this and therefore implement this part of CFE's Conflict of Interest Policy, this rule change makes clear that CFE may use confidential financial information relating to TPHs for this purpose. In addition, CFE is making one minor, non-substantive clarifying change to this Policy and Procedure.

¹ 79 FR 26831 (May 12, 2014).

CFE believes that the Amendment is consistent with Designated Contract Market Core Principles 2 (Compliance with Rules) and 16 (Conflicts of Interest) under Section 5 of the Act because the Amendment: (i) clarifies CFE's access requirements, rules with which TPHs and certain non-TPHs must comply, and the terms and conditions of certain contracts traded on CFE; (ii) clarifies CFE's Confidentiality Policy for Information Received or Reviewed in a Regulatory Capacity.

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 double underlined text and deletions in ~~stricken~~ text, consists of the following:

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CBOE Futures Exchange, LLC Rules

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CFE Rule 303A. Order Entry Operator IDs

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(d) Each Trading Privilege Holder shall comply with the following issuance, recordkeeping, and reporting requirements related to Order Entry Operator IDs:

(i) Each Order Entry Operator ID issued for a natural person or Automated Trading System for inclusion with any order or quote from the Trading Privilege Holder that is submitted to the CBOE System shall be unique, and shall not be associated with more than one natural person or Automated Trading System, at the Clearing Member level. Each Trading Privilege Holder and any Clearing Member utilized by the Trading Privilege Holder shall coordinate as necessary in order to ensure that this requirement is satisfied.

(ii) Each Trading Privilege Holder shall collect and maintain accurate, complete, and up-to-date records with the following information for each Order Entry Operator ID issued for a natural person or Automated Trading System for inclusion with any order or quote from the Trading Privilege Holder that is submitted to the CBOE System:

(A) a clear identification of whether the Order Entry Operator ID is issued for a natural person or Automated Trading System;

(B) if the Order Entry Operator ID is issued for a natural person, the name, address, telephone and e-mail contact information, and position or relationship to the Trading Privilege Holder of the natural person;

(C) if the Order Entry Operator ID is issued for an Automated Trading System, the name, address, telephone and e-mail contact information, and position or relationship to the Trading Privilege Holder of the head operator of the Automated Trading System;

(D) and any other related information as may be prescribed by the Exchange.

(iii) Each Trading Privilege Holder shall provide to the Exchange in a form and manner prescribed by the Exchange information requested by the Exchange regarding any Order Entry Operator IDs and the natural persons and Automated Trading Systems for which they have been issued for inclusion with any order or quote from the Trading Privilege Holder that is submitted to the CBOE System. The information requested relating to an Automated Trading System may include, among other things, information regarding the head operator and other individuals that operate the Automated Trading System and the type of models, algorithms, programs, and systems utilized by the Automated Trading System.

(iv) Each Trading Privilege Holder shall promptly report to the Exchange in a form and manner prescribed by the Exchange any new or changed information regarding Order Entry Operator IDs that are identified to the Trading Privilege Holder by the Exchange as being subject to this reporting requirement.

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CFE Rule 305. Application for Trading Privileges

(a) Each applicant for Trading Privileges shall submit an application to the Exchange in a form and manner prescribed by the Exchange. Each applicant shall promptly update the application materials if any of the information provided therein becomes inaccurate or incomplete after the date of submission and prior to any approval of the application. Upon completion of the application process, the Exchange shall determine whether to approve or disapprove the application, unless there is a just cause for delay. One such just cause for delay is when an applicant for Trading Privileges is the subject of an inquiry, investigation, or proceeding conducted by a self-regulatory organization or governmental authority that involves the applicant's fitness to be a Trading Privilege Holder. In such instance, the Exchange may defer taking action on the application until the matter has been resolved.

(b) Each Person approved as a Trading Privilege Holder ~~in accordance with paragraph (a) above~~ shall:

~~(i) pay to the Treasurer any applicable application fees, in such amount as may be prescribed by the Exchange from time to time; and~~

~~(ii) agree in writing to abide by the Rules of the Exchange.~~

~~(c) Upon satisfaction of the requirements and procedures set forth in paragraphs (a) and (b) above, a Person applying for Trading Privileges shall obtain Trading Privileges. If the application process is not completed within six months of its submission of an application to be a Trading Privilege Holder and payment of the required fee, the application shall be deemed to be withdrawn.~~

(d) Each applicant to be a Trading Privilege Holder must become effective in that status within 90 days of the date of the applicant's approval for that status.

(e) An applicant to be a Trading Privilege Holder shall become an effective Trading Privilege Holder upon (i) satisfying the applicable requirements to obtain Trading Privileges and (ii) release of Trading Privileges to that Trading Privilege Holder by the Exchange.

~~(d)~~ (f) Each Trading Privilege Holder that is not registered or notice-registered with the NFA and that is not a CBOE trading permit holder shall promptly update the following information on file with the Exchange through the submission of application materials by the Trading Privilege Holder and updates to those materials pursuant to this Rule 305(d) if that information becomes inaccurate or incomplete:

- (i) disciplinary history information;
- (ii) executive officer information; and
- (iii) information regarding ownership interests in the Trading Privilege Holder.

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CFE Rule 305B. Foreign Trading Privilege Holders

(a) Each Trading Privilege Holder shall be organized under the laws of, and be solely responsible for ensuring that the location of any CBOE Workstation is in, the United States or a foreign jurisdiction expressly approved by the Exchange. Any approval by the Exchange of a foreign jurisdiction may (i) be limited to one or more specified categories of Trading Privilege Holders or Trading Privilege Holder activities and/or (ii) be contingent upon the satisfaction of specified conditions by any Trading Privilege Holder organized under the laws of, or with a CBOE Workstation in, the foreign jurisdiction.

(b) Any Trading Privilege Holder organized under the laws of, or with a CBOE Workstation in, a foreign jurisdiction shall:

- (i) ensure the availability of an individual fluent in English and knowledgeable about the Trading Privilege Holder's futures business and financial matters to assist the representatives of the Exchange during examinations;
- (ii) maintain in English and U.S. dollars any books and records required to be kept by the Trading Privilege Holder under the Rules of the Exchange;
- (iii) prior to acting as agent for a Customer from a foreign jurisdiction in relation to an Exchange Contract, obtain written consent from that Customer that permits the Trading Privilege Holder to provide information regarding the Customer and the Customer's activities in Exchange Contracts to the Exchange in response to a regulatory request for information pursuant to the Rules of the Exchange; and
- (iv) be subject to the jurisdiction of the federal courts of the United States and the courts of Illinois.

(c) The Exchange may withdraw the approval of a foreign jurisdiction at any time. In that event, any Trading Privilege Holder organized under the laws of, or with any CBOE Workstations located in, that foreign jurisdiction on the date of the approval withdrawal shall have three months from that date to come into compliance with Rule 305B(a). If the Trading Privilege Holder does not come into compliance with Rule 305B(a) within that three month time period, the Exchange may terminate the Trading Privileges of that Trading Privilege Holder.

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CFE Rule 308. Consent to Exchange Jurisdiction

(a) - (c) No changes.

(d) Any Person subject to Rule 308(c) 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, 406, 407, 408, 409, 410, 411, 412, 412A, 412B(b), 413, 414, 415, 416, 417, 418, 419, 420, 511, 512A, 516, 517, 601, 602, 603, 604, 606, 607, 608, 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 I, II, III, and IV, and the Exchange Fee Schedule.

* * * * *

CFE Rule 524. Compliance with Commission Regulation 1.20 – Futures Customer Funds to Be Segregated and Separately Accounted For

Any Trading Privilege Holder subject to Commission Regulation 1.20 that violates Commission Regulation 1.20 shall be deemed to have violated this Rule 524. Commission Regulation 1.20 is set forth below and incorporated into this Rule 524.

Commission Regulation 1.20 – Futures customer funds to be segregated and separately accounted for

(a) - Appendix A No changes.

APPENDIX B TO §1.20—DERIVATIVES CLEARING ORGANIZATION ACKNOWLEDGMENT LETTER FOR CFTC REGULATION 1.20 CUSTOMER SEGREGATED ACCOUNT

[Date]

[Name and Address of Bank or Trust Company]

We refer to the Segregated Account(s) which [Name of Derivatives Clearing Organization] (“we” or “our”) have opened or will open with [Name of Bank or Trust Company] (“you” or “your”) entitled:

[Name of Derivatives Clearing Organization] Futures Customer Omnibus Account, CFTC Regulation 1.20 Customer Segregated Account under Sections 4d(a) and 4d(b) of the

Commodity Exchange Act [and, if applicable, “, Abbreviated as [short title reflected in the depository’s electronic system]”]

Account Number(s): []

(collectively, the “Account(s)”).

You acknowledge that we have opened or will open the above-referenced Account(s) for the purpose of depositing, as applicable, money, securities and other property (collectively the “Funds”) of customers who trade commodities, options, swaps, and other products, as required by Commodity Futures Trading Commission (“CFTC”) Regulations, including Regulation 1.20, as amended; that the Funds held by you, hereafter deposited in the Account(s) or accruing to the credit of the Account(s), will be separately accounted for and segregated on your books from our own funds and from any other funds or accounts held by us in accordance with the provisions of the Commodity Exchange Act, as amended (the “Act”), and Part 1 of the CFTC’s regulations, as amended; and that the Funds must otherwise be treated in accordance with the provisions of Section 4d of the Act and CFTC regulations thereunder.

Furthermore, you acknowledge and agree that such Funds may not be used by you or by us to secure or guarantee any obligations that we might owe to you, and they may not be used by us to secure or obtain credit from you. You further acknowledge and agree that the Funds in the Account(s) shall not be subject to any right of offset or lien for or on account of any indebtedness, obligations or liabilities we may now or in the future have owing to you. This prohibition does not affect your right to recover funds advanced in the form of cash transfers, lines of credit, repurchase agreements or other similar liquidity arrangements you make in lieu of liquidating non-cash assets held in the Account(s) or in lieu of converting cash held in the Account(s) to cash in a different currency.

You agree to reply promptly and directly to any request for confirmation of account balances or provision of any other information regarding or related to the Account(s) from the director of the Division of Clearing and Risk of the CFTC or the director of the Division of Swap Dealer and Intermediary Oversight of the CFTC, or any successor divisions, or such directors’ designees, and this letter constitutes the authorization and direction of the undersigned on our behalf to release the requested information without further notice to or consent from us.

The parties agree that all actions on your part to respond to the above information requests will be made in accordance with, and subject to, such usual and customary authorization verification and authentication policies and procedures as may be employed by you to verify the authority of, and authenticate the identity of, the individual making any such information request, in order to provide for the secure transmission and delivery of the requested information to the appropriate recipient(s). We will not hold you responsible for acting pursuant to any information request from the director of the Division of Clearing and Risk of the CFTC or the director of the Division of Swap Dealer and Intermediary Oversight of the CFTC, or any successor divisions, or such directors’ designees, upon which you have relied after having taken measures in accordance with your applicable policies and procedures to assure that such request was provided to you by an individual authorized to make such a request.

In the event that we ~~or any of our futures commission merchant clearing members~~ become(s) subject to either a voluntary or involuntary petition for relief under the U.S. Bankruptcy Code, we acknowledge that you will have no obligation to release the Funds held in the Account(s), except

upon instruction of the Trustee in Bankruptcy or pursuant to the Order of the respective U.S. Bankruptcy Court.

Notwithstanding anything in the foregoing to the contrary, nothing contained herein shall be construed as limiting your right to assert any right of offset or lien on assets that are not Funds maintained in the Account(s), or to impose such charges against us or any proprietary account maintained by us with you. Further, it is understood that amounts represented by checks, drafts or other items shall not be considered to be part of the Account(s) until finally collected. Accordingly, checks, drafts and other items credited to the Account(s) and subsequently dishonored or otherwise returned to you or reversed, for any reason, and any claims relating thereto, including but not limited to claims of alteration or forgery, may be charged back to the Account(s), and we shall be responsible to you as a general endorser of all such items whether or not actually so endorsed.

You may conclusively presume that any withdrawal from the Account(s) and the balances maintained therein are in conformity with the Act and CFTC regulations without any further inquiry, provided that, in the ordinary course of your business as a depository, you have no notice of or actual knowledge of a potential violation by us of any provision of the Act or the CFTC regulations that relates to the segregation of customer funds; and you shall not in any manner not expressly agreed to herein be responsible to us for ensuring compliance by us with such provisions of the Act and CFTC regulations; however, the aforementioned presumption does not affect any obligation you may otherwise have under the Act or CFTC regulations.

You may, and are hereby authorized to, obey the order, judgment, decree or levy of any court of competent jurisdiction or any governmental agency with jurisdiction, which order, judgment, decree or levy relates in whole or in part to the Account(s). In any event, you shall not be liable by reason of any action or omission to act pursuant to any such order, judgment, decree or levy, to us or to any other person, firm, association or corporation even if thereafter any such order, decree, judgment or levy shall be reversed, modified, set aside or vacated.

The terms of this letter agreement shall remain binding upon the parties, their successors and assigns and, for the avoidance of doubt, regardless of a change in the name of either party. This letter agreement supersedes and replaces any prior agreement between the parties in connection with the Account(s), including but not limited to any prior acknowledgment letter agreement, to the extent that such prior agreement is inconsistent with the terms hereof. In the event of any conflict between this letter agreement and any other agreement between the parties in connection with the Account(s), this letter agreement shall govern with respect to matters specific to Section 4d of the Act and the CFTC's regulations thereunder, as amended.

This letter agreement shall be governed by and construed in accordance with the laws of [Insert governing law] without regard to the principles of choice of law.

Please acknowledge that you agree to abide by the requirements and conditions set forth above by signing and returning to us the enclosed copy of this letter agreement, and that you further agree to provide a copy of this fully executed letter agreement directly to the CFTC (via electronic means in a format and manner determined by the CFTC). We hereby authorize and direct you to provide such copy without further notice to or consent from us, no later than three business days after opening the Account(s) or revising this letter agreement, as applicable.

[Name of Derivatives Clearing Organization]

By:

Print Name:

Title:

ACKNOWLEDGED AND AGREED:

[Name of Bank or Trust Company]

By:

Print Name:

Title:

Contact Information: [Insert phone number and email address]

DATE:

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CFE Rule 530. Compliance with Commission Regulation 1.26 - Deposit of Instruments Purchased with Futures Customer Funds

Any Trading Privilege Holder subject to Commission Regulation 1.26 that violates Commission Regulation 1.26 shall be deemed to have violated this Rule 530. Commission Regulation 1.26 is set forth below and incorporated into this Rule 530.

Commission Regulation 1.26 - Deposit of instruments purchased with futures customer funds.

(a) - Appendix A No changes.

APPENDIX B TO §1.26—DERIVATIVES CLEARING ORGANIZATION ACKNOWLEDGMENT LETTER FOR CFTC REGULATION 1.26 CUSTOMER SEGREGATED MONEY MARKET MUTUAL FUND ACCOUNT

[Date]

[Name and Address of Money Market Mutual Fund]

We propose to invest funds held by [Name of Derivatives Clearing Organization] (“we” or “our”) on behalf of customers in shares of [Name of Money Market Mutual Fund] (“you” or “your”) under account(s) entitled (or shares issued to):

[Name of Derivatives Clearing Organization] Futures Customer Omnibus Account, CFTC Regulation 1.26 Customer Segregated Money Market Mutual Fund Account under Sections 4d(a) and 4d(b) of the Commodity Exchange Act [and, if applicable, “, Abbreviated as [short title reflected in the depository's electronic system]”]

Account Number(s): []

(collectively, the "Account(s)").

You acknowledge that we are holding these funds, including any shares issued and amounts accruing in connection therewith (collectively, the "Shares"), for the benefit of customers who trade commodities, options, swaps and other products, as required by Commodity Futures Trading Commission ("CFTC") Regulation 1.26, as amended; that the Shares held by you, hereafter deposited in the Account(s) or accruing to the credit of the Account(s), will be separately accounted for and segregated on your books from our own funds and from any other funds or accounts held by us in accordance with the provisions of the Commodity Exchange Act, as amended (the "Act"), and part 1 of the CFTC's regulations, as amended; and that the Shares must otherwise be treated in accordance with the provisions of Section 4d of the Act and CFTC regulations thereunder.

Furthermore, you acknowledge and agree that such Shares may not be used by you or by us to secure or guarantee any obligations that we might owe to you, and they may not be used by us to secure or obtain credit from you. You further acknowledge and agree that the Shares in the Account(s) shall not be subject to any right of offset or lien for or on account of any indebtedness, obligations or liabilities we may now or in the future have owing to you.

You agree to reply promptly and directly to any request for confirmation of account balances or provision of any other account information regarding or related to the Account(s) from the director of the Division of Clearing and Risk of the CFTC or the director of the Division of Swap Dealer and Intermediary Oversight of the CFTC, or any successor divisions, or such directors' designees, and this letter constitutes the authorization and direction of the undersigned on our behalf to release the requested information without further notice to or consent from us.

The parties agree that all actions on your part to respond to the above information requests will be made in accordance with, and subject to, such usual and customary authorization verification and authentication policies and procedures as may be employed by you to verify the authority of, and authenticate the identity of, the individual making any such information request, in order to provide for the secure transmission and delivery of the requested information to the appropriate recipient(s).

We will not hold you responsible for acting pursuant to any information request from the director of the Division of Clearing and Risk of the CFTC or the director of the Division of Swap Dealer and Intermediary Oversight of the CFTC, or any successor divisions, or such directors' designees, upon which you have relied after having taken measures in accordance with your applicable policies and procedures to assure that such request was provided to you by an individual authorized to make such a request.

In the event that we ~~or any of our futures commission merchant clearing members~~ become(s) subject to either a voluntary or involuntary petition for relief under the U.S. Bankruptcy Code, we acknowledge that you will have no obligation to release the Shares held in the Account(s), except upon instruction of the Trustee in Bankruptcy or pursuant to the Order of the respective U.S. Bankruptcy Court.

Notwithstanding anything in the foregoing to the contrary, nothing contained herein shall be construed as limiting your right to assert any right of offset or lien on assets that are not Shares maintained in the Account(s), or to impose such charges against us or any proprietary account maintained by us with you. Further, it is understood that amounts represented by checks, drafts or other items shall not be considered to be part of the Account(s) until finally collected. Accordingly,

checks, drafts and other items credited to the Account(s) and subsequently dishonored or otherwise returned to you, or reversed, for any reason and any claims relating thereto, including but not limited to claims of alteration or forgery, may be charged back to the Account(s), and we shall be responsible to you as a general endorser of all such items whether or not actually so endorsed.

You may conclusively presume that any withdrawal from the Account(s) and the balances maintained therein are in conformity with the Act and CFTC regulations without any further inquiry, provided that, in the ordinary course of your business as a depository, you have no notice of or actual knowledge of a potential violation by us of any provision of the Act or the CFTC regulations that relates to the segregation of customer funds; and you shall not in any manner not expressly agreed to herein be responsible to us for ensuring compliance by us with such provisions of the Act and CFTC regulations; however, the aforementioned presumption does not affect any obligation you may otherwise have under the Act or CFTC regulations.

You may, and are hereby authorized to, obey the order, judgment, decree or levy of any court of competent jurisdiction or any governmental agency with jurisdiction, which order, judgment, decree or levy relates in whole or in part to the Account(s). In any event, you shall not be liable by reason of any action or omission to act pursuant to any such order, judgment, decree or levy, to us or to any other person, firm, association or corporation even if thereafter any such order, decree, judgment or levy shall be reversed, modified, set aside or vacated.

We are permitted to invest customers' funds in money market mutual funds pursuant to CFTC Regulation 1.25. That rule sets forth the following conditions, among others, with respect to any investment in a money market mutual fund:

- (1) The net asset value of the fund must be computed by 9:00 a.m. of the business day following each business day and be made available to us by that time;
- (2) The fund must be legally obligated to redeem an interest in the fund and make payment in satisfaction thereof by the close of the business day following the day on which we make a redemption request except as otherwise specified in CFTC Regulation 1.25(c)(5)(ii); and,
- (3) The agreement under which we invest customers' funds must not contain any provision that would prevent us from pledging or transferring fund shares.

The terms of this letter agreement shall remain binding upon the parties, their successors and assigns, and for the avoidance of doubt, regardless of a change in the name of either party. This letter agreement supersedes and replaces any prior agreement between the parties in connection with the Account(s), including but not limited to any prior acknowledgment letter agreement, to the extent that such prior agreement is inconsistent with the terms hereof. In the event of any conflict between this letter agreement and any other agreement between the parties in connection with the Account(s), this letter agreement shall govern with respect to matters specific to Section 4d of the Act and the CFTC's regulations thereunder, as amended.

This letter agreement shall be governed by and construed in accordance with the laws of [Insert governing law] without regard to the principles of choice of law.

Please acknowledge that you agree to abide by the requirements and conditions set forth above by signing and returning to us the enclosed copy of this letter agreement, and you further agree to provide a copy of this fully executed letter agreement directly to the CFTC (via electronic means in a format and manner determined by the CFTC) in accordance with CFTC Regulation 1.20. We hereby authorize and direct you to provide such copies without further notice to or consent from us,

Ms. Melissa Jurgens

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no later than three business days after opening the Account(s) or revising this letter agreement, as applicable.

[Name of Derivatives Clearing Organization]

By:

Print Name:

Title:

ACKNOWLEDGED AND AGREED:

[Name of Money Market Mutual Fund]

By:

Print Name:

Title:

Contact Information: [Insert phone number and email address]

Date:

* * * * *

CFE Rule 609. Supervision

Each Trading Privilege Holder shall be responsible for establishing, maintaining and administering reasonable, written supervisory procedures to ensure that its Related Parties and Customers comply with Applicable Law, the Rules of the Exchange and the Rules of the Clearing Corporation. A Trading Privilege Holder may be held accountable for the actions of its Related Parties. In addition, each Responsible Trader shall be responsible for supervising the Related Parties of the Trading Privilege Holder represented by it, and may be held accountable for the actions of such Related Parties.

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CFE Rule 1602. Contract Specifications

(a) - (h) No changes.

(i) *Price Limits and Halts.* Pursuant to Rule 413, Volatility Index futures contracts are not subject to price limits

Trading in Volatility Index futures contracts shall be halted to the extent required by Rule 417 relating to "regulatory halts." ~~Prior to the date on which market wide trading halt provisions corresponding to the provisions of Rule 417A become effective on national securities exchanges, trading in Volatility Index futures contracts shall also be halted whenever a market wide trading halt commonly known as a circuit breaker is in effect on the New York Stock Exchange in~~

~~response to extraordinary market conditions. On and after that date, trading~~ Trading in Volatility Index futures contracts shall also be halted pursuant to Rule 417A if there is a Level 1, 2 or 3 Market Decline.

(j) - (s) No changes.

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CFE Rule 1702. Contract Specifications

(a) - (h) No changes.

(i) *Price Limits and Circuit Breaker Halts.* Pursuant to Rule 413, VXN futures contracts are not subject to price limits.

~~Prior to the date on which market wide trading halt provisions corresponding to the provisions of Rule 417A become effective on national securities exchanges, trading in VXN futures contracts shall be halted whenever a market wide trading halt commonly known as a circuit breaker is in effect on the New York Stock Exchange in response to extraordinary market conditions. On and after that date, trading~~ Trading in VXN futures contracts shall be halted pursuant to Rule 417A if there is a Level 1, 2 or 3 Market Decline.

(j) - (s) No changes.

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CFE Rule 2302. Contract Specifications

(a) - (h) No changes.

(i) *Price Limits and Circuit Breaker Halts.* Pursuant to Rule 413, S&P 500 Variance futures contracts are not subject to price limits.

~~Prior to the date on which market wide trading halt provisions corresponding to the provisions of Rule 417A become effective on national securities exchanges, trading in S&P 500 Variance futures contracts shall be halted whenever a market wide trading halt commonly known as a circuit breaker is in effect on the New York Stock Exchange in response to extraordinary market conditions. On and after that date, trading~~ Trading in S&P 500 Variance futures contracts shall be halted pursuant to Rule 417A if there is a Level 1, 2 or 3 Market Decline.

(j) - (s) No changes.

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

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CFE Policy and Procedure V. Emergency and Physical Emergency Delegations and Procedures (Rules ~~132~~ 135 and 418)

A. – B. No changes.

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CFE Policy and Procedure XII. Confidentiality Policy for Information Received or Reviewed in a Regulatory Capacity

I. – IV. No changes.

V. Procedure

Confidential information received or reviewed in a regulatory capacity shall be used solely for regulatory purposes and shall be made available exclusively to Regulatory Group staff, to the National Futures Association in its capacity as regulatory services provider to the Exchange, and as otherwise permitted by the Regulatory Independence Policy.

Confidential information received or reviewed in a self-regulatory capacity may also be released pursuant to (i) a request by the Commodity Futures Trading Commission, Securities and Exchange Commission, or the United States Department of Justice; (ii) a request by a securities or derivatives self-regulatory organization pursuant to an information sharing agreement; or, (iii) a valid subpoena or other order of a court that directs the Exchange to release such confidential information. Any disclosure under these circumstances must be approved by senior management in the Regulatory Services Division or in the Legal Division, as appropriate.

Confidential Financial Information received or reviewed in a regulatory capacity may also be used by the Exchange to implement the Exchange's Conflict of Interest Policy regarding Securities and Futures Products Transactions that applies to Exchange employees.

VI. – VII. No changes.

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Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Eric Seinsheimer at (312) 786-8740. Please reference our submission number CFE-2014-15 in any related correspondence.

CBOE Futures Exchange, LLC



By: James F. Lubin
Senior Managing Director

cc: Nancy Markowitz (CFTC)