



December 31, 2015

Mr. Christopher 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-2015-036

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 adopt new CFE Policy and Procedure XXI to set forth the Foreign Independent Software Vendor Incentive Program (“Program”). The Amendment will become effective on January 15, 2016.

An Independent Software Vendor (“ISV”) as an organization that desires to provide or provides connectivity to CFE’s trading system on behalf of one or more CFE Trading Privilege Holders (“TPHs”) and is not itself a TPH. The Program provides incentives for foreign ISVs that have not previously connected to the Exchange to connect to and provide access to the Exchange. In order to connect to the Exchange, ISVs need to incur costs and expend internal resources to complete the systems work and testing required to establish the connection. The Program is intended to incentivize foreign ISVs that have not connected to the Exchange in light of these costs and the requisite resource commitment to expend the effort to do so. Once a foreign ISV has connected to the Exchange, users of that ISV may be more inclined to become TPHs and to trade on CFE which in turn increases liquidity in CFE products to the benefit of all CFE market participants.

In order to be eligible to participate in the Program, an organization must (i) meet the definition of an ISV under CFE rules as described above; (ii) be organized under the laws of a foreign jurisdiction, (iii) not be affiliated with the Exchange; (iv) not have previously established connectivity to CFE’s trading system for trading purposes or the receipt of CFE market data; (v) submit to the Exchange between January 15, 2016 and February 28, 2016 a written request to participate in the Program; and (vi) complete a CFE Customer Form and execute a CFE ISV Market Data Agreement. The Exchange will select as Program participants the first five foreign ISVs that submit a written request to the Exchange to participate in the Program between January 15, 2016 and February 28, 2016 and satisfy the above eligibility criteria.

The Program allows for participants in the Program to receive a monthly incentive payment for up to twelve months. A Program participant may receive a monthly incentive

payment for the first six months by establishing and maintaining full connectivity to CFE's trading system for trading purposes and for the receipt of CFE market data. A Program participant may receive a monthly incentive payment for the following six months if the participant maintains full connectivity to CFE's trading system and the contract volume for CFE transactions executed through the participant's front-end system and connectivity to CFE by one or more TPHs totals 15,000 or more contracts during the applicable month. Contract volume for this purpose is measured per contract side. Each TPH that accesses CFE through a Program participant's front-end system and connectivity to CFE is required to utilize CFE self-trade prevention functionality so that the above contract volume does not include self-trades.

The term of the Program shall be from January 15, 2016 through February 28, 2017. The Exchange may determine to extend the term of the Program or replace or modify the Program at any time through a subsequent rule amendment submission to the Commission.

CFE believes that the Amendment is consistent with Designated Contract Market Core Principles 2 (Compliance with Rules), 9 (Execution of Transactions), and 12 (Protection of Markets and Market Participants) under Section 5 of the Act. CFE has established the category of foreign ISVs eligible for participation in the Program for legitimate business purposes in connection with its efforts to expand its international user base and to compete internationally with domestic and foreign exchanges. The Program treats all parties eligible for the Program equally. CFE believes that the Program will contribute to the provision of a competitive, open, and efficient market and the price discovery process on CFE by incentivizing foreign ISVs to connect and provide access to CFE, thus fostering increased liquidity in CFE products. Additionally, CFE believes that the Program will contribute to promoting fair and equitable trading on CFE by requiring TPHs that access CFE through a Program participant to use CFE's self-trade functionality, so as to not provide an incentive for self-trades in connection with meeting a contract volume threshold under the Program.

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
Policies and Procedures**

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XXI. Foreign Independent Software Vendor Incentive Program

The purpose of the Foreign Independent Software Vendor Incentive Program ("Program") is to incentivize foreign Independent Software Vendors to provide connectivity to

the Exchange and thus increase liquidity in Exchange products to the benefit all Exchange market participants.

Products

- The Program is applicable with respect to all products listed on the Exchange.

Eligibility

- The Program may have up to five participants.
- A Program participant must:
 - meet the definition of an Independent Software Vendor under the Rules of the Exchange;¹
 - be organized under the laws of a foreign jurisdiction;
 - not be affiliated with the Exchange;
 - not have previously established connectivity to the CBOE System for trading purposes or the receipt of Exchange market data;²
 - submit to the Exchange between January 15, 2016 and February 28, 2016 a written request to participate the Program; and
 - complete an Exchange Customer Form and execute an Exchange Independent Software Vendor Market Data Agreement.
- The Exchange shall select as Program participants the first five foreign Independent Software Vendors that submit a written request to the Exchange to participate in the Program between January 15, 2016 and February 28, 2016 and satisfy the above eligibility criteria.
- Each Program participant must establish full connectivity to the CBOE System for trading purposes and for the receipt of Exchange market data in a form and manner prescribed by the Exchange (“Full Connectivity”).

¹ Rule 302(f) provides that: An Independent Software Vendor is an organization that desires to provide or provides connectivity to the CBOE System on behalf of one or more Trading Privilege Holders and is not itself a Trading Privilege Holder.

² Rule 115 provides that: The term “CBOE System” means (i) the electronic systems administered by or on behalf of the Exchange which perform the functions set out in the Rules of the Exchange, including controlling, monitoring and recording trading on the Exchange and (ii) any connectivity to the foregoing electronic systems that is administered by or on behalf of the Exchange, such as a communications hub in a foreign jurisdiction.

Benefits

- For six consecutive calendar months (subject to the limitation below), a Program participant shall receive a payment from the Exchange in the amount of \$15,000 per calendar month for each of these calendar months during which the Program participant maintains Full Connectivity.
 - This six consecutive calendar month period shall commence:
 - with March 2016 for those Program participants that first establish and maintain Full Connectivity prior to March 1, 2016; and
 - with the first calendar month in which a Program participant first establishes and maintains Full Connectivity for those Program participants that first establish and maintain Full Connectivity on or after March 1, 2016.
 - A Program participant that first establishes and maintains Full Connectivity on or after March 1, 2016 shall be entitled to full payment for the first calendar month in which this occurs regardless of the date of that month on which the Program participant first establishes and maintains Full Connectivity.
- For the seventh through twelfth calendar months after the above six consecutive calendar month period (subject to the limitation below), the Program participant shall receive a payment from the Exchange in the amount of \$15,000 per calendar month for each of these calendar months during which:
 - the Program participant maintains Full Connectivity; and
 - the contract volume for transactions executed on the Exchange through the Program participant's front-end system and connectivity to the Exchange by one or more Trading Privilege Holders totals 15,000 or more contracts for the month.
 - Contract volume for this purpose shall be measured per contract side.
 - If the requisite contract volume is not reached during one or more of these calendar months, the Program participant will continue to have the opportunity to reach the requisite contract volume in, and receive the corresponding payment for, other calendar months during this six calendar month period.
- The above time periods are subject to the following limitation: No payment shall be made for any calendar month following the expiration of the Program even if a Program participant has not yet had the opportunity to accrue monthly payments under the Program for six consecutive calendar months of Full Connectivity and/or to accrue monthly payments based on Full Connectivity and contract volume for six calendar months.

- Monthly payments to Program participants will be made following the end of the applicable calendar month. Monthly payments accrued but not yet paid prior to the expiration of the Program will be made on this schedule following the expiration of the Program.

Other Provisions

- Connectivity to the Exchange under the Program is governed by the Rules of the Exchange, including among other things, the requirements under Rule 302 that:
 - connectivity to the CBOE System established by an Independent Software Vendor may not be used by the Independent Software Vendor itself for its own trading activities; and
 - any Trading Privilege Holder that receives connectivity to the CBOE System through an Independent Software Vendor must do so through a separate connection and its own login(s) to the CBOE System that are not utilized by any other Trading Privilege Holder.
- Each Trading Privilege Holder that accesses the Exchange through a Program participant's front-end system and connectivity to the Exchange is required to utilize Exchange self-trade prevention functionality under Rule 406A.

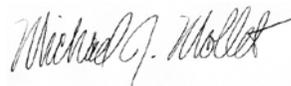
Term

The term of the Program shall be from January 15, 2016 through February 28, 2017. The Exchange may determine to allow the Program to expire, extend the term of the Program, or replace or modify the Program at any time.

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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-2015-036 in any related correspondence.

CBOE Futures Exchange, LLC



By: Michael J. Mollet
Managing Director