

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 11	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-7	File No.* SR - 2016 - * 004 Amendment No. (req. for Amendments *)
Proposed Rule Change by * CBOE Futures Exchange Pursuant to Rule 19b-7 under the Securities Exchange Act of 1934		
Initial *	Amendment *	Withdrawal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exhibit 2 Sent As Paper Document	Exhibit 3 Sent As Paper Document	
<input type="checkbox"/>	<input type="checkbox"/>	
<b>Description</b> Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *). Rule change regarding attempted fraudulent acts.		
<b>Contact Information</b> Provide the name, telephone number and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the proposed rule change. First Name * Nicole Last Name * Gordon Title * Counsel E-mail * gordon@cboe.com Telephone * (312) 786-8109 Fax		
<b>SRO Governing Body Action</b> Describe action on the proposed rule change taken by the members or board of directors or other governing body of the SRO (limit 250 characters, required *). A CFE Managing Director approved the proposed rule change on December 1, 2016 pursuant to delegated authority.		
<b>Signature</b> Pursuant to the requirements of the Securities Exchange Act of 1934,  has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized officer. Date 12/01/2016 Assistant Secretary By Nicole Gordon (Name *) (Title *)		
NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.		
<b>Digitally Sign and Lock Form</b>		

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-7 instructions please refer to the EFFF website.

**Exhibit 1- Notice of Proposed Rule Change (required when Initial)**

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal.

The Notice section of this Form 19b-7 must comply with the guidelines for publication in the Federal Register, as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC and CFTC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases and Commodities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2- Notices, Written Comments, Transcripts, Other Communications**

Add Remove View

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction E, they shall be filed in accordance with Instruction F.

Exhibit Sent As Paper Document

**Exhibit 3 - Form, Report, or Questionnaire**

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change. If such documents cannot be filed electronically in accordance with Instruction E, they shall be filed in accordance with Instruction F.

Exhibit Sent As Paper Document

**Exhibit 4 - Proposed Rule Text**

Add Remove View

The self-regulatory organization must attach as Exhibit 4 proposed changes to rule text. Exhibit 4 shall be considered part of the proposed rule change.

**Exhibit 5 - Date of Effectiveness of Proposed Rule Change (required when Initial)**

CFTC Certification

CFTC Request that Review of Proposed Rule Change is not Necessary

Request for CFTC Approval of Proposed Rule Change

CFTC Determination that Review of Proposed Rule Change is not Necessary

Indication of CFTC Approval of Proposed Rule Change

CFTC Certification: Attach a copy of the certification submitted to the CFTC pursuant to section 5c(c) of the Commodity Exchange Act.

Add Remove View

Exhibit Sent As Paper Document

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission staff's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

Exhibit 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-CFE-2016-004)

Self-Regulatory Organizations; CBOE Futures Exchange, LLC; Proposed Rule Change Regarding Attempted Fraudulent Acts.

Pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> notice is hereby given that on December 1, 2016 CBOE Futures Exchange, LLC (“CFE” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change described in Items I, II, and III below, which Items have been prepared by CFE. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons. CFE also has filed this proposed rule change with the Commodity Futures Trading Commission (“CFTC”). CFE filed a written certification with the CFTC under Section 5c(c) of the Commodity Exchange Act (“CEA”)<sup>2</sup> on December 1, 2016.

I. Self-Regulatory Organization's Description of the Proposed Rule Change

The Exchange proposes to amend CFE Rule 601 related to fraudulent acts. The scope of this filing is limited solely to the application of the rule amendments to security futures that may be traded on CFE. The text of the proposed rule change is attached as Exhibit 4 to the filing but is not attached to the publication of this notice.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, CFE included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at

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<sup>1</sup> 15 U.S.C. 78s(b)(7).

<sup>2</sup> 7 U.S.C. 7a-2(c).

the places specified in Item IV below. CFE has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, Proposed Rule Change

1. Purpose

The purpose of the proposed CFE rule amendments included as part of this rule change is to amend CFE Rule 601 (Fraudulent Acts) to broaden the language of Rule 601 to also prohibit attempts to engage in any fraudulent act or scheme prohibited by Rule 601. The amendment to CFE Rule 601 is being made at the request of the CFTC. The rule amendments included as part of this rule change are to apply to all products traded on CFE, including both non-security futures and security futures.

CFE Rule 601 currently prohibits CFE Trading Privilege Holders and their related parties from engaging in any fraudulent act or 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 organization for the Exchange. Pursuant to CFE Rule 308, Rule 601 also applies to any person that initiates or executes a transaction on or subject to Exchange rules directly or through an intermediary and to any person for whose benefit such a transaction is initiated or executed.

The proposed rule change broadens the language of Rule 601 to also prohibit attempts to engage in any fraudulent act or any scheme prohibited by Rule 601.

This change is consistent with CFE Rule 604 (Adherence to Law) which prohibits conduct in violation of applicable law, including any provisions of the CEA and CFTC regulations which prohibit attempts to engage in fraudulent acts, such as CFTC

Regulation 180.1<sup>3</sup> (Prohibition on the employment, or attempted employment, of manipulative and deceptive devices).

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>4</sup> in general, and furthers the objectives of Sections 6(b)(5)<sup>5</sup> and 6(b)(7)<sup>6</sup> in particular in that it is designed:

- to prevent fraudulent and manipulative acts and practices,
- to promote just and equitable principles of trade, and
- to remove impediments to and perfect the mechanism of a free and open market and a national market system, and in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change would strengthen its ability to carry out its responsibilities as a self-regulatory organization by providing further guidance with regard to attempted fraudulent acts by TPHs, their related parties, and others that access CFE's market. In particular, the proposed rule change makes it clear that attempts to engage in fraudulent acts are prohibited. The proposed rule change would also contribute to enhanced protection of CFE markets and market participants.

B. Self-Regulatory Organization's Statement on Burden on Competition

CFE does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, in that the rule change will enhance CFE's ability to carry out its responsibilities as a self-

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<sup>3</sup> 17 C.F.R. 180.1.

<sup>4</sup> 15 U.S.C. 78f(b).

<sup>5</sup> 15 U.S.C. 78f(b)(5).

<sup>6</sup> 15 U.S.C. 78f(b)(7).

regulatory organization. The Exchange believes that the proposed rule change is equitable and not unfairly discriminatory because the amendments regarding attempted fraudulent acts or schemes apply equally to all market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change will become effective on December 15, 2016. At any time within 60 days of the date of effectiveness of the proposed rule change, the Commission, after consultation with the CFTC, may summarily abrogate the proposed rule change and require that the proposed rule change be refiled in accordance with the provisions of Section 19(b)(1) of the Act.<sup>7</sup>

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form <http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-CFE-2016-004 on the subject line.

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<sup>7</sup> 15 U.S.C. 78s(b)(1).

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-CFE-2016-004. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. Copies of such filing also will be available for inspection and copying at the principal office of CBOE Futures Exchange, LLC. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CFE-2016-004 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

Secretary

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<sup>8</sup> 17 CFR 200.30-3(a)(73).

Exhibit 4

Set forth below are proposed changes to the rule text, with additions represented by underscoring and deletions represented by [bracketing].

**CBOE Futures Exchange, LLC Rules**

\* \* \* \* \*

**Rule 601. Fraudulent Acts**

Neither a Trading Privilege Holder nor any of its Related Parties 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.

\* \* \* \* \*

Exhibit 5

A copy of the certification submitted to the CFTC pursuant to Section 5c(c) of the Commodity Exchange Act with respect to the proposed rule change.

**CBOE**

**FUTURES  
EXCHANGE**

December 1, 2016

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-2016-016

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 amend CFE Rule 601 (Fraudulent Acts) at the request of the Commission staff. The Amendment will become effective on December 15, 2016.

CFE Rule 601 prohibits CFE Trading Privilege Holders and their related parties from engaging in any fraudulent act or 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 organization for the Exchange. Pursuant to CFE Rule 308, Rule 601 also applies to any person that initiates or executes a transaction on or subject to Exchange rules directly or through an intermediary and to any person for whose benefit such a transaction is initiated or executed. The Amendment broadens the language of Rule 601 to also prohibit attempts to engage in any fraudulent act or scheme prohibited by Rule 601. This change is consistent with CFE Rule 604 (Adherence to Law) which prohibits conduct in violation of applicable law, including any provisions of the Act and Commission regulations which prohibit attempts to engage in fraudulent acts, such as Commission Regulation 180.1 (Prohibition on the employment, or attempted employment, of manipulative and deceptive devices).

CFE believes that the Amendment is consistent with Designated Contract Market Core Principles 2 (Compliance with Rules), 4 (Prevention of Market Disruption) and 12 (Protections of Markets and Market Participants) under Section 5 of the Act in that prohibiting attempts to engage in fraudulent acts serves to protect market integrity.

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.

CFE intends to file the Amendment as it may relate to security futures with the Securities and Exchange Commission pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934.

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

\* \* \* \* \*

**CBOE Futures Exchange, LLC  
Rules**

\* \* \* \* \*

**Rule 601. Fraudulent Acts**

Neither a Trading Privilege Holder nor any of its Related Parties 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.

\* \* \* \* \*

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-2016-016 in any related correspondence.

CBOE Futures Exchange, LLC



By: Michael J. Mollet  
Managing Director