

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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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 and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 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 rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities 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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 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 rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities 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, security-based swap submission, or advance notice 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

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Exhibit Sent As Paper Document

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

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

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'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.

Item 1. Text of the Proposed Rule Change

(a) Chicago Board Options Exchange, Incorporated (the “Exchange” or “CBOE”) proposes to amend Exchange Rule 24.6. The text of the proposed rule change is provided below and in Exhibit 1.

(additions are underlined; deletions are [bracketed])

* * * * *

**Chicago Board Options Exchange, Incorporated
Rules**

* * * * *

Rule 24.6. Days and Hours of Business

(a) – (b) No change

... Interpretations and Policies:

.01 – .05 No change.

.06 With respect to options on a foreign index that is comprised of component securities trading in a single country, the Exchange may determine not to open the options for trading when the component securities of the foreign index are not trading due to a holiday on the foreign exchange(s) at which the component securities trade. At least once a year in January, the Exchange will announce via Regulatory Circular the days on which options on a particular foreign index will be closed pursuant to this interpretation.

* * * * *

(b) Not applicable.

(c) Not applicable.

Item 2. Procedures of the Self-Regulatory Organization

(a) The Exchange’s President (or designee) pursuant to delegated authority approved the proposed rule change on July 26, 2016.

(b) Please refer questions and comments on the proposed rule change to Joanne Moffic-Silver, Executive Vice President, General Counsel, and Corporate Secretary, (312)

786-7462, or Kyle Edwards, (312) 786-7304, Chicago Board Options Exchange, Incorporated, 400 South LaSalle, Chicago, Illinois 60605.

Item 3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The Exchange seeks to add Interpretation and Policy .06 to Rule 24.6 in order to specify that the Exchange may determine not to open for trading options on a foreign index that is comprised of component securities trading in a single country when the component securities of the foreign index are not open for trading due to a holiday on the foreign exchange or exchanges on which the component securities trade.

Rule 6.1.04 identifies the days on which the Exchange is not open due to a holiday.¹ Exchanges in foreign countries also have their own holiday schedules.² As CBOE lists and trades options that overlie various foreign indexes,³ the components of which trade on foreign exchanges, CBOE proposes to specify in its Rules that the Exchange may determine to not open options on foreign indexes when the component securities of the foreign index are not open for trading due to a holiday on the foreign exchange; however, the Exchange

¹ Rule 6.1.04 provides that “[t]he Board of Directors has determined that the Exchange will not be open for business on New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas Day. The Board has also determined that, when any holiday observed by the Exchange falls on a Saturday, the Exchange will not be open for business on the preceding Friday, and that when any holiday observed by the Exchange falls on a Sunday, the Exchange will not be open for business on the following Monday, unless unusual business conditions exist at the time.”

² See e.g., Stock Exchange of Hong Kong Holiday Schedule, available at: https://www.hkex.com.hk/eng/market/sec_tradinfo/tradcal/nont10.htm and London Stock Exchange Holiday Schedule, available at: <http://www.lseg.com/areas-expertise/our-markets/london-stock-exchange/equities-markets/trading-services/business-days>.

³ See e.g., Rules 24.2.01, 24.2.02, and 24.2.03.

proposes to limit the application of this proposal to options on foreign indexes that are comprised of component securities trading in a single country.⁴

The Exchange may trade options on various foreign indexes after trading in all component securities has closed for the day and the index level is no longer widely disseminated at least once every fifteen seconds, provided that futures on the applicable indexes are trading and prices for those contracts may be used as a proxy for the current index value.⁵ For example, the component securities of the FTSE China 50 Index open with the start of trading on the Stock Exchange of Hong Kong (“SEHK”) at approximately 8:30 p.m. (Chicago time) (prior day) and close with the end of trading on the SEHK at approximately 3:00 a.m. (Chicago time) (next day). Thus, between 8:30 a.m. and 3:15 p.m. (Chicago time) the FTSE China 50 Index level is a static value that market participants can access via data vendors. However, the Exchange continues to trade options on the FTSE China 50 Index (“China 50 options”) from 8:30 a.m. Chicago time to 3:15 a.m. Chicago time because prices of the E-Mini FTSE China 50 Index futures trading at the CME may be used as a proxy for the current index value.⁶ When SEHK is closed because of a holiday, E-Mini FTSE China 50 Index futures remain open and may still be used as a proxy for the current index value. However, the Exchange may determine to keep China 50 Options (as

⁴ The Exchange notes that when there are multiple exchanges in a single country trading the component securities of a foreign index the holiday schedule for exchanges within that country are likely to be the same or similar.

⁵ See Rules 24.2.01(a)(8), 24.2.02(a)(8), and 24.2.03(a)(8).

⁶ The trading hours for E-Mini FTSE China 50 Index Futures are from 5:00 p.m. (Chicago time) to 4:00 p.m. (Chicago time) the following day, Sunday through Friday. See E-Mini FTSE China 50 Index Future Contract specifications located at: <http://www.cmegroup.com/education/files/e-mini-ftse-china-50-index-futures.pdf>. The Exchange believes E-Mini FTSE China 50 Index Futures are an appropriate proxy for China 50 options.

well as other options on other foreign indexes) closed because of a holiday on SEHK (or the applicable foreign exchange on which the index constituents trade).

For example, prior to the launch of China 50 options, SEHK was closed from the weekend of February 7-8 through the 2016 Lunar New Year from February 8-10. Although E-Mini FTSE China 50 Index futures can be used as a proxy, the Exchange may have determined that options participants would be better served by keeping China 50 options closed because the holiday caused the underlying index value to be unavailable for an extended period of time.

With respect to options on foreign indexes specifically, the Exchange has the authority to set the days and hours of business.⁷ This proposal simply seeks to add Interpretation and Policy .06 to notify market participants that the Exchange may determine not to open options on foreign indexes because of a holiday on a foreign exchange. Furthermore, as proposed, Interpretation and Policy .06 will also require the Exchange to announce via Regulatory Circular in January of every year the particular days on which options on particular foreign indexes will not be open due to a holiday on a foreign exchange or exchanges. However, there may be holidays between the date this proposal becomes effective and the following January; thus, the first announcement will be made via Regulatory Circular within 30 days of this proposal becoming effective.

Although keeping options closed because of a foreign exchange's holidays will cause users of these particular options to not be able to trade when the U.S. market is otherwise open, the closures will only occur a few times a year. Furthermore, users will have sufficient notice of such closures via the Regulatory Circular that will be published

⁷ See Rule 24.6(a) (providing that with respect to options on foreign indexes, the Board's designee shall determine the days and hours of business.).

every January. Finally, this proposal may potentially allow users to receive better executions because for certain holidays, such as during the Lunar New Year described above, the closing of the component securities may not allow Market-Makers to quote as tightly and aggressively as they would otherwise. In effect, limiting users' ability to trade particular index options to days on which there is not a holiday on a foreign exchange may better serve users because they will be trading on days in which Market-Makers may potentially provide tighter markets.

(b) Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the "Act") and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁸ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁹ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁰ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ Id.

In particular, the proposal helps 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 by: 1) limiting users' ability to trade particular index options to days on which there is not a holiday on a foreign exchange because doing so allows users of these index options to trade on days in which Market-Makers may potentially provide tighter markets and 2) providing a mechanism for notifying market participants of the days on which options on a particular foreign index will not be open due to a holiday on the foreign exchange(s) on which the index constituents trade.

Item 4. Self-Regulatory Organization's Statement on Burden on Competition

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposal will not impose a burden on intramarket competition because all participants will be subject to the same holiday schedule as set forth by the Exchange. Furthermore, all participants will have adequate notice of the holiday schedule by virtue of the Exchange publishing a Regulatory Circular in January of every year that announces such holidays. The proposal will not impose a burden on intermarket competition because the options effected by this proposal are options on foreign indexes that are exclusive to CBOE. Any perceived burden on users of these options is outweighed by the fact that users may potentially receive better executions by trading on days on which Market-Makers may potentially be able to provide tighter markets.

Item 5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

Item 6. Extension of Time Period for Commission Action

Not applicable.

Item 7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2) or Section 19(b)(7)(D)

(a) The proposed rule change is filed for immediate effectiveness pursuant to Section 19(b)(3)(A) of Act¹¹ and Rule 19b-4(f)(6)¹² thereunder.

(b) The Exchange designates that the proposed rule change effects a change that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days after the date of the filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest. Additionally, the Exchange has given the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

This proposal does not present any novel or unique issues. Domestic exchanges and foreign exchanges publish the holidays on which they will be closed.¹³ As previously noted, with respect to options on foreign indexes, CBOE has the authority to set the days and hours of business.¹⁴ This proposal simply seeks to add Interpretation and

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f)(6).

¹³ See e.g., CBOE Holiday Schedule, available at: <http://www.cboe.com/AboutCBOE/CBOEHolidays.aspx> and Stock Exchange of Hong Kong Holiday Schedule, available at: https://www.hkex.com.hk/eng/market/sec_tradinfo/tradcal/nont10.htm.

¹⁴ See Rule 24.6(a) (providing that with respect to options on foreign indexes, the Board's designee shall determine the days and hours of business.).

Policy .06 to notify market participants that the Exchange may determine not to open options on foreign indexes because of a holiday on a foreign exchange. Furthermore, as proposed, Interpretation and Policy .06 will also require the Exchange to announce via Regulatory Circular the particular days on which options on foreign indexes will not be open due to a holiday on a foreign exchange.

Finally, this proposal may potentially allow users to receive better executions because for certain holidays, such as during the Lunar New Year described above, the closing of the component securities may not allow Market-Makers to quote as tightly and aggressively as they would otherwise. In effect, limiting users' ability to trade particular index options to days on which there is not a holiday on a foreign exchange may better serve users because they will be trading on days in which Market-Makers may potentially provide tighter markets.

For the foregoing reasons, this rule filing qualifies as a "non-controversial" rule change under Rule 19b-4(f)(6), which renders the proposed rule change effective upon filing with the Commission. At any time within 60 days of the filing of this proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved

(c) Not applicable.

(d) Not applicable.

Item 8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on a rule either of another self-regulatory organization or of the Commission.

Item 9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

Item 10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

Item 11. Exhibits

Exhibit 1. Completed Notice of Proposed Rule Change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34- ; File No. SR-CBOE-2016-058]

[Insert date]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Rule 24.6

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on [insert date], Chicago Board Options Exchange, Incorporated (the “Exchange” or “CBOE”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed the proposal as a “non-controversial” proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act³ and Rule 19b-4(f)(6) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange seeks to amend Rule 24.6. The text of the proposed rule change is provided below.

(additions are underlined; deletions are [bracketed])

* * * * *

**Chicago Board Options Exchange, Incorporated
Rules**

¹ 15 U.S.C. 78s(b)(1).
² 17 CFR 240.19b-4.
³ 15 U.S.C. 78s(b)(3)(A)(iii).
⁴ 17 CFR 240.19b-4(f)(6).

* * * * *

Rule 24.6. Days and Hours of Business

(a) – (b) No change

... Interpretations and Policies:

.01 – .05 No change.

.06 With respect to options on a foreign index that is comprised of component securities trading in a single country, the Exchange may determine not to open the options for trading when the component securities of the foreign index are not trading due to a holiday on the foreign exchange(s) at which the component securities trade. At least once a year in January, the Exchange will announce via Regulatory Circular the days on which options on a particular foreign index will be closed pursuant to this interpretation.

* * * * *

The text of the proposed rule change is also available on the Exchange’s website (<http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx>), at the Exchange’s Office of the Secretary, and at the Commission’s Public Reference Room.

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

In its filing with the Commission, the Exchange 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 the places specified in Item IV below. The Exchange 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, the Proposed Rule Change

1. Purpose

The Exchange seeks to add Interpretation and Policy .06 to Rule 24.6 in order to specify that the Exchange may determine not to open for trading options on a foreign index that is comprised of component securities trading in a single country when the component

securities of the foreign index are not open for trading due to a holiday on the foreign exchange or exchanges on which the component securities trade.

Rule 6.1.04 identifies the days on which the Exchange is not open due to a holiday.⁵ Exchanges in foreign countries also have their own holiday schedules.⁶ As CBOE lists and trades options that overlie various foreign indexes,⁷ the components of which trade on foreign exchanges, CBOE proposes to specify in its Rules that the Exchange may determine to not open options on foreign indexes when the component securities of the foreign index are not open for trading due to a holiday on the foreign exchange; however, the Exchange proposes to limit the application of this proposal to options on foreign indexes that are comprised of component securities trading in a single country.⁸

The Exchange may trade options on various foreign indexes after trading in all component securities has closed for the day and the index level is no longer widely disseminated at least once every fifteen seconds, provided that futures on the applicable indexes are trading and prices for those contracts may be used as a proxy for the current

⁵ Rule 6.1.04 provides that “[t]he Board of Directors has determined that the Exchange will not be open for business on New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas Day. The Board has also determined that, when any holiday observed by the Exchange falls on a Saturday, the Exchange will not be open for business on the preceding Friday, and that when any holiday observed by the Exchange falls on a Sunday, the Exchange will not be open for business on the following Monday, unless unusual business conditions exist at the time.”

⁶ See e.g., Stock Exchange of Hong Kong Holiday Schedule, available at: https://www.hkex.com.hk/eng/market/sec_tradinfo/tradcal/nont10.htm and London Stock Exchange Holiday Schedule, available at: <http://www.lseg.com/areas-expertise/our-markets/london-stock-exchange/equities-markets/trading-services/business-days>.

⁷ See e.g., Rules 24.2.01, 24.2.02, and 24.2.03.

⁸ The Exchange notes that when there are multiple exchanges in a single country trading the component securities of a foreign index the holiday schedule for exchanges within that country are likely to be the same or similar.

index value.⁹ For example, the component securities of the FTSE China 50 Index open with the start of trading on the Stock Exchange of Hong Kong (“SEHK”) at approximately 8:30 p.m. (Chicago time) (prior day) and close with the end of trading on the SEHK at approximately 3:00 a.m. (Chicago time) (next day). Thus, between 8:30 a.m. and 3:15 p.m. (Chicago time) the FTSE China 50 Index level is a static value that market participants can access via data vendors. However, the Exchange continues to trade options on the FTSE China 50 Index (“China 50 options”) from 8:30 a.m. Chicago time to 3:15 a.m. Chicago time because prices of the E-Mini FTSE China 50 Index futures trading at the CME may be used as a proxy for the current index value.¹⁰ When SEHK is closed because of a holiday, E-Mini FTSE China 50 Index futures remain open and may still be used as a proxy for the current index value. However, the Exchange may determine to keep China 50 Options (as well as other options on other foreign indexes) closed because of a holiday on SEHK (or the applicable foreign exchange on which the index constituents trade).

For example, prior to the launch of China 50 options, SEHK was closed from the weekend of February 7-8 through the 2016 Lunar New Year from February 8-10. Although E-Mini FTSE China 50 Index futures can be used as a proxy, the Exchange may have determined that options participants would be better served by keeping China 50 options closed because the holiday caused the underlying index value to be unavailable for an extended period of time.

⁹ See Rules 24.2.01(a)(8), 24.2.02(a)(8), and 24.2.03(a)(8).

¹⁰ The trading hours for E-Mini FTSE China 50 Index Futures are from 5:00 p.m. (Chicago time) to 4:00 p.m. (Chicago time) the following day, Sunday through Friday. See E-Mini FTSE China 50 Index Future Contract specifications located at: <http://www.cmegroup.com/education/files/e-mini-ftse-china-50-index-futures.pdf>. The Exchange believes E-Mini FTSE China 50 Index Futures are an appropriate proxy for China 50 options.

With respect to options on foreign indexes specifically, the Exchange has the authority to set the days and hours of business.¹¹ This proposal simply seeks to add Interpretation and Policy .06 to notify market participants that the Exchange may determine not to open options on foreign indexes because of a holiday on a foreign exchange. Furthermore, as proposed, Interpretation and Policy .06 will also require the Exchange to announce via Regulatory Circular in January of every year the particular days on which options on particular foreign indexes will not be open due to a holiday on a foreign exchange or exchanges. However, there may be holidays between the date this proposal becomes effective and the following January; thus, the first announcement will be made via Regulatory Circular within 30 days of this proposal becoming effective.

Although keeping options closed because of a foreign exchange's holidays will cause users of these particular options to not be able to trade when the U.S. market is otherwise open, the closures will only occur a few times a year. Furthermore, users will have sufficient notice of such closures via the Regulatory Circular that will be published every January. Finally, this proposal may potentially allow users to receive better executions because for certain holidays, such as during the Lunar New Year described above, the closing of the component securities may not allow Market-Makers to quote as tightly and aggressively as they would otherwise. In effect, limiting users' ability to trade particular index options to days on which there is not a holiday on a foreign exchange may better serve users because they will be trading on days in which Market-Makers may potentially provide tighter markets.

¹¹ See Rule 24.6(a) (providing that with respect to options on foreign indexes, the Board's designee shall determine the days and hours of business.).

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the “Act”) and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.¹² Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹³ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)¹⁴ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposal helps 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 by: 1) limiting users’ ability to trade particular index options to days on which there is not a holiday on a foreign exchange because doing so allows users of these index options to trade on days in which Market-Makers may potentially provide tighter markets and 2) providing a mechanism for notifying market participants of the days on which options on a particular foreign index will not be open due to a holiday on the foreign exchange(s) on which the index constituents trade.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

¹⁴ Id.

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

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposal will not impose a burden on intramarket competition because all participants will be subject to the same holiday schedule as set forth by the Exchange. Furthermore, all participants will have adequate notice of the holiday schedule by virtue of the Exchange publishing a Regulatory Circular in January of every year that announces such holidays. The proposal will not impose a burden on intermarket competition because the options effected by this proposal are options on foreign indexes that are exclusive to CBOE. Any perceived burden on users of these options is outweighed by the fact that users may potentially receive better executions by trading on days on which Market-Makers may potentially be able to provide tighter markets.

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

The Exchange neither solicited nor received comments on the proposed rule change.

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

Because the foregoing proposed rule change does not:

- A. significantly affect the protection of investors or the public interest;
- B. impose any significant burden on competition; and
- C. become operative for 30 days from the date on which it was filed, or such

shorter time as the Commission may designate, it has become effective pursuant to

Section 19(b)(3)(A) of the Act¹⁵ and Rule 19b-4(f)(6)¹⁶ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

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. Please include File Number SR-CBOE-2016-058 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-CBOE-2016-058. 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

¹⁵ 15 U.S.C. 78s(b)(3)(A).

¹⁶ 17 CFR 240.19b-4(f)(6).

Commission will post all comments on the Commission's Internet website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, D.C. 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. 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-CBOE-2016-058 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.¹⁷

Secretary

¹⁷ 17 CFR 200.30-3(a)(12).