



May 26, 2023

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-2023-009

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Regulation 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 provide for expanded trading hours in Cboe[®] iBoxx[®] iShares[®] Bond Index futures (“CB Index futures”)¹ and to make related updates to CFE’s rules. Exhibit 1 to this submission sets forth the rule changes included in the Amendment. The Amendment will become effective on or after June 12, 2023, on a date to be announced by the Exchange through the issuance of an Exchange notice.

Trading Hours

The following CB Index futures are currently listed for trading on CFE: (i) Cboe[®] iBoxx[®] iShares[®] \$ High Yield Corporate Bond Index Futures (“IBHY futures”) and (ii) Cboe[®] iBoxx[®] iShares[®] \$ Investment Grade Corporate Bond Index Futures (“IBIG futures”).

Pursuant to CFE Rule 1502 (Contract Specifications), the current trading hours for CB Index futures are on business days Monday through Friday from 8:30 a.m. to 3:00 p.m.² The Amendment revises Rule 1502(b) (Schedule and Prohibited Order Types) to expand the trading hours for CB Index futures in the following manner.

There will continue to be regular trading hours in CB Index futures on business days Monday through Friday from 8:30 a.m. to 3:00 p.m. CB Index futures will also have extended trading hours on business days Monday through Friday from 5:00 p.m. the previous day to 8:30 a.m. and from 3:00 p.m. to 4:00 p.m. These changes will not impact the time of the termination of trading hours in an expiring CB Index future on its final settlement date which will remain at 3:00

¹ See Exhibit 2 for disclaimers and trademarks with respect to CB Index futures relating to and of Markit Indices Limited and BlackRock Fund Advisors.

² All times referenced in this submission are in Chicago time.

p.m.

The trading hours for CB Index futures during extended trading hours and regular trading hours will constitute a single trading session for a business day. Extended trading hours will seamlessly transition to regular trading hours at 8:30 a.m. and regular trading hours will seamlessly transition to extended trading hours at 3:00 p.m. on business days Monday through Friday. There will be no pause in trading at either time.

CB Index futures will follow holiday trading schedules for New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day that are substantially the same as the holiday trading schedules for other CFE products that have extended trading hours. The Amendment revises Rule 1502(b) to include these holiday trading schedules.

Among the other CFE products that have extended trading hours are Cboe Volatility Index ("VX") futures and Mini Cboe Volatility Index ("VXM") futures. The only difference between the trading hours for CB Index futures and the trading hours for VX and VXM futures is that CB Index futures will stop trading at 12:00 p.m. on a business day that ends at 12:15 p.m. instead of at 12:15 p.m. as is the case with VX and VXM futures.

CFE Rule 402 (Trading Hours) will also continue to apply to CB Index futures. Rule 402(b) provides, in pertinent part, that CFE may modify its regular business days and trading hours to not be open for business and to have shortened trading hours in connection with a holiday or a period of mourning.

Market Orders

CFE does not currently accept market orders for CB Index futures. The Amendment revises Rule 1502(b) to make clear that market orders will not be accepted by the Exchange during regular or extended trading hours for CB Index futures. Any market orders for CB Index futures received by the Exchange will be automatically rejected or canceled back to the sender.

Price Limits

CFE is amending Rule 1502(i) (Price Limits and Halts) to add automated price limits for CB Index futures during extended trading hours. Under these automated price limits, CFE's trading system will not consummate the execution of any trade in a CB Index futures contract at a price which is more than 10% above the daily settlement price for that contract for the prior business day (an "Upper Price Limit") or at a price which is more than 10% below that daily settlement price (a "Lower Price Limit").

CFE's trading system ("CFE System") will reject or cancel back to the sender any limit order to buy with a limit price that is above the Upper Price Limit and any limit order to sell with a limit price that is below the Lower Price Limit. Upon the triggering of a stop limit order, the CFE System will cancel the stop limit order back to the sender if it is a stop limit order to buy that is triggered to a limit price which is above the Upper Price Limit or is a stop limit order to sell that is triggered to a limit price which is below the Lower Price Limit.

New Rule 1502(i)(i)(H) also provides that the CFE Trade Desk may, in its absolute and sole discretion, take any action it determines necessary to protect market integrity. This authority includes, but is not limited to, the authority to modify or eliminate the price limit parameters under

Rule 1502(i) at any time. The Amendment updates Policy and Procedure V of the Policies and Procedures Section of the CFE Rulebook (Emergency and Physical Emergency Delegations and Procedures) to reference that the senior person in charge of the CFE Trade Desk has authority to exercise the authority of the Trade Desk under Rule 1502(i)(i)(H). The CFE Trade Desk also retains the ability to halt trading in CB Index futures at any time if appropriate (including prior to reaching a particular price limit level) in the interest of protecting market integrity pursuant to Rule 1502(i)(i)(H) and under CFE's emergency authority pursuant to CFE Rule 418 (Emergencies).

Daily Settlement Time

The daily settlement prices for CB Index futures are currently determined at 3:00 p.m. on a normal business day. The Amendment retains 3:00 p.m. as the point in time in relation to which the daily settlement prices of CB Index futures are calculated on a normal business day.

Specifically, the Amendment revises Rule 1502(p) (Daily Settlement Price) to provide that the Daily Settlement Time for CB Index futures is the point in time in relation to which the daily settlement price of a CB Index futures contract is calculated. The Amendment also revises Rule 1502(p) to provide that the Daily Settlement Time for CB Index futures is at the close of regular trading hours in CB Index futures on a business day (except that the Daily Settlement Time for CB Index futures on a business day that ends at 12:15 p.m. is at 12:00 p.m.) Accordingly, pursuant to these amended provisions, the Daily Settlement Time for CB Index futures on a normal business day will remain at 3:00 p.m.

In addition, the Amendment makes some minor adjustments to the language in Rule 1502(p) that describes the manner in which daily settlement prices for CB Index futures are determined in order to conform that language with the other revisions to Rule 1502(p). These revisions do not substantively alter the manner in which daily settlement prices are determined for CB Index futures.

Trade at Settlement Transactions

CFE Rule 404A provides that a Trade at Settlement ("TAS") transaction is a transaction in a contract at a price or premium equal to the daily settlement price, or a specified differential above or below the daily settlement price, for the contract on a business day. The actual TAS transaction price or premium is determined subsequent to the transaction based upon the daily settlement price of the contract.

Because TAS transactions in a CB Index futures contract are based on the daily settlement price of that contract which is determined at 3:00 p.m. on a normal business day, the Amendment revises Rule 1502(q) (Trade at Settlement Transactions) to provide for the following trading hours for TAS transactions in CB Index futures. Trading hours for TAS transaction in CB Index futures will be (i) during extended trading hours, except during the extended trading hours period from 3:00 p.m. to 4:00 p.m. on a normal business day and (ii) during regular trading hours until the Daily Settlement Time for CB Index futures. Accordingly, pursuant to the amended provisions, the trading hours for TAS transactions in CB Index futures will end at 3:00 p.m. on a normal business day in alignment with the Daily Settlement Time.

As is currently the case, TAS transactions in an expiring CB Index futures contract will not be permitted during the business day of its final settlement date.

Order Submission Time Frames

Policy and Procedure XIX of the Policies and Procedures Section of the CFE Rulebook (Submission Time Frames) sets forth submission time frames for all orders in CFE products, including quotes. The Amendment modifies Policy and Procedure XIX to provide for the same order submission time frames that apply to other CFE products that have extended trading hours.

Non-Substantive and Technical Updates

The Amendment also includes some non-substantive and technical updates to the rules noted above. For example, the Amendment replaces references to “an CB Index future” in various rule provisions with the language “a CB Index future”.

Statutory Basis

CFE believes that the Amendment is consistent with the Designated Contract Market (“DCM”) Core Principles under Section 5 of the Act. In particular, CFE believes that the Amendment is consistent with:

(i) DCM Core Principle 3 (Contracts Not Readily Subject to Manipulation) in that the Amendment provides for maximum price fluctuation limits applicable to CB Index futures in the form of automated price limits for CB Index futures during extended trading hours which are set at levels that are not overly restrictive in relation to price movements in the corporate bond market which underlies CB Index futures;

(ii) DCM Core Principle 4 (Prevention of Market Disruption) in that the automated price limit provisions are intended to contribute to reducing the potential risk of price distortions and market disruptions in CB Index futures during volatile market conditions;

(iii) DCM Core Principle 6 (Emergency Authority) in that the Amendment provides that the CFE Trade Desk may, in its absolute and sole discretion, take any action with respect to CB Index futures that the Trade Desk determines is necessary to protect market integrity and makes clear that the senior person in charge of the Trade Desk may exercise this authority on behalf of the Trade Desk;

(iv) DCM Core Principle 7 (Availability of General Information) in that the Amendment describes to market participants in CFE’s rules how the expanded CB Index futures trading hours will function; and

(v) DCM Core Principle 9 (Execution of Transactions) in that the Amendment contributes to the provision by CFE of a competitive, open, and efficient market and mechanism for executing transactions that protects the price discovery process of trading on CFE’s centralized market by making CB Index futures more available for trading by market participants.

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 it has posted a notice of pending certification with the Commission and a copy of this submission on CFE’s website (http://www.cboe.com/us/futures/regulation/rule_filings/cfe/) concurrent with the filing of this submission with the Commission.

Contact Information

Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Shane Wilkerson at (484) 798-9350. Please reference our submission number CFE-2023-009 in any related correspondence.

Cboe Futures Exchange, LLC

/s/ [Laura Fuson](#)

By: Laura Fuson
Managing Director

EXHIBIT 1

(Additions are shown in underlined text and deletions are shown in ~~stricken~~ text)

**Cboe Futures Exchange, LLC
Rulebook**

* * * * *

1502. Contract Specifications

(a) No change.

(b) *Schedule and Prohibited Order Types.* The Exchange may list for trading up to four near-term serial months and four months on the March quarterly cycle for each CB Index futures product. The final settlement date for ~~an~~ a CB Index future is the first business day of the calendar month denoted by the ticker symbol for the Contract. If the final settlement date is a CFE holiday, the final settlement date shall be the business day immediately following the holiday.

The trading days for CB Index futures are any Business Day the Exchange is open for trading.

The trading hours for CB Index futures are ~~from 8:30 a.m. to 3:00 p.m. Chicago time~~ are set forth in the charts below. The trading hours for CB Index futures contracts during extended trading hours and regular trading hours shall constitute a single trading session for a Business Day. All times set forth in the charts below are in Chicago time.

Trading Week with No Exchange Holiday. Unless otherwise specified below in relation to Exchange holidays, the following schedule applies.

<u>Type of Trading Hours</u>	<u>Monday - Friday</u>
<u>Extended</u>	<u>5:00 p.m. (previous day) to 8:30 a.m.</u>
<u>Regular</u>	<u>8:30 a.m. to 3:00 p.m.</u>
<u>Extended</u>	<u>3:00 p.m. to 4:00 p.m.</u>

Domestic Holidays Always Observed on Mondays. The below schedule applies when the following domestic holidays are observed: Martin Luther King, Jr. Day, Presidents' Day, Memorial Day and Labor Day.

<u>Type of Trading Hours</u>	<u>Monday</u>	<u>Tuesday</u>
<u>Extended</u>	<u>5:00 p.m. (Sunday) to 10:30 a.m.*</u>	<u>5:00 p.m. (Monday) to 8:30 a.m.</u> <u>and</u> <u>3:00 p.m. to 4:00 p.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:00 p.m.</u>

Thanksgiving. The below schedule applies when the Thanksgiving Day holiday is observed.

<u>Type of Trading Hours</u>	<u>Thanksgiving</u>	<u>Friday</u>
<u>Extended</u>	<u>5:00 p.m. (Wednesday) to 10:30 a.m.*</u>	<u>5:00 p.m. (Thursday) to 8:30 a.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 12:00 p.m.</u>

Floating Holidays and Good Friday. The below schedules apply when the following holidays are observed: New Year's Day, Good Friday, Juneteenth National Independence Day (June 19), Independence Day (July 4) and Christmas Day. If the holiday falls on a Saturday, the holiday will be observed on the previous day (Friday), except for New Year's Day. If the holiday falls on a Sunday, the holiday will be observed on the next day (Monday). The holidays specified in the below charts refer to the day on which the Exchange observes the applicable holiday. Regular trading hours will typically end at 12:00 p.m. on July 3 (the day before Independence Day) and December 24 (Christmas Eve). Holiday closures and shortened holiday trading hours will be announced by circular.

If New Year's Day or Christmas is on a Monday - Thursday:

<u>Holiday</u>	<u>Type of Trading Hours</u>	<u>Holiday Observed (Monday - Thursday)</u>
<u>New Year's Day and Christmas</u>	<u>Extended</u>	<u>5:00 p.m. (on holiday) to 8:30 a.m. (day after holiday) and 3:00 p.m. to 4:00 p.m. (day after holiday)</u>
<u>New Year's Day and Christmas</u>	<u>Regular</u>	<u>8:30 a.m. to 3:00 p.m. (day after holiday)</u>

If New Year's Day or Christmas is on a Friday:

<u>Holiday</u>	<u>Type of Trading Hours</u>	<u>Holiday Observed (Friday)</u>
<u>If New Year's Day or Christmas on Friday</u>	<u>Extended</u>	<u>None</u>
<u>If New Year's Day or Christmas on Friday</u>	<u>Regular</u>	<u>None</u>

Good Friday:

One of the following two schedules will apply when Good Friday is observed. The Exchange shall designate for each year which of these alternative schedules will be utilized in connection with the observation of Good Friday during that year.

Good Friday Schedule Alternative 1:

<u>Holiday</u>	<u>Type of Trading Hours</u>	<u>Friday</u>
<u>Good Friday</u>	<u>Extended</u>	<u>None</u>
<u>Good Friday</u>	<u>Regular</u>	<u>None</u>

Good Friday Schedule Alternative 2:

<u>Holiday</u>	<u>Type of Trading Hours</u>	<u>Friday</u>	<u>Monday</u>
<u>Good Friday</u>	<u>Extended</u>	<u>5:00 p.m. (Thursday) to 8:30 a.m.*</u>	<u>5:00 p.m. (Sunday) to 8:30 a.m. and 3:00 p.m. to 4:00 p.m.</u>
<u>Good Friday</u>	<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:00 p.m.</u>

Juneteenth:

<u>Type of Trading Hours</u>	<u>Holiday Observed</u>	<u>Business Day After Holiday Observed</u>
<u>Extended</u>	<u>5:00 p.m. (day before holiday) to 10:30 a.m.* (on holiday)</u>	<u>5:00 p.m. (on holiday or on Sunday if holiday observed on Friday) to 8:30 a.m. and 3:00 p.m. to 4:00 p.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:00 p.m.</u>

Independence Day:

<u>Type of Trading Hours</u>	<u>Holiday Observed</u>	<u>Business Day After Holiday Observed</u>
<u>Extended</u>	<u>5:00 p.m. (day before holiday) to 10:30 a.m.* (on holiday)</u>	<u>5:00 p.m. (on holiday or on Sunday if holiday observed on Friday) to 8:30 a.m. and 3:00 p.m. to 4:00 p.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:00 p.m.</u>

General Holiday Provisions:

* A holiday trading session includes extended trading hours on the calendar day of the holiday and any extended trading hours for the holiday on the previous calendar day. Holiday trading sessions are not separate Business Days and are part of the next Business Day. Trading in CB Index futures is suspended between sessions of extended trading hours on the calendar day of a holiday. Since these suspension periods are a regular feature for certain holiday trading sessions in CB Index futures, they shall not be considered the declaration of a trading halt by the Exchange. Trades in CB Index futures made during a holiday trading session will be submitted for clearing for the next Business Day.

Friday Holiday Provisions:

The Exchange may have a Friday holiday trading session if Juneteenth or Independence Day fall on a Friday or under the Good Friday Schedule Alternative 2. In those cases:

As is the case with other holiday trading sessions, the Friday holiday trading session from 5:00 p.m. on Thursday to either 8:30 a.m. or 10:30 a.m. on Friday also applies to Trade at

Settlement (“TAS”) transactions in CB Index futures and TAS transactions in CB Index futures are permitted during that time frame.

The Friday holiday trading session is part of the next Business Day on Monday. The Friday holiday trading session is not a separate Business Day. Trades in CB Index futures made during the Friday holiday trading session are submitted for clearing for Monday. Since the time frames between the sessions of trading hours during this Business Day are a regular feature of this schedule, they are not considered the declaration of a trading halt by the Exchange.

As is the case with other holiday trading sessions, the applicable daily settlement price is the daily settlement price for the Business Day. Accordingly, in this case, the applicable daily settlement price is determined on Monday pursuant to Rule 1502(p).

As is also the case with other holiday trading sessions, Day Orders and Quotes entered during the Friday holiday trading session persist and remain executable during the trading hours on the remainder of the Business Day, unless they are executed or canceled. Accordingly, Day Orders and Quotes entered during the Friday holiday trading session persist and remain executable during the trading hours on the remainder of the same Business Day on the Sunday and Monday following the Friday holiday trading session, unless they are executed or canceled.

Market Orders:

Market Orders for CB Index futures will not be accepted by the Exchange during regular or extended trading hours for CB Index futures. Any Market Orders for CB Index futures received by the Exchange will be automatically rejected or canceled back to the sender.

(c) - (d) No change.

(e) *Termination of Trading.* Trading hours for an expiring CB Index future end at 3:00 p.m. Chicago time on its final settlement date.

(f) - (h) No change.

(i) *Price Limits and Halts.*

(i) *Price Limits During Extended Trading Hours.* Pursuant to Rule 413, CB Index futures are ~~not~~ subject to the following price limits during extended trading hours:

(A) Each CB Index futures Contract shall have a price limit that is 10% above the daily settlement price for that CB Index futures Contract for the prior Business Day (an “Upper Price Limit”) and a price limit that is 10% below the daily settlement price for that CB Index futures Contract for the prior Business Day (a “Lower Price Limit”). An Upper Price Limit and a Lower Price Limit may also be referred to as a “Price Limit.”

(B) The CFE System will not consummate the execution of any trade in a CB Index futures Contract that is at a price that is more than

the Upper Price Limit for that CB Index futures Contract or that is less than the Lower Price Limit for that CB Index futures Contract.

(C) The CFE System will reject or cancel back to the sender any Limit Order to buy with a limit price that is above the Upper Price Limit and any Limit Order to sell with a limit price that is below the Lower Price Limit. Upon the triggering of a Stop Limit Order, the CFE System will cancel the Stop Limit Order back to the sender if it is a Stop Limit Order to buy that is triggered to a limit price which is above the Upper Price Limit or is a Stop Limit Order to sell that is triggered to a limit price which is below the Lower Price Limit.

(D) The Upper Price Limit and Lower Price Limit will be applicable with respect to the execution of single leg CB Index futures Orders. The Upper Price Limit and Lower Price Limit will apply to CB Index futures Spread Orders in that each leg of a CB Index futures Spread Order will be subject to the applicable Upper Price Limit and Lower Price Limit for that individual leg and may not be executed at a price that is more than the Upper Price Limit for that single leg CB Index futures Contract or less than the Lower Price Limit for that single leg CB Index futures Contract. The Upper Price Limit and Lower Price Limit shall not apply to TAS Orders because TAS transactions may only occur within a permissible price range.

(E) The price limit provisions of this Rule 1502(i)(i) shall be applicable during the opening process for a CB Index futures Contract during extended trading hours.

(F) In calculating a Price Limit, the calculation will be rounded to the nearest minimum increment in the CB Index futures Contract, with the midpoint between two consecutive increments rounded up.

(G) The daily settlement price that will be utilized to calculate the Price Limits for a newly listed CB Index futures Contract will be the daily settlement price of the CB Index futures Contract with the nearest expiration date in calendar days to the expiration date of the newly listed CB Index futures Contract. If there is a CB Index futures Contract with an earlier expiration date and a CB Index futures Contract with a later expiration date that each meet this criterion, the daily settlement price of the CB Index futures Contract with the earlier expiration date will be utilized.

(H) Notwithstanding any provisions of this Rule 1502(i)(i), the Trade Desk may, in its absolute and sole discretion, take any action it determines necessary to protect market integrity. For avoidance of doubt, this authority includes, but is not limited to, modifying or eliminating the Price Limit parameters in this Rule 1502(i)(i) at any time. The senior person in charge of the Trade Desk may exercise the authority of the Trade Desk under this Rule 1502(i)(i)(H). The Trade Desk will promptly issue an alert with respect to actions taken pursuant to this Rule 1502(i)(i)(H).

(ii) *Circuit Breaker Halts.* Trading in CB Index futures shall be halted pursuant to Rule 417A if there is a Level 1, 2 or 3 Market Decline.

(iii) *Halts in Other Markets.* CFE shall halt trading in ~~an~~ a CB futures product during any regulatory halt by the primary listing market in the exchange-traded fund with holdings that are used in determining the constituents of the CB Index underlying that CB Index futures product. The Exchange shall commence a trading halt in ~~an~~ a CB Index futures product pursuant to this Rule 1502(i)(iii) as soon as practicable following the initiation of the regulatory halt by the primary listing market in the applicable exchange-traded fund, and there may be time between the initiation of the regulatory halt and the commencement of the trading halt in the CB Index futures product.

(j) - (m) No change.

(n) *Reportable Position and Trading Volume.*

(i) *Reportable Position.* Pursuant to Commission Regulation §15.03 and Commission Regulation Part 17, the position level that is required to be reported to the Commission is any open position in ~~an~~ a CB Index futures ~~Contract~~ product at the close of trading on any trading day equal to or in excess of 200 contracts on either side of the market.

(ii) *Reportable Trading Volume.* Pursuant to Commission Regulation §15.04 and Commission Regulation Part 17, the reportable trading volume that triggers the requirement to report a volume threshold account to the Commission is 50 or more contracts in ~~an~~ a CB Index futures product during a single trading day or such other reportable trading volume threshold as may be designated by the Commission.

(o) No change.

(p) *Daily Settlement Price.* The daily settlement price for ~~an~~ a CB Index futures Contract is calculated in the following manner for each Business Day:

(i) The Daily Settlement Time for CB Index futures is the point in time in relation to which the daily settlement price of a CB Index futures Contract is calculated. The Daily Settlement Time for CB Index futures is at the close of regular trading hours in CB Index futures on a Business Day (except that the Daily Settlement Time for CB Index futures on a Business Day that ends at 12:15 p.m. Chicago time is at 12:00 p.m. Chicago time.) Accordingly, on a normal Business Day, the Daily Settlement Time for CB Index futures is 3:00 p.m. Chicago time.

~~(ii)~~ (i) The daily settlement price for a CB Index futures Contract is the average of the bid and the offer from the last best two-sided market in that CB Index futures Contract during the applicable Business Day prior to the Daily Settlement Time which simultaneously includes both a pending bid with a non-zero value and a pending offer with a non-zero value. If a two-sided market includes either no bid or no offer, the bid or offer would be considered to have a zero value and that two-sided market would not be used for this purpose.

(~~iii~~) If there is no two-sided market in the CB Index futures Contract during the applicable Business Day prior to the ~~close of trading hours on that Business Day~~ Daily Settlement Time which simultaneously includes both a pending bid with a non-zero value and a pending offer with a non-zero value, the daily settlement price for the CB Index futures Contract will be the daily settlement price of the futures Contract on the same CB Index with the nearest expiration date in calendar days to the expiration date of the CB Index futures Contract for which the daily settlement price is being determined. If there is ~~an~~ a CB Index futures Contract with an earlier expiration date and ~~an~~ a CB Index futures Contract with a later expiration date that each meet this criterion, the daily settlement price of the CB Index futures Contract with the earlier expiration date will be utilized.

(~~iv~~) The daily settlement price may go out to four decimal places and may be a price that is not at a minimum increment for the CB Index futures Contract.

(~~v~~) The Exchange may in its sole discretion establish a daily settlement price for ~~an~~ a CB Index futures Contract that it deems to be a fair and reasonable reflection of the market if:

(A) the Exchange determines in its sole discretion that the daily settlement price determined by the parameters set forth in paragraphs (p)(~~ii~~) - (p)(~~iii~~) above is not a fair and reasonable reflection of the market; or

(B) there is a trading halt in the CB Index futures Contract or other unusual circumstance at ~~the scheduled close of trading hours for the CB Index futures Contract on the applicable Business Day~~ or around the Daily Settlement Time.

(q) *Trade at Settlement Transactions.* Trade at Settlement (“TAS”) transactions pursuant to Rule 404A are permitted in CB Index futures and may be transacted on the CFE System, as spread transactions, as Block Trades (including as spread transactions) and as Exchange of Contract for Related Position transactions. The trading hours for all types of TAS transactions in CB Index futures are (i) during extended trading hours, except during the extended trading hours period from 3:00 p.m. Chicago time to 4:00 p.m. Chicago time on a normal Business Day; and (ii) during the regular trading hours until the Daily Settlement Time for CB Index futures. Accordingly, on a normal Business Day, the trading hours for all types of TAS transactions in CB Index futures end at 3:00 p.m. Chicago time. TAS transactions in an expiring CB Index futures contract are not permitted during the Business Day of its final settlement date.

The permissible price range for all types of TAS transactions in CB Index futures is from 0.10 index points below the daily settlement price to 0.10 index points above the daily settlement price. The permissible minimum increment for a TAS single leg transaction, a TAS spread transaction, a TAS Block Trade (including as a spread transaction) and a TAS Exchange of Contract for Related Position transaction in CB Index futures is 0.005 index points.

(r) No change.

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**Cboe Futures Exchange, LLC
Policies and Procedures Section of Rulebook**

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**Policy and Procedure V. Emergency and Physical Emergency Delegations and Procedures
(Rules 135 and 418)**

A. Specific Emergency and Physical Emergency Delegations

1. Emergency Delegations

Chapter 1 defines the term “Emergency” and provides a non-exclusive list of circumstances that may constitute an Emergency.

Rule 418(a) grants the President or any individual designated by the President the authority to determine on behalf of the Board the existence of an Emergency and the authority to take actions in response to an Emergency, including all of the actions listed below. The President or the President’s designee may also order the removal of any restriction previously imposed based upon a determination that the Emergency no longer exists or has sufficiently abated to permit the function of the Exchange to continue in an orderly manner.

Pursuant to Rule 418(a), the following individuals in addition to the President are authorized as designees of the President to determine the existence of an Emergency and to take the actions specified in the delegations below in response to an Emergency. These additional individuals may also order the removal of any restriction that the applicable individual has been delegated the authority to impose based upon a determination by the applicable individual that the Emergency no longer exists or has sufficiently abated to permit the function of the Exchange to continue in an orderly manner.

The Senior Person in Charge of the Trade Desk refers to the individual in charge of the Trade Desk at the applicable time.

Rule	Emergency Actions	Emergency Delegations
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1202(i)(i)(H) 1302(i)(i)(I) 1402(l)(i)(I) <u>1502(i)(i)(H)</u> 1702(i)(i)(H) 2002(l)(i)(I) 2102(l)(i)(I) 2202(l)(i)(I)	Action necessary to protect market integrity, such as imposing or modifying price limits with respect to any Contract	<ul style="list-style-type: none"> Senior Person in Charge of Trade Desk
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2502(l)(i)(I) 418(a)(iv)		
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Sections A.2. - B. of Policy and Procedure V No changes.

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Policy and Procedure XIX. Submission Time Frames (Rules 402(c))

All times referenced in this Policy and Procedure are Chicago time.

A. Cboe Volatility Index (“VX”), Mini Cboe Volatility Index (“VXM”), Cboe® iBoxx® iShares® Bond Index (“CB Index”) and AMERIBOR Futures Submission Time Frames

The time frames during which Trading Privilege Holders may submit Orders (including Cancel Orders and Cancel Replace/Modify Orders) to the CFE System for VX, VXM, CB Index and AMERIBOR futures are set forth in the chart below.

Time Frame	Period Type	What May be Submitted to CFE System
4:00 p.m.* to 5:00 p.m. (Sunday)	Queuing Period	Orders (except Market Orders, Immediate or Cancel Orders and Fill or Kill Orders)**
5:00 p.m. (previous day) to 8:30 a.m. (Monday – Friday)	Extended Trading Hours	Orders (except Market Orders) Orders (except Market Orders) until 8:00 a.m. in expiring VX or VXM future on its final settlement date
8:30 a.m. to 3:00 p.m. (Monday – Friday)	Regular Trading Hours	Orders (except Market Orders in <u>CB Index</u> and AMERIBOR futures)
3:00 p.m. to 4:00 p.m. (Monday – Friday)	Extended Trading Hours	Orders (except Market Orders)
4:00 p.m. to 4:45 p.m. (Monday – Thursday)	Suspended	Nothing (except Cancel Orders after CFE System restart)

4:45 p.m.* to 5:00 p.m. (Monday – Thursday)	Queuing Period	Orders (except Market Orders, Immediate or Cancel Orders and Fill or Kill Orders)**
4:00 p.m. (Friday) to 4:00 p.m. (Sunday)	Suspended	Nothing (except Cancel Orders after CFE System restart)
5:00 p.m. (previous day) to 3:00 p.m. (Monday – Friday) (Solely for Trade at Settlement (“TAS”) transactions in <u>VX₂</u> and <u>VXM</u> and <u>CB Index</u> futures)	Extended and Regular Trading Hours for all types of TAS transactions in <u>VX₂</u> and <u>VXM</u> and <u>CB Index</u> futures	TAS Orders are accepted until 3:00 p.m. No TAS Orders are accepted from 3:00 p.m. to 4:45 p.m. (Monday – Thursday) No TAS Orders are accepted from 3:00 p.m. to 4:00 p.m. (Friday) TAS Orders are accepted from 4:00 p.m.*** to 5:00 p.m. during Queuing Period (Sunday) and from 4:45 p.m.*** to 5:00 p.m. during Queuing Period (Monday – Thursday)**
Whenever <u>VX</u> , <u>VXM</u> , <u>CB Index</u> or AMERIBOR futures are in a queuing period	Queuing Period	Orders (except Market Orders, Immediate or Cancel Orders and Fill or Kill Orders)**
Whenever trading in <u>VX</u> , <u>VXM</u> , <u>CB Index</u> or AMERIBOR futures is halted	Halted	Nothing (except Cancel Orders)
Whenever trading in <u>VX</u> , <u>VXM</u> , <u>CB Index</u> or AMERIBOR futures is suspended	Suspended	Nothing (except Cancel Orders after CFE System restart)

*A queuing period for VX, VXM, CB Index and AMERIBOR non-TAS single leg Contract expirations and non-TAS spreads at the beginning of a Business Day or that otherwise follows immediately after the CFE System is in a suspended state for that product commences at the referenced start time for the queuing period plus a randomized time period from three to six seconds.

**Orders permitted to be submitted to the CFE System during these times are not executable until extended or regular trading hours next commence or open trading resumes following a trading halt or suspension.

***A queuing period for any VX, ~~and~~ VXM and CB Index TAS single leg Contract expirations and TAS spreads at the beginning of a Business Day or that otherwise follows immediately after the CFE System is in a suspended state for that product commences at the referenced start time for the queuing period plus a randomized time period from zero to three seconds.

B. Submission Time Frames for All Exchange Contracts Other Than VX, VXM and AMERIBOR Futures

The queuing period for any TAS single leg Contract expirations and TAS spreads in Exchange Contracts other than VX, ~~and~~ VXM and CB Index futures commences for each Business Day at 5:00 p.m. on the previous calendar day plus a randomized time period from zero to three seconds. The queuing period for any non-TAS single leg Contract expirations and non-TAS spreads in Exchange Contracts other than VX, VXM, CB Index and AMERIBOR futures commences for each Business Day at 5:00 p.m. on the previous calendar day plus a randomized time period from three to six seconds.

A queuing period for any TAS single leg Contract expirations and TAS spreads in Exchange Contracts other than VX, ~~and~~ VXM and CB Index futures that follows immediately after the CFE System is in a suspended state for that product other than at the beginning of a Business Day commences at the referenced start time for the queuing period plus a randomized time period from zero to three seconds. A queuing period for any non-TAS single leg Contract expirations and non-TAS spreads in Exchange Contracts other than VX, VXM, CB Index and AMERIBOR futures that follows immediately after the CFE System is in a suspended state for that product other than at the beginning of a Business Day commences at the referenced start time for the queuing period plus a randomized time period from three to six seconds.

The CFE System accepts Orders (including Cancel Orders and Cancel Replace/Modify Orders) for Exchange Contracts other than VX, VXM, CB Index and AMERIBOR futures during the queuing period (except for Market Orders, Immediate or Cancel Orders and Fill or Kill Orders). Orders permitted to be submitted to the CFE System during the queuing period are not executable until trading hours next commence.

The trading hours for Exchange Contracts other than VX, VXM, CB Index and AMEIRBOR futures are set forth in the rules governing the applicable Contract. The CFE System accepts Orders (including Cancel Orders and Cancel Replace/Modify Orders) for Exchange Contracts other than VX, VXM, CB Index and AMERIBOR futures during the respective trading hours for these Contracts (except to the extent set forth in the rules governing the applicable Contract).

C. Submissions Made During Other Queuing, Halt or Suspension Periods

For any Exchange Contract, whenever the Contract is in a queuing period other than a queuing period as described above, the CFE System accepts Orders (including Cancel Orders and Cancel Replace/Modify Orders) except for Market Orders, Immediate or Cancel Orders and Fill or Kill Orders.

For any Exchange Contract, the CFE System does not accept any Orders (including Cancel Replace/Modify Orders) except Cancel Orders whenever the Contract is halted.

For any Exchange Contract, the CFE System does not accept any Orders (including Cancel Orders and Cancel Replace/Modify Orders) whenever the Contract is suspended except Cancel Orders after the restart of the CFE System.

In relation to Quotes, references to CFE System acceptance of Cancel Orders when a Contract is halted or suspended mean that (i) during a halt or during a suspension period after the restart of the CFE System, the CFE System will not accept any Quote that would cause the price/premium, quantity or open/close indication of an existing bid or offer established by a previous Quote to be changed and (ii) as a result, if such a Quote is submitted during the halt or suspension, the CFE System will cancel the existing bid or offer pursuant to the Cancel on Reject Functionality under Rule 513A(I). When a Contract is halted or is in a suspension period after the restart of the CFE System, the CFE System accepts any Quote that would not cause the price/premium, quantity or open/close indication of an existing bid or offer established by a previous Quote to be changed. Notwithstanding the other provisions of this paragraph, all Quote submissions are prohibited and may not be submitted during a suspension period between Exchange Business Days.

D. Submissions Made Prior to Applicable Pre-Open Start Times

Orders (including Cancel Orders and Cancel Replace/Modify Orders) that are received prior to the applicable queuing period start time while the CFE System is in a suspended state will be rejected, with the following exceptions:

(i) The CFE System accepts Cancel Orders while the CFE System is in a suspended state after the restart of the CFE System during the suspended state.

(ii) Other Exchange rule provisions also address submissions prior to the start of a queuing period during the time period between Exchange Business Days for a Contract, including without limitation, Rule 405A(a)(vii), Rule 404A(c) and Policy and Procedure XVIII(R).

E. Modified Trading Hours

Trading hours may be modified or shortened in connection with a holiday or period of mourning. In those instances, the time frames for submission of Orders (including Cancel Orders and Cancel Replace/Modify Orders) will be modified accordingly.

F. Opening Process

Rule 405A contains additional provisions relating to the opening process for Exchange Contracts.

EXHIBIT 2

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