



December 1, 2017

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 Product Certification for Bitcoin Futures
Submission Number CFE-2017-018

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and §40.2 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 terms and conditions for a cash-settled bitcoin future to be traded on CFE called Cboe Bitcoin (USD) (“XBT”) futures (“Product”) and accompanying rule amendments to incorporate the Product into CFE’s rules (“Amendment”).¹ The Amendment consists of new Chapter 13 of the CFE’s Rulebook regarding XBT futures and related clarifying changes to CFE Rule 216 (Regulatory Cooperation and Information Sharing Agreements), CFE Rule 414 (Exchange of Contract for Related Position), CFE Rule 415 (Block Trading), CFE Rule 419 (Limitation of Liability; Legal Proceedings), CFE Policy and Procedure V (Emergency and Physical Emergency Delegations), and CFE Policy and Procedure XIX (Submission Time Frames). A chart that summarizes the Product specifications is also attached. The terms and conditions for XBT futures and the Amendment will become effective on December 3, 2017 (“Effective Date”). XBT futures will be listed for trading on CFE on a date to be announced by the Exchange through the issuance of a circular that is on or after the Effective Date.

XBT futures are cash-settled futures contracts that are based on the auction price of bitcoin in U.S. dollars on the Gemini Exchange. XBT futures are designed to reflect economic exposure related to the price of bitcoin. The final settlement value for XBT futures will be the official auction price (rounded to the nearest penny) for bitcoin determined at 4:00 p.m. Eastern time on the final settlement date by the Gemini Exchange.

Bitcoin is a digital asset based on the decentralized, open source protocol of the peer-to-peer Bitcoin computer network (“Bitcoin Network”). The Bitcoin Network hosts the decentralized public transaction ledger, known as the Blockchain, on which all bitcoin is recorded. No single entity owns or operates the Bitcoin Network. The infrastructure of the Bitcoin Network is collectively maintained by a decentralized user base. Bitcoin can be used to

¹ This product certification does not constitute or imply a CFTC endorsement of the use of digital currency generally, or bitcoin specifically.

pay for goods and services or can be converted into fiat currencies, such as the U.S. dollar, at rates determined on bitcoin exchanges or in individual end-user-to-end-user transactions under a barter system.

The Gemini Exchange is a continuously operated, full-reserve exchange that enables customers to buy and sell digital assets, including bitcoin, for fiat currency or digital assets. The Gemini Exchange currently offers trading in bitcoin in U.S. dollars through a continuous order book with four different order types. As a full reserve exchange, the Gemini Exchange requires all orders to be fully pre-funded with assets on deposit. Dollars must be deposited prior to placing a buy order to fully fund that buy order and bitcoin must be deposited before placing a sell order to fully fund that sell order. All open orders on the Gemini Exchange from a Gemini Exchange market participant reduce that market participant's available balance to submit other orders on the Gemini Exchange until that market participant's pending orders are filled or canceled.

The Gemini Exchange is a facility of Gemini Trust Company, LLC ("Gemini"), which is regulated by the New York State Department of Financial Services ("NYSDFS"). Gemini is authorized under the New York Banking Law and under the Investment Advisers Act of 1940 to act as a custodian of digital assets. Additionally, Gemini is a fiduciary and must meet the capitalization, compliance, anti-money laundering, consumer protection, and cyber security requirements as set forth by the NYSDFS. All activities of Gemini, including all exchange functions, are subject to examination and supervision by the NYSDFS. As part of the supervision of Gemini under the NYSDFS and New York Banking Law, Gemini must (i) undergo semiannual bank exams; (ii) submit quarterly financial updates to NYSDFS; (iii) submit independent third-party year-end audited financial statements to NYSDFS; (iv) submit semi-annual Federal Financial Institutions Examination Council ("FFIEC") Call Reports to NYSDFS; and (v) undergo an annual third-party review of its overall security program, as implemented by Gemini's Chief Security Officer, that may take the form of a Service Organization Controls ("SOC") Level 2 audit. In addition, Gemini maintains a Market Data Integrity Policy and accompanying procedures that provide an internal control framework governing the creation and administration of the Gemini Exchange continuous order book and auction prices. All U.S. dollar deposits with Gemini are held at banks insured by the Federal Deposit Insurance Corporation. The majority of digital assets that are custodied by Gemini are stored offline in Gemini's proprietary, state-of-the-art cold storage system.

In addition to running a continuous order book for trades in bitcoin in U.S. dollars, the Gemini Exchange conducts two daily two-sided auctions for bitcoin in U.S. dollars (at 4:00 p.m. Eastern Time and 7:00 p.m. Hong Kong time) in order to facilitate and provide an opportunity for both buyers and sellers to trade in an instant of elevated liquidity and price discovery. Gemini Exchange auctions function as follows: Market participants may enter limit orders as auction-only orders, which means they will not take part in continuous trading, but instead only become eligible to trade at the time of an auction. Market participants may not enter market orders as auction-only orders. As with all Gemini Exchange orders, auction-only orders must be fully pre-funded. All open orders, including both auction-only orders and orders in the continuous order book, may participate in an auction and be considered in establishing the final auction price. No cancellations of auction-only orders are allowed after 3:59:00 p.m. Eastern Time. The auction price is determined by finding the price at which the greatest aggregate buy demand and sell demand from all eligible orders can be fulfilled; all continuous trading orders and auction-only orders are considered. The auction price then applies to all fills, allocated based on price-time priority. An auction will be automatically canceled if the final auction price deviates from the value of the Winklevoss Blended Bitcoin Index by more than 5% at the time of the auction.

Beginning ten minutes before the time that the auction runs, at 3:50 p.m. Eastern Time, the Gemini Exchange begins publishing indicative auction data via both its public market data application programming interface (“API”) and website, which contain information about the current state of buy/sell interest in the auction. One minute before the auction runs, at 3:59 p.m. Eastern Time, the Gemini Exchange begins publishing a “final” indicative price every fifteen seconds. In order to calculate indications, the Gemini Exchange simulates the auction process at that point in time. At 4:00 p.m. Eastern Time, the auction runs.

The Winklevoss Blended Bitcoin Index is a ten minute volume weighted average price (“VWAP”) of bitcoin transactions in U.S. dollars on the Gemini Exchange and other bitcoin trading venues. These other bitcoin trading venues currently include the Bitstamp, itBit, and GDAX trading venues. These trading venues may change from time to time. The Index does not include in the calculation the bottom 5% and the top 5% of transaction prices by volume in order to eliminate tail prices from the index calculation. The ten minute calculation period for the Index is from 3:50 p.m. to 4:00 p.m. Eastern Time. The Gemini Exchange will publish the Index values during this ten minute period at the same time intervals that the Gemini Exchange publishes indicative auction values. The Gemini Exchange will publish the Index values via the Gemini public market data API and the Winkdex website, and the Index values will also be published via the Cboe Streaming Market Index (“CSMI”) service.

In addition to the information sharing agreement that is currently in place with Gemini that is described below, CFE will actively seek to put in place regulatory information sharing agreements with any bitcoin trading venue for which bitcoin transaction prices are utilized in the Index. Prior to and during the time period between 3:50 p.m. and 4:00 p.m. Eastern Time on the final settlement date for XBT futures, CFE will monitor the bitcoin transactions in U.S. dollars on those trading venues using the information that is available to CFE and request additional information from the trading venues as appropriate.

A detailed description of the Gemini Exchange marketplace, including the continuous trading order book and the manner in which auctions are run may be found on the Gemini marketplace page at <https://gemini.com/marketplace>.

As of August 28, 2017, the total number of market participants that have placed at least one order in the Gemini Exchange continuous order book for bitcoin in U.S. dollars was 16,138. Data from data.bitcoinity.org reflects that as of August 28, 2017 the 20-day moving average of the Gemini Exchange’s market share in exchange trading in bitcoin in U.S. dollars was 12.8% and that the 20-day moving average of the Gemini Exchange’s trading volume in bitcoin in U.S. dollars was 11,310 bitcoin. As of August 28, 2017, 553 market participants have traded at least once in a Gemini Exchange auction for bitcoin in U.S. dollars. The 20-day moving average of dollar trading value in Gemini Exchange auctions for bitcoin in U.S. dollars as of August 28, 2017 was \$1,739,000. There was also a 98.7% correlation of daily returns on business days from September 21, 2016 through November 21, 2017 between the Gemini Exchange’s auction price for bitcoin and the value of the Winklevoss Blended Bitcoin Index. Measured another way, the absolute mean deviation between the Gemini Exchange auction price and the value of the Winklevoss Blended Bitcoin Index immediately prior to the auction was .003211 or 32 basis points. CFE believes that these statistics reflect that the Gemini Exchange is a robust market for the trading of bitcoin in U.S. dollars and that the Gemini Exchange auctions for bitcoin in U.S. dollars and their corresponding auction prices are representative and indicative of the price of bitcoin in the larger bitcoin marketplace.

CFE believes that XBT futures could be used by a number of different groups for commercial purposes, including by bitcoin miners to hedge production costs, bitcoin merchant processors to hedge inventories, merchants that accept bitcoin to hedge bitcoin inventories, and holders of bitcoin that wish to hedge their bitcoin holdings. Additionally, XBT futures will provide liquidity providers in bitcoin with a means to hedge their exposures from their bitcoin transactions on the Gemini Exchange and other bitcoin exchanges, in the over-the-counter bitcoin market, and on other markets for bitcoin derivatives. Because XBT futures are cash-settled, they will also provide market participants that do not wish to transact in or hold actual bitcoin with a way to gain exposure to bitcoin without the need to take or make delivery of actual bitcoin. Because of Gemini's regulatory status and obligations, CFE believes that traditional financial institutions may be more comfortable transacting in bitcoin on the Gemini Exchange than on less regulated bitcoin exchanges. These institutions provide a vital bridge to capital markets. To the extent that these financial institutions participate in trading in bitcoin on Gemini and in trading XBT futures, CFE believes that this will enhance liquidity and price discovery on Gemini in bitcoin trading and in XBT futures traded on CFE.

The rule chapter setting forth the contract specifications for XBT futures will be Chapter 13 of the CFE Rulebook.

CFE may list up to four near-term expiration weeks ("weekly" contracts), three near-term serial months ("serial" contracts), and three months on the quarterly cycle ("quarterly" contracts) for XBT futures. The final settlement date for "weekly" XBT futures is two business days prior to the Friday of the week denoted by the ticker symbol. The final settlement date for "serial" and "quarterly" XBT futures is two business days prior to the third Friday of the month denoted by the ticker symbol. There will be regular trading hours on CFE in XBT futures from 8:30 a.m. Chicago time to 3:15 p.m. Chicago time, except that on the final settlement date the trading hours for expiring XBT futures will terminate at 2:45 p.m. Chicago time. XBT futures contracts will also have extended trading hours on CFE from 5:00 p.m. Sunday to 8:30 a.m. Chicago time Monday and from 3:30 p.m. Monday through Thursday to 8:30 a.m. Chicago time Tuesday through Friday.

Like with other CFE products, CFE rules for XBT futures will provide that if the settlement value is not available or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the settlement value will be determined in accordance with the Rules and By-Laws of The Options Clearing Corporation ("OCC"). This circumstance could occur, for example, if the Gemini Exchange auction price for bitcoin in U.S. dollars were to deviate by more than 5% from the value of the Winklevoss Blended Bitcoin Index at the time of the auction. In that event, OCC would coordinate with CFE and CFE would coordinate with Gemini regarding the final settlement price.

Under Article XII, Section 5(c)(2) of the OCC By-laws, OCC would fix the final settlement price based on its judgment of what is appropriate for the protection of investors and the public interest, taking into account such factors as fairness to buyers and sellers, the maintenance of a fair and orderly market, consistency of interpretation and practice, and consistency with actions taken in related futures or other markets. Without limiting the generality of the foregoing, OCC may fix the final settlement price using: (i) the reported price or value for the relevant underlying interest at the close of regular trading hours on the last preceding trading day for which such a price or value was reported; (ii) the reported price or value for the relevant underlying interest at the opening of regular trading hours on the next trading day for which such an opening price or value is reported; or (iii) a price or value for the relevant underlying interest at such other time, or representing a combination of average prices or values at such time or

times, as OCC deems appropriate. The alternatives that OCC could consider using in this circumstance could include, among others:

- (1) Using the Winklevoss Blended Bitcoin Index value at 4:00 p.m. Eastern time on the final settlement date.
- (2) Using the bitcoin price on the Gemini Exchange continuous order book at 4:00 p.m. Eastern Time on the final settlement date.
- (3) Using a VWAP or time weighted average price (“TWAP”) of bitcoin trade prices on the Gemini Exchange on the final settlement date.
- (4) Using the following day Gemini Exchange auction price as the final settlement value.

The underlying protocol of the Bitcoin Network is subject to changes in its operating rules (i.e., “hard fork”). A hard fork means that the Bitcoin Network has been modified in a way that makes it incompatible with the unmodified Bitcoin Network and some population of miners and/or users of the network accept the modifications thereby resulting in two Bitcoin networks that have not been merged together in a timely fashion.

If the Blockchain for bitcoin diverges into different paths, the form of bitcoin on which the XBT futures and their final settlement values will be based is the form of bitcoin in U.S. dollars traded on the Gemini Exchange. Gemini will elect to support the Bitcoin Network that has the greatest cumulative computational difficulty for the forty-eight hour period following a given hard fork. The greatest cumulative computational difficulty is defined as the total threshold number of hash attempts required to mine all existing blocks in the respective Blockchain, accounting for potential differences in relative hash difficulty. If Gemini is unable to make a conclusive determination about which Bitcoin Network has the greatest cumulative computational difficulty after forty-eight hours, or Gemini determines in good faith that this is not a reasonable criterion upon which to make a determination, Gemini will support the Bitcoin Network which Gemini deems in good faith is most likely to be supported by a greater number of users and miners. The Gemini Exchange will consult with CFE in the event of a fork. If the Gemini Exchange were to offer trading in multiple forms of bitcoin in U.S. dollars, CFE would designate the form of bitcoin traded on the Gemini Exchange on which XBT futures and their final settlement values would be based for all then currently listed XBT futures contracts and subsequent XBT futures contract listings.

Gemini has granted a license to Cboe Exchange, Inc. (formerly known as Chicago Board Options Exchange, Incorporated) (“Cboe Options”) and its affiliated exchanges, including CFE, which permits CFE to list XBT futures for trading, based on the Gemini Exchange’s bitcoin market data, including Gemini Exchange auction values. CFE has undertaken a due diligence review of the legal conditions, including conditions that relate to contractual and intellectual property rights, which may materially affect the trading of the Product.

In addition to the contract specification rules for XBT futures, the Amendment makes related clarifying modifications to CFE Rules 216, 414, 415, and 419 and Policy and Procedures V and XIX of the Policies and Procedures section of the CFE Rulebook.

The Amendment modifies Rule 216 to make clear that CFE may enter into information sharing agreements with trading venues like the Gemini Exchange. In particular, CFE is amending Rule 216 to clarify that CFE may have information sharing agreements with trading venues other than domestic or foreign self-regulatory organizations, associations, boards of trade, and swap execution facilities. CFE is also amending Rule 216 to make clear that CFE may be a direct party to any information sharing agreements under Rule 216 or be a party as a third party

beneficiary to information sharing agreements entered into by CFE affiliates. In this regard, Cboe Options has entered into an information sharing agreement with Gemini that provides CFE with the ability to access Gemini Exchange trade data for regulatory purposes, including in connection with the surveillance and regulation of trading in XBT futures on CFE's market. Pursuant to this information sharing agreement, CFE Regulation ("CFER") will receive on a regular basis from Gemini, order and trade detail information from the Gemini Exchange market for bitcoin in U.S. dollars which CFER will utilize to conduct cross market surveillance of the Gemini Exchange bitcoin auction and the CFE XBT futures settlements. This information sharing agreement also permits CFE to share that data with the Commission. One way in which this information sharing will occur is that CFE plans to share Gemini Exchange market data with the Commission.

The contract specifications for XBT futures allow for Exchange of Contract for Related Position ("ECRP") transactions and Block Trades in XBT futures. For any ECRP transaction in which the related position is bitcoin, the related position portion of the transaction must be consummated through the facilities of Gemini. This requirement will enable CFE to verify the related position portion of the transaction through the information sharing between Gemini and CFE. The Amendment also revises Rule 414 and Rule 415 to provide for ECRP transactions and Block Trades involving XBT futures to be reported to CFE electronically and not by e-mail. CFE currently provides for ECRP transactions and Block Trades in other CFE products to be reported by e-mail and also allows ECRP transactions and Block Trades involving Cboe Volatility Index ("VX") futures to be reported to CFE through an electronic trade reporting tool. Authorized Reporters will be required to use this electronic trade reporting tool to report ECRP transactions and Block Trades involving XBT futures. CFE plans to migrate all of its products to an automated ECRP and Block Trade reporting process in 2018 and requiring ECRP transactions and Block Trades involving XBT futures to be reported through an electronic trade reporting tool is consistent with that approach.

The Amendment modifies Rule 419 to make clear that the existing limitation of liability provisions in Rule 419 that are applicable to parties that license index values for use by CFE as an underlying for a contract traded on CFE also apply with respect to other benchmarks, values, and prices licensed for that use. In this case, those provisions will apply to Gemini in the same way that they would apply to any other index licensor since Gemini is granting a license that permits CFE to utilize Gemini Exchange bitcoin market data, including Gemini Exchange auction values, to underlie XBT futures.

Policy and Procedure V sets forth delegations to take emergency actions which are provided for under CFE rules. The Amendment modifies Policy and Procedure V to provide that the senior person in charge of the CFE Help Desk has authority to implement the trading halt provisions provided for under Rule 1302(i)(ii). Those provisions provide for a 2 minute trading halt in XBT futures if the XBT futures contract that is closest to expiration has a 10% move from its daily settlement price on the prior business day and for a 5 minute trading halt in XBT futures if the XBT futures contract that is closest to expiration has a 20% move from its daily settlement price on the prior business day. Nothing in Rule 1302(i)(ii) limits the ability of CFE to extend the time period of a trading halt pursuant to Rule 1302(i)(ii) or to halt trading in XBT futures pursuant to any other CFE rule or policy. Additionally, under Rule 1302(i)(iv), the Help Desk may, in its absolute and sole discretion, take any action it determines necessary to protect market integrity, such as modifying the price movement parameters in Rule 1302(i)(ii) or determining not to halt trading under Rule 1302(i)(ii).

Policy and Procedure XIX sets forth submission time frames for quotes, orders, cancels, and order modifications in CFE products. The Amendment modifies Policy and Procedure XIX to provide for these time frames for XBT futures.

CFE believes that the Product and Amendment are consistent with Designated Contract Market (“DCM”) Core Principle 3 (Contracts Not Readily Susceptible to Manipulation) under Section 5 of the Act.

CFE represents that, to ensure the usefulness of the Product, CFE, among other things: (1) conducted market research so that the design of XBT futures meets the risk management needs of prospective users and promotes price discovery and (2) consulted with market users and obtained their views and opinions during the contract design process to ensure that XBT futures terms and conditions reflect the underlying bitcoin market and that the Product will perform the intended risk management and/or price discovery functions.

Additionally, CFE believes that the Product and Amendment are consistent with Core Principle 3 given the volume, liquidity, and participation on, and structure of, the Gemini Exchange marketplace and auction process. There are a number of structural safeguards built into the Gemini Exchange auction process that are specifically designed to promote the integrity of the auction price and make it difficult for a market participant to improperly affect the auction price. Among these features of the auction process are that: (i) the Gemini Exchange auction mechanism is similar to the “closing cross” utilized on large stock exchanges, which is a widely accepted mechanism for determining the end-of-day price for an asset; (ii) because bitcoin is fungible, it can be arbitrated across bitcoin exchanges, which promotes price convergence of the Gemini Exchange auction price with the price of bitcoin on other bitcoin exchanges; (iii) the Gemini Exchange auction focuses trading activity to a single moment in time at the time of the auction, which enhances liquidity, market depth, and price discovery at that time; (iv) all orders on the Gemini Exchange, including auction-only orders, must be fully pre-funded; (v) all auction-only orders on the Gemini Exchange must be limit orders and may not be market orders; and (v) self-crossing is prohibited on the Gemini Exchange; (vi) no cancellations are allowed in Gemini Exchange auction-only orders after 3:59:00 p.m. Eastern Time; (vii) there is a 5% collar on the auction price compared to the Winklevoss Blended Bitcoin Index value; and (viii) there is real-time monitoring of the Gemini Exchange auction conducted by Gemini Exchange staff. CFE believes the utilization of an auction with a price collar based on a bitcoin index combines the price discovery benefits inherent in an auction with a mechanism to ensure that the auction price is consistent with a measure that takes into consideration the price of bitcoin in the Gemini continuous order book and on other bitcoin markets.

CFE will also have telescoped position limits for XBT futures which will limit the number of contracts that a market participant may own or control in the expiring XBT futures contract to no more than 1,000 contracts net long or net short during the last 5 trading days prior to settlement. The pre-funding requirement for all orders on the Gemini Exchange and the ability to identify the market participants that place orders on the Gemini Exchange (including both generally and with respect to Gemini Exchange auctions) further disincentivizes potentially manipulative behavior. The transparency of the Gemini Exchange auctions and arbitrage opportunities that exist with other cash bitcoin markets also help keep prices in line. Additionally, CFE believes that a liquidity event such as a Gemini Exchange auction in conjunction with the settlement of an XBT futures contract is likely to drive greater participation and liquidity in the Gemini Exchange auction. In addition to these structural aspects, CFE will actively surveil for potential manipulation of XBT futures, including through the utilization of

both XBT futures trading data and Gemini information with regard to the trading of bitcoin on the Gemini Exchange that CFE will receive through an information sharing agreement with Gemini.

CFE also believes that the Product and Amendment are consistent with Core Principles 2 (Compliance with Rules), 4 (Prevention of Market Disruption), 5 (Position Limitations or Accountability), 7 (Availability of General Information), and 8 (Daily Publication of Trading Information) under Section 5 of the Act. CFE notes in this regard that: (i) the Amendment and information sharing agreement with Gemini will assist CFE in monitoring and enforcing compliance with CFE rules; (ii) the trading halt provisions applicable to XBT futures will contribute toward reducing the potential risk of price distortions and market disruptions; (iii) the Amendment establishes a position limit level for all expiration months combined of 5,000 contracts in conformity with Commission Regulation §150.5(b)(3) (Exchange-set Speculative Position Limits) in addition to the telescoped position limit level for the expiring XBT futures contract referenced above; (iv) the chart that summarizes the product specifications will be posted and maintained on CFE's website; (v) the Amendment clarifies the applicability of the limitation of liability provisions applicable to licensors of benchmarks, values, and prices that underlie CFE products; (vi) the Amendment makes clear the submission time frames for quotes, orders, cancels, and order modifications in XBT futures; and (vii) volume, open interest, settlement prices, and other price information for XBT futures will be made available publicly on a daily basis on CFE's website consistent with Commission Regulation §16.01.

CFE believes that the impact of the Product and Amendment will be beneficial to the public and market participants. CFE sought and received input from market participants regarding the Product and Amendment in a number of ways and took that input into consideration in the design and implementation of the Product and Amendment. CFE is not aware of any substantive opposing views to the Product and Amendment. CFE hereby certifies that the Product and Amendment comply 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.

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-2017-018 in any related correspondence.

Cboe Futures Exchange, LLC

/s/ Andrew Lowenthal

By: Andrew Lowenthal
Senior Managing Director

**Summary Product Specifications Chart
for Cboe Bitcoin (USD) Futures**

CONTRACT NAME:	Cboe Bitcoin (USD) Futures											
LISTING DATE:	_____, 2017											
DESCRIPTION:	Cboe Bitcoin (USD) futures are cash-settled futures contracts that are based on the Gemini Exchange auction (“Gemini Exchange Auction”) price for bitcoin in U.S. dollars.											
CONTRACT MULTIPLIER:	The contract multiplier for the XBT futures contract is 1 bitcoin.											
TICKER SYMBOLS:	Futures Symbol – XBT Final Settlement Value Symbol – XBTS											
CONTRACT EXPIRATIONS:	The Exchange may list for trading up to four near-term expiration weeks (“weekly” contracts), three near-term serial months (“serial” contracts), and three months on the March quarterly cycle (“quarterly” contracts).											
TRADING HOURS:	<table border="1"> <thead> <tr> <th>Type of Trading Hours</th> <th>Monday</th> <th>Tuesday - Friday</th> </tr> </thead> <tbody> <tr> <td>Extended</td> <td>5:00 p.m. (Sunday) to 8:30 a.m.</td> <td>3:30 p.m. (previous day) to 8:30 a.m.</td> </tr> <tr> <td>Regular</td> <td>8:30 a.m. to 3:15 p.m.</td> <td>8:30 a.m. to 3:15 p.m.</td> </tr> </tbody> </table>	Type of Trading Hours	Monday	Tuesday - Friday	Extended	5:00 p.m. (Sunday) to 8:30 a.m.	3:30 p.m. (previous day) to 8:30 a.m.	Regular	8:30 a.m. to 3:15 p.m.	8:30 a.m. to 3:15 p.m.	<p>The trading hours for an expiring XBT futures contract end at 2:45 p.m. on its final settlement date.</p> <p>The end of day submission cut-off time for all Orders, quotes, cancellations and Order modifications for XBT futures (other than for the expiring XBT future on its Final Settlement Date) is 3:14:59 p.m. Any Orders, quotes, cancellations or Order modifications submitted after the end of day submission cut-off time will be automatically rejected by the Exchange.</p> <p>Market Orders for XBT futures contracts will not be accepted. Any Market Orders for XBT futures contracts received by the Exchange will be automatically rejected. Stop Limit Orders are permitted during regular and extended trading hours for the XBT futures contract.</p> <p>All times referenced are Chicago time.</p>	
Type of Trading Hours	Monday	Tuesday - Friday										
Extended	5:00 p.m. (Sunday) to 8:30 a.m.	3:30 p.m. (previous day) to 8:30 a.m.										
Regular	8:30 a.m. to 3:15 p.m.	8:30 a.m. to 3:15 p.m.										
TRADING PLATFORM:	Cboe Command											
MINIMUM PRICE INTERVALS:	10.00 points USD/XBT (equal to \$10.00 per contract).											
	The individual legs and net prices of spreads in XBT futures may be in increments of 0.01 points USD/XBT (equal to \$0.01 per contract).											
PRICING CONVENTIONS:	Prices are stated in decimal format.											
TRADE AT SETTLEMENT TRANSACTIONS:	Trade at Settlement (“TAS”) transactions are not permitted in XBT futures.											

CROSSING:	The eligible size for an original Order that may be entered for a cross trade with one or more other original Orders pursuant to Rule 407 is one Contract. The Trading Privilege Holder or Authorized Trader, as applicable, must expose to the market for at least five seconds under Rule 407(a) at least one of the original Orders that it intends to cross.
PRE-EXECUTION DISCUSSIONS	The Order Exposure Period under Policy and Procedure IV before an Order may be entered to take the other side of another Order with respect to which there has been pre-execution discussions is five seconds after the first Order was entered into the CBOE System.
EXCHANGE OF CONTRACT FOR RELATED POSITION TRANSACTIONS:	<p>Exchange of Contract for Related Position (ECRP) transactions may be entered into with respect to XBT futures contracts. Any ECRP transaction must satisfy the requirements of CFE Rule 414.</p> <p>For any ECRP transaction in which the related position is bitcoin, the related position portion of the transaction must be consummated through the facilities of Gemini.</p> <p>The minimum price increment for an ECRP transaction involving the XBT futures contract is 0.005 points USD/XBT.</p>
BLOCK TRADES:	<p>The minimum Block Trade quantity for the XBT futures contract is 50 contracts if there is only one leg involved in the trade. If the Block Trade is executed as a transaction with legs in multiple contract expirations, each leg must meet the minimum Block Trade quantity for the XBT futures contract. Any Block Trade must satisfy the requirements of CFE Rule 415.</p> <p>The minimum price increment for a Block Trade in the XBT futures contract is 0.005 points USD/XBT.</p>
NO-BUST RANGE:	The CFE error trade policy may only be invoked for a trade price that is greater than 5% on either side of the market price of the applicable XBT futures contract. In accordance with Policy and Procedure III, the Help Desk will determine what the true market price for the relevant Contract was immediately before the potential error trade occurred. In making that determination, the Help Desk may consider all relevant factors, including the last trade price for such Contract, a better bid or offer price, a more recent price in a different contract expiration and the prices of related contracts trading on the Exchange or other markets.
TERMINATION OF TRADING:	<p>Trading hours for expiring XBT futures contracts end at 2:45 p.m. Chicago time on the Final Settlement Date.</p> <p>The expiring XBT future will be put in a closed state at 2:44:59 p.m. Chicago time on its Final Settlement Date. As a result, no Orders, quotes, or Order modifications in the expiring XBT future will be accepted by the CBOE System at or after 2:44:59 p.m. Chicago time on its Final Settlement</p>

	<p>Date. The CBOE System will complete the processing of any trades in the expiring XBT future on its Final Settlement Date that are matched by the CBOE System and that the CBOE System begins to process prior to 2:44:59 p.m. Chicago time. The CBOE System will not process any trades in the expiring XBT future on its Final Settlement Date that the CBOE System does not match and begin to process prior to 2:44:59 p.m. Chicago time.</p>
FINAL SETTLEMENT DATE:	<p>The Final Settlement Date for “weekly” XBT futures is two business days prior to the Friday of the week denoted by the ticker symbol. The Final Settlement Date for “serial” and “quarterly” XBT futures is two business days prior to the third Friday of the month denoted by the ticker symbol. These Final Settlement Dates apply regardless of whether one of the above-referenced Fridays is a CFE holiday.</p> <p>If the Final Settlement Date is a CFE holiday, the Final Settlement Date shall be the business day immediately preceding the holiday.</p>
FINAL SETTLEMENT VALUE:	<p>The Final Settlement Value of an expiring XBT futures contract shall be the official auction price for bitcoin in U.S. dollars determined at 4:00 p.m. Eastern Time on the Final Settlement Date by the Gemini Exchange Auction. If the Gemini Exchange Auction price is not within Gemini’s parameters for a Gemini Exchange Auction price, the Final Settlement Value is otherwise not available, or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the process detailed in the Contingencies section below will be utilized.</p> <p>The Final Settlement Value will be rounded to the nearest \$0.01.</p>
DELIVERY:	<p>Settlement of XBT futures contracts will result in the delivery of a cash settlement amount on the business day immediately following the Final Settlement Date. The cash settlement amount on the Final Settlement Date shall be the final mark to market amount against the Final Settlement Value of the XBT futures contract.</p>
POSITION LIMITS:	<p>A person: (i) may not own or control more than 5,000 contracts net long or net short in all XBT futures contract expirations combined and (ii) may not own or control more than 1,000 contracts net long or net short in the expiring XBT futures contract, commencing at the start of trading hours 5 business days prior to the Final Settlement Date of the expiring XBT futures contract.</p> <p>The foregoing position limits shall not apply to positions that are subject to a position limit exemption meeting the requirements of Commission Regulations and CFE Rules.</p>
REPORTABLE POSITION LEVEL:	<p>5 contracts.</p>

<p>CONTINGENCIES:</p>	<p>If the Final Settlement Value is not available or the normal settlement procedures cannot be utilized due to a trading disruption or other unusual circumstance, the Final Settlement Value will be determined in accordance with the By-Laws and Rules of The Options Clearing Corporation (“OCC”).</p> <p>In that event, OCC would coordinate with CFE and CFE would coordinate with Gemini regarding the final settlement price. Under Article XII, Section 5(c)(2) of the OCC By-laws, OCC would fix the final settlement price based on its judgment of what is appropriate for the protection of investors and the public interest, taking into account such factors as fairness to buyers and sellers, the maintenance of a fair and orderly market, consistency of interpretation and practice, and consistency with actions taken in related futures or other markets. Without limiting the generality of the foregoing, OCC may fix the final settlement price using: (i) the reported price or value for the relevant underlying interest at the close of regular trading hours on the last preceding trading day for which such a price or value was reported; (ii) the reported price or value for the relevant underlying interest at the opening of regular trading hours on the next trading day for which such an opening price or value is reported; or (iii) a price or value for the relevant underlying interest at such other time, or representing a combination of average prices or values at such time or times, as OCC deems appropriate. The alternatives that OCC could consider using in this circumstance could include, among others:</p> <ol style="list-style-type: none"> (1) Using the Winklevoss Blended Bitcoin Index value at 4:00 p.m. Eastern time on the final settlement date. (2) Using the bitcoin price on the Gemini Exchange continuous order book at 4:00 p.m. Eastern time on the Final Settlement Date. (3) Using a volume weighted average price (“VWAP”) or time weighted average price (“TWAP”) of bitcoin trade prices on the Gemini Exchange on the Final Settlement Date. (4) Using the following day Gemini Exchange Auction price as the Final Settlement Value. <p>The form of bitcoin on which the XBT futures and their Final Settlement Values will be based is the form of bitcoin in U.S. dollars traded on the Gemini Exchange. If the Gemini Exchange were to offer trading in multiple forms of bitcoin in U.S. dollars, CFE would designate the form of bitcoin traded on the Gemini Exchange on which XBT futures and their Final Settlement Values would be based for all then currently listed XBT futures contracts and subsequent XBT futures contract listings.</p>
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The Amendment, marked to show additions in underlined text and deletions in [bracketed] text, consists of the following:

Cboe Futures Exchange, LLC
Rules

* * * * *

216. Regulatory Cooperation and Information-Sharing Agreements

The Exchange may from time to time enter into such agreements with domestic or foreign self-regulatory organizations, associations, boards of trade, swap execution facilities, trading venues and their respective regulators providing for the exchange of information and other forms of mutual assistance for financial surveillance, routine audits, market surveillance, investigative, enforcement and other regulatory purposes as the Exchange may consider necessary or appropriate or as the Commission may require. The Exchange may be a direct party to these information sharing agreements or be party to these information sharing agreements as a third party beneficiary to information sharing agreements entered into by Exchange affiliates. The Exchange is authorized to provide information to any such organization, association, board of trade, swap execution facility, trading venue or regulator that is a party to such an information sharing agreement with the Exchange, in accordance with the terms and subject to the conditions set forth in such agreement. Without limiting the generality of the foregoing, the Exchange shall have the capacity to carry out international information-sharing agreements as the Commission may require.

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414. Exchange of Contract for Related Positions

(a) - (n) No changes.

(o) Authorized Reporters may electronically report Exchange of Contract for Related Position transactions in VX futures, and must electronically report Exchange of Contract for Related Position transactions in XBT futures, to the CBOE System pursuant to this paragraph (o) in a form and manner prescribed by the Exchange instead of reporting them to the Help Desk.

An Exchange of Contract for Related Position transaction may be electronically reported to the CBOE System only if each Authorized Reporter for the transaction has obtained access to the CBOE System from the Exchange to enable the Authorized Reporter to electronically report Exchange of Contract for Related Position transactions and agrees with the other Authorized Reporter for the Exchange of Contract for Related Position transaction to electronically report the transaction to the CBOE System in lieu of reporting the transaction to the Help Desk. In order to electronically report an Exchange of Contract for Related Position transaction to the CBOE System, each Authorized Reporter for the transaction must complete all of the steps required by the CBOE System and as prescribed by the Exchange in order for an Exchange of Contract for Related Position transaction to be electronically reported to the CBOE System.

The Authorized Reporter that is the initiator of an electronic report of an Exchange of Contract for Related Position transaction to the CBOE System must enter the required information into the CBOE System promptly enough to allow a reasonable amount of time for the other Authorized Reporter to electronically accept that report by no later than thirty minutes after the transaction is agreed upon.

Electronic Exchange of Contract for Related Position reports may be submitted during trading hours and outside of trading hours to the extent permitted in paragraph (d) of this Rule. For Exchange of Contract for Related Position transactions that are electronically reported outside of trading hours, the CBOE System will generally disseminate the Contract leg of the transaction and provide a transaction summary to the Authorized Reporters following the next commencement of trading hours.

The Business Day which Authorized Reporters electronically reporting an Exchange of Contract for Related Position transaction designate for the Contract leg of the transaction to be submitted for clearing must conform to the same parameters in this regard that apply to Exchange of Contract for Related Position transactions that are reported to the Help Desk which are set forth in the first and second columns of the chart in paragraph (i) of this Rule.

Except to the extent modified by this paragraph (o), the provisions of the other paragraphs of this Rule shall continue to be applicable in relation to Exchange of Contract for Related Position transactions that are electronically reported to the CBOE System. For the avoidance of doubt:

(i) the e-mail notification requirement and the third column of the chart in paragraph (i) of this Rule shall not be applicable to electronically submitted Exchange of Contract for Related Position transactions;

(ii) the procedure in paragraph (k) of this Rule for notification to the Help Desk of any inaccuracies in the content of the transaction summary for an Exchange of Contract for Related Position transaction shall be applicable to electronically submitted Exchange of Contract for Related Position transactions and to any mistake or inaccuracy in the electronic submission of an Exchange of Contract for Related Position transaction to the CBOE System; and

(iii) the provisions of paragraph (m) of this Rule shall be applicable to electronically submitted Exchange of Contract for Related Position transactions.

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415. Block Trading

(a) - (q) No changes.

(p) Authorized Reporters may electronically report Block Trades in VX futures, and must electronically report Block Trades in XBT futures, to the CBOE System pursuant to this paragraph (p) in a form and manner prescribed by the Exchange instead of reporting them to the Help Desk.

A Block Trade may be electronically reported to the CBOE System only if each Authorized Reporter for the transaction has obtained access to the CBOE System from the Exchange to enable the Authorized Reporter to electronically report Block Trades and agrees with the other

Authorized Reporter for the Block Trade to electronically report the Block Trade to the CBOE System in lieu of reporting the Block Trade to the Help Desk. In order to electronically report a Block Trade to the CBOE System, each Authorized Reporter for the Block Trade must complete all of the steps required by the CBOE System and as prescribed by the Exchange in order for a Block Trade to be electronically reported to the CBOE System.

The Authorized Reporter that is the initiator of an electronic report of a Block Trade to the CBOE System must enter the required information into the CBOE System promptly enough to allow a reasonable amount of time for the other Authorized Reporter to electronically accept that report by no later than ten minutes after the Block Trade is agreed upon.

Electronic Block Trade reports may be submitted during trading hours and outside of trading hours to the extent permitted in paragraph (c) of this Rule. For Block Trades that are electronically reported outside of trading hours, the CBOE System will generally disseminate the Block Trade and provide a transaction summary to the Authorized Reporters following the next commencement of trading hours.

The Business Day which Authorized Reporters electronically reporting a Block Trade designate for the Block Trade to be submitted for clearing must conform to the same parameters in this regard that apply to Block Trades that are reported to the Help Desk which are set forth in the first and second columns of the chart in paragraph (g) of this Rule.

Except to the extent modified by this paragraph (p), the provisions of the other paragraphs of this Rule shall continue to be applicable in relation to Block Trades that are electronically reported to the CBOE System. For the avoidance of doubt:

(i) the e-mail notification requirement and the third column of the chart in paragraph (g) of this Rule shall not be applicable to electronically submitted Block Trades;

(ii) the procedure in paragraph (i) of this Rule for notification to the Help Desk of any inaccuracies in the content of the transaction summary for a Block Trade shall be applicable to electronically submitted Block Trades and to any mistake or inaccuracy in the electronic submission of a Block Trade to the CBOE System; and

(iii) the provisions of paragraph (n) of this Rule shall be applicable to electronically submitted Block Trades.

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419. Limitation of Liability; Legal Proceedings

(a) - (i) No changes.

(j) NO INDEX LICENSOR WITH RESPECT TO ANY INDEX UNDERLYING A CONTRACT TRADED ON THE EXCHANGE AND NO AFFILIATE OF SUCH INDEX LICENSOR MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON FROM THE USE OF SUCH INDEX, ANY OPENING, INTRA-DAY OR CLOSING VALUE THEREFOR, OR ANY DATA INCLUDED THEREIN OR RELATING THERETO, IN CONNECTION WITH THE TRADING OF ANY CONTRACT BASED THEREON OR FOR ANY OTHER PURPOSE. THE INDEX LICENSOR AND ITS

AFFILIATES SHALL OBTAIN INFORMATION FOR INCLUSION IN, OR FOR USE IN THE CALCULATION OF, SUCH INDEX FROM SOURCES THEY BELIEVE TO BE RELIABLE, BUT THE INDEX LICENSOR AND ITS AFFILIATES DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INDEX, ANY OPENING, INTRA-DAY OR CLOSING VALUE THEREFOR, OR ANY DATE INCLUDED THEREIN OR RELATED THERETO. THE INDEX LICENSOR AND ITS AFFILIATES HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO SUCH INDEX, ANY OPENING, INTRA-DAY, OR CLOSING VALUE THEREFOR, ANY DATA INCLUDED THEREIN OR RELATING THERETO, OR ANY CONTRACT BASED THEREON. THE INDEX LICENSOR AND ITS AFFILIATES SHALL HAVE NO LIABILITY FOR ANY DAMAGES, CLAIMS, LOSSES (INCLUDING ANY INDIRECT OR CONSEQUENTIAL LOSSES), EXPENSES, OR DELAYS, WHETHER DIRECT OR INDIRECT, FORESEEN OR UNFORESEEN, SUFFERED BY ANY PERSON ARISING OUT OF ANY CIRCUMSTANCE OR OCCURRENCE RELATING TO THE PERSON'S USE OF SUCH INDEX, ANY OPENING, INTRA-DAY OR CLOSING VALUE THEREFOR, ANY DATA INCLUDED THEREIN OR RELATING THERETO, OR ANY CONTRACT BASED THEREON, OR ARISING OUT OF ANY ERRORS OR DELAYS IN CALCULATING OR DISSEMINATING SUCH INDEX. FOR PURPOSES OF THIS RULE 419, THE TERM "INDEX LICENSOR" INCLUDES ANY PERSON THAT GRANTS THE EXCHANGE A LICENSE TO USE AN INDEX IN CONNECTION WITH THE TRADING ON THE EXCHANGE OF A CONTRACT BASED ON THE INDEX AND ANY PERSON DESIGNATED BY THE EXCHANGE AS THE SOURCE FOR CALCULATING AND/OR REPORTING THE LEVEL OF AN INDEX UNDERLYING A CONTRACT TRADED ON THE EXCHANGE, AND ALSO INCLUDES, WITH RESPECT TO ANY INDEX OF WHICH THE EXCHANGE OR AN AFFILIATE OF THE EXCHANGE IS THE PROPRIETOR OR FOR WHICH THE EXCHANGE OR AN AFFILIATE OF THE EXCHANGE CALCULATES AND/OR REPORTS LEVELS OF THE INDEX, THE EXCHANGE ITSELF AND ITS AFFILIATES. FOR PURPOSES OF THIS RULE 419, REFERENCES TO THE TERM "INDEX" SHALL ALSO BE DEEMED TO ENCOMPASS AND APPLY TO ANY BENCHMARK OTHER THAN AN INDEX AND TO ANY VALUE OR PRICE OF A COMMODITY.

(k) No changes.

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CHAPTER 13
CBOE BITCOIN (USD) FUTURES
CONTRACT SPECIFICATIONS

1301. Scope of Chapter

This chapter applies to trading in futures on Cboe Bitcoin (USD) futures (Futures Symbol: XBT). The procedures for trading, clearing, settlement and any other matters not specifically covered herein shall be governed by the generally applicable rules of the Exchange. The XBT futures contract was first listed for trading on the Exchange on _____, 2017.

1302. Contract Specifications

(a) Multiplier. The contract multiplier for each XBT futures contract is 1 bitcoin.

(b) *Schedule and Prohibited Order Types.* The Exchange may list for trading up to four near-term expiration weeks (weekly contracts), three near-term serial months (serial contracts) and three months on the March quarterly cycle (quarterly contracts) for XBT futures.

The final settlement date for weekly XBT futures is two business days prior to the Friday of the week denoted by the ticker symbol. The final settlement date for serial and quarterly XBT futures is two business days prior to the third Friday of the month denoted by the ticker symbol.

The trading days for XBT futures are any Business Days the Exchange is open for trading.

The trading hours for XBT futures are set forth in the charts below, except that the trading hours in an expiring XBT futures contract end at 2:45 p.m. Chicago time on its final settlement date. The trading hours for XBT 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</u>	<u>Tuesday – Friday</u>
<u>Extended</u>	<u>5:00 p.m. (Sunday) to 8:30 a.m.</u>	<u>3:30 p.m. (previous day) to 8:30 a.m.</u>
<u>Regular</u>	<u>8:30 a.m. to 3:15 p.m.</u>	<u>8:30 a.m. to 3:15 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>3:30 p.m. (Monday) to 8:30 a.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:15 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>3:30 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 12:15 p.m.</u>

Floating Holidays and Good Friday: The below schedules apply when the following holidays are observed: New Year’s Day, Good Friday, 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. The Exchange will typically close at 12:15 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)</u>
<u>New Year’s Day and Christmas</u>	<u>Regular</u>	<u>8:30 a.m. to 3:15 p.m. (day after holiday)</u>

If Independence Day is on a Monday:

<u>Type of Trading Hours</u>	<u>July 4</u>	<u>July 5</u>
<u>Extended</u>	<u>5:00 p.m. (July 3) to 10:30 a.m.*</u>	<u>5:00 p.m. (July 4) to 8:30 a.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:15 p.m.</u>

If Independence Day is on a Tuesday – Thursday:

<u>Type of Trading Hours</u>	<u>July 4</u>	<u>July 5</u>
<u>Extended</u>	<u>3:30 p.m. (July 3) to 8:30 a.m.</u>	<u>5:00 p.m. (July 4) to 8:30 a.m.</u>
<u>Regular</u>	<u>None</u>	<u>8:30 a.m. to 3:15 p.m.</u>

If the holiday is on a Friday:

<u>Holiday</u>	<u>Type of Trading Hours</u>	<u>Holiday Observed (Friday)</u>
<u>New Year’s Day, Good Friday, Independence Day and Christmas</u>	<u>Extended</u>	<u>None</u>
<u>New Year’s Day, Good Friday, Independence Day, Christmas</u>	<u>Regular</u>	<u>None</u>

* 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 XBT futures is halted between sessions of extended trading hours on the calendar day of a holiday. The CBOE System will complete the processing of trades that are in the course of being processed by the CBOE System prior to the start of such a halt period. Since these halt periods are a regular feature for certain holiday trading sessions in XBT futures, they shall not be considered the declaration of a trading halt by the Exchange. Trades in XBT futures made during a holiday trading session will be submitted for clearing for the next Business Day.

The end of day submission cut-off time for all Orders, quotes, cancellations and Order modifications for XBT futures (other than for the expiring XBT future on its final settlement date) is 3:14:59 p.m. Chicago time. Any Orders, quotes, cancellations or Order modifications submitted after the end of day submission cut-off time will be automatically rejected by the Exchange.

Market Orders for XBT futures contracts will not be accepted by the Exchange during regular or extended trading hours for the XBT futures contract. Any Market Orders for XBT futures contracts received by the Exchange will be automatically rejected.

(c) *Minimum Increments.* Except as provided in the following sentence, the minimum fluctuation of XBT futures is 10.00 points USD/XBT, which has a value of \$10.00 per contract.

The individual legs and net prices of spread trades in XBT futures may be in increments of 0.01 points USD/XBT, which has a value of \$0.01 per contract.

(d) *Position Limits.* XBT futures are subject to position limits under Rule 412.

A person: (i) may not own or control more than 5,000 contracts net long or net short in all XBT futures contract expirations combined and (ii) may not own or control more than 1,000 contracts net long or net short in the expiring XBT futures contract, commencing at the start of trading hours 5 business days prior to the final settlement date of the expiring XBT futures contract.

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding shall be cumulated.

The foregoing position limits shall not apply to positions that are subject to a position limit exemption meeting the requirements of Commission Regulations and CFE Rules.

(e) *Termination of Trading.* Trading hours for expiring XBT futures contracts end at 2:45 p.m. Chicago time on the final settlement date.

The expiring XBT future will be put in a closed state at 2:44:59 p.m. Chicago time on its final settlement date. As a result, no Orders, quotes, or Order modifications in the expiring XBT future will be accepted by the CBOE System at or after 2:44:59 p.m. Chicago time on its final settlement date. The CBOE System will complete the processing of any trades in the expiring XBT future on its final settlement date that are matched by the CBOE System and that the CBOE System begins to process prior to 2:44:59 p.m. Chicago time. The CBOE System will not process any trades in the expiring XBT future on its final settlement date that the CBOE System does not match and begin to process prior to 2:44:59 p.m. Chicago time.

(f) *Contract Modifications.* Specifications are fixed as of the first day of trading of a contract. If any U.S. government agency or body issues an order, ruling, directive or law that conflicts with the requirements of these rules, such order, ruling, directive or law shall be construed to take precedence and become part of these rules, and all open and new contracts shall be subject to such government orders.

(g) *Execution Priorities.* Pursuant to Rule 406(a)(i), the base allocation method of price-time priority shall apply to trading in XBT futures contracts.

(h) *Crossing Two or More Original Orders.* The eligible size for an original Order that may be entered for a cross trade with one or more other original Orders pursuant to Rule 407 is one Contract. The Trading Privilege Holder or Authorized Trader, as applicable, must expose to the market for at least five seconds under Rule 407(a) at least one of the original Orders that it intends to cross.

(i) *Price Limits and Halts.*

(i) *No Price Limits.* Pursuant to Rule 413, XBT futures contracts are not subject to price limits.

(ii) *Halts Due to XBT Futures Price Movements.*

Trading in XBT futures will be halted for 2 minutes if during regular or extended trading hours for XBT futures:

(A) the best bid in the XBT futures contract closest to expiration is 10% or more above the daily settlement price of that contract on the prior Business Day; or

(B) the best offer in the XBT futures contract closest to expiration is 10% or more below the daily settlement price of that contract on the prior Business Day.

After trading commences following such a halt, trading in XBT futures will be halted for 5 minutes if during regular or extended trading hours for XBT futures:

(A) the best bid in the XBT futures contract closest to expiration is 20% or more above the daily settlement price of that contract on the prior Business Day; or

(B) the best offer in the XBT futures contract closest to expiration is 20% or more below the daily settlement price of that contract on the prior Business Day.

The Exchange shall commence a trading halt in XBT futures pursuant to the provisions of this Rule 1302(i)(ii) as soon as practicable following the occurrence of one of the triggering events set forth above and there may be time between the occurrence of a triggering event and the commencement of the trading halt.

Nothing in this Rule 1302(i)(ii) shall be construed to limit the ability of the Exchange to extend the time period of a halt pursuant to this Rule 1302(i)(ii) or to halt trading in XBT futures pursuant to any other Exchange rule or policy.

For purposes of this Rule 1302(i)(ii), the XBT futures contract closest to expiration shall shift to the XBT futures contract that is next closest to expiration at the end of trading

hours for the expiring XBT futures contract at 2:45 p.m. Chicago time on the final settlement date for that contract.

(iii) *Consideration of Halts on the Gemini Exchange.*

The Exchange shall take into consideration any trading halt in bitcoin in U.S. dollars traded on the Gemini Exchange in determining whether or not to halt trading in XBT futures under Rule 418(a)(x).

(iv) *Actions to Protect Market Integrity.*

Notwithstanding any provisions of Rule 1302(i)(ii), the Help 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 movement parameters in Rule 1302(i)(ii) at any time and/or determining whether to halt or not to halt trading under Rule 1302(i)(ii). The Help Desk will promptly issue an alert with respect to actions taken pursuant to this Rule 1302(i)(iv).

(j) *Exchange of Contract for Related Position.* Exchange of Contract for Related Position transactions, as set forth in Rule 414, may be entered into with respect to XBT futures. Any Exchange of Contract for Related Position transaction must satisfy the requirements of CFE Rule 414.

For any ECRP transaction in which the related position is bitcoin, the related position portion of the transaction must be consummated through the facilities of Gemini.

The minimum price increment for an Exchange of Contract for Related Position transaction involving the XBT futures contract is 0.005 points USD/XBT.

Authorized Reporters must electronically report Exchange of Contract for Related Position transactions involving XBT futures to the CBOE System pursuant to Rule 414(o) and not by e-mail to the Help Desk.

(k) *Block Trades.* Pursuant to Rule 415(a)(i), the minimum Block Trade quantity for XBT futures is 50 contracts if there is only one leg involved in the trade. If the Block Trade is executed as a transaction with legs in multiple contract expirations, each leg must meet the minimum Block Trade quantity for the XBT futures contract.

The minimum price increment for a Block Trade in the XBT futures contract is 0.005 points USD/XBT.

Authorized Reporters must electronically report Block Trades in XBT futures to the CBOE System pursuant to Rule 415(n) and not by e-mail to the Help Desk.

(l) *No Bust Range.* Pursuant to Rule 416, the Exchange error trade policy may only be invoked for a trade price that is greater than 5% on either side of the market price of the applicable XBT futures contract. In accordance with Policy and Procedure III, the Help Desk will determine what the true market price for the relevant Contract was immediately before the potential error trade occurred. In making that determination, the Help Desk may consider all relevant factors, including the last trade price for such

Contract, a better bid or offer price, a more recent price in a different contract expiration and the prices of related contracts trading on the Exchange or other markets.

(m) Pre-execution Discussions. The Order Exposure Period under Policy and Procedure IV before an Order may be entered to take the other side of another Order with respect to which there has been pre-execution discussions is five seconds after the first Order was entered into the CBOE System.

(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 XBT futures contracts at the close of trading on any trading day equal to or in excess of 5 contracts on either side of the market.

(ii) Reportable Trading Volume. Pursuant to Commission Regulation §15.03 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 XBT futures contracts during a single trading day or such other reportable trading volume threshold as may be designated by the Commission.

(o) Threshold Widths. For purposes of Policy and Procedure II, the Threshold Widths for XBT futures are as follows:

<u>Price Range</u>	<u>Threshold Width</u>
<u>0 – 10,000.00</u>	<u>250.00</u>
<u>10,000.01+</u>	<u>500.00</u>

The price range referenced above is determined using the bid price. The minimum size of bids and offers that establish a Threshold Width is one contract.

(p) Daily Settlement Price. The daily settlement price for each XBT futures contract will be the average of the last bid and last offer for the XBT futures contract during the applicable Business Day prior to the close of trading on that Business Day. 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 XBT futures contract. The Exchange may in its sole discretion establish a daily settlement price for an XBT futures contract that it deems to be a fair and reasonable reflection of the market if (i) there is no bid or offer in the contract during the applicable business day; (ii) the Exchange determines in its sole discretion that the daily settlement price determined by the average of the last bid and last offer in the contract is not a fair and reasonable reflection of the market; or (iii) there is a trading halt in the contract or other unusual circumstance at the scheduled close of trading.

(q) Trade at Settlement Transactions. Trade at Settlement ("TAS") transactions pursuant to Rule 404A are not permitted in XBT futures.

(r) Price Reasonability Checks. Pursuant to and as further described in Rule 513A(b), the CBOE System shall in a manner determined by the Exchange reject (i) any buy order with a limit price in an XBT futures contract if the limit price upon receipt of

the order by the CBOE System is more than a designated amount above the prevailing best offer in that contract and (ii) any sell order with a limit price in an XBT futures contract is the limit price upon receipt of the order by the CBOE System is more than a designated amount below the prevailing best bid in that contract. The designated amounts for the price reasonability checks referenced in the preceding sentence are as follows:

<u>Price Range</u>	<u>Designated Amount</u>
<u>0 – 5,000.00</u>	<u>250.00</u>
<u>5,000.01 – 10,000.00</u>	<u>375.00</u>
<u>10,000.01 – 25,000.00</u>	<u>500.00</u>
<u>25,000.01+</u>	<u>750.00</u>

1303. Settlement

Settlement of XBT futures contracts will result in the delivery of a cash settlement amount on the business day immediately following the settlement date. The cash settlement amount on the final settlement date shall be the final mark to market amount against the final settlement price of the XBT futures contract.

Clearing Members holding open positions in XBT futures contracts at the termination of trading in that Contract shall make payment to or receive payment from the Clearing Corporation in accordance with normal variation and performance bond procedures based on the final settlement amount.

If the settlement value is not available or the normal settlement procedure cannot be utilized due to a trading disruption or other unusual circumstance, the settlement value will be determined in accordance with the Rules and By-Laws of The Options Clearing Corporation.

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Cboe Futures Exchange, LLC Policies and Procedures

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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

Rule 135 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.

Rule	Emergency Actions	Emergency Delegations
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<u>1302(i)(ii)</u>	<u>Halting trading in XBT futures during regular or extended trading hours if there is a 10% or 20% movement in the XBT futures front contract month</u>	<ul style="list-style-type: none"> <li data-bbox="954 772 1451 800">• <u>Senior Person in Charge of Help Desk</u>
<u>1302(i)(ii)</u>	<u>Resuming trading during XBT futures regular or extended trading hours following a trading halt due to a 10% or 20% movement in the XBT futures front contract month</u>	<ul style="list-style-type: none"> <li data-bbox="954 909 1451 936">• <u>Senior Person in Charge of Help Desk</u>

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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 (Rule 402(c))

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

A. Cboe Volatility Index (“VX”) and Cboe Bitcoin (USD) (“XBT”) Futures Submission Time Frames

The time frames during which Trading Privilege Holders may submit quotes, orders, cancels, and order modifications (“modifications”) to the CBOE System for VX and XBT futures are set forth in the chart below.

Time Frame	State of CFE’s Trading System	What May be Submitted to CFE’s Trading System
4: 15 p.m.* to 5:00 p.m. (Sunday)	Pre-Opening Period (“Pre-Open”)	Quotes, orders, cancels and modifications.**

5:00 p.m. (Sunday) to 8:30 a.m. (Monday)	Extended Trading Hours	Quotes, orders, cancels and modifications.
8:30 a.m. to 3:15 p.m. (Monday – Friday)	Regular Trading Hours	<p>Quotes, orders, cancels and modifications until 3:14:59 p.m. (submission cut off time).</p> <p><u>Quotes, orders, cancels and modifications until 2:44:59 a.m. (submission cut-off time) in expiring XBT future on its final settlement date.</u></p> <p>After 3:15 p.m. all existing quotes are removed from the CBOE System.</p>
3:15 p.m. to 3:29 p.m. (Monday – Thursday)	Closed	It may be possible for cancels to be submitted during portions of this time period.
3:15 p.m. (Friday) to 4:15 p.m. (Sunday)	Closed	Nothing, except that it may be possible for cancels to be submitted for some period of time after 3:15 p.m. on Friday and for some period of time before 4:15 p.m. on Sunday.
3:29 p.m.* to 3:30 p.m. (Monday – Thursday)	Pre-Open	Quotes, orders, cancels and modifications.**
3:30 p.m. (previous day) to 8:30 a.m. (Tuesday – Friday)	Extended Trading Hours	<p>Quotes, orders, cancels and modifications.</p> <p>Quotes, orders, cancels and modifications until 7:59:59 a.m. (submission cut-off time) in expiring VX future on its final settlement date.</p>

5:00 p.m. (Sunday) to 3:13 p.m. (Monday)	Extended and Regular Trading Hours for all types of Trade at Settlement ("TAS") transactions in VX futures	Quotes, orders, cancels and modifications until 3:12:59 p.m. (submission cut off time). After 3:13 p.m. all existing TAS quotes are removed from the CBOE System.
3:30 p.m. (previous day) to 3:13 p.m. (Tuesday – Friday)		Permitted activity in Pre-Open states above is also applicable with respect to TAS quotes, orders, cancels and modifications.
Whenever trading in VX <u>or</u> <u>XBT</u> futures is halted	Halted	Orders, cancels and modifications.** No quotes.

* The pre-open state start times referenced are the times that the CBOE System commences its pre-opening process. Accordingly, the CBOE System may not be in a full pre-open state at exactly 4:15:00 p.m. on Sundays or at exactly 3:29:00 p.m. on Monday through Friday.

**Quotes and/or orders permitted to be submitted to the CBOE System during these times are not executable until extended or regular trading hours next commence or open trading resumes following a trading halt.

B. Submission Time Frames for All Exchange Contracts Other Than VX and XBT Futures

The pre-open state for Exchange Contracts other than VX and XBT futures commences at 6:15 a.m. on each weekday. The pre-open state start time is the time that the CBOE System commences its pre-opening process. Accordingly, the CBOE System may not be in a full pre-open state at exactly 6:15:00 a.m. on Monday through Friday for Exchange Contracts other than VX and XBT futures.

The CBOE System accepts orders, quotes, cancels and modifications for Exchange Contracts other than VX and XBT futures during the pre-open state and during the respective trading hours for these Contracts until the applicable submission cut-off time (which is one second prior to the close of trading hours) in the applicable Contract. The trading hours for these Contracts are set forth in the contract specification rule chapter for the applicable Contract.

Additionally, cancels may generally be submitted in Exchange Contracts other than VX and XBT futures Monday through Thursday between 3:15 p.m. and 6:15 a.m. the following day and it may be possible for cancels to be submitted in these Contracts for some period of time after 3:15 p.m. on Friday and for some period of time before 4:15 p.m. on Sunday until 6:15 a.m. on Monday.

Orders, cancels and modifications may be submitted whenever trading in an Exchange Contract other than VX and XBT futures is halted. Quotes may not be submitted in a Contract other than VX and XBT futures when that Contract is halted.

Quotes and/or orders permitted to be submitted to the CBOE System during the pre-open state or a trading halt are not executable until trading hours next commence or open trading resumes following the trading halt.

Sections C. - E. of Policy and Procedure XIX No changes.

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