February 2, 2016

VIA E-MAIL AND FEDERAL EXPRESS
Mr. Stephen Luparello
Director
Division of Trading and Markets
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549 U.S.A.

Re: Intent of Taiwan Futures Exchange to Rely on Class No-Action Relief for Foreign Options Markets and their Members that Engage in Familiarization Activities

Dear Mr. Luparello:

On behalf of the Taiwan Futures Exchange ("TAIFEX" or the "Exchange"), we are writing to provide notification of the intent of TAIFEX, a Foreign Options Market, and its Members and Representatives, to rely on the class no-action relief issued by the Securities and Exchange Commission's ("SEC" or "Commission") Division of Trading and Markets ("Staff") for foreign options markets and their members that engage in familiarization activities with certain U.S. based persons.1

I. Required Disclosure

Description of TAIFEX

Established in 1997, TAIFEX is based and operated in Taipei, Taiwan R.O.C. and is supervised by the Taiwan Financial Supervisory Commission. For purposes of this letter, TAIFEX is a Foreign Options Markets in that it is a non-U.S. derivatives market (1) on which Eligible Options trade, or will trade, and (2) that is an organized exchange operating and being regulated outside of the United States. TAIFEX and its members intend to rely on the Class Relief to undertake familiarization activities, as described in the Class Relief, for Eligible Options set forth herein on the integrated

1 See LIFFE A&M and Class Relief, SEC No-Action Letter (Jul. 1, 2013) ("Class Relief").
derivatives market.

**Description of Eligible Options**

This notification pertains to the following categories of Eligible Options:

- **Equity Options**: Options whose underlying securities are individual stock listed on the Taiwan Stock Exchange Corporation ("TWSE") or the Taipei Exchange ("TPEx"), and meet the Stock Selection Criteria established by the TAIFEX.

- **ETF Options**: Options whose underlying securities are ETFs that trade on TWSE or TPEx regulated markets for securities, and the ETFs track indices which are based on stocks listed on Taiwan or China stock markets. The component stocks of the aforementioned ETFs will not include any U. S. underlying stocks.

- **Index Options**: Options based on broad-based, widely recognized equity indices, such as the Taiwan Capitalization Weighted Stock Index ("TAIEX"), the TAIEX Electronic Sector Index, the TAIEX Finance Sector Index, the TAIEX Non-Finance Non-Electronics Sub-Index, the Taipei Exchange Capitalization Weighted Stock Index ("TPEX") and potentially other such indices that may be introduced in the future.

The Eligible Options are not fungible or interchangeable with options traded on any market other than TAIFEX. In addition, each position in an Eligible Option on TAIFEX can be closed out only on TAIFEX, and will be cleared by TAIFEX.

**II. Conditions and Representations**

For purposes of relying on the Class Relief for the Eligible Options, TAIFEX makes the following representations and acknowledgement:

TAIFEX will provide Commission staff promptly upon request a list of the specific equity and index options covered by its request for relief, and will identify a primary listing market for each underlying equity security and/or index component.

TAIFEX has taken steps to comply with, and assure continued compliance by it, its representatives and its members with, each of the representations and conditions contained in the Class Relief.

TAIFEX acknowledges that the Class Relief is only available to TAIFEX, its representatives, and members to the extent that they are and remain in compliance with each of the representations and conditions contained in the Class Relief.
TAIFEX represents that all subject entities covered by the Class Relief will comply with each of the representations and conditions contained in the Class Relief, including the restriction on securities of U.S. issuers.

Should you or the Staff have any questions or require any further information with regard to this notification of TAIFEX’ intention to rely on the Class Relief, please feel free to contact Song Chou at +886 2 23673127 or juliusc@taifex.com.tw directly, and we would be very pleased to assist accordingly.

Sincerely yours,

Dr. Len-Yu Lii, Chairman
(HARVARD, LL.M. & STANFORD, J.S.D.)
Taiwan Futures Exchange

Song Chou
Chief Legal Officer
Taiwan Futures Exchange