

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-76471; File No. SR-CBOE-2015-102)

November 18, 2015

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Administration of Livevol X License Agreements

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on November 13, 2015, Chicago Board Options Exchange, Incorporated (the “Exchange” or “CBOE”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

CBOE proposes to update the status of CBOE’s administration of license agreements for Livevol X (“LVX”).

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

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

1. Purpose

On August 7, 2015, CBOE Livevol, LLC (formerly CBOE IV, LLC) ("CBOE Livevol") completed its acquisition of certain technology assets from the entity formerly known as Livevol, Inc. ("Livevol"), including LVX, a front-end order entry and management tool. CBOE had previously submitted a rule filing that, among other things, described the functionality of LVX and proposed applicable fees, which would become operative upon closing of the acquisition of assets from Livevol.³ In that filing, CBOE stated that it expected CBOE Livevol to assume agreements between Livevol and its then-current LVX customers at the closing of the acquisitions. CBOE further stated that CBOE Livevol intended to prepare a form license agreement for LVX and, no later than three months following the closing of the acquisition,⁴ ensure each customer executed the form agreement so that all LVX customers used the product pursuant to the same terms and conditions.⁵

CBOE has made significant progress over the last three months in the complicated process of integrating the acquired Livevol business into CBOE's business and is in the process of distributing its form license agreement to LVX users. However, as LVX has hundreds of users, CBOE believes it needs additional time to collect executed versions of this agreement from all these LVX users. At this time, CBOE expects to complete this process and ensure all LVX users have executed the form (and will thus be using LVX pursuant to the same contractual

³ See Securities Exchange Act Release No. 34-75302 (June 25, 2015), 80 FR 37685 (July 1, 2015) (SR-CBOE-2015-062).

⁴ November 6, 2015 was the date three months following the closing of the acquisition.

⁵ See supra note 3, at note 16.

terms and conditions) by January 31, 2016. CBOE notes that all LVX users currently pay the same fees for LVX as set forth in the CBOE Fees Schedule.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.⁶ Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁷ requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)⁸ requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange believes the proposed rule change does not discriminate among market participants, as CBOE continues to make LVX available to all market participants in the same manner, and use of LVX continues to be completely voluntary. The LVX functionality available to users remains the same. All LVX users pay the same fees for use of the product, which are set forth in the CBOE Fees Schedule. CBOE expects to license the applications to market participants pursuant to the same contractual terms and conditions set forth in the form license

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(5).

⁸ Id.

agreement once all LVX users have executed the form agreement. This rule filing has no impact on LVX customers' use of LVX; they may continue to use LVX in the same manner. It merely extends the time by which CBOE expects to complete the process of receiving executed versions of the form agreement from all LVX users. The Exchange notes that this rule filing does not amend the Exchange's rules, fees or systems.

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

CBOE does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. This rule filing does not amend the Exchange's rules, fees or systems. CBOE continues to make LVX available to all market participants in the same manner, and use of LVX continues to be completely voluntary. The LVX functionality available to users remains the same. All LVX users currently pay the same fees for LVX as set forth in the CBOE Fees Schedule. CBOE expects to license the applications to market participants pursuant to the same contractual terms and conditions set forth in the form license agreement once all LVX users have executed the form agreement. This rule filing has no impact on LVX customers' use of LVX; they may continue to use LVX in the same manner. It merely extends the time by which CBOE expects to complete the process of receiving executed versions of the form agreement from all LVX users. Market participants continue to have the flexibility to use any order entry and management technology they choose, including LVX.

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

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

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act⁹ and paragraph (f) of Rule 19b-4¹⁰ thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

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

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-CBOE-2015-102 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-CBOE-2015-102. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f).

comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, D.C. 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-CBOE-2015-102, and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Robert W. Errett
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).