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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-80859; SR-CBOE-2016-082]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Withdrawal of a Proposed Rule Change Related to Rules Regarding the Responsibility for Ensuring Compliance with Priority and Allocation Requirements and Trade-Through Prohibitions in Open Outcry Trading

June 5, 2017

On December 1, 2016, the Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend Exchange rules regarding responsibility for ensuring compliance with open outcry priority and allocation requirements and trade-through prohibitions. The proposed rule change was published for comment in the Federal Register on December 19, 2016.³ On January 31, 2017, pursuant to Section 19(b)(2) of the Exchange Act,⁴ the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Securities Exchange Act Release No. 79540 (December 13, 2016), 81 FR 91967 (“Notice”).

⁴ 15 U.S.C. 78s(b)(2).

the proposed rule change.⁵ On March 17, 2017, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act,⁶ to determine whether to approve or disapprove the proposed rule change.⁷ The Commission received seven comments on the proposed rule change, including responses by the Exchange.⁸

⁵ See Securities Exchange Act Release No. 79910, 82 FR 9464 (February 6, 2017). The Commission designated March 19, 2017, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change.

⁶ 15 U.S.C. 78s(b)(2)(B).

⁷ See Securities Exchange Act Release No. 80270, 82 FR 14926 (March 23, 2017).

⁸ See Letters to Brent J. Fields, Secretary, Commission, from: (1) Joan C. Conley, Senior Vice President and Corporate Secretary, Nasdaq, dated December 22, 2016; (2) Steve Crutchfield, Head of Market Structure, CTC Trading Group, LLC; Kevin Coleman, Chief Compliance Officer, Belvedere Trading LLC; Scott Kloin, Chief Compliance Officer, Citadel Securities LLC; Steven Gaston, Chief Compliance Officer, Consolidated Trading LLC; Rob Armour, Chief Compliance Officer, DRW Securities, LLC; John Kinahan, Chief Executive Officer, Group One Trading L.P.; Daniel Overmyer, Chief Compliance Officer, IMC Financial Markets; Steven Gaston, Chief Compliance Officer, Lamberson Capital LLC; and Patrick Hickey, Head of Market Structure, Optiver US LLC, dated February 16, 2017; (3) Joanna Mallers, Secretary, FIA Principal Traders Group, dated April 13, 2017; (4) Steve Crutchfield, Head of Market Structure, CTC Trading Group, LLC; Kevin Coleman, Chief Compliance Officer, Belvedere Trading LLC; Scott Kloin, Chief Compliance Officer, Citadel Securities LLC; Steven Gaston, Chief Compliance Officer, Consolidated Trading LLC; Rob Armour, Chief Compliance Officer, DRW Securities, LLC; John Kinahan, Chief Executive Officer, Group One Trading L.P.; Daniel Overmyer, Chief Compliance Officer, IMC Financial Markets; Steven Gaston, Chief Compliance Officer, Lamberson Capital LLC; and Patrick Hickey, Head of Market Structure, Optiver US LLC, dated April 13, 2017; and (5) Mark E. Gannon, Chief Compliance Officer, Lakeshore Securities, L.P., dated April 13, 2017. See also Letters to Brent J. Fields, Secretary, Commission, from Kyle Edwards, Counsel, CBOE, dated March 14, 2017 and April 27, 2017. The comment letters and CBOE's responses are available at <https://www.sec.gov/comments/sr-cboe-2016-082/cboe2016082.shtml>.

On June 2, 2017, the Exchange withdrew the proposed rule change (SR-CBOE-2016-082).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁹

Robert W. Errett,
Deputy Secretary.

⁹ 17 CFR 200.30-3(a)(12).

[FR Doc. 2017-11964 Filed: 6/8/2017 8:45 am; Publication Date: 6/9/2017]