



December 19, 2024

Christopher J. Kirkpatrick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

Re: Cboe Digital Exchange, LLC Rule Certification  
Submission Number CDE-2024-15E

Dear Mr. Kirkpatrick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and Regulation 40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission (“CFTC” or “Commission”) under the Act, Cboe Digital Exchange, LLC (“CDE” or “Exchange”) hereby submits this self-certification of an advisory notice in connection with the transfer of financially-settled bitcoin (“FBT”) and Ether (“FET”) futures contracts (collectively, the “Contracts”) from trading on CDE to trading on CDE’s affiliated designated contract market (“DCM”), Cboe Futures Exchange, LLC (“CFE”) (the “Advisory Notice”). The Advisory Notice is set forth in **Exhibit A** to this submission and will become effective on January 13, 2025 (“Effective Date”). The Exchange will disseminate the Advisory Notice to participants on the Effective Date. The Advisory Notice will contain the date in which open interest in the Contracts will transfer from CDE to CFE (“Transfer Date”).

### **Background and Description of the Plan to Transfer**

In April 2024, the Exchange’s parent company, Cboe Global Markets, Inc. (“CGM”), announced that it plans to transition the Contracts, currently listed and traded on CDE, to CFE sometime in the first half of 2025. Upon the Transfer Date, the Contracts will be listed for trading exclusively on CFE and they will no longer be listed on CDE. Cboe Clear Digital, LLC (to be renamed Cboe Clear U.S., LLC (“CCUS”) prior to the Transfer Date) currently provides exclusive clearing and settlement services for the Contracts and will continue its exclusive provision of these services for the Contracts upon their listing and trading on CFE.

The terms and conditions of the Contracts will remain materially the same as they currently are as listed on CDE upon their transfer to CFE. The transfer will not result in any corporate changes to CDE or CFE. Additionally, the transfer will have no impact on open interest at the clearinghouse and clearing account level, as CCD will remain the exclusive derivatives clearing organization (“DCO”) for clearing and settlement services

for the Contracts. Following the transfer, CDE will no longer list any contracts nor plan to list any additional contracts. CDE will separately submit a rule certification in accordance with CFTC Regulation 40.6 to delist the Contracts following the end of their last trading day prior to the Transfer Date.

CFE will separately submit a product and rule certification filings in accordance with CFTC Regulation 40.2 and 40.6 to allow CFE to list the Contracts for trading upon the Transfer Date. CFE will also submit any rule certification filings pursuant to CFTC Regulation 40.6 as may be necessary to address changes to CFE rules to accommodate the clearance of CFE products through CCUS.

### **Description of the Advisory Notice**

The Advisory Notice outlines the plan to transfer the Contracts from CDE to CFE. The Advisory Notice announces the Transfer Date and contains an overview of key transfer information for market participants, including an overview of the steps involved in the transfer and their timing, trading privileges on CFE in relation to trading in the Contracts, clearing of the Contracts, risk controls, testing on CFE and CCUS, and the reporting of daily market statistics and open interest in the Contracts in connection with the transfer. The Exchange is self-certifying and issuing the Advisory Notice well in advance of the Transfer Date, and, pursuant to the Advisory Notice, will subsequently issue Exchange notices and reminders with additional details regarding the components of the transfer of the Contracts. The Exchange notes that other DCMs have previously made similar transfers.

### **Core Principle Compliance**

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

DCM Core Principle 2 (Compliance with Rules) in that the Advisory Notice makes explicit when and how CDE will initiate a transfer of the Contracts to CFE, facilitating Exchange compliance and participants’ understanding of the plan and requirements to complete the transfer of the Contracts on the Transfer Date. Additionally, the Contracts will continue to be subject to a DCM’s rules following their transfer to CFE. As a DCM, CFE is required by the Act and CFTC regulations thereunder to, among other things, provide for fair access, prohibit abusive trading practices, and have arrangements and resources for effective enforcement of its rules;

DCM Core Principle 7 (Availability of General Information) because the Exchange will announce via the Advisory Notice published on its website the timing and details of the transfer well in advance of the Transfer Date; and

DCM Core Principle 11 (Financial Integrity) because the Contracts transferred to CFE from CDE will continue to be cleared by CCUS, a DCO registered with the Commission and subject to the provisions of the Act and CFTC regulations relating

to DCOs. Any transferred open positions will be transferred in a manner that does not impact the financial integrity of any open positions at the clearing level.

### **Public Information**

The Exchange has concurrently posted a notice and copy of this submission on the Exchange's website at <https://www.cboedigital.com/regulation/exchange-notices/> under "CFTC Submissions."

### **Opposing Views**

The Exchange is not aware of any opposing views to this self-certification.

### **Certification**

Cboe Digital Exchange, LLC hereby certifies to the Commodity Futures Trading Commission, pursuant to the procedures set forth in Commission regulation §40.6, that this submission complies with the Commodity Exchange Act, as amended, and the regulations promulgated thereunder.

If you have any questions regarding this submission, please contact the undersigned at the information below.

Sincerely,

**/s/ Ian Grieves**

Ian Grieves  
Vice President  
[igrieves@cboe.com](mailto:igrieves@cboe.com)  
(312) 786-7980

## Exhibit A

# Advisory Notice

TO: Cboe Digital Exchange Trading Privilege Holders and Participants

ADVISORY: #25-01

DATE: January 13, 2025

SUBJECT: Cboe Digital Exchange FBT and FET Futures Contract Migration to Cboe Futures Exchange

This Market Notice serves to notify Trading Privilege Holders (“TPHs”) and Participants of Cboe Digital Exchange, LLC (“CDE”) that effective on trade date Monday, June 9, 2025, *subject to regulatory review*, CDE will transfer its financially-settled margin futures on Bitcoin (“FBT”) and on Ether (“FET”) to its affiliated exchange, Cboe Futures Exchange, LLC (“CFE”).

After the close of trading at 4:00 p.m. CT on Friday, June 6, 2025, and prior to the opening of trading on CFE at 5:00 p.m. CT on Sunday, June 8, 2025, for trade date June 9, 2025, all open interest in FBT and FET futures positions on CDE will be transferred into equivalent positions in FBT and FET futures on CFE. After the close of trading on June 6, FBT and FET futures will be delisted from CDE and no longer be available for trading on CDE. Upon the opening of trading on Sunday June 8 at 5:00 p.m. CT for the June 9 trade date on CFE, FBT and FET futures will be available for trading on CFE.

All transactions in FBT and FET futures will continue to clear through Cboe Clear U.S., LLC (“CCUS”) following the transfer of FBT and FET futures to CFE.

### **Financially-settled Bitcoin and Ether Contracts on CFE**

The trading symbols for financially-settled margin futures on Bitcoin and on Ether migrating from CDE to CFE will remain the same (FBT and FET, respectively) once transferred to CFE.

Contract specifications for FBT and FET futures currently listed on CDE will be materially the same upon their transfer to CFE. All applicable CFE rules will apply to FBT and FET futures once they are listed for trading on CFE. CFE supports all order types currently supported for trading in FBT and FET futures on CDE.

Any Good Till Cancel (GTC) or Good Till Date (GTD) orders pending in FBT and FET futures on CDE at the close of trading on June 6, 2025 will be cancelled in connection with the delisting of FBT and FET futures by CDE after the close of trading on that date. CFE TPHs may submit equivalent orders in FBT and FET futures to CFE on or after trade date June 9, 2025.

### **CFE Trading Privileges**

Subject to the following paragraph: FBT and FET futures on CFE will be available for trading to all CFE Trading Privilege Holders. Market participants that are not CFE TPHs may utilize a broker

that is a CFE TPH or that routes orders to CFE through a CFE TPH to submit orders to CFE in FBT and FET futures.

Transactions in FBT and FET futures on CFE will need to be cleared through a CFE TPH that is a Clearing Member of CCUS. Accordingly, to enter orders and quotes and transact in FBT and FET futures on CFE, a CFE TPH will need to have a CFE clearing guarantee in place with a CFE TPH that is a Clearing Member of CCUS.

CFE will make available to CFE TPHs separate Executing Firm IDs (“EFIDs”) for transacting in CFE products cleared through CCUS.

Details regarding the process to become a CFE TPH are available [here](#). For additional information regarding CFE trading privileges, clearing guarantees, and EFIDs, please contact CFE Membership Services at [MembershipServices@cboe.com](mailto:MembershipServices@cboe.com).

Information regarding current CCUS Clearing Members is available [here](#). Please contact CCUS Membership at [clearus.membership@cboe.com](mailto:clearus.membership@cboe.com) for information regarding the process to become a CCUS Clearing Member.

## **Risk Controls**

All current CFE risk controls for futures products will be available for use with FBT and FET futures once they are listed for trading on CFE.

The CCUS Clearing Member for a CFE TPH will need to set CFE clearing firm risk controls for that TPH for FBT and FET futures in order for the TPH to be able to trade in those products through the use of that CCUS Clearing Member.

## **Testing**

**CFE Testing:** End-to-end testing in the CFE certification environment will be available beginning in March 2025 on a date to be announced up through the June 9, 2025 transition date. CFE TPHs, CCUS Clearing Members, and others that interface with CFE’s trading system such as independent software vendors will be able to utilize the CFE certification environment to test the life cycle of a trade on CFE.

In addition, CFE will host two weekend testing opportunities in the production environment prior to the planned go-live date on dates to be announced.

**CCUS Testing:** CCUS Clearing Members and clearing participants, including any third-party vendors such as back-office providers and order-entry management system providers, will have an opportunity to perform end-to-end testing beginning in March 2025 on a date to be announced in the CCUS Clearinghouse New Release (NRL) environment. Testing will include but will not be limited to the following:

- Secure File Transfer Protocol (SFTP) File Retrieval
- Position Netting

- Trade Clearing Trade Updates
- T+1 Position Change Specification (PCS) Netting Customer Gross Margin Reporting
- Margin Calculation
- Clearing Member Daily and Intraday Reporting

Additionally, testing regarding T+1 Large Trader Reporting for FBT and FET futures through CCUS will be available to reporting parties. Large Trader reporting for FBT and FET futures will continue to be made through CCUS upon the migration of FET and FBT futures to CFE. Please refer to the previously issued Regulatory Circular for details on the current Large Trader Reporting format: [#24-01RC](#).

Details regarding the testing and testing opportunities will be disseminated in subsequent notices.

### **Clearing**

**SPAN File Updates:** Approximately one week prior to the migration, CCUS plans to begin including CDE-listed FBT and FET futures and CFE-listed FBT and FET futures with the same expiration dates in one SPAN file. Prior to this time, CCUS will make the updated test SPAN files available in a non-production environment to Clearing Members and back-office providers as requested.

Details regarding the availability of updated SPAN files in a non-production environment and in a production environment will be disseminated in subsequent notices.

**Margin:** End-of-day margin requirements on June 6, 2025 will be based on positions in CDE-listed FBT and FET futures positions. Positions transferred to CFE in FBT and FET futures following the close of trading on June 6 will be margined based on the June 6 margin rates and any resulting margin deficits will be collected on the morning of June 9, 2025, consistent with current margin deficit collection timelines. Margin rates will be applied to CFE-listed FBT and FET futures based on the same margin methodology applied for CDE-listed FBT and FET futures. The FET and FBT futures margin methodology is available here: [Margin Methodology](#).

### **Daily Market Information**

Final daily market statistics and open interest for FBT and FET futures listed on CDE for the June 6, 2025 trade date will be published on the CDE website [here](#) on the morning of June 9, 2025.

CFE daily market statistics and open interest published [here](#) for the June 9, 2025 trade date will contain open interest in FBT and FET futures transferred from CDE as well as any changes to that open interest from transactions in FBT and FET futures on CFE on the June 9 trade date.

Additional details regarding the transfer of FBT and FET futures to CFE will be disseminated in subsequent notices. If you have any questions regarding this Advisory Notice, please contact [clearus.ops@cboe.com](mailto:clearus.ops@cboe.com)