

August 28, 2023

Via Electronic Submission

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

**Re: Large Trader Reporting Requirements (RIN 3038-AF27)**

Dear Mr. Kirkpatrick:

Cboe Global Markets, Inc. (“Cboe”) appreciates the opportunity to provide comments on the Commodity Futures Trading Commission’s (“CFTC” or “Commission”) Large Trader Reporting Requirements Proposed Rulemaking (“Proposal”).<sup>1</sup> The Proposal seeks public comment regarding proposed revisions to the Commission’s regulations that set forth large trader position reporting requirements for futures and options.

Cboe operates four CFTC-registered entities: two designated contract markets (“DCMs”) (Cboe Futures Exchange and Cboe Digital Exchange), a swap execution facility (“SEF”) (Cboe SEF), and a derivatives clearing organization (“DCO”) (Cboe Clear Digital). As such, Cboe is well-suited to provide comments on the Proposal, specifically from the DCM and DCO<sup>2</sup> perspective.

While Cboe is largely supportive of efforts to increase consistency and transparency, we wish to share our views regarding several key elements of the Proposal. Cboe has the following comments regarding specific aspects of the Proposal:

I. The Implementation Period for a Final Rule Should be Extended

The Proposal will require changes to the technological infrastructure used to report the large trader position information to the Commission and changes will be needed at both the DCM and DCO level. Given competing regulatory demands for technological resources, Cboe believes that a 24-month implementation period would be more appropriate than the 365 days following the publication of the final rule as outlined in the Proposal. Additional time for compliance will provide the industry with more time to troubleshoot questions and complications that may arise during the development and testing of the proposed changes prior to implementation.

Cboe believes that an additional 12-month period after publication of the final rule before it becomes effective would be beneficial for the entire industry to be better prepared and able to manage

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<sup>1</sup> Large Trader Reporting Requirements, 88 FR 41522 (June 27, 2023).

<sup>2</sup> Futures traded on CFE are cleared by the Options Clearing Corporation and futures traded on Cboe Digital Exchange are cleared by Cboe Clear Digital.

competing demands for technological updates and changes without as large of a strain on resources. However, there are several factors that will ultimately determine how much time reporting firms need to implement the changes, including, but not limited to, whether the Commission removes fields identified as “static” data; the types of issues that arise during the development and testing period; and the timing of the publication of the final rule. Given these factors, the proposed 365-day implementation period is not sufficient and should be extended to at least 24-months after publication of the final rule.

II. Exchanges Are Best Positioned to Provide Certain “Static” Data

The Proposal includes collecting certain new data that would be the same across reporting firms and which originates from the exchanges that list the applicable product. Given that this data is “static” across all reporting firms, Cboe believes it would be most efficient for the exchanges that are the original, centralized source of this data to be the provider of it – rather than have multiple firms report the same data. For example, the exchanges that list each applicable product would be in the best position to report the following information, as applicable: product type; listing date; exercise style; payout amount; payout type; underlying contract ID, and underlying maturity month and year.

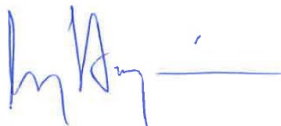
III. Cboe is Supportive of the More Technical Comments Raised by FIA

Cboe is an Associate Member of the Futures Industry Association (“FIA”) and participated in the FIA’s working group of reporting firm members responsible for the content of FIA’s comment letter on this Proposal (“FIA Comment Letter”). The FIA Comment Letter discusses a variety of concerns shared by impacted entities related to the implementation of the Proposal. As such, Cboe agrees with and lends its support to the more technical comments raised in the FIA Comment Letter, including, among the other points raised, that additional clarity and precision in connection with what is to be reported is necessary as well as clear parameters around how updates, corrections, and amendments to large trader reports will not be needed for late claimed give-ups. Cboe respectfully encourages the Commission to thoughtfully consider the issues discussed in greater detail in the FIA Comment Letter.

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Cboe appreciates the opportunity to shares its views on the Proposal and welcomes the opportunity to discuss these comments further.

Sincerely,



Greg Hoogasian  
EVP, Chief Regulatory Officer  
Cboe Global Markets, Inc.