

Date: April 15, 2016

Re: Supervisory Responsibility and Written Supervisory Procedures

Effective Date: April 29, 2016

OneChicago, LLC (“OneChicago” or “OCX”) is issuing this Notice to Members (“NTM”) 2016-11 to inform market participants that OneChicago is amending OCX Rule 609 (Supervision). Amended Rule 609 will require the following:

Supervisory Responsibility for Employees and Agents

Clearing Members, Exchange Members, and Access Persons are required to supervise their employees and agents in the conduct of their business related to trading on OneChicago, clearing through the clearing house, and complying with applicable laws and regulations regarding securities and commodities laws.

Written Supervisory Procedures

Clearing Members or, if applicable, Exchange Members or Access Persons, are required to establish, maintain, and administer reasonable written supervisory procedures (“WSPs”) to ensure that employees, agents, and customers comply with the Rules of the Exchange, the Rules of the Clearing Corporation, and Applicable Law. For the avoidance of doubt, this WSP requirement does not extend to Access Persons that are retail or individual investors with no employees or agents, but does extend to trading firms or companies, including those that may have only one employee.

Supervisory Responsibility for Customers

Clearing Members, Exchange Members, or Access Persons that provide customers with access to the OneChicago trading platform are required to take appropriate action to either correct a violation or prevent a potential violation of the Rules of the Exchange that has been caused or will be caused by the Clearing Member’s customer. In other words, Clearing Members must take precautions and use reasonable care to prevent rule violations or market disruption events caused by their customers. With regard to this requirement, access means access to the OneChicago trading platform whether passing through the Clearing Member’s infrastructure or not. Access may include both GUI and API access.

The text of the amended rule is displayed below:

609. Supervision

(a) ~~Each Clearing Member and, Exchange Member, and Access Person shall be responsible for supervising its employees and agents in the conduct of their business relating to the Exchange Related Parties so as to ensure compliance by such employees and agents Related Parties with the Rules of the Exchange, the Rules of the Clearing Corporation, and Applicable Law this Chapter 6, and may be held accountable for the actions of such employees and agents Related Parties. In addition, each Responsible Administrator shall be responsible for supervising the Related Parties of the Clearing Member or Exchange Member represented by it, and may be held accountable for the actions of such Related Parties.~~

(b) Each Clearing Member or, if applicable, Exchange Member or Access Person, shall be responsible for establishing, maintaining and administering reasonable, written supervisory procedures to ensure that its employees, agents, and Customers comply with the Rules of the Exchange, the Rules of the Clearing Corporation, and Applicable Law.

(c) Each Clearing Member or, if applicable, Exchange Member or Access Person, shall take appropriate action to correct a violation or prevent a potential violation of the Rules of the Exchange caused by a Customer of the Clearing Member, Exchange Member, or Access Person.

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Any questions regarding this NTM can be directed to Waseem Barazi, Chief Regulatory Officer and Associate General Counsel by email at wbarazi@onechicago.com or through phone at (312) 883-3441.