



September 24, 2012

Via Electronic Mail

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: CBOE Futures Exchange, LLC Rule Certification
Submission Number CFE-2012-23

Dear Mr. Stawick:

Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended (“Act”), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission under the Act, CBOE Futures Exchange, LLC (“CFE” or “Exchange”) hereby notifies the Commission of the delisting of the following futures and options contracts (“Delisting”) and of the following related amendments to CFE’s Rules (“Amendment”). The Delisting and Amendment will become effective on October 10, 2012.

Effective prior to the opening of trading on October 10, 2012, CFE will (i) delist the December 2012 and March 2013 contract months for CFE’s CBOE S&P 500 Three-Month Variance (“VT”) futures contract; (ii) delete CFE Rule Chapter 13, which sets forth the contract specifications for the VT futures contract; (iii) delist CFE’s Weekly Options on Mini CBOE Volatility Index futures (“VM futures”); and (iv) delete CFE Rule Chapter 15, which sets forth the contract specifications for CFE’s Weekly Options on VM futures. There is no open interest in the December 2012 and March 2013 VT futures contracts and there are no Weekly Options on VM futures currently listed for trading.

Weekly Options on VM futures are currently aggregated with CBOE Volatility Index (“VIX”) futures and VM futures for purposes of calculating consolidated position accountability levels for these products. Since CFE is delisting Weekly Options on VM futures, CFE is deleting the references to Weekly Options on VM futures from CFE Rules 1202(d) and 1402(d), which govern position accountability levels for VIX futures and VM futures, respectively. Additionally, CFE is deleting the provisions pertaining to the VT futures contract and to Weekly Options on VM futures from CFE Policy and Procedure X (DPM Market Performance Benchmarks Program) since CFE will not have a Designated Primary Market Maker (“DPM”) for either of these contracts since they are being delisted, and accordingly there is no need for DPM market maker performance benchmarks for these contracts.

CFE believes that the impact of the Delisting and Amendment will be beneficial to the public and market participants. CFE is not aware of any substantive opposing views to the

Delisting and Amendment. CFE hereby certifies that the Delisting and Amendment comply with the Act and the regulations thereunder. CFE further certifies that it has posted a notice of pending certification with the Commission and a copy of this submission on CFE's Web site (<http://cfe.cboe.com/aboutcfe/rules.aspx>) concurrent with the filing of this submission with the Commission.

The Amendment, marked to show additions in underlined text and deletions in [bracketed] text, consists of the following:

CBOE Futures Exchange, LLC Rules

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1202. Contract Specifications for CBOE Volatility Index Futures

(a) – (c) No change.

(d) *Position Accountability.* VIX futures are subject to position accountability under Rule 412A.

A person is subject to the position accountability requirements set forth in Rule 412A if the person (i) owns or controls at any time more than the number of contracts net long or net short in all VIX futures and Mini VIX futures contract months [and in all Weekly Options on Mini VIX Futures expirations] combined that in the aggregate would exceed the equivalent of 50,000 VIX futures contracts, (ii) owns or controls more than the number of contracts net long or net short in the expiring VIX futures and Mini VIX futures contract months [and all Weekly Options on expiring Mini VIX futures] combined that in the aggregate would exceed the equivalent of 30,000 VIX futures contracts, commencing on the Friday prior to the final settlement date of the expiring VIX futures or (iii) owns or controls more than the number of contracts net long or net short in the expiring VIX futures and Mini VIX futures contract months [and all Weekly Options on expiring Mini VIX futures] combined that in the aggregate would exceed the equivalent of 10,000 VIX futures contracts, commencing on the business day immediately preceding the final settlement date of the expiring VIX futures. Under this Rule, [one Weekly Option on Mini VIX Futures and] one Mini VIX futures contract shall [each] be deemed to be equivalent to one-tenth (0.10) of one VIX futures contract.

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding shall be cumulated.

(e) – (q) No change.

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1402. Contract Specifications for Mini CBOE Volatility Index Futures

(a) – (c) No change.

(d) *Position Accountability.* Mini VIX futures are subject to position accountability under Rule 412A.

A person is subject to the position accountability requirements set forth in Rule 412A if the person (i) owns or controls at any time more than the number of contracts net long or net short in all VIX futures and Mini VIX futures contract months [and in all Weekly Options on Mini VIX Futures expirations] combined that in the aggregate would exceed the equivalent of 50,000 VIX futures contracts, (ii) owns or controls more than the number of contracts net long or net short in the expiring VIX futures and Mini VIX futures contract months [and all Weekly Options on expiring Mini VIX futures] combined that in the aggregate would exceed the equivalent of 30,000 VIX futures contracts, commencing on the Friday prior to the final settlement date of the expiring VIX futures or (iii) owns or controls more than the number of contracts net long or net short in the expiring VIX futures and Mini VIX futures contract months [and all Weekly Options on expiring Mini VIX futures] combined that in the aggregate would exceed the equivalent of 10,000 VIX futures contracts, commencing on the business day immediately preceding the final settlement date of the expiring VIX futures. Under this Rule, [one Weekly Option on Mini VIX Futures and] one Mini VIX futures contract shall [each] be deemed to be equivalent to one-tenth (0.10) of one VIX futures contract.

For the purposes of this rule, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of a person or persons acting pursuant to an expressed or implied agreement or understanding shall be cumulated.

(e) – (q) No change.

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CFE Policy and Procedure X. DPM Market Performance Benchmarks Program

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Weekly Options on Mini VIX Futures

- On each trading day during Regular Trading Hours, the DPM shall provide at least 80% of the time a 2-sided quote for a minimum of 100 contracts across all series of Weekly Options on VIX Futures within a maximum width of \$0.50 in the at-the-money series.
- The DPM shall respond within 5 seconds to each RFQ during Regular Trading Hours.
- The above market performance benchmarks shall be subject to relief in the event of a fast market in the Weekly Options on Mini VIX Futures, VIX Future, Mini VIX Future, VIX option, or SPX option or other extenuating circumstances or unusual market conditions to be determined solely by the Exchange. Under conditions as specified in the foregoing sentence, the DPM shall use commercially reasonable efforts during Regular Trading Hours to provide a continuous quote and to respond to requests for a quote from the Exchange.

CBOE S&P 500 Three-Month Variance Futures

- Throughout the trading day during Regular Trading Hours, the DPM shall provide continuous two-way quotes.

- The DPM shall strive to maintain a competitive, liquid market at all times during Regular Trading Hours. Due to the unique, squared nature of the CBOE S&P 500 Three-month Variance Futures contract, market variables (volatility, underlying value, etc.) may significantly impact the actual bid/ask differentials and their corresponding size, thereby making a standard convention difficult.
- The DPM shall respond within 5 seconds to each RFQ during Regular Trading Hours.
- The above market performance benchmarks shall be subject to relief in the event of a fast market in the CBOE S&P 500 Three-month Variance Future or SPX option or other extenuating circumstances or unusual market conditions to be determined solely by the Exchange. Under conditions as specified in the foregoing sentence, the DPM shall use commercially reasonable efforts during Regular Trading Hours to provide a continuous quote and to respond to requests for a quote from the Exchange.]

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Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Jenny Klebes-Golding at (312) 786-7466. Please reference our submission number CFE-2012-23 in any related correspondence.

CBOE Futures Exchange, LLC

A handwritten signature in black ink, appearing to read "James F. Lubin". The signature is stylized with a large, looping initial "J" and a long horizontal stroke.

By: James F. Lubin
Managing Director

cc: Philip Colling (CFTC)
Thomas Leahy (CFTC)
Nancy Markowitz (CFTC)
National Futures Association
The Options Clearing Corporation