



December 7, 2012

Rule 40.6(a) Rule Certification

By Electronic Mail

Ms. Sauntia Warfield
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, DC 20581

RE: Rule 40.6(a) Certification; Addition of rule entitled "Addendum A; Rule IV-18 One-Year Pilot Program."

Dear Ms. Warfield:

ELX Futures ("ELX") is notifying the Commodity Futures Trading Commission ("Commission" or "CFTC") that it is self-certifying under Commission Rule 40.6(a) a new rule entitled "Addendum A; Rule IV-18 One-year Pilot Program." This rule will establish a one-year Pilot Program during which the operation and effects for ELX, its Market Participants, and other contract markets of the relevant provisions of the Rule IV-18 ("Pre-Discussed Trades, Request for Quote and Cross Trades") will be assessed. Following the conclusion of the Pilot Program, ELX will report to the Commission on ELX's conclusions of whether Rule IV-18 (Pre-Discussed Trades; Request for Quote and Cross Trades) accomplishes its intent and should be made permanent, amended or discontinued.

- (i) A copy of the submission cover sheet is attached.
- (ii) The text of the new rule is attached.
- (iii) The rule is intended to be implemented beginning on February 1, 2013.
- (iv) Certification:

ELX hereby certifies that the addition of this complies with the Commodity Exchange Act and regulations thereunder.

In addition, ELX certifies that a public version of the attached submission has been concurrently posted on the Exchange's website.

(v) The following is a concise explanation and analysis of the operation, purpose, and effect of the proposed rule.

ELX on August 14, 2012 previously certified to the Commission under Commission Rule 40.6(a) ELX Rule IV-18 (“Pre-Discussed Trades, Request for Quote and Cross Trades”). As certified, the purpose of Rule IV-18 is to enhance market liquidity and transparency for all of its markets. The RFQ/RFC mechanism is intended to provide market participants with a means of enabling the market to respond where there may not otherwise be sufficient depth of the order book. In particular, in the case of products supported by known price makers, ELX expects that a high percentage of RFQs will receive responses and a portion of those will generate RFC orders. The intended purpose of the RFQ-RFC System is to provide market participants with a mechanism to trade in a relatively illiquid environment without incurring significant execution risk when entering and exiting a position.

The purpose of the Addendum is to establish a Pilot Program to enable ELX to more fully assess the ability of Rule VI-18 to fulfill its intended purpose. As of the date of this filing, no transactions have occurred under Rule IV-18 and ELX will not make this enhanced facility of Rule IV-18 available to market participants until after the Pilot Program is commenced as provided under this Addendum and certain technology enhancements to the ELX system are available. We anticipate that that will be on or about February 1, 2013.

Accordingly, for the reasons explained above, ELX is self-certifying a rule entitled “Addendum A; Rule IV-18 One-year Pilot Program.” As provided in the new rule, ELX will review the operation and effects of Rule VI-18. Specifically, ELX will assess the aspect of Rule IV-18 which provides that where the RFC price equals the bid/offer in the market, the order will match against the RFC, as opposed to matching against orders in the market. At the conclusion of the Pilot Program, ELX will submit a Report to the Commission. The Report will include ELX’s conclusions with respect to whether the Request for Quote provisions of Rule VI-18 should be made permanent in their current form, amended or discontinued.

(vii) Confidential treatment is not being requested.

If you have any questions on this matter, please call me at (212) 610-3639.

Sincerely,



Richard Jaycobs
Chief Executive Officer
ELX Futures, L.P.

TEXT OF RULE AMENDMENTS

underline = additions and ~~strikethrough~~ = deletions

Addendum A; Rule IV-18 One-year Pilot Program.

A Pilot Program is hereby established to study the operation and effects on the ELX Futures Exchange, its Market Participants and other contract markets, as relevant, of the Rule IV-18 provisions establishing a Request for Quote/Request for Cross mechanism on ELX Futures Exchange. Specifically, the study shall assess the aspect of Rule IV-18 which provides that where the RFC price equals the bid/offer in the market, the order will match against the RFC, as opposed to matching against orders in the market.

At the conclusion of the Pilot Program, ELX shall file with the Commission a Report of its findings and conclusions, including whether Rule IV-18 shall be permitted to become permanent in its current form, amended or discontinued.