

November 26, 2008

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

RE: Certification of FX SEF Futures Contracts - USFE Submission #08-07

Dear Mr. Stawick:

United States Futures Exchange, LLC (“USFE”), pursuant to Commission Regulation 40.2(a), has adopted rules governing the trading of FX Spot Equivalent Futures (“SEF”) futures contracts (100K Base Currency Units). The launch date has been set for December 1, 2008.

The Exchange intends to permit block trades only on the largest orders that will be entered in the market which, under the CFTC’s proposed guidance on Core Principle 9 and CFTC Regulation 1.38, is defined as “larger than the size at which a single buy or sell order is customarily able to be filled in its entirety at a single price (though not necessarily with a single counterparty).” In this case, the FX SEF contracts are new contracts with no trading history. Except for general assumptions made from information provided by market makers and USFE staff, USFE is unable at this time to determine the specific appropriate minimum size of a block trade. Thus, USFE is adopting a minimum block trade size of 100. It should be noted that USFE would prefer most orders to be exposed to the entire marketplace and, in the beginning, expects that few, if any, block trades will be executed. In addition, once the market establishes itself, historical statistics can be used to re-assess and identify the appropriate block transaction size.

USFE certifies that its FX SEF Futures Contracts (100K Base Currency Units) comply with the Commodity Exchange Act and regulations thereunder.

Yours Truly,

Matthew Lisle
General Counsel

CC: Thomas Leahy, CFTC
Riva Adriance, CFTC

415. Block Trade Facility.

- (e) Block Trades may be transacted only in Contracts authorized for that purpose by the Exchange. The minimum number of contracts to qualify as a block trade under this rule are as follows:

Contract	Minimum Number of Contracts
ISE Stock Price Index Futures	50
Morningstar Stock Price Index Futures	250
USD SENSEX Index Futures	50
mini\$ DAX [®] Future	250
Spot Equivalent Futures on Currencies	100
Binary Event Futures	50

- (f) The transaction may be consummated at a price mutually agreed upon by the parties to the transaction; provided that,
- (i) the price for the Futures Contract does not exceed the range of the day's overall high and low by more than the following values (The range of the day's high and low is determined by a validation matrix):

Contract	Maximum Price Deviation
ISE Stock Price Index Futures	1.0 percent
Morningstar Stock Price Index Futures	1.0 percent
USD SENSEX Index Futures	1.0 percent
mini\$ DAX [®] Future	1.0 percent
Spot Equivalent Futures on Currencies	1.0 percent
Binary Event Futures	1.0 percent

914. Specifications for Foreign Exchange ("FX") Spot Equivalent Futures ("SEFs") Contracts (100K Base Currency Units).

Each FX SEF Contract shall be a contract whereby the seller agrees to sell and deliver and the buyer agrees to buy 100,000 units of currency ("Delivery Currency"). Payment shall be made in U.S. dollars or in the currency specified for that futures contract ("Pricing Currency"). The Clearing Organization will require payment of variation margin to be payable in the Pricing Currency. A FX SEF Contract is defined by both its Delivery Currency and Pricing Currency. FX

SEF Contracts shall be traded and performed in accordance with the following specifications:

- (a) **Spot Equivalent Future Currencies:** The Exchange will list FX SEF Contracts on the following currency pairs (*i.e.*, Delivery Currency/Pricing Currency):

Delivery Currency	Pricing Currency
Euro	U.S. dollar
British pound	U.S. dollar
U.S. dollar	Yen
U.S. dollar	Swiss franc
U.S. dollar	Canadian dollar
Australian dollar	U.S. dollar

- (b) **Trading Sessions:** Trading shall take place at such hours as may be specified from time to time by the Exchange; provided that trading in any futures contract for any expiration shall terminate at 9:16 a.m. Chicago time on the Last Trading Day for such expiration.
- (c) **Expiration Month:** FX SEF Contracts will expire on the last trading day of the fourth (4th) December following the date of listing. Only one FX SEF Contract for each currency pair will be listed for any four (4) year period of time with the exception that, effective the first trading day of the expiration month, the next eligible expiration month shall automatically be listed for trading.
- (d) **Last Trading Day:** The last day on which trading shall be permitted in FX SEF Contracts for delivery in any expiration month (the “last trading day”) shall be the second Business Day prior to the delivery day, except that for the FX SEF Contract on which the Delivery Currency is U.S. dollars and the Pricing Currency is Canadian dollars the last trading day shall be the Business Day immediately prior to the delivery day.
- (e) **Minimum Price Ticks:** Minimum price ticks in the Pricing Currency for outright trades as well as calendar spread trades shall be as follows:

Contract Delivery Currency/Pricing Currency	Minimum Tick Outright Trade
euro/U.S. dollar	.00001
British pound/U.S. dollar	.00001
U.S. dollar/yen	.001
U.S. dollar/Swiss franc	.00001

U.S. dollar/Canadian dollar	.00001
Australian dollar/U.S. dollar	.00001

- (f) Delivery Days, Performance: Delivery on FX SEF Contracts will occur on the third Wednesday of the expiration month. If such Wednesday is not a Business Day in the country of either the Pricing Currency or the Delivery Currency, then delivery will occur on the next day which is a Business Day in both countries. The purchaser shall pay the amount invoiced which shall be the settlement price in the Pricing Currency of the futures contract multiplied by 100,000. The seller shall pay 100,000 units of the Delivery Currency.
- (g) Delivery and Payment Procedures: Delivery of and payment for currencies shall be made in accordance with the rules of the Clearing Organization.
- (h) Reportable Positions: A Person shall report any position that such Person owns or controls of 2000 contracts or more, net long or short, in any one delivery month or in all months combined.
- (i) Position Accountability: A Person who owns or controls an aggregate position of more than 12,500 contracts in any FX SEF Contract shall be subject to the requirements of Rule 414.
- (j) Settlement Prices: The Exchange will base its settlement price recommendations on trading conditions at 4:00 p.m. except that:
- (i) On the last day of trading in a delivery month the settlement price recommendation for that delivery month will be based on conditions in that contract at the close of trading; or
 - (ii) If the Exchange alters its Trading Session, the Exchange may change the time for determining the settlement price.
- (k) Daily Settlement Adjustment: Based on conditions in the underlying currency markets at 4:00 p.m. of each Trading Session (as represented by major market data vendors), the Exchange will direct the Clearing Organization to make a cash adjustment to each position to account for the difference between the currency with the lower interest rate and the currency with the higher interest rate.