December 14, 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-2012-35

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 submits an amendment ("Amendment") to amend CFE Rule 2302(o) by clarifying how the sizes of quotes, Orders and trades in the S&P 500 Variance ("VA") futures contract will be expressed and displayed. The Amendment will become effective on January 2, 2013.

The Amendment provides clarification as to how the sizes of quotes, Order and trades in the VA futures contract will be expressed and displayed.[1] Specifically, CFE is amending CFE Rule 2302(c) to provide that the sizes of quotes, Orders and trades VA futures will be expressed and displayed in notional equivalent units of 1,000 vega notational. For example, a quote, Order or trade size of 1 will have a size of 1,000 vega notational, and a quote, Order or trade size of 3 will have a size of 3,000 vega notational. Quote, Order and trade expression and display in notional equivalent units of 1,000 will apply to all trading in S&P 500 Variance futures, including Block Trades and Exchange of Contract for Related Position transactions. The Exchange will issue a circular advising when a systems update to the functionality that will process expression and display in notional equivalent units of 1,000 vega notional in the VA futures contract is available (which is expected to occur on or after December 24, 2012) and when this new convention will first become applicable.

CFE believes that the Amendment is consistent with Designated Contract Market Core Principle 7 (Availability of General Information) and Core Principle 9 (Execution of Transactions) under Section 5 of the Act because market participants will benefit from

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[1] CFE Rule 2302(c) provides, in relevant part, that the minimum quote size and the minimum Order size for the VA futures contract is 1,000 vega notional and all quotes and Orders must be in multiples of 1,000 vega notational. CFE is not making substantive changes to these provisions; rather, CFE is taking this opportunity to clarify how quotes, Orders and trades in the VA futures contract will be expressed and displayed.

clarification as to how quote, Order and trades sizes in the VA futures contract must be entered and will be displayed.

CFE believes that the impact of the Amendment will be beneficial to the public and market participants. CFE is not aware of any substantive opposing views to the Amendment. CFE hereby certifies that the Amendment complies 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 <u>underlined</u> text and deletions in [bracketed] text, consists of the following:

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CFE Rule 2302. S&P 500 Variance Futures Contract Specifications

(a) – (b)   No change.

(c)   *Minimum Increments and Minimum Quote and Order Sizes*. The minimum fluctuation of the S&P 500 Variance futures contract is 0.05 volatility index points.

The minimum quote size and the minimum [o]Order size for the S&P 500 Variance futures contract is 1,000 vega notional and all quotes and [o]Orders must be in multiples of 1,000 vega notional.

The sizes of quotes, Orders and trades in S&P 500 Variance futures are expressed and displayed in notional equivalent units of 1,000 vega notional. For example, a quote, Order or trade size of 1 has a size of 1,000 vega notional, and a quote, Order or trade size of 3 has a size of 3,000 vega notional. Quote, Order and trade expression and display in notional equivalent units of 1,000 applies to all trading in S&P 500 Variance futures, including Block Trades and Exchange of Contract for Related Position transactions.

(d) – (s)   No change.

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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-2012-35 in any related correspondence.

CBOE Futures Exchange, LLC

By: James F. Lubin
        Managing Director

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