



September 22, 2010

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-2010-08

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 ("Commission") under the Act, CBOE Futures Exchange, LLC ("CFE" or "Exchange") hereby submits this rule change ("Amendment") to amend CFE Rules 1202(d) and 1402(d) to provide that positions in Weekly Options on the CBOE Volatility Index ("VIX") futures contract shall be aggregated with positions in the VIX futures contract and positions in the Mini VIX futures contract when calculating position accountability levels. The Amendment also amends CFE Rules 1202(e), 1302(e), 1402(e) and 2202(d) to incorporate some technical changes.

The Amendment will become effective on September 28, 2010.

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.

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

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CFE Rule 1202. CBOE Volatility Index Futures Contract Specifications

(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 VIX Futures expirations combined that in the aggregate would exceed the equivalent of 25,000 VIX futures contracts or (ii) the person 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 VIX Futures combined that in the aggregate would exceed the equivalent of 15,000 VIX futures contracts, commencing on the Friday prior to the final settlement date of the expiring VIX futures [and Mini VIX futures contract months]. Under this Rule, one Weekly Option on VIX Futures shall be deemed to be equivalent to one (1.0) VIX futures contract and one Mini VIX futures contract shall 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) *Termination of Trading.* Trading on the VIX futures contract terminates on the business day immediately preceding the final settlement date of the VIX futures contract for the relevant spot month. When the last trading day is moved because of an [CFE] Exchange holiday, the last trading day for an expiring VIX futures contract will be the day immediately preceding the last regularly-scheduled trading day.

(f)– (o) No change.

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CFE Rule 1302. CBOE S&P 500 Three-Month Variance Futures Contract Specifications

(a) – (d) No change.

(e) *Termination of Trading.* Trading on the CBOE S&P 500 Three-Month Variance futures contract terminates on the third Friday of the expiring futures contract month. When the last trading day is moved because of an [CFE] Exchange holiday, the last trading day for an expiring CBOE S&P 500 Three-Month Variance futures contract will be the day immediately preceding the last regularly-scheduled trading day.

(f)– (o) No change.

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CFE Rule 1402. Mini CBOE Volatility Index Futures Contract Specifications

(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 VIX Futures expirations combined that in the aggregate would exceed the equivalent of 25,000 VIX futures contracts or (ii) the person 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 VIX Futures combined that in the aggregate would exceed the equivalent of 15,000 VIX futures contracts, commencing on the Friday prior to the final settlement date of the expiring VIX futures [and Mini VIX futures contract months]. Under this Rule, one Weekly Option on VIX Futures shall be deemed to be equivalent to one (1.0) VIX futures contract and one Mini VIX futures contract shall 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) *Termination of Trading.* Trading on the Mini VIX futures contract terminates on the business day immediately preceding the final settlement date of the Mini VIX futures contract for the relevant spot month. When the last trading day is moved because of an [CFE] Exchange holiday, the last trading day for an expiring Mini VIX futures contract will be the day immediately preceding the last regularly-scheduled trading day.

(f) – (o) No change.

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CFE Rule 2202. CBOE S&P 500 Twelve-Month Variance Futures Contract Specifications

(a) – (c) No change.

(d) *Position Limits.* CBOE S&P 500 Twelve-Month Variance futures are subject to position limits under Rule 412.

A person may not own or control more than 5,000 contracts net long or net short in all CBOE S&P 500 Twelve-Month Variance futures contracts combined.

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.

The foregoing position limits shall not apply to positions that are subject to a position limit exemption meeting the requirements of Commission Regulations and [CFE] Exchange Rules.

(e) *Termination of Trading.* Trading on the CBOE S&P 500 Twelve-Month Variance futures contract terminates on the third Friday of the expiring futures contract month. When the last trading day is moved because of an [CFE] Exchange holiday, the last trading day for an expiring CBOE S&P 500 Twelve-Month Variance futures contract will be the day immediately preceding the last regularly-scheduled trading day.

(f) – (k) No change.

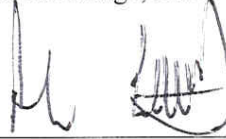
(l) *No-Bust Range*. Pursuant to Rule 416, the [CFE] Exchange error trade policy may only be invoked for a trade price that is greater than 10% on either side of the market price of the applicable CBOE S&P 500 Twelve-Month Variance futures contract. In accordance with Policy and Procedure III, the Help Desk will determine what the true market price for the relevant Contract was immediately before the potential error trade occurred. In making that determination, the Help Desk may consider all relevant factors, including the last trade price for such Contract, a better bid or offer price, a more recent price in a different contract month and the prices of related contracts trading on the Exchange or other markets.

(m) – (o) No change.

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Questions regarding this submission may be directed to Arthur Reinstein at (312) 786-7570 or Jennifer Klebes at (312) 786-7466. Please reference our submission number CFE-2010-08 in any related correspondence.

CBOE Futures Exchange, LLC



By: _____

Andrew Lowenthal
Managing Director

cc: Riva Adriance (CFTC)
Steven Benton (CFTC)
Phil Colling (CFTC)
National Futures Association
The Options Clearing Corporation