



April 6, 2011

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-2011-10

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 a CFE rule amendment to codify in CFE Rules 1202, 1302, 1402, 1502, and 2302 the manner in which the daily settlement price is determined for CBOE Volatility Index ("VIX") futures, CBOE S&P 500 Three-Month Variance futures, Mini VIX futures, Weekly Options on VIX Futures, and CBOE S&P 500 Twelve-Month Variance futures ("Amendment").

The Amendment will become effective on April 8, 2011.

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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Rule 1202. Contract Specifications

(a) - (o) No changes.

(p) Daily Settlement Price. The daily settlement price for each VIX futures contract will be the average of the final bid and final offer for the VIX futures contract at the close of trading, subject to the following. If the average of the final bid and final offer is not at a minimum increment for the VIX futures contract, the daily settlement price shall be the average of the final bid and final offer rounded up to the nearest minimum increment. If there is no bid or offer at the close of trading, the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market.

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Rule 1302. Contract Specifications

(a) - (o) No changes.

(p) Daily Settlement Price. The daily settlement price for each S&P 500 Three-Month Variance futures contract will be the average of the final bid and final offer for the S&P 500 Three-Month Variance futures contract at the close of trading, subject to the following. If the average of the final bid and final offer is not at a minimum increment for the S&P 500 Three-Month Variance futures contract, the daily settlement price shall be the average of the final bid and final offer rounded up to the nearest minimum increment.. If there is no bid or offer at the close of trading, the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market.

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Rule 1402. Contract Specifications

(a) - (o) No changes.

(p) Daily Settlement Price. The daily settlement price for each Mini VIX futures contract will be the average of the final bid and final offer for the Mini VIX futures contract at the close of trading, subject to the following. If the average of the final bid and final offer is not at a minimum increment for the Mini VIX futures contract, the daily settlement price shall be the average of the final bid and final offer rounded up to the nearest minimum increment.. If there is no bid or offer at the close of trading, the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market.

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Rule 1502. Contract Specifications

(a) - (o) No changes.

(p) Daily Settlement Price. The daily settlement price for each Weekly Option on VIX Futures will be the average of the final bid and final offer for the Weekly Option on VIX Futures at the close of trading, subject to the following. If the average of the final bid and final offer is not at a minimum increment for the Weekly Option on VIX Futures, the daily settlement price shall be the average of the final bid and final offer rounded up to the nearest minimum increment.. If there is no bid or offer at the close of trading, the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market.

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Rule 2302. Contract Specifications

(a) - (o) No changes.


(p) Daily Settlement Price. The daily settlement price for each S&P 500 Twelve-Month Variance futures contract will be the average of the final bid and final offer for the S&P 500 Twelve-Month Variance futures contract at the close of trading, subject to the following. If the

average of the final bid and final offer is not at a minimum increment for the S&P 500 Twelve-Month Variance futures contract, the daily settlement price shall be the average of the final bid and final offer rounded up to the nearest minimum increment.. If there is no bid or offer at the close of trading, the Exchange may in its sole discretion establish a daily settlement price that it deems to be a fair and reasonable reflection of the market.

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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-2011-10 in any related correspondence.

CBOE Futures Exchange, LLC

By: 
Andrew Lowenthal
Managing Director

cc: Riva Adriance (CFTC)
Aaron Brodsky (CFTC)
Lois Gregory (CFTC)
National Futures Association
The Options Clearing Corporation