CBOE FUTURES EXCHANGE®

September 13, 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-2012-21

Dear Mr. Stawick:

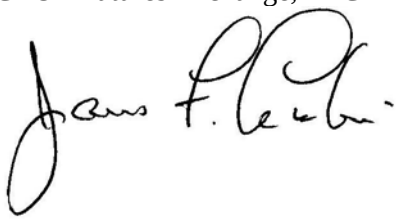
Pursuant to Section 5c(c)(1) of the Commodity Exchange Act, as amended ("Act"), and §40.6(a) of the regulations promulgated by the Commodity Futures Trading Commission under the Act, CBOE Futures Exchange, LLC ("CFE") hereby submits an updated CFE Fee Schedule. The updated Fee Schedule establishes transaction fees for a new product to be traded on CFE, called the S&P 500 Variance futures contract, which will commence trading on CFE on September 27, 2012. Transactions fees for S&P 500 Variance futures will not be assessed for the month of September 2012 and will begin being assessed on October 1, 2012. The updated Fee Schedule also adds a requirement that all potential billing errors must be brought to the attention of CFE's Accounting Department within 90 days of the invoice date. After 90 days, all assessed fees will be deemed final and non-refundable. Additionally, the updated Fee Schedule increases the time period for requesting a position transfer fee rebate from 30 to 90 days. Finally, non-substantive technical changes are being made to the Fees Schedule. The effective date of the updated CFE Fee Schedule is October 1, 2012.

The proposed fees for S&P 500 Variance futures further CFE's goal of introducing new products to the marketplace that are competitively priced. The establishment of a reasonable time period to notify CFE about potential billing errors strikes the appropriate balance between permitting potential billing errors to be reconciled and establishing finality as to assessed fees. The Amendment is attached and is marked to show additions in double underlined text and deletions in ~~stricken~~ text.

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.

Questions regarding Amendment may be directed to Arthur Reinstein at (312) 786-7570 or Jenny Klebes-Golding at (312) 786-7466. Please reference our submission number CFE-2012-21 in any related correspondence.

CBOE Futures Exchange, LLC



By: James F. Lubin
Managing Director

cc: Nancy Markowitz (CFTC)
National Futures Association
The Options Clearing Corporation

CFE Fee Schedule[1]
Effective ~~August 1~~ October 1, 2012

1.a.	Transaction Fees[1] in CBOE Volatility Index (VIX) Futures, CBOE S&P 500 3-Month Variance Futures, ~~CBOE S&P 500 Variance Futures,~~ CBOE Nasdaq-100 Volatility Index (VXN) Futures and Radar Logic 28-Day Real Estate Index (RPX) Futures:	Per Contract Side
	A. CFE TPH Permit Holder	
	1. CBOE trading permit holder[2]	$0.60
	2. Non-CBOE trading permit holder	$1.00
	B. Customer	$1.10
	C. Day Trade[3]	50% of generally applicable transaction fee
	D. Block Trade/Exchange of Contract for Related Position Transaction (ECRP) (Fee is in addition to other applicable transaction fees)	$1.00
	E. Position Transfers[4]	$1.25
	F. Regulatory Fee	$0.02

1.b.	Transaction Fees[1] in Mini CBOE Volatility Index (Mini VIX) Futures, Weekly Options on Mini VIX Futures and Individual Stock Based and Exchange-Traded Fund Based Volatility Index Security Futures:	Per Contract Side
	A. CFE TPH Permit Holder	
	1. CBOE trading permit holder[2]	$0.10
	2. Non-CBOE trading permit holder	$0.15
	B. Customer	$0.20
	C. Day Trade Fee[3]	50% of generally applicable transaction fee
	D. Block Trade/ECRP Transaction (Fee is in addition to other applicable transaction fees and Block Trades are not permitted in Mini VIX Futures or in Weekly Options on Mini VIX Futures)	$0.25
	E. Position Transfers[4]	$0.30
	F. Regulatory Fee	$0.02

1.c.	Transaction Fees in S&P 500 Variance Futures	By contract side per 1,000 Vega Notional
	A. CFE TPH Permit Holder	
	1. CBOE trading permit holder	$4.00
	2. Non-CBOE trading permit holder	$4.00
	B. Customer	$8.00
	C. Block Trade/ECRP Transaction (Fee is in addition to other applicable transaction fees)	$1.00
	D. Position Transfers[4]	$0.05 (per variance unit)
	E. Regulatory Fee	$0.02

CFE assesses the Transaction Fees set forth above to the Clearing Member for the execution that is identified on the trade record for the applicable transaction, regardless of whether the trade is given up to another Clearing Member for clearing and regardless of whether a different Clearing Member has been identified as the designated Clearing Member under the Integrated Billing System by the CFE TPH that executed the trade.

Transaction Fee questions may be directed to Don Patton at 312-786-7026 or patton@cboe.com or John Mavindidze at 312-786-7689 or mavindidze@cboe.com.

2.	Annual Trading Permit Fees:[5]	Amount
	A. Order Entry Trading Permit	$1,200/year
	B. Quoting and Order Entry Trading Permit	$1,200/year

3.	Applications Fees:	Amount
	A. CBOE trading permit holder	Waived
	B. Non-CBOE trading permit holder	$500

Annual Trading Permit Fee and Application Fee questions may be directed to the Stan Leimer at 312-786-7299 or leimer@cboe.com.

4.	Direct Data Feed Connectivity Fee:[6,7]	Amount
	CFE data[8]	$1,000/Line/month

5.	Market Data Fees:	
	A. Redistribution Fees	Amount
	All Vendors[9]	$1,200/year
	B. Device/Authorized User Fees[10,11]	
	1. CFE Basic Market Data Fees:[12]	
	• Professional Subscriber (surface quote)	$ 5/Device/Authorized User/month
	• Book Depth[13] (including surface quote)	$ 10/Device/Authorized User/month
	• Non-professional Subscriber[14] (surface quote)	$ 1/Device/Authorized User/month
	2. CFE Enhanced Market Data Fees:[15,16]	
	• Any Subscriber (surface quote)	$ 7.50/Device/Authorized User/month
	• Book Depth[13] (including surface quote)	$12.50/Device/Authorized User/month

Data Feed Connectivity Fee and Market Data Fee questions may be directed to John Tornatore at 312-786-7715 or tornatore@cboe.com

6.	CFE ~~CBOE*direct*~~ System Connectivity Fees:	Amount
	A. Network Access Port (1 gigabit per second)[17]	$500/month
	B. CMI Login[18]	$500/Login/month
	C. FIX Login[18]	$500/Login/month

7.	Co-Location Fee:	Amount
	Co-location of Equipment Fee (per "U" – 1.75 inches)[19]	$50/per "U"/month

CFE ~~CBOE*direct*~~ System Connectivity Fee and Co-Location Fee questions may be directed to Pete Smith at 312-786-7681 or colobilling@cboe.com

8. Integrated Billing System:

Every Trading Privilege Holder must designate a Clearing Member for the payment by means of the integrated billing system ("IBS") of the Trading Privilege Holder's Exchange invoices (other than for Transaction Fees) and vendor invoices for Exchange-related services designated by the Exchange. The designated Clearing Member shall pay to the Exchange on a timely basis any amount that is not disputed pursuant to IBS procedures by the Trading Privilege Holder that is directly involved. Such payments shall be collected by the Exchange against the designated Clearing Member's account at the Clearing Corporation. Exchange Transaction Fees are also assessed pursuant to the IBS to the Clearing Member for the execution that is identified on the trade record for the applicable transaction. The Clearing Corporation shall have no liability in connection with forwarding to the Exchange payments drafted pursuant to the IBS.

[1] ~~The Transaction Fees listed in Section 1 of this Fee Schedule apply to all CFE products unless different Transaction Fees are specified for a particular product.~~ Any potential billing errors relating to fees assessed by CFE must be brought to the attention of CFE's Accounting Department within 90 days from the invoice date. All fees assessed shall be deemed final and non-refundable after 90 days from the invoice date if notice of a potential billing error is not provided within that time frame.

[2] This rate is also assessed to any CFE TPH Permit holder that is not a CBOE trading permit holder but is majority owned by a CBOE trading permit holder.

[3] The Day Trade fee is in effect on a pilot basis through December 31, 2012. In order for the Day Trade fee to be applicable with respect to transactions by or on behalf of an account of an ultimate account holder for a particular trading month in a CFE product eligible for the Day Trade fee, the ultimate account holder's account must meet the applicable monthly trading volume threshold below in that trading month:

Contract	Monthly Trading Volume Threshold
VIX Futures	10,000 contracts in VIX Futures
VXN Futures	10,000 contracts in VXN Futures
Individual Stock Based and Exchange-Traded Fund Based Volatility Index Security Futures	20,000 contracts aggregated across all Individual Stock Based and Exchange-Traded Fund Based Volatility Index Security Futures

For those transactions in a product or product group above in excess of the monthly trading volume threshold, CFE will rebate 50% of the generally applicable transaction fees that are assessed for those contract purchases and sales by or on behalf of the ultimate account holder's account that qualify as Day Trades. Transactions in ~~CBOE~~ S&P 500 Variance Futures, CBOE S&P 500 Three-Month Variance Futures, Mini CBOE Volatility Index Futures, Weekly Options on Mini VIX Index Futures and RPX Futures do not qualify as Day Trades. The rebate shall occur at the end of the applicable trading month for those Day Trades that qualify for the rebate during the applicable trading month.

A Day Trade consists of two or more transactions on CFE on the same trading day in which a market participant buys and sells, or sells and buys, a particular number of contracts in a particular CFE product for a particular contract month. For example, if a market participant bought 10 December VIX futures contracts and sold 10 December VIX futures contracts on the same trading day, those transactions would constitute a Day Trade and would result in a rebate equal to 50% of the generally applicable transaction fee for all 20 contracts. Similarly, if a market participant sold 10 March VIX futures contracts and bought 15 March VIX futures contracts on the same trading day, those transactions would constitute a Day Trade with respect to the 10 contracts sold and with respect to 10 of the 15 contracts bought. In this example, the rebate would be equal to 50% of the generally applicable transaction fee for 20 of the 25 contracts.

Determination of monthly trading volume and Day Trade fee rebates are made with respect to transactions by or on behalf of the account of an ultimate account holder and transactions by or on behalf of different ultimate account holders or different accounts of the same ultimate account holder may not be aggregated for purposes of meeting the monthly trading volume threshold or receiving Day Trade fee rebates. Day Trade fee rebates are made to the Clearing Member that is originally assessed the generally applicable transaction fees for the Day Trade transactions at the time they occur through the payment of the rebates to that Clearing Member. In order to be eligible for the Day Trade fee, market participants are required to provide a written notification to CFE in a form and manner prescribed by CFE that they intend to have the Day Trade fee apply to transactions by or on their behalf and of the account(s) in which those transactions will occur. This notification must be provided for each product prior to the end of the month in which Day Trades are executed in that product for which rebates will be sought. Market participants shall also provide any supplemental documentation requested by CFE to substantiate that contract purchases and sales qualify as Day Trades in order for Day Trade fee rebates to apply to those transactions. Failure to provide prompt notice of information requested by CFE in order for Day Trade fee rebates to be made, including account number changes, may result in ineligibility for the applicable rebates.

[4] This fee is assessed to the transferor and to the transferee with respect to any transfer of positions pursuant to CFE Rule 420. CFE will rebate the transferor and the transferee the assessed fee if the transfer of positions occurred pursuant to CFE Rule 420(a)(i) and CFE Rule 420(a)(ii) and the applicable party submits documentation to CFE requesting the rebate in a form and manner prescribed by the Exchange

within ~~30~~ 90 days of the date that the transfer of position occurred. This fee will not be rebated for any transfer of positions that occurred pursuant to CFE Rule 420(a)(iii) or Rule 420(b)~~(i) or (ii)~~.

[5] The annual Trading Permit fees are assessed at the beginning of each calendar year. If a Trading Permit is obtained during a calendar year, the annual Trading Permit fee will be assessed at the prorated amount of $100 per month for all months remaining in the calendar year and will be assessed beginning with the month in which the Trading Permit is obtained. The annual Trading Permit fees are nonrefundable, including in the event that a Trading Privilege Holder relinquishes a Trading Permit during a calendar year.

[6] Billed monthly. This fee is payable by all Trading Privilege Holders, Authorized Traders and Vendors (including Vendors that distribute only historical data) and other parties that receive CFE data through a direct connection to CFE or through a connection to CFE provided by an approved extranet service provider. If this connectivity service is received during any portion of a month, the fee for the entire month will be billed. This fee is waived for the months of August and September 2012.

[7] If a connection is through an approved extranet service provider, the provider assesses a per MB charge that is billed directly by the provider and therefore is not reflected in this Fee Schedule.

[8] If a Trading Privilege Holder, Authorized Trader, Vendor or other party (a) receives CFE data as well as index data (MDI) from CFE affiliate Market Data Express, the fee to receive that data is $2,000 per line per month, or (b) receives CFE data as well as OneChicago data, (but does not receive MDI data), the fee to receive that data is $1,000 per line per month. During the waiver period in August and September 2012 under note 6, the amount of the fee in clause (a) of the preceding sentence is $1,000 per line per month and the amount of the fee in clause (b) of the preceding sentence is $1,000 per line per month.

[9] Billed annually. This fee is payable by all Vendors whether they receive a CFE market data feed directly from CFE or from another CFE Vendor. (A "Vendor" is a Person that retransmits CFE market data externally (i.e., other than for its own internal use and the internal use of its Affiliates). However, this fee is waived for any Trading Privilege Holder or Authorized Trader that is a Vendor solely by reason of distributing Basic Market Data to its Customers if it receives the market data directly from CFE and distributes the market data directly (*i.e.*, not through another Vendor) to its Customers. This fee is also waived during calendar year 2012 for any Vendor that has its principal place of business in the "Asia-Pacific Region," begins to receive CFE Enhanced Market Data during 2012, and has not previously received CFE market data. (A "Person" is a firm, corporation, limited liability company, partnership, trust or other form of entity or association, as well as an individual natural person. The term "Asia-Pacific Region" means the following countries: Australia, People's Republic of China (including Hong Kong), Republic of China, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Pakistan, Philippines, Russia, Singapore, Thailand and Vietnam.)

[10] Billed monthly. These fees are payable by each Vendor (whether receiving CFE Market Data directly from CFE or from another CFE Vendor) and each other Person receiving CFE Market Data directly from CFE. These fees are based either on the number of Devices or the number of Authorized Users to which the recipient externally and/or internally distributes CFE Basic Market Data. Vendors that externally or internally distribute only delayed data are not obligated to pay these fees, and other Persons that internally distribute only delayed data are also not obligated to pay these fees.

[11] On a one-time basis for each of its Subscribers, a Vendor may make available real-time CFE market data to each such Subscriber for a trial period of 30 days without incurring any Device/Authorized User Fees, and without being subject to any reporting requirements, in connection with doing so. A Vendor is not required to have a Subscriber Agreement in place with a Subscriber for CFE market data in order to provide the Subscriber with real-time CFE market data during the 30 day trial period referenced above.

[12] CFE Basic Market Data is a market data service that includes index values underlying products traded on CFE (e.g., CBOE Volatility Index (VIX) values) but does not include contingency quantity for surface quotes or information on spreads. Device/Authorized User Fees for CFE Basic Market Data are waived with respect to the Devices/Authorized Users of any Trading Privilege Holder or Authorized Trader receiving CFE Basic Market Data directly from CFE (*i.e.*, not through a Vendor) and with respect to the Devices/Authorized Users of any Customer of such a Trading Privilege Holder or Authorized Trader if the Trading Privilege Holder or Authorized Trader is a Vendor and the Customer receives the CFE Basic Market Data directly (*i.e.*, not through another Vendor) from the Trading Privilege Holder or Authorized

Trader, provided that the Trading Privilege Holder or Authorized Trader complies with the reporting requirements of CFE Rule 408 or (if the Trading Privilege Holder or Authorized Trader is a Vendor) the CFE Market Data Agreement. See Chapter 1 of the CFE Rules for the definition of the term "Customer" and CFE Rule 408 for the definitions of the terms "Device" and "Authorized User".

[13] Book Depth provides the five price increments closest to the surface quote on each side of the market.

[14] CFE defines a Non-professional Subscriber as any Subscriber that: (1) is contracting to receive CFE Information in his or her individual capacity and not on behalf of any other person or any entity, (2) will use the Information solely in connection with his or her individual personal investment activities and not in connection with any trade or business activities, (3) is not a futures commission merchant, commodities introducing broker or commodity trading advisor, securities broker-dealer, investment advisor, member or trading privilege holder of a futures contract market or securities exchange or association, or an owner, partner, or associated person of any of the foregoing and (4) is not employed by a bank or an insurance company or an affiliate of either to perform functions related to commodity futures or securities investment or trading activity.

[15] CFE Enhanced Market Data is a market data service that includes contingency quantity for surface quotes and surface spread information. CFE Enhanced Market Data does not include index values underlying products traded on CFE. The CFE Enhanced Market Data book depth service is the same as is provided in CFE Basic Market Data. The fee waivers that are applicable to CFE Basic Market Data (described in note 12) are not applicable with respect to CFE Enhanced Market Data.

[16] During calendar year 2012 these fees are waived for CFE Enhanced Market Data that is distributed to any Person (including any Vendor) that has its principal place of business in the "Asia-Pacific Region" (as defined in note 9), begins to receive CFE Enhanced Market Data during 2012, and has not previously received CFE market data. For Devices/Authorized Users to be eligible for this fee waiver, the Vendor or other Person that would otherwise be required to pay fees with respect to the Devices/Authorized Users must include them in its regular reporting to CFE, identify them as eligible for the waiver, and provide other information sufficient to enable CFE to verify that they are eligible for the waiver.

[17] The Network Access Port Fee (up to 1 gigabit per second) is assessed for each port that provides direct access to CFE's trading system and/or CFE's market data network. A single Network Access Port Fee is assessed if one or more other exchanges affiliated with CFE are accessed through the same port that provides access to CFE and no additional Network Access Port fee is assessed for that port.

[18] CMI Login and FIX Login Fees are assessed for each login that is activated and used at least once to access CFE's trading system (whether or not any trades are effectuated through that login) during a monthly billing cycle.

[19] The Co-Location Fee is applicable to co-location in CBOE's building and is charged in increments of 4 "U" (7 inches), which means that the minimum monthly Co-Location Fee is $200.