CHICAGO BOARD OPTIONS EXCHANGE

Information Circular IC08-199

Date: December 10, 2008

To: Members and Member Firms

From: Trading Operations

Re: Voluntary Professional Customer

The Securities and Exchange Commission has approved a proposed rule change by the CBOE to establish a Voluntary Professional designation.[1] This designation permits non-broker-dealer customers to voluntarily have their orders processed similarly to broker-dealer orders for order handling, order execution, and cancel fee calculation purposes. Specifically, orders using the Voluntary Professional designation: (1) will not be subject to the ORS cancellation fee; (2) will be subject to transaction fees (see below); (3) will not generate PFOF collection when executed; and (4) will be on parity with other non-public customers for purposes of trade allocation and priority. Effective immediately, the Voluntary Professional program is available in all Hybrid classes except those trading on the Hybrid 3.0 platform.

The Exchange has established the following per contract transaction fees for Voluntary Professional orders: $0.20 for all equity options and options on indexes, exchange-traded funds and holding company depository receipts (with the exceptions that follow); $0.30 for XEO options; and $0.40 for DXL options and all volatility index options.

To receive Voluntary Professional handling, orders must be sent with "W" in the origin field (tag 47 for FIX; ORIGIN field in the message struct for CMI). Firms are advised not to send data in the Account field (tag1 for FIX; ACCOUNT field in the message struct for CMI) for orders with a "W" designation. Testing of message/order formats may be scheduled with the API Group at 312-786-7300 / api@cboe.com.

General inquiries regarding this Information Circular should be directed to Anthony Montesano at 312-786-7365 / montesan@cboe.com or the CBOE Help Desk at 312-786-7100 / helpdesk@cboe.com.

[1] The term, "Voluntary Professional," is defined in CBOE Rule 1.1(fff).