

Trader E-News

Trading Schedule for the Martin Luther King, Jr. Holiday

- CBOE, C2 and CFE will have a modified trading schedule for the Martin Luther King Jr. Holiday.
- CBOE and C2 will be closed on Monday, January 16, 2017. For complete information on modified trading hours for CBOE Futures Exchange (CFE), refer to CFE Information Circular CFE IC17-001.
- For additional details, please see the press release on the CBOE website.

CBOE Vest Launches CBOE Vest S&P 500 Enhanced Growth Strategy Fund (ENGIX)

- On Wednesday, CBOE Vest announced the launch of the CBOE Vest S&P 500 Enhanced Growth Strategy Fund (ENGIX), which tracks the CBOE S&P 500 Enhanced Growth Index Balanced Series (SPEN).
- Designed to enhance growth while keeping losses in line with the market and limiting returns to be below a cap, the Enhanced Growth Strategy Fund invests in a series of 12 monthly rolling “tranches” of an “Enhanced Growth” strategy.
- The Enhanced Growth Strategy Fund is the third mutual fund launched by CBOE Vest, following the August launch of the CBOE Vest S&P 500 Buffer Protect Strategy Fund (BUIGX) and the October launch of the CBOE Vest Defined Distribution Strategy Fund (VDDIX).
- For more information, see the press release on the CBOE website.

Market Data Express Successfully Migrates to CBOE Livevol Data Shop

- On Friday, January 6, the historical data subscription service operated by Market Data Express (MDX) was successfully migrated to the CBOE Livevol Data Shop website.
- For more information, see the press release on the CBOE website.

Quarterly Rebalance of Options Class Tiers

- CBOE will rebalance the option class appointment cost tiers, excluding the “AA” tier, for the first-quarter based on fourth-quarter national average daily volume (ADV).
- Market Makers and /or Market-Maker affiliated firms will have until 3:30 p.m. CT on January 31, 2017 to adjust their appointments and/or number of Market-Maker Trading Permits as necessary so that their aggregate appointment cost is equal to or less than their net appointment credits.
- Otherwise, the Exchange will automatically issue to that Market-Maker or Market Market-Maker affiliated firm the requisite number of Market-Maker Trading Permits to meet this standard, and those firms will be billed accordingly.
- The tier rebalancing using fourth-quarter data will take effect Wednesday, February 1.
- For details, see CBOE Regulatory Circular RG17-003 on the CBOE website.

Select Index Highlights for 2016

- The daily closing values of the CBOE/CME FX British Pound Volatility Index (BPVIX) rose 277% in a 5-month period prior to the Brexit vote.
- While the average daily closing value of the VIX® Index in 2016 was 15.8 (below its long-term average of 19.7 since 1990), the average daily closing value of the CBOE SKEW Index in 2016 was 127.6 (its second highest level among all its 27 years since 1990).
- Both the CBOE S&P 500 30-Delta BuyWrite Index (BXMD) and CBOE S&P 500 PutWrite Index (PUT) had higher returns and lower volatility than the S&P 500, MSCI EAFE and S&P GSCI indexes over a period of 30½ years.
- See Options Hub Blogs on the CBOE website.

We encourage your input on these and other Exchange matters. Please feel free to contact us directly with your concerns.

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Cautionary Statements Regarding Forward-Looking Information

This communication contains certain statements regarding intentions, beliefs and expectations or predictions for the future of CBOE Holdings, Inc. ("**CBOE**") and Bats Global Markets, Inc. ("**Bats**"), which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Words such as "believes," "expects," "anticipates," "estimates," "intends," "plans," "seeks," "projects" or words of similar meaning, or future or conditional verbs, such as "will," "should," "would," "could," "may" or variations of such words and similar expressions are intended to identify such forward-looking statements, which are not statements of historical fact or guarantees or assurances of future performance. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking.

Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include, without limitation, the following risks, uncertainties or assumptions: the satisfaction of the conditions precedent to the consummation of the proposed transaction, including, without limitation, the receipt of stockholder and regulatory approvals (including clearance by antitrust authorities necessary to complete the proposed transaction) on the terms desired or anticipated; unanticipated difficulties or expenditures relating to the proposed transaction, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the proposed transaction within the expected time period (if at all), whether in connection with integration, combining trading platforms, broadening distribution of offerings or otherwise; CBOE's ability to maintain an investment grade credit rating and obtain financing on the anticipated terms and schedule; risks relating to the value of CBOE's shares to be issued in the transaction; disruptions of CBOE's and Bats' current plans, operations and relationships with market participants caused by the announcement and pendency of the proposed transaction; potential difficulties in CBOE's and Bats' ability to retain employees as a result of the announcement and pendency of the proposed transaction; legal proceedings that may be instituted against CBOE and Bats following announcement of the proposed transaction; and other factors described in CBOE's annual report on Form 10-K for the fiscal year ended December 31, 2015, which was filed with the Securities and Exchange Commission (the "**SEC**") on February 19, 2016, CBOE's quarterly report for the quarterly period ended September 30, 2016, which was filed with the SEC on November 8, 2016, CBOE's quarterly

report for the quarterly period ended June 30, 2016, which was filed with the SEC on August 2, 2016, Bats' final prospectus, which was filed with the SEC pursuant to Rule 424(b) on April 15, 2016, Bats' quarterly report for the quarterly period ended June 30, 2016, which was filed with the SEC on August 5, 2016, Bats' quarterly report for the quarterly period ended September 30, 2016, which was filed with the SEC on November 8, 2016, and other filings made by CBOE and Bats from time to time with the SEC.

The factors described in such SEC filings include, without limitation: the loss of CBOE's rights to exclusively list and trade certain index options and futures products; economic, political and market conditions; compliance with legal and regulatory obligations (and changes thereto), including obligations under agreements with regulatory agencies and potential conflicts between self-regulatory responsibilities and for-profit status; increasing competition in the industries in which CBOE and Bats operate; CBOE's and Bats' ability to operate their respective businesses without violating the intellectual property rights of others and the costs associated with protecting their respective intellectual property rights; decreases in trading volumes or a shift in the mix of products traded on CBOE's or Bats' exchanges; each of CBOE's and Bats' ability to accommodate trading volume and transaction traffic, including significant increases, without failure or degradation of performance of their respective systems; CBOE's and Bats' ability to protect their respective systems and communication networks from security risks and breaches; the ability to manage CBOE's and Bats' growth and strategic acquisitions or alliances effectively, including the ability to realize the anticipated benefits of past acquisitions; the ability to adapt successfully to technological changes to meet customers' needs and developments in the marketplace; and the impact of legal and regulatory changes and proceedings, whether or not related to the proposed transaction.

We encourage your input on these and other Exchange matters. Please feel free to contact us directly with your concerns.

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Neither CBOE nor Bats undertakes, and each of them expressly disclaims, any duty to update any forward-looking statement whether as a result of new information, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

Additional Information Regarding the Transaction and Where to Find It

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. This communication is being made in respect of the proposed merger transaction involving CBOE, Bats, CBOE Corporation and CBOE V, LLC. The issuance of shares of CBOE common stock in connection with the proposed merger will be submitted to the stockholders of CBOE for their consideration, and the proposed merger will be submitted to the stockholders of Bats for their consideration. In connection therewith, CBOE filed with the SEC on December 12, 2016 a definitive joint proxy statement/prospectus dated December 9, 2016, and each of the companies may be filing with the SEC other documents regarding the proposed transaction. CBOE and Bats commenced mailing of the definitive joint proxy statement/prospectus to CBOE stockholders and Bats stockholders on December 12, 2016. BEFORE MAKING ANY VOTING OR ANY INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS OF CBOE AND/OR BATS ARE URGED TO READ THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders may obtain free copies of the definitive joint proxy statement/prospectus, any amendments or supplements thereto and other documents containing important information about each of CBOE and Bats, as such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by CBOE will be available free of charge on CBOE's website at <http://ir.cboe.com/financial-information/sec-filings.aspx> under the heading "SEC Filings" or by contacting CBOE's Investor Relations Department at (312) 786-7136. Copies of the documents filed with the SEC by Bats will be available free of charge on Bats' website at http://www.bats.com/investor_relations/financials/ under the heading "SEC Filings" or by contacting Bats' Investor Relations Department at (913) 815-7132.

Participants in the Solicitation

CBOE, Bats, their respective directors and executive officers, certain other members of CBOE's and Bats' respective management and certain of CBOE's and Bats' respective employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of CBOE is set forth in its proxy statement for its 2016 annual meeting of stockholders, which was filed with the SEC on April 6, 2016, and its annual report on Form 10-K for the fiscal year ended December 31, 2015, which was filed with the SEC on February 19, 2016, and information about the directors and executive officers of Bats is set forth in its final prospectus in connection with its initial public offering, which was filed with the SEC on April 15, 2016. Each of these documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, are contained in the definitive joint proxy statement/prospectus and may be available in other relevant materials to be filed with the SEC when they become available.

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