



Regulatory Circular RG11-103

To: Trading Permit Holders
From: Finance and Administration
Date: September 8, 2011
Re: New Origin Code for Orders of Non-Trading Permit Holder Affiliates of Clearing Trading Permit Holders

A “Non-Trading Permit Holder Affiliate” of Chicago Board Options Exchange, Inc. is a 100% wholly-owned affiliate or subsidiary of a Clearing Trading Permit Holder that is a) registered as a United States or foreign broker-dealer and b) is not itself a CBOE Trading Permit Holder.

To identify proprietary orders of the Non-Trading Permit Holder Affiliate effected for purposes of hedging the proprietary over-the-counter trading of the Clearing Trading Permit Holder or its affiliates to aggregate with the trading activity of the Clearing Trading Permit Holder for purposes of the fee cap and sliding scale, the Exchange is implementing origin code “L” effective September 1, 2011. Transaction fees for origin code “L” will be assessed by the Exchange as Clearing Trading Permit Holder Proprietary, or “Firm”, and will be cleared by the OCC in the customer range.

The Multiply-Listed Options Fee Cap and CBOE Proprietary Products Sliding Scale for Clearing Trading Permit Holder Proprietary Orders applies to (i) Clearing Trading Permit Holder proprietary orders (“F” origin code), except for orders of joint back-office participants, and (ii) orders of Non-Trading Permit Holder Affiliates of a Clearing Trading Permit Holder (“L” origin code).

Origin code “L” is only for Non-Trading Permit Holder Affiliate orders effected for purposes of hedging the proprietary over-the-counter trading of the Clearing Trading Permit Holder or its affiliates. The Exchange will not make adjustments to billing invoices where transactions from Non-Trading Permit Holders Affiliates intended to qualify for aggregation are effected in an origin code other than “L”, such as the traditional “B” origin code for non-trading permit holder orders.

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.