Regulatory Circular RG12-151

Date: **November 2, 2012**

To: Trading Permit Holders
From: Finance and Administration
RE: November 2012 Fee Changes

This circular explains November 2012 changes to the Fees Schedule for Chicago Board Options Exchange, Inc. (the "Exchange" or "CBOE").

Elimination of Preferred Market-Maker Class Appointment Requirement to Receive Marketing Fee Funds

Currently a Preferred Market-Maker ("PMM") is only given access to the marketing fee funds generated from a Preferred order if the PMM has an appointment in the class in which the Preferred order is received and executed.

Effective November 1, 2012, a PMM will be given access to the marketing fee funds generated from a Preferred order, regardless of whether the order is for a class in which the PMM has an appointment.

Elimination of Dividend Strategy Fee Cap

Effective November 1, 2012, dividend spreads are removed from the list of strategy executions for which fee caps apply.

Automated Improvement Mechanism in CFLEX 2.0

The Exchange will introduce the Automated Improvement Mechanism in CFLEX 2.0 ("FLEX AIM") on November 1, 2012. Effective with the launch of FLEX AIM, CBOE will eliminate the $0.10 CFLEX surcharge fee on all **multi-list** FLEX AIM trades. The CFLEX surcharge fee will continue to be charged on SPX, SPXW, SPX Range Options, OEX, XEO, XSP, DJX, VIX and volatility index trades.

CBOE is implementing, for November 2012 and December 2012, the FLEX AIM Credit Program (the "Program"). Pursuant to the Program, CBOE will credit the executing broker $0.10 per contract on multi-list FLEX trades executed through FLEX AIM. The credit applies to the Primary Order only and is capped at 2,500 contracts. Executing brokers can only receive the credit on one order on a particular class each day, and the credit will be applied to the smallest-sized order in each class each day. Multiple legs of a complex order will be considered separate simple orders for the purpose of the credit. The FLEX AIM credit program will only be available during November and December 2012.

New "J" Origin Code for Joint Back Office Orders

Beginning November 1, 2012, CBOE will accept a new origin code. Orders with an origin code of "J" will indicate the order is for a joint back office ("JBO") account to be cleared into the Firm range at the OCC.

Transaction fees for J will be as follows:

- Equity options, ETF, ETN and HOLDRs and all Index Products excluding SPX, SPXW, SRO, OEX, XEO, VIX and volatility indexes:

	Manual	Electronic	AIM Agency/Primary	AIM Contra	CFLEX AIM
Per contract side…………………	$0.20	$0.20	$0.20	$0.05	$0.20
Surcharge Fee-License Fees:					
DJX……………………………..	$0.10				
MNX, NDX and RUT………….	$0.15				

- SPX, SPXW, SRO, OEX, XEO, VIX and volatility indexes:

	SPX, SPXW	SRO	OEX, XEO,VIX and volatility indexes	Credit Default Options
Per contract side…………………..	$0.25	$0.50	$0.25	$0.20
Surcharge Fee-License Fees:				
SPX, SPXW, OEX, XEO, VIX and volatility indexes…………….	$0.10			
SRO………………………………	$0.20			

CBOE Fees Schedule
http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf

Additional Information:
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