

CBOE Regulatory Circular RG13-124 C2 Regulatory Circular RG13-044

Date: September 19, 2013

To: CBOE, C2 and CBSX Trading Permit Holders

From: Division of Regulatory Services

RE: SEC's Division of Trading and Markets Issues No-Action
Letter Concerning Regulation SHO Rule 204

This circular is being issued to advise Trading Permit Holders that the Securities and Exchange Commission's ("SEC") Division of Trading and Markets recently published a no-action letter concerning Regulation SHO Rule 204. Based on the letter, the Division of Trading and Markets would not recommend to the SEC enforcement action under Section 19(g)(1) of the Securities Exchange Act of 1934 if FINRA and CBOE/C2 enforce compliance with Rule 204 consistent with an approach that would generally permit broker-dealers to utilize a "Multi-day Approach" in connection with the close out requirement of Rule 204. The Multi-day Approach and the conditions under which a broker-dealer may employ it are detailed in a FINRA and CBOE/C2 no-action request letter and the no-action letter.

The no-action request letter and the no-action letter are available on the SEC's website via the following link: <http://www.sec.gov/divisions/marketreg/mr-noaction/2013/finra-cboe-c2-090613-201.pdf>.

Additional Information:

Please contact the Regulatory Interpretations and Guidance team at reginterps@cboe.com and (312) 786-8141 for additional information.