Exchange Bulletin

August 31, 2012 Volume 40, Number 35

The Bylaws and Rules of Chicago Board Options Exchange, Incorporated ("Exchange"), in certain specific instances, require the Exchange to provide notice to Exchange Trading Permit Holders. To satisfy this requirement, a copy of the Exchange Bulletin, including the Regulatory Bulletin, is delivered by e-mail or by hard copy free of charge to all effective Trading Permit Holders on a weekly basis.

Trading Permit Holders are encouraged to receive the Exchange and Regulatory Bulletin and Information Circulars via e-mail. E-mail subscriptions may be obtained by Trading Permit Holders by submitting your name, firm if applicable, e-mail address, and phone number, to registration@cboe.com. If you do sign up for e-mail delivery, please remember to inform the Registration Services Department of e-mail address changes. Subscriptions by Trading Permit Holders for hard copy delivery may be obtained by submitting your name, firm if any, mailing address and telephone number to: Chicago Board Options Exchange, Registration Services Department, 400 South LaSalle, Chicago, Illinois 60605, Attention: Bulletin Subscriptions.

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TRADING PERMIT INFORMATION FOR 08/23/2012 THROUGH 08/29/2012

TRADING PERMIT APPLICATIONS RECEIVED FOR WHICH BULLETIN PUBLICATION IS REQUIRED

Individual Applicant

Roberto Zagaroli
Electronic Brokerage Systems, LLC
410 W. Mahogany Ct., Apt. 509
Palatine, IL 60067

TPH Organization Applicants

Bengal Capital Trading LLC
440 S. LaSalle St., Suite 2121
Chicago, IL 60605
- Bengal Capital LLC - Member
  - Core Options Trading LLC - Member
    - Greif, Kenneth - Member
    - Horn, Larry S. - Member
    - Kohane, William I. - Member
- Dojo Capital, LLC - Manager
  - Tolia, Sanjay - Member Manager
  - Tolia, Vinay - Member Manager
- Sloan, Jacqueline L. - FINOP
- Tolia, Sanjay - Manager of Manager

TERMINATIONS

Individuals

Nominees:	Termination Date
Shane C Jones (SCJ) **Ronin Capital LLC**	**8/24/12**

EFFECTIVE TRADING PERMIT HOLDERS

Individuals

Nominees:	Effective Date
Robert C O'Mullan (BOM) **TradeLink LLC** Type of Business to be Conducted: Market Maker	**8/28/12**

RESEARCH CIRCULARS

The following Research Circulars were distributed between August 24 and August 30, 2012. If you wish to read the entire document, please refer to the CBOE website at www.cboe.com and click on the “Trading Tools” Tab. New listings and series information is also available in the Trading Tools section of the website. For questions regarding information discussed in a Research Circular, please call The Options Clearing Corporation at 1-888-OPTIONS.

Research Circular #RS12-437
August 24, 2012
Youku, Inc. (YOKU)
Name Change to: Youku Tudou, Inc.
Effective Date: August 27, 2012

Research Circular #RS12-439
August 27, 2012
China Precision Steel, Inc. ("CPSL")
1-for-12 Reverse Stock Split
Ex-Distribution Date: August 28, 2012

Research Circular #RS12-440
August 27, 2012
Motricity, Inc. ("MOTR and adj. MOTR1")
Rights Suspension/Position Consolidation

Research Circular #RS12-441
August 28, 2012
New Oriental Education and Technology Group Inc. ("EDU")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: August 29, 2012

Research Circular #RS12-444
August 29, 2012
Inergy, L.P. ("NRGY")
Distribution of Shares of Suburban Propane Partners, L.P. ("SPH")
Ex-Distribution Date: September 17, 2012

Research Circular #RS 12-445
August 30, 2012
*****UPDATE TO AUY1 CONTRACT DELIVERABLE*****
Extorre Gold Mines Limited ("XG/adj. AUY1")

Research Circular #RS 12-446
August 30, 2012
ProShares Ultra VIX Short-Term Futures ETF ("UVXY")
1-for-10 Reverse ETF Split
Ex-Distribution Date: September 7, 2012

Research Circular #RS 12-447
August 30, 2012
China Medical Technologies, Inc. ("CMEDY")
Stock and Option Symbol Change to "CMEDQ"
Effective Date: August 31, 2012

CBOE®

Regulatory Bulletin

August 31, 2012 Volume RB23, Number 35

The Bylaws and Rules of Chicago Board Options Exchange, Incorporated ("Exchange"), in certain specific instances, require the Exchange to provide notice to Trading Permit Holders. The weekly Regulatory Bulletin is delivered to all effective Trading Permit Holders to satisfy this requirement.
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REGULATORY CIRCULARS

Regulatory Circular RG12-118

DATE: **August 27, 2012**
To: **Trading Permit Holders**
From: **Business Development Division**
RE: **New "J" Origin Code For Joint Back Office Orders**

Beginning November 1, 2012, CBOE plans to make available a new order 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. The "J" origin code will be required as of November 1, 2012 for any JBO order that is to clear into the Firm range at the OCC, and the "F" origin code should no longer be sent on such orders. Orders for JBO accounts that are to clear into the Customer range at the OCC may continue to be marked with an origin code of "B." Note the "J" origin must not be used prior to November 1, 2012. (Please refer to Regulatory Circular RG12-057 for additional information on the existing order origin code requirements for JBO orders that will remain in effect through October 31, 2012.)

Transaction fees for orders with the "J" origin code will be listed separately on the CBOE fee schedule.

Since the new marking will be required and not optional on orders for JBO accounts that clear into the Firm range at the OCC, CBOE is notifying order routing firms in advance so they may make necessary changes in time for the November 1 activation of the new "J" origin code.

Questions regarding this circular may be directed to:

- CBOE Help Desk at (866)728-2263 or helpdesk@cboe.com
- Anthony Montesano at (312)786-7365 or montesan@cboe.com

Regulatory Circular RG12-119

DATE: **August 28, 2012**

FROM: **Market Operations Department**

RE: **Restrictions on Transactions in ATP Oil & Gas Corporation**

Effective August 29, 2012, ATP Oil & Gas Corporation ("ATPG") will be delisted from the NASDAQ. Trading in ATPG will commence on the Other OTC market under the symbol ATPAQ.

Trading on the CBOE in existing series of ATPAQ options will be subject to the following restrictions. Only closing transactions may be affected in any series of ATPAQ options except for (i) opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and (ii) opening transactions by CBOE TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with CBOE Rule 6.74(b) or (d).

The execution of opening transactions in ATPAQ options, except as permitted above, and/or the misrepresentation as to whether an order is opening or closing, will constitute a violation of CBOE rules, and may result in disciplinary action. TPH organizations should ensure that they have appropriate procedures in place to prevent their customers from entering opening orders in this restricted option class. In addition, transactions in contravention of this restriction may be subject to nullification pursuant to Exchange Rule 6.25.

There are no restrictions in place with respect to the exercise of ATPAQ options.

Any questions regarding this circular may be directed to Kerry Winters at (312) 786-7312 or the Regulatory Interpretations and Guidance team by telephone at (312) 786-8141 or by email at RegInterps@cboe.com.

CBOE restricted class memos can be accessed from CBOE.org at the following web address:
http://www.cboe.org/Restrictions

Regulatory Circular RG12-120
To: Trading Permit Holders
From: Finance and Administration
Date: August 28, 2012
Re: Transaction Fees in CBOE S&P 500 Range Options

On August 28, 2012, Chicago Board Options Exchange, Inc. ("CBOE" or the "Exchange") will list for trading CBOE Range Options on the S&P 500 Index (Ticker: SRO). SROs have European-style exercise and are cash-settled options.

Transaction Fees (per contract side) for SROs will be as follows:

Customer[A]	$0.80
Professional Customer/Voluntary Professional Customer[B]	$0.80
CBOE Market-Maker/DPM/E-DPM/LMM	$0.40
Clearing Trading Permit Holder Proprietary[C]	$0.50
Broker-Dealer[B]	$0.80
Non-Trading Permit Holder Market Maker	$0.80
Floor Brokerage Fee[D] (crossed orders $0.04)	$0.08
Surcharge Fee (customer orders not assessed)	$0.20

A. Regular customer transaction fees will only be charged on the first 10,000 contracts per order[1].
B. The AIM Agency/Primary Fee does not apply for SRO contracts executed in AIM.
C. SROs are excluded from the Proprietary Products Sliding Scale for Clearing Trading Permit Holder Proprietary Orders.
D. SROs will be excluded for the calculation of the additional monthly fee assessed to any Floor Broker Trading Permit Holder that executes more than 20,000 SPX contracts during the month.

The complete CBOE Fees Schedule is posted at: http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf

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.

[1] A customer large trade discount program in the form of a cap on customer ("C" origin code) transaction fees is in effect for the options set forth below. Floor brokerage fees are not subject to the cap on fees. Qualification of an order for the fee cap is based on the trade date and order ID on each order. For complex orders, the total contracts of an order (all legs) are counted for purposes of calculating the fee cap. To qualify for the discount, the entire order quantity must be tied to a single order ID either within the CBOE*direct* system or in FBW or PULSe or in the front end system used to enter and/or transmit the order (provided the Exchange is granted access to effectively audit such front end system) (the order must be entered in its entirety on one system so that the Exchange can clearly identify the total size of the order). For an order entered via FBW, PULSe or another front end system, a customer large trade discount request must be submitted to the Exchange within 3 business days of the transactions and must identify all necessary information, including the order ID and related trade details.

Regulatory Circular RG12-121
To: Trading Permit Holders
From: Finance and Administration
Date: August 29, 2012
Re: September 2012 Fee Changes

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

Miscellaneous—Manual Appointment Change Request
Effective September 4, 2012, all Market-Maker appointment changes will be the responsibility of each Trading Permit Holder via the online appointments system (see Regulatory Circular RG12-014). Since CBOE will no longer be performing this service, the Exchange is eliminating the Manual Appointment Change Request Fee of $50.00 effective September 4, 2012.

The complete CBOE Fees Schedule is posted at: http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf

Please direct any questions to Don Patton at (312) 786-7026 or patton@cboe.com, Colleen Laughlin at (312) 786-8390 or laughlin@cboe.com, or John Mavindidze at (312) 786-7689 or mavindidze@cboe.com.

APPROVED RULE CHANGE(S)

The Securities and Exchange Commission ("SEC") has approved the following change(s) to Exchange rules pursuant to Section 19(b) of the Securities Exchange Act of 1934 (the "Act"). Below, any additions to rule text are underlined and any deletions are [bracketed]. Copies are available on the CBOE public website at www.cboe.com/legal/effectivefiling.aspx.
The effective date of the rule change is the date of approval unless otherwise noted.

SR-CBOE-2012-043 Margin Requirements

On August 29, 2012, the SEC approved Rule Change File No. SR-CBOE-2012-043, which filing adopts universal spread margin rules. Any questions regarding the rule change may be directed to Angelo Evangelou, Legal Division, at 312-786-7464. The rule text is shown below and the rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-043.pdf.

Rule 12.3 - Margin Requirements

(a) *Definitions.* For purposes of this Rule, the following terms shall have the meanings specified below.

(1) – (4) No change

(5) For the purpose of this rule, the term "spread" means an equivalent long and short position in different call option series, different put option series, or combinations thereof, that collectively have a limited risk / reward profile, and meet the following conditions 1) all options must have the same underlying security or instrument, 2) all options must be either all American style or all European style, 3) all options must be either all listed or all OTC, 4) within option type(s), the long and short options must have equal aggregate underlying contract values and 5) the short option(s) must expire on or before the expiration date of the long option(s)[The term "long butterfly spread" means **long put / two short puts / long put** or **long call / two short calls / long call** where: the options are on the same underlying instrument, the long options are different option series, the short options are the same option series, the exercise prices of the positions are in ascending order, either all options expire at the same time or a long option expires after the other options expire concurrently, and the interval between exercise prices is equal. In the case of long butterfly spreads composed of cash-settled, European-style index options, all options must expire at the same time.

(6) The term "short butterfly spread" means **short put / two long puts / short put** or **short call / two long calls / short call** where: the options are on the same underlying instrument, the short options are different option series, the long options are the same option series, the exercise prices of the positions are in ascending order, all options expire at the same time, and the interval between exercise prices is equal.

(7) The term "long condor spread" means **long put / short put / short put / long put** or **long call / short call / short call / long call** where: the options are on the same underlying instrument, each option is a different option series, the exercise prices of the options are in ascending order, either all options expire at the same time or a long option expires after the other options expire concurrently, and the interval between exercise prices is equal. In the case of long condor spreads composed of cash-settled, European-style index options, all options must expire at the same time.

(8) The term "short iron butterfly spread" means **long put / short put / short call / long call** where: the options are on the same underlying instrument, each option is a different option series, the exercise prices of the options are in ascending order, the short options have the same exercise price, either all options expire at the same time or a long option expires after the other options expire concurrently, and the interval between exercise prices is equal. In the case of short iron butterfly spreads composed of cash-settled, European-style index options, all options must expire at the same time.

(9) The term "short iron condor spread" means **long put / short put / short call / long call** where: the options are on the same underlying instrument, each option is a different option series, the exercise prices of the options are in ascending order, either all options expire at the same time or a long option expires after the other options expire concurrently, and the interval between exercise prices is equal. In the

case of short iron condor spreads composed of cash-settled, European-style index options, all options must expire at the same time.]

([10]6) The term "box spread" means an aggregation of positions in a long call option and short put option with the same exercise price ("buy side") coupled with a long put option and short call option with the same exercise price ("sell side") all of which have the same underlying component or index and time of expiration, and are based on the same aggregate current underlying value, and are structured as either: A) a "long box spread" in which the sell side exercise price exceeds the buy side exercise price or B) a "short box spread" in which the buy side exercise price exceeds the sell side exercise price.

([11]7) The term "underlying stock basket" means a group of securities which includes each of the component securities of the applicable index and which meets the following conditions (i) the quantity of each stock in the basket is proportional to its representation in the index, (ii) the total market value of the basket is equal to the underlying index value of the index options or warrants to be covered, (iii) the securities in the basket cannot be used to cover more than the number of index options or warrants represented by that value and (iv) the securities in the basket shall be unavailable to support any other option or warrant transaction in the account.

([12]8) The term "cash equivalent" is as defined in Section 220.2 of Regulation T of the Board of Governors of the Federal Reserve System.

([13]9) The term "listed" for purposes of this Chapter 12 means a security traded on a registered national securities exchange or automated facility of a registered national securities association.

([14]10) The term "OTC margin bond" for purposes of this Chapter 12 means (1) any debt securities not traded on a national securities exchange that meet all of the following requirements (a) at the time of the original issue, a principal amount of not less than $25,000,000 of the issue was outstanding; (b) the issue was registered under Section 5 of the Securities Act of 1933 and the issuer either files periodic reports pursuant to the Act or is an insurance company under Section 12(g)(2)(G) of the Act; or (c) at the time of the extension of credit the creditor has a reasonable basis for believing that the issuer is not in default on interest or principal payments; or (2) any private pass-through securities (not guaranteed by a U.S. government agency) that meet all of the following requirements: (a) an aggregate principal amount of not less than $25,000,000 was issued pursuant to a registration statement filed with the Commission; and (b) current reports relating to the issue have been filed with the Commission; and (c) at the time of the credit extension, the creditor has a reasonable basis for believing that mortgage interest, principal payments and other distributions are being passed through as required and that the servicing agent is meeting its material obligations under the terms of the offering.

([15]11) The term "Investment Grade" in respect of any Corporate Debt Security, as that term is defined in Rule 28.1, means, if rated by only one nationally recognized statistical rating organization ("NRSRO"), is rated in one of the four highest generic rating categories; or if rated by more than one NRSRO, is rated in one of the four highest generic rating categories by all or a majority of such NRSROs; provided that if the NRSROs assign ratings that are evenly divided between (i) the four highest generic ratings and (ii) ratings lower than the four highest generic ratings, the Exchange will classify the Corporate Debt Security as Non-Investment Grade.

([16]12) The term "Non-Investment Grade" in respect of any Corporate Debt Security, as that term is defined in Rule 28.1, means, if rated by only one NRSRO (as defined in Rule 12.3(a)(15)), is rated lower than one of the four highest generic rating categories; or if rated by more than one NRSRO, is rated lower than one of the four highest generic rating categories by all or a majority of such NRSROs.

([17]13) The term "Convertible" in respect of any Corporate Debt Security, as that term is defined in Rule 28.1, means, notwithstanding the classification of a Corporate Debt Security as Investment Grade or Non-Investment Grade, means any Corporate Debt Security that may be exchanged for shares of the issuer's common or preferred stock.

(14) The term "OTC" as used with reference to a call or put option contract means an over-the-counter option contract that is not traded on a national securities exchange and is issued and guaranteed by the carrying broker-dealer.

(b) Customer Margin Accounts – General Rule. No change

(c) Customer Margin Account – Exception.

(1) – (5) (C) (3) No change

(4) *Spreads.* [*Long Position Does Not Expire Before Short Position.* This subparagraph applies to accounts carrying positions where long call options or call warrants (or long put options or put warrants), except for capped style options, offset positions in short call options or call warrants (or short put options or put warrants) for the same underlying component or index, provided the offsetting long position does not expire before the short position and the long position is paid in full. A long warrant may offset a short option contract and a long option contract may offset a short warrant provided they have the same underlying component or index and equivalent aggregate current underlying value. In the event the long position is not listed, it must be guaranteed by the carrying broker dealer; otherwise the short position must be margined separately pursuant to subparagraph (c)(5)(A) or (B), whichever is applicable.]

(A) For spreads as defined in subparagraph (a)(5) of this Rule, the long options must be paid for in full. In addition, margin is required equal to the **lesser** of the amount required for the short option(s) by subparagraph (c)(5)(A) or (B), whichever is applicable, or the spread's maximum potential loss, if any. To determine the spread's maximum potential loss, first compute the intrinsic value of the options at price points for the underlying security or instrument that are set to correspond to every exercise price present in the spread. Then, net the intrinsic values at each price point. The maximum potential loss is the greatest loss, if any, from among the results. The proceeds for establishing the short options may be applied toward the cost of the long options and/or any margin requirement.

A spread involving a put(call) warrant combined with a put(call) option is permitted provided the spread conforms with the definition of a spread in subparagraph (a)(5) of this rule.[When the exercise price of the long call position (or short put position) is less than or equal to the exercise price of the offsetting short call position (or long put position), no margin is required.]

(B) Subparagraph (4)(A) above is not applicable to spreads involving Credit Options, Binary Options or Range Options. However, in respect of spreads involving Range Options, subparagraph (4)(A) above may be applied to pseudo positions in individual option series represented by each Range Option to derive a margin requirement provided that all Range Options expire at the same time, which margin requirement is subject to a maximum of the amount required by paragraph (n) of this Rule 12.3 for all Range Options.[When the exercise price of the long call position (or short put position) is greater than the exercise price of the offsetting short call position (or long put position) the amount of margin required is the lesser of (1) the margin required pursuant to subparagraph (c)(5)(A) or B above whichever is applicable or (2) the difference in aggregate exercise prices.]

(C) *Capped-Style Index Option (CAPS & Q-CAPS), Packaged Vertical Spread and Packaged Butterfly Spread As Defined In Rule 24.1.*

(1) The requirements set forth in subparagraph[s] (4)(A) [and (4)(B)]above apply to spreads composed of either CAPS, Q-CAPS, Packaged Vertical Spread or Packaged Butterfly Spread options provided the long and short option each have the same cap, vertical spread or butterfly spread interval (as applicable); except that[, in respect of spreads subject to subparagraph (4)(B),] the amount of margin required for a spread in CAPS, Q-CAPS or Packaged Vertical Spread options need not exceed the lesser of 1) any maximum potential loss as computed in accordance with subparagraph 4(A) above[difference in aggregate exercise prices] or 2) the cap, vertical spread or butterfly spread interval (as applicable). Cap interval, vertical spread interval and butterfly spread interval shall have the meanings defined in Rule 24.1.

(2) In respect of a short CAPS, Q-CAPS or Packaged Vertical Spread option offset by a long option that is not also a CAPS, Q-CAPS or Packaged Vertical Spread option, the amount of margin required is as set

forth in subparagraph (4)(A) [or (4)(B)]above; except that[, in respect of spreads subject to subparagraph (4)(B),] the amount of margin required need not exceed the lesser of 1) <u>any maximum potential loss as computed in accordance with subparagraph (4)(A) above</u>[the difference in aggregate exercise prices] or 2) the cap, vertical spread or butterfly spread interval (as applicable).

(3) In respect of a long CAPS, Q-CAPS or Packaged Vertical Spread option which offsets a short option that is not also a CAPS, Q-CAPS or Packaged Vertical Spread option, each position must be margined separately in accordance with the applicable requirements of this Rule 12.3.

(4) In respect of any Packaged Butterfly Spread Option offset by, or which offsets, any option position that is not also a Packaged Butterfly Spread option, each position must be margined separately in accordance with the applicable requirements of this Rule 12.3.

(5) No change

[(6) *Long Butterfly Spread or Long Condor Spread.* This subparagraph (c)(5)(C)(6) applies to a long butterfly or condor spread as defined in subparagraphs (a)(5) and (a)(7), respectively, of this Rule where all option positions are listed or guaranteed by the carrying broker-dealer. In respect of a long butterfly or long condor spread as defined in subparagraphs (a)(5) and (a)(7), respectively, of this Rule, the net debit must be paid in full.

(7) *Short Butterfly Spread, Short Iron Butterfly Spread or Short Iron Condor Spread.* This subparagraph (c)(5)(C)(7) applies to a short butterfly, short iron butterfly or short iron condor spread as defined in subparagraphs (a)(6), (a)(8) and (a)(9), respectively, of this Rule where all option positions are listed or guaranteed by the carrying broker-dealer. In respect of a short butterfly, short iron butterfly or short iron condor spread as defined in subparagraphs (a)(6), (a)(8) and (a)(9), respectively, of this Rule, margin must be deposited and maintained equal to at least the amount of the exercise price interval. The net proceeds from the sale of short option components may be applied to the requirement.

(8) *Box Spread.* This subparagraph (c)(5)(C)(8) applies to box spreads as defined in subparagraph (a)(10) of this Rule where all option positions are listed or guaranteed by the carrying broker-dealer.

(1) In respect of a long box spread as defined in subparagraph (a)(10) of this Rule, the net debit must be paid in full.

(2) In respect of a short box spread as defined in subparagraph (a)(10) of this Rule, margin must be deposited and maintained equal to at least the amount of the aggregate difference between the exercise prices. The net proceeds from the sale of short option components may be applied to the requirement.]

([9]<u>6</u>) *Long Box Spread in European-Style Options.* In respect of a long box spread as defined in subparagraph (a)(10) of this Rule, in which all component options have a European-style exercise provision and are listed or guaranteed by the carrying broker-dealer; margin must be deposited equal to at least 50% of the aggregate difference in the exercise prices. The net proceeds from the sale of short option components may be applied to the requirement. For margin purposes, the long box spread may be valued at an amount not to exceed 100% of the aggregate difference in the exercise prices.

([10]7) *Vested Employee Options.* No margin is required for a call option written on an equity security when an account holder possesses a "long" position in a vested employee stock option which can be immediately exercised without restriction (not including the payment of money) to purchase an equal or greater quantity of the security underlying the short call provided that:

(A) – (C) No change

(d) No change

(e) *Customer Cash Account—Spreads.* A spread as defined in subparagraph (a)(5) of this Rule, if composed of European-style cash-settled index options[, stock index warrant or currency index warrant] that expire at the same time, [carried in a short position]is deemed a covered position, and eligible for the cash account, provided [a]the long option component(s)[position in a European-style cash-settled index option, stock index warrant or currency warrant having the same underlying component or index that is based on the same aggregate current underlying value,] is(are) held in or purchased for the account on the same day as the short component(s) and provided:

(1) either there is held in the account at the time the positions are established or received into the account promptly:

(A) cash or cash equivalents of not less than the amount required by subparagraph (c)(5)(C)(4)(A), to which requirement the net proceeds from the sale of the short position(s) may be applied or[the long position and the short position expire concurrently,]

(B) an escrow agreement.[the long position is paid in full and

(C) either there is held in the account at the time the positions are established or received into the account promptly thereafter:

(1) cash or cash equivalents of not less than any amount by which the aggregate exercise price of the long call or call warrant (short put or put warrant) exceeds the aggregate exercise price of the short call or call warrant (long put or put warrant), to which requirement the net proceeds from the sale of the short position may be applied, or

(2) an escrow agreement.]

The escrow agreement must certify that the bank holds for the account of the customer as security for the agreement 1) cash, 2) cash equivalents or 3) a combination thereof having an aggregate market value at the time the positions are established of not less than the amount required by subparagraph (c)(5)(C)(4)(A) of this Rule[any amount by which the aggregate exercise price of a long call or call warrant (short put or put warrant) exceeds the aggregate exercise price of a short call or call warrant (long put or put warrant)] and that the bank will promptly pay the TPH organization such amount in the event the account is assigned an exercise notice or that the bank will promptly pay the TPH organization funds sufficient to purchase a warrant sold short in the event of a buy-in.

(D) The provisions of this subparagraph (e)(1) are also applicable to put and call warrants. A long warrant and[may offset] a short option contract or[and] a long option contract and[may offset] a short warrant are eligible for the provisions of this subparagraph (e)(1) if they qualify as spreads as defined in subparagraph (a)(5) of this Rule[provided they have the same underlying component or index and equivalent aggregate current underlying value. In the event the long position is not listed, it must be guaranteed by the carrying broker dealer; otherwise the short position is not eligible for the cash account and must be margined separately pursuant to subparagraph (c)(5)(A) or (B), whichever is applicable.]

[(2) *Long Butterfly Spreads, Short Butterfly Spreads, Long Condor Spreads, Short Iron Butterfly Spreads or Short Iron Condor Spreads.* The captioned spreads, as defined in subparagraphs (a)(5), (a)(6), (a)(7), (a)(8) and (a)(9), respectively, of this Rule, are permitted in a cash account only if they are composed of cash-settled, European-style options and all options expire at the same time, and provided:

(A) the long options are held in, or purchased for the account on the same day,

(B) in respect of a long butterfly spread as defined in subparagraph (a)(5) and (a)(7), respectively, of this Rule, the net debit is paid in full,

(C) in respect of a short butterfly spread as defined in subparagraph (a)(6), (a)(8) and (a)(9), respectively, of this Rule, either there is held in the account at the time the positions are established or received into the account promptly thereafter:

(1) cash or cash equivalents of not less than the amount of the exercise price interval, to which requirement the net proceeds from the sale of short option components may be applied, or

(2) an escrow agreement.

The escrow agreement must certify that the bank holds for the account of the customer as security for the agreement 1) cash, 2) cash equivalents or 3) a combination thereof having an aggregate market value at the time the positions are established of not less than the amount of the exercise price interval and that the bank will promptly pay the TPH organization such amount in the event the account is assigned an exercise notice.

(D) all component options are listed or guaranteed by the carrying broker-dealer.

(3) *Box Spreads*. Put and call options carried in a short position are deemed covered positions and eligible for the cash account provided the account contains long positions which in conjunction with the short options constitute a box spread as defined in subparagraph (a)(6) of this Rule provided:

(A) all component options are European style,

(B) all component options are cash settled,

(C) the long options are held in, or purchased for the account on the same day,

(D) in respect of a long box spread as defined in subparagraph (a)(6) of this Rule, the net debit is paid in full,

(E) in respect of a short box spread as defined in subparagraph (a)(6) of this Rule, either there is held in the account at the time the positions are established or received into the account promptly thereafter:

(1) cash or cash equivalents of not less than the amount of the aggregate difference between the exercise prices, to which requirement the net proceeds from the sale of short option components may be applied, or

(2) an escrow agreement.

The escrow agreement must certify that the bank holds for the account of the customer as security for the agreement 1) cash, 2) cash equivalents or 3) a combination thereof having an aggregate market value at the time the positions are established of not less than the amount of the aggregate difference between the exercise prices and that the bank will promptly pay the TPH organization such amount in the event the account is assigned an exercise notice on either short option.

(F) all component options are listed or guaranteed by the carrying broker-dealer.]

(f) – (n) No change

. . . *Interpretations and Policies:* No change

EFFECTIVE-ON-FILING RULE CHANGE(S)

The following rule filing(s) was submitted to the SEC "effective on filing," and may have taken effect pursuant to Section 19(b)(3) of the Act. The rule filing(s) will remain in effect barring further action by the SEC within 60 days after publication in the Federal Register. Below, any additions to rule text are underlined and any deletions are [bracketed]. Copies are available on the CBOE public website at www.cboe.org/legal/effectivefiling.aspx.

SR-CBOE-2012-083 MDX Market Data Product

On August 28, 2012, the Exchange filed Rule Change File No. SR-CBOE-2012-083, which filing proposes to make available, through CBOE's affiliate Market Data Express, LLC, a data product that includes option valuations. Any questions regarding the rule change may be directed to Jaime Galvan, Legal Division, at 312-786-7058. The rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-083.pdf.

SR-CBOE-2012-084 Fees Schedule

On August 28, 2012, the Exchange filed Rule Change File No. SR-CBOE-2012-084, which filing proposes to amend the CBOE Fees Schedule to establish fees for CBOE Range Options on the S&P 500 Index, which will be listed for trading on August 28, 2012. Any questions regarding the rule change may be directed to Jenny Klebes-Golding, Legal Division, at 312-786-7466. The rule filing is available http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-084.pdf.

PROPOSED RULE CHANGE(S)

Pursuant to Section 19(b)(1) of the Act, and Rule 19b-4 thereunder, the Exchange has filed the following proposed rule change(s) with the SEC. Below, any additions to rule text are underlined and any deletions are [bracketed]. Copies of the rule change filing are available at www.cboe.org/legal/submittedsecfilings.aspx. Trading Permit Holders may submit written comments to the Legal Division.
The effective date of a proposed rule change will be the date of approval by the SEC, unless otherwise noted.

SR-CBOE-2012-085 Complex Order RFR Auction

On August 30, 2012, the Exchange filed Rule Change File No. SR-CBOE-2012-085, which filing proposes to amend complex order RFR auction (COA) rules to provide that the COA message will identify the side of the auctioned order, in addition to the series, size and any contingencies (which the message already identifies). Any questions regarding the rule change may be directed to Laura Dickman, Legal Division, at 312-786-7572. The rule text is shown below and the rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-085.pdf.

Rule 6.53C. Complex Orders on the Hybrid System
(a) Definition: No change.
(b) Types of Complex Orders: No change.
(c) Complex Order Book
No change.
(d) Process for Complex Order RFR Auction: Prior to routing to the COB or once on PAR, eligible complex orders may be subject to an automated request for responses ("RFR") auction process.

(i) For purposes of paragraph (d):

(1) "COA" is the automated complex order RFR auction process.

(2) A "COA-eligible order" means a complex order that, as determined by the Exchange on a class-by-class basis, is eligible for a COA considering the order's marketability (defined as a number of ticks away from the current market), size, complex order type (as defined in paragraphs (a) and (b) above) and complex order origin types (as defined in subparagraph (c) (i) above). Complex orders processed through a COA may be executed without consideration to prices of the same complex orders that might be available on other exchanges.

(ii) Initiation of a COA: On receipt of a COA-eligible order and request from the Trading Permit Holder representing the order that it be COA'd, the Exchange will send an RFR message to all Trading Permit Holders who have elected to receive RFR messages. The RFR message will identify the component series, the size and side of the market of the COA-eligible order and any contingencies, if applicable[, but will not identify the side of the market].

(iii) Bidding and Offering in Response to RFRs: Market-Makers with an appointment in the relevant option class and Trading Permit Holders acting as agent for orders resting at the top of the COB in the relevant options series opposite the order submitted to COA may submit responses to the RFR message ("RFR Responses") during the Response Time Interval, unless the Exchange determines, on a class-by-class basis, to allow all Trading Permit Holders to submit responses to the RFR message.

(1) RFR Responses must be on the opposite side of the market of the COA-eligible order. RFR Response sizes will be limited to the size of the COA-eligible order for allocation purposes and

may be expressed on a net price basis in a multiple of the minimum increment (i.e., $0.10, $0.05 or $0.01, as applicable) or in a smaller increment that may not be less than $0.01, as determined by the Exchange on a class-by-class basis. RFR Responses will not be visible (other than by the COA system).

(2) No change.

(iv) – (viii) No change.

. . . *Interpretations and Policies:*

.01 – .10 No change.