EXECUTE SUCCESS℠

EXCHANGE BULLETIN

December 14, 2012 Volume 40, Number 50

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.

Copyright © 2012 Chicago Board Options Exchange, Incorporated

Trading Permit Information for 12/12/2012 through 12/12/2012

TERMINATIONS

Individuals

Nominee:	Termination Date
Phillip J. Bretts (UVN) Grace Support Services LLC	12/11/12
Michael Schultz Susquehanna Securities	12/12/12

Research Circulars

The following Research Circulars were distributed between December 07 and December 13, 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 #RS12-673
December 7, 2012
The GEO Group, Inc. ("GEO")
SPECIAL CASH/STOCK DIVIDEND (ELECTION)
Ex-Date: December 10, 2012

Research Circular #RS12-674
December 7, 2012
JA Solar Holdings Co., Ltd. ("JASO")
1-for-5 Reverse ADS Split
Ex-Distribution Date: December 10, 2012

Research Circular #RS12-676
December 10, 2012
Xueda Education Group ("XUE")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 17, 2012

Research Circular #RS12-677
December 11, 2012
Medicis Pharmaceutical Corporation ("MRX") Merger COMPLETED
with Valeant Pharmaceuticals International, Inc. ("VRX")

Research Circular #RS12-678
December 11, 2012
Infosys Limited ("INFY")
To Move and Begin Trading on NYSE
Effective Date: December 12, 2012

Research Circular #RS12-680
December 11, 2012
VisionChina Media Inc. ("VISN")
1-for-20 Reverse ADS Split
Ex-Distribution Date: December 12, 2012

Research Circular #RS12-682
December 11, 2012
******UPDATE – EX-DISTRIBUTION DATE REVISED*****
Tellabs, Inc. ("TLAB")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 24, 2012

Research Circular #RS12-683
December 11, 2012
Silgan Holdings Inc. ("SLGN")
Partial Self Tender Offer

Research Circular #RS12-684
December 11, 2012
PIMCO Total Return Fund ("BOND")
Capital Gains Distribution
Ex-Distribution Date: December 12, 2012

Research Circular #RS12-685
December 11, 2012
Insperity, Inc. ("NSP")
Partial Self Tender Offer

Research Circular #RS12-686
December 12, 2012
TD Ameritrade Holding Corporation ("AMTD")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 19, 2012

Research Circular #RS12-687
December 12, 2012
Expedia, Inc. ("EXPE & adj. EXPE1")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-688
December 12, 2012
ProAssurance Corporation ("PRA")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-689
December 12, 2012
Abaxis, Inc. ("ABAX")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-690
December 12, 2012
Pain Therapeutics, Inc. ("PTIE")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-691
December 12, 2012
T. Rowe Price Group, Inc. ("TROW")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-692
December 12, 2012
Community Health Systems, Inc. ("CYH")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-693
December 12, 2012
Coherent, Inc. ("COHR")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 17, 2012

Research Circular #RS12-694
December 12, 2012
Interactive Brokers Group, Inc. ("IBKR")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 19, 2012

Research Circular #RS12-695
December 12, 2012
CapitalSource Inc. ("CSE")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 18, 2012

Research Circular #RS12-696
December 12, 2012
CNH Global N.V. ("CNH")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 18, 2012

Research Circular #RS12-697
December 12, 2012
Air Methods Corporation ("AIRM")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 18, 2012

Research Circular #RS12-698
December 12, 2012
Dick's Sporting Goods, Inc. ("DKS")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-699
December 12, 2012
HCA Holdings, Inc. ("HCA")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-700
December 12, 2012
Universal Health Services, Inc. ("UHS")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-701
December 12, 2012
Home BancShares, Inc. ("HOMB")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 13, 2012

Research Circular #RS12-715
December 13, 2012
Altisource Portfolio Solutions S.A. ("ASPS")
Distribution of Shares of
Altisource Residential Corporation Class B ("RESI") and
Altisource Asset Management Corporation ("AAMC")
Ex-Distribution Date: December 14, 2012

Research Circular #RS12-716
December 13, 2012
CYS Investments, Inc. ("CYS")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 19, 2012

December 14, 2012 Volume RB23, Number 50

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. Copyright © 2012 Chicago Board Options Exchange, Incorporated.

Regulatory Circulars

Regulatory Circular RG12-171

Date: December 7, 2012

To: Trading Permit Holders
From: Business Development Division
RE: All-Or-None (AON) Orders

Updates Regulatory Circulars RG12-097, RG12-116 and RG12-166

In Regulatory Circulars RG12-097 and RG12-116, CBOE announced that it would no longer accept All-or-None (AON) orders in any class of options traded on the Exchange (subject to certain limited exceptions). In Regulatory Circular RG12-166, the Exchange confirmed that AON orders are permitted to be received, represented and executed for any class in open outcry and the procedures for entering the open outcry AON order instructions.

This circular announces that CBOE plans to reactivate acceptance of simple and complex DAY and GTC orders with the AON contingency for electronic trading in early February 2013. The Exchange is issuing this circular in advance of the reactivation to provide Trading Permit Holders an opportunity to prepare for this change. The Exchange will issue a circular announcing the specific rollout schedule in advance of the reactivation.

Additional Information:

For information regarding message format specifications, please contact the API Group at 312-786-7300 or api@cboe.com.

Regulatory Circular RG12-172

Date: December 11, 2012

To: Trading Permit Holders
From: Finance and Administration
RE: 2013 Fee Changes

This circular explains 2013 changes to the Fees Schedule for Chicago Board Options Exchange, Inc. (the "Exchange" or "CBOE").

Subject to rule filings with the Securities and Exchange Commission ("SEC"), the changes summarized below will be effective January 1, 2013.

Volume Incentive Program (VIP)

The Exchange will be introducing four changes to the VIP. First, the VIP tier structure will change from the current *Nominal* Contracts *Per Day* Thresholds (i.e. 250,000-375,000 CPD, etc.) to a *Relative* Contracts *Per Month* Threshold Structure (i.e. 2.25% - 3.50% of Total National Customer Multiply Listed Volume). Second, CBOE will be increasing the credit rate at the second VIP tier, from $0.05/contract to $0.07/contract, while reducing the credit rate at the fourth VIP tier from $0.20/contract to $0.18/contract. Third, CBOE will be lowering the effective volume threshold at which the second VIP tier begins, while adjusting the remaining tiers moderately. Finally, CBOE will introduce an additional VIP credit of $0.10/contract, on top of regular VIP credits, at every tier (including the $0.00/contract level), on each leg, for customer, complex multiply-listed options contracts, when executing electronically against a non-public customer origin, including in the Complex Order Book (COB), Complex Order Auction (COA) and Automated Improvement Mechanism (AIM).

VIP will continue to offer credits only for customer, multiply-listed option volume executed electronically, but with the new relative structure, both the count and the credit for each Trading Permit Holder will be calculated using the following formula: a) TPH Total Customer, Multiply-Listed Electronic Option Volume per Month, divided by b) Total National Customer Multiply-Listed Option Volume.

Volume Incentive Program Table

Tiers	Percentage Thresholds of National Customer Multiply-Listed Monthly Volume	Rate
First	0.00% - 0.75%	$0.00
Second	Greater than 0.75% - 2.25%	$0.07
Third	Greater than 2.25% - 3.50%	$0.12
Fourth	Greater than 3.50% - 5.00%	$0.18
Fifth	Above 5.00%	$0.05

Example A: Trading Permit Holder A transmits and executes electronically 7,500,000 customer, multiply-listed options contracts in January 2013. In January 2013, 250,000,000 national customer multiply-listed options contracts were executed. Trading Permit Holder A's 7,500,000

contracts represent 3% of the total national customer multiply-listed options volume. Trading Permit Holder A receives a credit of $0.00 per contract on the first 1,875,000 contracts (0.75% x 250,000,000), a credit of $0.07 per contract on the next 3,750,000 contracts (2.25% - 0.75%= 1.5% x 250,000,000), or $262,500, and a credit of $0.12 per contract on the remaining 1,875,000 contracts, or $225,000, for a total credit of $487,500 or $0.065/contract.

Example B: Trading Permit Holder B transmits and executes electronically 2,000,000 customer, multiply-listed complex order options contracts in January 2013, all of which execute against non-public customer origin contra parties. In January 2013, 250,000,000 national customer multiply-listed options contracts were executed. Trading Permit Holder B's 2,000,000 contracts represent 0.80% of the total national customer multiply-listed options volume. Trading Permit Holder B receives a credit of $0.10 per contract, or $187,500, on the first 1,875,000 contracts, because of the complex order bonus, and a credit of $0.17 per contract, or $21,250, on the next 125,000 contracts ($0.07 per contract plus the $0.10/contract complex order VIP bonus) for a total credit of $208,750 or $0.104/contract.

10/10 Incentive Program

The program will offer a 10% rebate on all assessed customer transaction fees across all CBOE classes to an Originating Firm provided that the Originating Firm, in a calendar month, exceeds their individual 2012 Customer Volume Executed on CBOE Benchmark by 10%. In order to participate in 10/10 in 2013, an Originating Firm must have executed average monthly customer volume on CBOE in 2012 of at least 1,000,000 contracts.

Under 10/10, any OCC Clearing Member firm that is the final OCC destination of an executed trade (the CMTA if a CMTA is given on the trade, otherwise the executing OCC Clearing Member firm), to be referred to as the "Originating Firm", whether a CBOE Trading Permit Holder or not, is eligible for 10/10. 10/10 will offer, on a monthly basis a 10% credit on all assessed customer transaction fees on all CBOE products. In order to qualify, the Originating Firm must effect customer options volume on CBOE in excess of a designated monthly threshold. The designated monthly threshold will be the equivalent of the Originating Firm's total customer options volume executed on CBOE in 2012, expressed as a percentage of the total National Customer Options Volume, increased by a relative 10%. (For example, an Originating Firm that effected customer options volume on CBOE that was 2% of total National Customer Options Volume in 2012 would have a threshold of 2.2% in 2013). For purposes of the 10/10 Program, CBOE will aggregate the fees and trading activity resulting from customer orders executed on the Exchange from separate Originating Firms, provided there is at least 75% common ownership between the Originating Firms and proof of such common ownership is provided to the Exchange. An Originating Firm will receive its credit under the 10/10 Program as a direct payment within ten business days of the following month. Finally, the maximum monthly benefit under the 10/10 Program will be $100,000 per Aggregated Originating Firm.

Example A: For 2012, Originating Firm A had executed customer options volume on CBOE of 60,000,000 contracts, with total, industry-wide customer options volume of 3,000,000,000 contracts. Therefore, Originating Firm A's executed volume on CBOE represented 2% of the total, industry-wide customer options volume. For every month in 2013 that Originating Firm A's executed, customer options volume on CBOE represents 2.2% of the total, National customer options volume, Originating Firm A will receive a 10% rebate on all assessed customer transaction fees for that month across all CBOE classes.

Example B: Trading Permit Holder A executes an order for which they give up OCC Clearing Firm XXX with CMTA OCC Clearing Firm ZZZ. The trade is counted for OCC Clearing Firm

ZZZ for purpose of 10/10.

Registration forms for 10/10, including 2013 Benchmark and credit instructions, will be available for Originating Firms/Affiliated Originating Firms on January 2, 2013. Please contact David Reynolds at reynolds@cboe.com on or before that date.

Complex Order Surcharge

CBOE will assess a $0.10/contract surcharge, on top of regular transaction fees, for all origins except public customer, on each leg, when such origin executes electronically against a public customer, complex, multiply-listed options order, including in the Complex Order Book (COB), Complex Order Auction (COA) and Automated Improvement Mechanism (AIM). However, when a public customer, complex, multiply-listed option order trades electronically against individual leg markets, CBOE will not assess this surcharge to the individual leg markets.

VIX Customer ("C" Origin Code) Transaction Fees

Effective January 1, 2013, customer transaction fees for VIX contracts with premium less than $1.00 will be $0.25 per contract and customer transaction fees for VIX contracts with premium greater than or equal to $1.00 will be $0.45 per contract. In the case of complex orders, CBOE will apply the premium test to each individual leg.

Clearing Trading Permit Holder Proprietary VIX Sliding Scale

Currently Clearing Trading Permit Holders (F origin code at the Exchange) proprietary product (SPX, VIX and other volatility indexes, OEX and XEO) transaction fees for a billing month may be reduced provided the Firm attains certain monthly contract volume in multiply-listed products (at least 375,000 but less than 1,500,000 contracts in a month; or multiply listed contracts of 1,500,000 or greater per month). This is known as the CBOE Proprietary Products Sliding Scale for Clearing Trading Permit Holder Proprietary Orders (or the "Sliding Scale").

CBOE will introduce a Clearing Trading Permit Holder Proprietary VIX Sliding Scale ("VIX Sliding Scale"). The new VIX Sliding Scale will allow Clearing Trading Permit Holder Proprietary and Non-Trading Permit Holder Affiliates to reduce their transaction fees in VIX provided certain volume thresholds in VIX options are attained during a month.

The VIX Sliding Scale will be as follows:

Tiers	VIX Option Contracts per Month	Rate
First	Contracts 1 – 250,000	$0.25
Second	Contracts 250,001 – 500,000	$0.15
Third	Contracts 500,001 – 750,000	$0.10
Fourth	Contracts 750,001 and above	$0.05

For purposes of calculating a Clearing Trading Permit Holder's total proprietary product transaction fees for a month, the Exchange will use the following methodology: If using the VIX Sliding Scale plus the Sliding Scale (minus VIX volume) results in lower total Clearing Trading Permit Holder transaction fees than just using the Sliding Scale, CBOE will apply the new VIX Sliding Scale plus the Sliding Scale, and deduct the VIX volume from the Sliding Scale. If using the VIX Sliding Scale plus the Sliding Scale (minus VIX Volume) results in higher Clearing Trading Transaction fees than just using the Sliding Scale, CBOE will apply only the Sliding Scale.

Example A: Clearing Trading Permit Holder A has qualifying multiply-listed volume of 450,000 contracts in January 2013. Clearing Trading Permit Holder A also has qualifying VIX volume of 850,000 contracts, qualifying SPX volume of 500,000 contracts. Clearing Trading Permit Holder A would thus be billed $154,500. The calculation would be as follows:

1) ***Clearing Trading Permit Holder A Proprietary Transaction Fees using Sliding Scale = $154,500***

or

2) ***Total Clearing Trading Permit Holder A Proprietary Transaction Fees = $220,000***
   Clearing Trading Permit Holder A VIX Transaction Fees using VIX Sliding Scale = $130,000
   Clearing Trading Permit Holder A VIX Transaction Fees using Sliding Scale with VIX Options Volume Removed = $90,000

2013 Liquidity Provider ("LP") Sliding Scale For All Products Except SPX, SPXW, SRO, OEX, XEO, VIX or other volatility indexes

Effective January 1, 2013, a LP's rate per contract is reduced if certain volume thresholds are reached in a month. Contracts traded in all products except SPX, SPXW, SRO, OEX, XEO, VIX or other volatility indexes are eligible for the plan.

Tiers	Contracts per Month	Rate
First	Contracts 1 – 100,000	25 cents
Second	Contracts 100,001 – 2,000,000	17 cents
Third	Contracts 2,000,001 – 4,000,000	10 cents
Fourth	Contracts 4,000,001 – 6,000,000	5 cents
Fifth	Contracts 6,000,001 and above	3 cents

The Exchange is amending each of the tiers (for contract quantity and transaction fee per contract) in the LP Sliding Scale and reducing the number of tiers from six to five. Additionally, CBOE is eliminating the prepayment option for four tiers of the LP Sliding Scale and instead requiring only a prepayment of the first two tiers in order for an LP to proceed further down the LP Sliding Scale.

Prepayment Incentive: To be eligible to participate in the sliding scale above 2,000,000 contracts per month, a LP must prepay their entire fees for the first two tiers of the sliding scale for the entire year ($4,176,000). Pro-rated prepayments are accepted later in the year, as long as the payment is received at least five business days prior to the month in which the application of the discount is to begin. For LP's interested in participating in the sliding scale for all of 2013, prepayment election and wired payment must take place during the period January 1 through January 8, 2013.

SPX Surcharge Fees

The SPX Surcharge Fee increases from $0.10/contract to $0.13/contract and for SROs, from $0.20/contract to $0.26/contract. As is currently the case, the Surcharge Fee is assessed, in addition to any applicable transaction fees, on orders from any origin code except Customer ("C").

Note: As previously announced, CBOE intends to move options on SPXpm from C2 Options Exchange, Inc. to CBOE beginning in January 2013. At that time, the Surcharge Fee for SPXpm will also be $0.13/contract.

Clearing Trader Permit Holder Proprietary Transaction Fees ("F" Origin Code)

The Exchange is increasing transaction fees for electronic executions by Clearing Trader Permit Holder Proprietary in equity options, indexes, ETFs, ETNs and HOLDRs options (excluding SPX, SPXW, SRO, OEX, XEO, VIX and volatility indexes) from $0.20 to $0.25, except for executions within the CBOE's Automated Improvement Mechanism (AIM).

Joint Back-Office Orders ("J" Origin Code)

Joint Back-Office transaction fees as of January 1, 2013 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	QCC	CFLEX AIM
Per contract side……	$0.25	$0.30	$0.20	$0.05	$0.20	$0.30
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……	$0.40	$0.80	$0.40	$0.85
Surcharge Fee-License Fees:				
SPX and SPXW	$0.13			
OEX, XEO, VIX and volatility indexes……..	$0.10			
SRO……	$0.26			

Extra CMI CAS Server

For every fifteen Trading Permits that a TPH accessing CBOE Command via CMI holds, that TPH will receive one CAS Server. All TPHs will also receive one total backup CAS Server regardless of the number of Trading Permits that the TPH holds.

The Exchange will aggregate the Trading Permits from affiliated TPHs (TPHs with at least 75% common ownership between the firms as reflected on each firm's Form BD, Schedule A) for purposes of determining the number of Trading Permits a TPH holds.

A TPH may acquire additional CMI CAS Servers, beyond their allocation allowance, for a fee of $10,000 per extra server per month.

Facility Fees

The Exchange is reducing all the fees per square foot for all Non-Standard Booth Rental Fees. Non-Standard Booth Rental Fee will be as follows:

Booth Size	Per Sq. Ft	Per Sq. Ft	Per Sq. Ft
Extra Large	$2.83	$2.75	$2.69
Large	$4.12	$4.00	$3.91
Medium	$4.89	$4.74	$4.65
Small	$7.72	$7.49	$7.33
Length of Lease	1 Year	2 Years (97%)	3 Years (95%)

Web CRD℠ Fees

Web CRD℠ fee changes are as follows (including the addition of electronic submission for fingerprint processing fees):

General Registration Fees:

FINRA Non-member Processing Fee	Increase from $85.00 to $100.00
FINRA Disclosure Processing Fee (U-4, U-5, Form BD and amendments	Increase from $95.00 to $110.00
FINRA Annual System Processing Fee Assessed only during Renewals	Increase from $30.00 to $45.00

Fingerprint Processing Fees:

Initial Submission	
Paper	Increase from $27.50 to $44.50
Electronic	$29.50
Second Submission	
Paper	Increase from $13.00 to $30.00
Electronic	$15.00
Third Submission	
Paper	Increase from $27.50 to 44.50
Electronic	$29.50
Other[1]	Increase from $13.00 to $30.00

[1] Submitted by Trading Permit Holders or TPH organizations on behalf of associated persons who have had their prints processed through a self-regulatory organization other than FINRA.

****

CBOE Fees Schedule

http://www.cboe.com/publish/feeschedule/CBOEFeeSchedule.pdf

Additional Information:

Please direct VIP and 10/10 Incentive Program questions to Eric Frait at (312) 786-7747 or frait@cboe.com. Other questions may be directed 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.

Regulatory Circular RG12-173

Date: December 12, 2012

To: Trading Permit Holders

From: Member Firm Regulation

RE: Supplement to the Options Disclosure Document

On December 6, 2012, the Securities and Exchange Commission approved a Supplement to the Options Disclosure Document ("ODD"). The ODD contains general disclosures on the characteristics and risks of trading standardized options and has been amended to:

- Reflect changes to disclosures regarding adjustments for cash dividends and distributions in respect of options overlying less than 100 shares to accommodate the trading of mini options.

Trading Permit Holders should be aware that Exchange Rule 9.15 requires that each customer who was previously furnished an ODD be furnished with a copy of an amendment to the current ODD. Trading Permit Holders may comply with this requirement in various ways including, but not limited to, one of the following:

(1) Trading Permit Holders may choose to deliver the Supplement to all of their approved customers who have already received the ODD. ***A firm may deliver the Supplement electronically to its customers, provided that such delivery comports with SEC Rules respecting electronic delivery.***

(2) Trading Permit Holders may deliver the Supplement to a customer, who has already received the ODD, with the first confirmation of a transaction involving a mini option.

Further, a copy of the ODD as amended to include the supplement must be delivered to all new options customers. Copies of the ODD or the supplement, including information on how to obtain a PDF of the supplement, may be obtained by contacting Dianne Svoboda of The Options Clearing Corporation at (312) 322-6212 or at dsvoboda@theocc.com.

Additional Information:
Please contact the Division's Regulatory Interpretations and Guidance team at RegInterps@cboe.com and (312) 786-8141 for additional information.

Regulatory Circular RG12-174

Date: December 13, 2012

To: Trading Permit Holders and Trading Permit Holder Organizations
From: Registration Services Department
RE: Trading Permit Sliding Scale Programs

A Trading Permit Holder (TPH) that wishes to participate in either the **Market-Maker Trading Permit Sliding Scale** program or the **Floor Broker Trading Permit Sliding Scale** program as discussed below must complete the attached Market-Maker Election to Participate for 2013 form or the Floor Broker Election to Participate for 2013 form (Election Form), as applicable. The Election Form must be signed by an authorized signatory for the Trading Permit Holder and may be emailed to registration@cboe.com or faxed to (312) 786-8140.

Questions can be directed to Regina Millison at (312) 786-7452 or millison@cboe.com or to Stan Leimer at (312) 786-7299 or leimer@cboe.com.

Market-Maker Trading Permit Sliding Scale

The following sliding scale will be available for all Market-Maker Trading Permits held by affiliated Trading Permit Holders and TPH organizations that are used for appointments in any options classes other than SPX, VIX, OEX and XEO. Any Market-Maker Trading Permits used for these four classes, whether in whole or in part, are excluded from this sliding scale and will be assessed at $5,500 per month. To qualify for the rates set forth in Tiers 1 and 2 in the sliding scale for 2013, the applicable Trading Permit Holder(s) and/or TPH organization must commit in advance to a specific tier that includes a minimum number of eligible Market-Maker Trading Permits (either eleven permits or twenty-one permits). To do so, a Market-Maker Trading Permit Holder must notify the Registration Services Department of the Tier of eligible Market-Maker Trading Permits committed to by that Market-Maker Trading Permit Holder. Market-Makers may commit at any time during the year and will be responsible for the minimum number of permits in the commitment tier for the remainder of the year. For Market-Makers interested in participating in the Market-Maker Trading Permit Sliding Scale for all of 2013, Tier commitments must be received by December 26, 2012. Market-Makers are not obligated to commit to either tier. However, the discounts will apply only to those that do commit to Tier 1 or Tier 2 for the calendar year.

Market-Maker Permit Sliding Scale	From	To	Amount per Month per Permit
	1 permit	10 permits	$5,500
Tier 1	11 permits	20 permits	$4,000
Tier 2	21 or more permits		$2,500

Floor Broker Trading Permit Sliding Scale

The following sliding scale will be available for Floor Broker Trading Permits held by affiliated Trading Permit Holders and TPH organizations. To qualify for the rates set forth in Tiers 1 and 2

in the sliding scale for 2013, the applicable Trading Permit Holder(s) and/or TPH organization must commit in advance to a specific tier that includes a minimum number of eligible Floor Broker Trading Permits (either two permits or eight permits). To do so, a Floor Broker Trading Permit Holder must notify the Registration Services Department of the Tier of Floor Broker Trading Permits committed to by that Floor Broker Trading Permit Holder. Floor Broker Trading Permit Holders may commit at any time during the year and will be responsible for the minimum number of permits in the commitment tier for the remainder of the year. For Floor Broker Trading Permit Holders interested in participating in the Floor Broker Trading Permit Sliding Scale for all of 2013, Tier commitments must be received by December 26, 2012. Floor Brokers are not obligated to commit to either tier. However, the discounts will apply only to those that do commit to Tier 1 or Tier 2 for the calendar year.

Floor Broker Trading Permit Sliding Scale	From	To	Amount per Month Per Permit
	1 permit	1 permit	$9,000
Tier 1	2 permits	7 permits	$6,000
Tier 2	8 or more permits		$3,000

Market-Maker Trading Permit and Floor Broker Trading Permit Sliding Scale Programs

If a Trading Permit Holder chooses to commit to either Tier 1 or Tier 2, that Trading Permit Holder will be responsible for the minimum number of permits in the commitment tier for the remainder of the calendar year. Even if a Trading Permit Holder does not maintain the minimum level of eligible Trading Permits in the tier, the Trading Permit Holder is still responsible for the minimum payment for that commitment tier for the remainder of the calendar year.

Trading Permit Holders will be able to commit to a higher tier of the sliding scale for the remainder of a calendar year, during the commitment year, if the Trading Permit Holder obtains enough eligible Market-Maker Trading Permits or Floor Broker Trading Permits, as applicable, and provides the Election Form to the Registration Services Department by the 25th day of the month preceding the month in which the higher tier will become effective (or the preceding business day if the 25th is not a business day).

MARKET-MAKER TRADING PERMIT SLIDING SCALE
ELECTION TO PARTICIPATE FOR 2013
E-MAIL TO registration@cboe.com OR FAX TO 312-786-8140

TRADING PERMIT HOLDER INFORMATION

Firm Name: _____ Date: _____

Address: _____
Street Address Suite/Unit

_____
City and State Zip Code

CONTACT INFORMATION

Name: _____
Last Name First Name M.I.

Title: _____

Phone: _____ E-mail Address: _____

ELECTION

Please indicate by a check mark the Tier election: Tier 1 ☐ Tier 2 ☐

AUTHORIZATION AND SIGNATURE

The Trading Permit Holder elects to participate in the Market-Maker Trading Permit Sliding Scale at the Tier level noted above. We understand that upon election we are responsible for the minimum number of permits in the commitment tier for the remainder of the calendar year, subject to the terms and conditions set forth in the CBOE Fees Schedule.

Authorized Signature: _____ Date: _____

FLOOR BROKER TRADING PERMIT SLIDING SCALE
ELECTION TO PARTICIPATE FOR 2013
E-MAIL TO registration@cboe.com OR FAX TO 312-786-8140

TRADING PERMIT HOLDER INFORMATION

Firm Name: _____ Date: _____

Address: _____
Street Address Suite/Unit

_____
City and State Zip Code

CONTACT INFORMATION

Name: _____
Last Name First Name M.I.

Title:

Phone: _____ E-mail Address: _____

ELECTION

Please indicate by a check mark the Tier election: Tier 1 ☐ Tier 2 ☐

AUTHORIZATION AND SIGNATURE

The Trading Permit Holder elects to participate in the Floor Broker Trading Permit Sliding Scale at the Tier level noted above. We understand that upon election we are responsible for the minimum number of permits in the commitment tier for the remainder of the calendar year, subject to the terms and conditions set forth in the CBOE Fees Schedule.

Authorized Signature: _____ Date: _____

Rule Changes

PROPOSED RULE CHANGE(S)

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"), and Rule 19b-4 thereunder, the Exchange has filed the following proposed rule change(s) with the Securities and Exchange Commission ("SEC"). Below, any additions to rule text are underlined and any deletions are [bracketed]. Copies of the rule change filing(s) 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-2012-122 SPX Combo Orders

On December 6, 2012, the Exchange filed Rule Change File No. SR-CBOE-2012-122, which filing proposes to amend Rule 24.20, SPX Combination Orders, to adopt a one-year pilot program containing revised procedures for trading SPX Combo Orders. The proposed rule change would also revise the existing text of Rule 24.20 to make certain clarifying amendments. The rule text is shown below and the rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-122.pdf.

Rule 24.20. SPX Combination Orders
(a) For purposes of this rule, the following terms shall have the following meanings:
(1) An "SPX combination" is a [long] purchase (sale) of an SPX call and [a short] sale (purchase) of an SPX put having the same expiration date and strike price.
(2) A "delta" is the positive (negative) number of SPX combinations that must be sold (bought) to establish a market neutral hedge with an SPX option position.
(3) An "SPX Combo Order" is an order to purchase or sell an SPX option[s] position and the offsetting number of SPX combinations defined by the delta.
(b) An SPX Combo Order may be transacted in the following manner:
(1) When a Trading Permit Holder holding an SPX Combo Order and bidding or offering in a multiple of the minimum increment on the basis of a total debit or credit for the order has determined that the order may not be executed by a combination of transactions with the bids and offers displayed in the SPX limit order book or by the displayed quotes of the crowd, then the order may be executed at the best net debit or credit so long as (A) no leg of the order would trade at a price outside the currently displayed bids or offers in the trading crowd or bids or offers in the SPX limit order book and (B) at least one leg of the [SPX combination] order would trade at a price that is better than the corresponding bid or offer in the SPX limit order book.
(2) Notwithstanding any other rules of the Exchange, if an SPX Combo Order is not executed immediately, the SPX Combo Order may be executed and printed at the prices originally quoted for each of the component option series within 2 hours after the time of the original quotes.
… Interpretations and Policies:
.01 Pilot Program: For a pilot period ending [*insert date one year after approval*], paragraph (b)(2) above shall not apply and shall be replaced with the following: Notwithstanding any other rules of the Exchange, an SPX Combo Order may be transacted in open outcry in the following manner: A Trading Permit Holder holding an

SPX Combo Order may execute the order at the best net debit or credit price, which may be outside the current derived net market so long as (a) the best net debit or credit price would have been at or within the derived net market over the preceding 2 hours of trading that day, (b) no leg of the order would trade at a price outside the displayed bids or offers in the trading crowd or in the SPX limit order book at a point in time over the preceding 2 hour period, and (c) at least one leg of the order would trade at a price that is better than the corresponding bid or offer in the SPX limit order book at the same point in time over the preceding 2 hour period. The "derived net market" is the Exchange's best bids and offers displayed in the individual option series for the strategy at any one point in time.