CBOE EXECUTE SUCCESS℠

EXCHANGE BULLETIN

November 30, 2012 Volume 40, Number 48

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 11/22/2012 through 11/28/2012

TRADING PERMIT APPLICATIONS RECEIVED FOR WHICH BULLETIN PUBLICATION IS REQUIRED

Individual Applicants

Matthew G. Poremba
DRO WST Trading LLC
440 S. LaSalle St., Suite 1988
Chicago, IL 60605

TPH Organization Applicants

TJM Investments, LLC
318 W. Adams Street, Suite 900
Chicago, IL 60606
Murphy, Thomas J. - Principal
Risinger, Colleen S. - Financial and Operations Principle (FINOP) / CFO
TJM Holdings, LLC - Holding Company
Beitler, Steve A. - Member & Officer
Burke, John T. - Vice President
Sullivan, Daniel M. - Passive Partner
Murphy, Thomas J. - Managing Partner, Principal and Officer
Burke, John T. - Vice President
Thomas J. Murphy, Inc. - Co-Partner with TJM Holdings, LLC
Dorenbos, Peter - Chief Compliance Officer & AML Officer
Beitler, Steve A. - Chief Executive Officer

TERMINATIONS

Individuals

Nominee:	Termination Date
Todd A Koster (TKA) Walleye Trading LLC	11/26/12
John P Lourigan (LRN) Citigroup Derivatives Markets Inc.	11/27/12
TPH Organizations	
VTrader Pro, LLC	11/27/12

EFFECTIVE TRADING PERMIT HOLDERS

Individuals

Nominees:	Effective Date
Richardo T. Forrer (RTF) **Toro Capital Management LLC** Type of Business to be Conducted: Market Maker	11/27/12
Julian Maneein (JJM) **Citigroup Derivatives Markets Inc.** Type of Business to be Conducted: Market Maker	11/27/12
Amy Y. Liao (LIA) **Susquehanna Securities** Type of Business to be Conducted: Market Maker	11/27/12

Research Circulars

The following Research Circulars were distributed between November 26 and November 29, 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 #RS12-615
November 26, 2012
Belo Corp. ("BLC")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: November 28, 2012

Research Circular #RS12-616
November 26, 2012
Allegiant Travel Company ("ALGT")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: November 28, 2012

Research Circular #RS12-617
November 26, 2012
Oritani Financial Corp. ("ORIT")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: November 28, 2012

Research Circular #RS12-618
November 26, 2012
Sturm, Ruger & Company, Inc. ("RGR")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-619
November 26, 2012
City National Corporation ("CYN")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: November 29, 2012

Research Circular #RS12-620
November 26, 2012
The Buckle, Inc. ("BKE")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-621
November 26, 2012
Franklin Resources, Inc. ("BEN")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 4, 2012

Research Circular #RS12-622
November 26, 2012
Fushi Copperweld, Inc. ("FSIN") Proposed Merger with Green Dynasty Limited

Research Circular #RS12-623
November 27, 2012
Fastenal Company ("FAST")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-624
November 27, 2012
Medicis Pharmaceutical Corporation ("MRX") Proposed Merger with Valeant Pharmaceuticals International, Inc. ("VRX")

Research Circular #RS12-625
November 27, 2012
Dollar Thrifty Automotive Group, Inc. ("DTGF"):
Merger Completed -- Cash Settlement

Research Circular #RS12-626
November 28, 2012
ASML Holding NV ("ASML")
Capital Repayment and Share Consolidation
Ex-Distribution Date: November 29, 2012

Research Circular #RS12-627
November 29, 2012
Haemonetics Corporation ("HAE")
2-for-1 Common Stock Split
Ex-Distribution Date: December 3, 2012

Research Circular #RS12-628
November 29, 2012
Fresenius Medical Care AG & Co. KGaA ("FMS")
2-for-1 ADS Split
Ex-Distribution Date: December 4, 2012

Research Circular #RS12-629
November 29, 2012
Minerals Technologies Inc. ("MTX")
2-for-1 Common Stock Split
Ex-Distribution Date: December 12, 2012

Research Circular #RS12-630
November 29, 2012
Ethan Allen Interiors Inc. ("ETH")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 4, 2012

Research Circular #RS12-631
November 29, 2012
Carnival Corporation & plc ("CCL")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-632
November 29, 2012
Dillard's Inc. ("DDS")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-633
November 29, 2012
Knight Transportation, Inc. ("KNX")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-634
November 29, 2012
Loral Space & Communications Inc. ("LORL")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-635
November 29, 2012
Insperity, Inc. ("NSP")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 5, 2012

Research Circular #RS12-636
November 29, 2012
Las Vegas Sands Corp. ("LVS")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 6, 2012

CBOE EXECUTE SUCCESS℠

REGULATORY BULLETIN

November 30, 2012 Volume RB23, Number 48

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

CBOE Regulatory Circular RG12-160
C2 Regulatory Circular RG12-056

DATE: **November 21, 2012**

To: CBOE, C2 and CBSX Trading Permit Holders
From: Regulatory Services Division
RE: Consolidated Audit Trail Industry Call and WebEx

The national securities exchanges and FINRA (collectively the "SROs") invite interested industry participants to join a conference call and WebEx presentation on Thursday, November 29, 2012 at 4:15 p.m. ET (3:15 p.m. CT) regarding SEC Rule 613, which requires the SROs to submit an NMS Plan to the SEC to create, implement, and maintain a consolidated audit trail ("CAT").

During this call, the SROs will provide an update on CAT NMS Plan development efforts including the process and timeline for issuing the request for proposal to solicit bids to build and operate the CAT. The SROs will also present baseline reporting requirements currently under consideration with respect to key CAT components including CAT Reporter ID, CAT Order ID and Customer ID. Finally, the SROs will announce future industry events at which interested industry participants are invited to share feedback on implementation issues.

Call Details:
Time: 4:15 p.m. ET (3:15 p.m. CT)
Call-In Number: 800-369-1973 (Toll-Free)
312-470-7340 (Toll)
Participant Password: 9663641
Event address for attendees:
https://deloitteevents.webex.com/deloitteevents/onstage/g.php?d=667436038&t=a
Event number: 667 436 038
Event password: 1234

Please note that you must pre-register for the WebEx and obtain a Registration ID by clicking the link above. Please do so by 3:15 p.m. ET (2:15 p.m. CT) on November 29, 2012. Participants registering after this time may experience a delay joining the presentation.

Please note that this event is closed to members of the media.

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

Regulatory Circular RG12-161

Date: November 27, 2012

To: Trading Permit Holders
From: Finance and Administration
RE: Options for Receiving Credits under the Volume Incentive Plan

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Currently, Trading Permit Holders ("TPH") receive credits under the Chicago Board Options Exchange, Inc. (the "Exchange" or "CBOE") Volume Incentive Plan ("VIP") as line-item credits on their monthly invoice. Subject to SEC review, effective December 1, 2012, CBOE will provide TPHs with the option to receive such credits as a separate payment from the Exchange.

VIP Credits

VIP credits will continue to be delivered as line-item credits on the monthly invoice from the Exchange unless the TPH makes an election for a separate payment.

TPHs wishing to receive such credits as a separate payment from the Exchange should fill out the Election to Receive VIP Credits as a Separate Payment Form and return the Form to Finance and Administration, ATT: John Mavindidze. The Form may be emailed to mavindidze@cboe.com or faxed to 312-786-7409.

Elections may either be made Annually or Monthly. Annual elections will remain in effect until terminated by the TPH in writing or the end of the calendar year, whichever occurs first. Elections made by TPHs interested in electing the separate payment for all of 2013 (which includes the December 2012 credits to be paid in January 2013) must be received by the Exchange by December 26th, 2012. Terminations of annual elections must be received by the 25th of the month in order to receive the credits as line-item credits on the monthly invoice for that respective month. Monthly elections must be received by the Exchange by the 25th of the month in order to receive the credit by separate payment for that respective month.

Separate Payments

Separate payment for VIP credits will be processed by the Exchange within ten business days following the end of the calendar month in which the credits were earned. The payment will indicate "VIP Payment" and can include, at the TPHs' discretion, an "attention to" name to assist in the application of the receipt. All payments will be electronic payments.

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

Additional Information:
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.

Rule Changes

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-2012-111 Disaster Recovery

On November 27, 2012, the SEC approved Rule Change File No. SR-CBOE-2012-111, which filing amends Exchange's rules related to Disaster Recovery to reflect the change in location of the Exchange's primary data center. Any questions regarding the rule change may be directed to Megan Malone, Legal Division, at 312-786-7304. The rule text is shown below and the rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-111.pdf.

Rule 6.18. Disaster Recovery [Facility]
(a) *General*. The Exchange may maintain a [remote business facility] back-up data center in order to preserve the Exchange's ability to trade options in the event the Exchange's primary data center [trading floor] becomes inoperable or otherwise unavailable for use due to a disaster or other unusual circumstances. The purpose of this [Disaster Recovery Facility ("DRF")] back-up data center is to allow the Exchange to operate [remotely] if the primary data center becomes inoperable. Alternatively, if the Exchange trading floor becomes inoperable, the Exchange will continue to operate in a screen-based only environment using a floorless configuration of the trading system located in the primary data center that is operational while the trading floor facility is inoperable. The system will operate with this configuration only until the Exchange's trading floor facility is operational. Open outcry trading will not be available in the event the trading floor becomes inoperable [on the DRF].
(b) *Notice.* Prior to commencing trading on the [DRF] back-up data center, the Exchange shall announce publicly the classes that will be available for trading [on the DRF].
(c) *Applicable Rules.* In the event the primary data center becomes inoperable, trading will continue using the back-up data center and all trading rules will remain in effect. In the event the trading floor becomes inoperable, trading will continue [All classes on the DRF will trade] using [the electronic component of the Exchange's Hybrid System platform] a floorless configuration of the trading system pursuant to all applicable Hybrid System rules except that open-outcry rules shall not be in force. In this circumstance, a [A] non-exclusive list of trading rules that will *not* apply include: Rules 6.2 (Trading Rotations), 6.2A (Rapid Opening System), 6.8 (RAES Operations), 6.8B (Automatic ORS Order Execution Against Booked Orders), 6.9 (Solicited Orders), 6.19(LOU system Operations), Section B under Chapter 6 (Trading Permit Holder Activities on the Floor), 6.20 (Admission to and Conduct on the Trading Floor; Trading Permit Holder Education), 6.23 (Trading Permit Holder Wires From Floor), 6.45 (Priority of Bids and Offers – Allocation of Trades), 6.47 (Priority on Split-Price Transactions Occurring in Open Outcry), 6.54 (Accommodation Liquidations), 6.74 ("Crossing" Orders), and 8.17 (Stopping of Option Orders). Only conduct permissible

pursuant to trading rules that are in force shall be allowed via the [DRF] back-up data center. All non-trading rules of the Exchange shall continue to apply.
(d) *Trading Permit Holder Preparations.* Trading Permit Holders are required to take appropriate actions as instructed by the Exchange to accommodate the Exchange's ability to trade options via the back-up data center [DRF].
(e) [*Quotation Capacity.* To the extent system capacity restricts the ability of all Trading Permit Holders to quote on the DRF, the Exchange shall have authority to designate the Trading Permit Holders that will be allowed to submit quotations on the DRF. In such cases, priority shall be afforded to Trading Permit Holders that made markets in the products trading on the DRF throughout the calendar quarter preceding the use of the DRF. Additional Trading Permit Holders and/or TPH organizations shall be allowed to make markets on the DRF based upon their total contract volume effected on the Exchange during the preceding calendar quarter. Unless otherwise authorized by the Exchange, there will be a one streaming quotation per product limit for each TPH organization quoting on the system and its associated persons.
(f)] No changes.

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(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-2012-031 Letters of Guarantee and Authorization

On March 26, 2012, the Exchange filed Rule Change File No. SR-CBOE-2012-031, which filing proposes to amend various CBOE rules governing letters of guarantee and authorization to: (i) give CBOE the ability to turn off access to its marketplace if a TPH does not have a valid letter of guarantee or authorization; (ii) provide that any written revocation of a letter of guarantee or authorization will be given effect as quickly as CBOE can process it; (iii) give CBOE the ability to take any action necessary to give effect to OCC actions, such as restricting the activities of a Clearing TPH or suspending a Clearing TPH; (iv) automatically terminate the trading permit(s) and TPH status of a TPH if the TPH does not have a required letter of guarantee in place for ninety consecutive days; (v) delete obsolete and outdated rule text; and (6) make technical, non-substantive rule text changes.[1] Any questions regarding the rule change may be directed to Jenny Klebes-Golding, Legal Division, at 312-786-7466. The rule text is shown below and the rule filing is available at http://www.cboe.com/publish/RuleFilingsSEC/SR-CBOE-2012-031.pdf.

Rule 3.28—Letters of Guarantee and Authorization

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[1] Rule Change File No. SR-CBOE-2012-031, which was included in the March 30, 2012 Bulletin, was modified and re-filed by the Exchange on November 27, 2012.

RULE 3.28. (a) Each Trading Permit Holder with trading functions on the Exchange shall provide a letter of guarantee or authorization for the Trading Permit Holder's trading activities on the Exchange from a Clearing Trading Permit Holder in a form and manner prescribed by the Exchange.

(b) A Trading Permit Holder may not engage in any trading activities on the Exchange if an effective letter of guarantee or authorization required to engage in those activities is not on file with the Exchange. If a Trading Permit Holder does not have an effective letter of guarantee or authorization on file with the Exchange, the Exchange may prevent access and connectivity to the Exchange by that Trading Permit Holder.

(c) Letters of guarantee and authorization filed with the Exchange shall remain in effect until a written notice of revocation has been filed with the TPH Department or until such time that the letter of guarantee or authorization is otherwise no longer effective pursuant to Exchange rules. A written notice of revocation shall become effective as soon as the Exchange is able to process the revocation. A revocation shall in no way relieve a Clearing Trading Permit Holder of responsibility for transactions guaranteed prior to the effectiveness of the revocation.

(d) If the Clearing Corporation restricts the activities of a Clearing Trading Permit Holder or suspends a Clearing Trading Permit Holder as a Clearing Member of the Clearing Corporation, the Exchange may take action as necessary to give effect to the restriction or suspension. For example, if the Clearing Corporation restricts transactions cleared by a Clearing Trading Permit Holder to "closing only" transactions, the Exchange may similarly restrict transactions on the Exchange for clearance by that Clearing Trading Permit Holder as a Clearing Member of the Clearing Corporation to "closing only" transactions. Similarly, if the Clearing Corporation suspends a Clearing Trading Permit Holder, the Exchange may prevent access and connectivity to the Exchange by the suspended Clearing Trading Permit Holder.

(e) If a Clearing Trading Permit Holder's status as a Clearing Member of the Clearing Corporation or as an Exchange Trading Permit Holder is terminated, all letters of guarantee and authorization on file with the Exchange from that Clearing Trading Permit Holder shall no longer be valid, effective as soon as the Exchange is able to process the invalidation of these letters of guarantee and authorization.

(f) If a Clearing Trading Permit Holder has been suspended as a Clearing Member of the Clearing Corporation or as an Exchange Trading Permit Holder, all existing letters of guarantee and authorization from that Clearing Trading Permit Holder shall be invalid during the period of the suspension, effective as soon as the Exchange is able to process the invalidation of those letters of guarantee and authorization.

(g) The invalidation of a letter of guarantee or authorization shall in no way relieve the Clearing Trading Permit Holder that issued the letter of guarantee or authorization of responsibility from transactions guaranteed prior to the effectiveness of the invalidation.

(h) If a Trading Permit Holder does not have a required letter of guarantee or authorization for period of ninety consecutive days, the Trading Permit Holder's trading permit(s) and status as a Trading Permit Holder shall automatically be terminated.

* * * * *

Rule 6.72—Letters of Authorization

RULE 6.72.

(a) – (b) No change.

(c) *Revocation of Letter of Authorization*. A Letter of Authorization filed with the Exchange shall remain [in] effective until a written notice of revocation has been filed with the TPH Department or the Letter of Authorization otherwise becomes invalid pursuant to Exchange rules. [If such a written notice of revocation is not filed with the

TPH Department at least one hour prior to the opening of trading on a particular business day, such revocation shall not become effective until the close of trading on such day.] A written notice of revocation shall become effective as soon as the Exchange is able to process the revocation. [Upon the request of the Clearing Trading Permit Holder that files such a written notice of revocation, the Exchange shall post notice of the revocation.] A revocation shall in no way relieve a Clearing Trading Permit Holder of responsibility for transactions guaranteed prior to the effectiveness [date] of the [such] revocation.

(d) Letters of Authorization under this Rule are also governed by Rule 3.28.

…Interpretations and Policies:

.01 - .02 No change.

* * * * *

Rule 8.5—Letters of Guarantee

RULE 8.5. (a) *Required of Each Market-Maker*. No Market-Maker shall make any Exchange transaction [on the floor of the Exchange] unless there is [in] an effective [a] Letter of Guarantee that has been issued for such Market-Maker by a Clearing Trading Permit Holder and filed with the Exchange. If a Market-Maker desires to clear his or her transactions through more than one Clearing Trading Permit Holder, a Letter of Guarantee is required to be issued and filed with the Exchange by each such Clearing Trading Permit Holder to cover Exchange transactions executed by the Market-Maker through that Clearing Trading Permit Holder. [A Market-Maker may not execute Exchange transactions through a Clearing Trading Permit Holder unless there is in effect a Letter of Guarantee that has been issued for such Market-Maker by the Clearing Trading Permit Holder and filed with the Exchange.] The Exchange shall notify each issuer of a Letter of Guarantee of other outstanding Letters of Guarantee that have been issued to the same Market-Maker.

(b) No change.

(c) *Revocation of Letter of Guarantee*. A Letter of Guarantee filed with the Exchange shall remain in effect until a written notice of revocation has been filed with the TPH Department. [If such a written notice of revocation is not filed with the TPH Department at least one hour prior to the opening of trading on a particular business day, such revocation shall not become effective until the close of trading on such day.] A written notice of revocation shall become effective as soon as the Exchange is able to process the revocation. [Upon the request of the Clearing Trading Permit Holder that files such a written notice of revocation, the Exchange shall post notice of the revocation.] A revocation shall in no way relieve a Clearing Trading Permit Holder of responsibility for transactions guaranteed prior to the effectiveness [date] of the [such] revocation.

(d) Letters of Guarantee under this Rule are also governed by Rule 3.28.

[*. . . Interpretations and Policies:*

.01 Market-Makers entering into Government securities options transactions must have a separate Letter of Guarantee issued by a Debt Securities Clearing Trading Permit Holder.

.02 Each Market-Maker must file with the Exchange one or more Letters of Guarantee for transactions cleared by The Options Clearing Corporation.

.03 Reserved.

.04 Only those Letters of Guarantee that are required to be deposited with a Clearing Corporation will be submitted to such Clearing Corporation for its approval. The Exchange shall notify each Clearing Corporation that has approved a Letter of Guarantee for a Market-Maker of the issuance and revocation, if applicable, of all other

Letters of Guarantee issued to that Market-Maker in respect of transactions subject to the rules of any other Clearing Corporation.]

* * * * *

Rule 24A.15—Letter of Guarantee or Authorization

RULE 24A.15. (a) No FLEX Market-Maker shall effect any transaction in FLEX Options unless one or more effective Letter(s) of Guarantee has been issued by a Clearing Trading Permit Holder and filed with the Exchange [pursuant to Rule 8.5(a)] accepting financial responsibility for all FLEX transactions made by the FLEX Market-Maker [and such letter has not been revoked under Rule 8.5(c). Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Guarantee may be amended specifically to include FLEX Option transactions].

(b) No Floor Broker shall act as such in respect of FLEX Option contracts unless an effective Letter of Authorization has been issued by a Clearing Trading Permit Holder and filed with the Exchange [under Rule 6.72(a)] specifically accepting responsibility for the clearance of FLEX Option transactions of the Floor Broker [and such letter has not been revoked under Rule 6.72(c). Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Authorization may be amended to include FLEX Option transactions].

(c) Letters of Guarantee or Authorization under this Rule are also governed by Rule 3.28.

This rule supplements Exchange Rules 6.72 and 8.5.

* * * * *

Rule 24B.13—Letter of Guarantee or Authorization

RULE 24B.13. (a) No FLEX Market-Maker shall effect any transaction in FLEX Options unless one or more effective Letter(s) of Guarantee has been issued by a Clearing Trading Permit Holder and filed with the Exchange [pursuant to Rule 8.5(a)] accepting financial responsibility for all FLEX transactions made by the FLEX Market-Maker [and such letter has not been revoked under Rule 8.5(c). Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Guarantee may be amended specifically to include FLEX Option transactions].

(b) No Floor Broker shall act as such in respect of FLEX Option contracts unless an effective Letter of Authorization has been issued by a Clearing Trading Permit Holder and filed with the Exchange [under Rule 6.72(a)] specifically accepting responsibility for the clearance of FLEX Option transactions of the Floor Broker [and such letter has not been revoked under Rule 6.72(c). Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Authorization may be amended to include FLEX Option transactions].

(c) Letters of Guarantee or Authorization under this Rule are also governed by Rule 3.28.

This rule supplements Exchange Rules 6.72 and 8.5.

* * * * *

Rule 26.11—Market-Makers

RULE 26.11.

(a) – (b) No change.

(c) *Letter of Guarantee* . No Market-Maker shall make any Exchange transaction [on the floor of the Exchange] in market basket contracts unless one or more effective Letters of Guarantee has been issued by a Clearing Trading Permit Holder [under Rule 8.5 (a)] in which the issuing Clearing Trading Permit Holder specifically accepts financial

responsibility for all market basket transactions made by the Market-Maker [and such Letter has not been revoked pursuant to Rule 8.5 (c)]. Letters of Guarantee under this Rule are also governed by Rule 3.28. [Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Guarantee may be amended to include market basket transactions.]

(d) No change.

Supplements Rule 8.5 and replaces Rules 8.3, 8.7, and 8.50.

…Interpretations and Policies:

.01 - .02 No change.

* * * * *

Rule 26.13—Floor Broker Financial Requirements

RULE 26.13.

(a) No change.

(b) *Letter of Authorization.* No Floor Broker shall act as such in respect of market basket contracts unless an effective Letter of Authorization has been issued by a Clearing Trading Permit Holder [under Rule 6.72(a) (and not revoked under Rule 6.72 (c))] in which the issuing Clearing Trading Permit Holder specifically accepts responsibility for the clearance of market basket transactions of the Floor Broker when the name of the Clearing Trading Permit Holder is given up. Letters of Authorization under this Rule are also governed by Rule 3.28. [Upon approval by the Clearing Corporation and filing with the Exchange, an existing Letter of Authorization may be amended to include market basket transactions.]

Supplements Rule 6.72.

BUSINESS CONDUCT COMMITTEE DECISIONS

At its meeting on November 1, 2012, the Business Conduct Committee ("BCC") resolved the following disciplinary matters by accepting 5 Offers of Settlement and 3 Letters of Consent, in which the Respondents and Subjects, respectively, consented to stipulations of facts and findings as detailed below without admitting or denying that Exchange Rules had been violated.

In the Matter of Geneva Trading, LLC, Consolidated File Nos. 12-0004 and 12-0053 (Offer of Settlement and Letter of Consent, Decision Issued November 12, 2012)
Geneva Trading, LLC, a TPH organization and a Designated Primary Market-Maker ("DPM") was censured and fined $150,000. In addition, the Committee ordered an undertaking whereby Geneva Trading shall hire an independent consultant acceptable to the Exchange to evaluate and enhance its written supervisory procedures, including enhancements related to ensure compliance with Rules 8.7 and 8.85. The Undertaking further ordered that Geneva shall submit to the Office of Enforcement and the Department of Market Regulation, within 90 days of the issuance of this Decision, a copy of the enhanced written supervisory procedures. Geneva's DPM: (i) in various option classes, exceeded the maximum allowable quote width on numerous trade dates in various option classes; (ii) in various option classes, failed to continuously disseminate option quotations in accordance with Rule 8.85(a)(i); and (iii) failed to adequately supervise its DPM employees to assure compliance with its Market-Maker quoting obligations as outlined in Geneva's WSPs, as well as in accordance with Exchange Rules 8.7 and 8.85. (CBOE Rules 8.7 – Obligations of Market-Makers and 8.85 – DPM Obligations)

In the Matter of Wolverine Trading, LLC, File No. 12-0030 (Offer of Settlement, Decision Issued November 12, 2012)
Wolverine Trading, LLC, a Trading Permit Holder, was censured and fined $25,000 for the following conduct. Wolverine: (i) failed to register 50 of 72 appropriate individuals as Approved Persons by January 11, 2011; (ii) failed identify a Chief Compliance Officer on its Form BD; and (iii) failed to close out one fail-to-deliver position by the beginning of regular trading hours on the settlement day following the settlement date. In addition, Wolverine failed to notify its clearing firm that due to its failure to close out the short position in the required time frame, it had become subject to the pre-borrow requirements pursuant to paragraph (d) of Regulation SHO Rule 204. (CBOE Rules 3.6A – Qualification and Registration of Trading Permit Holders and Associated Persons, 4.2 - Adherence to Law and 15.1 – Maintenance, Retention and Furnishing of Books, Records and Other Information; Section 17(a) of the Securities Exchange Act of 1934, as amended ("the Act") and Rule 17a-3 thereunder; and Regulation SHO, promulgated under the Act and Rule 204 – Definition of "Short Sale" and Marking Requirements)

In the Matter of Legend Trading, L.L.C., File No. 12-0034 (Offer of Settlement, Decision Issued November 12, 2012)
Legend Trading, L.L.C. ("Legend"), a CBOE Stock Exchange ("CBSX") Permit Holder, was censured and fined $15,000 for the following conduct. Legend failed to ensure it was capturing the electronic correspondence of its associated persons and failed to capture the Firm's financial statements in a WORM format and failed to establish and maintain adequate supervisory procedures in various areas, including, but not limited to the following: (i) electronic communication retention; (ii) Regulation SHO aggregation units and order marking; and (iii) books and records related to its associated persons. (CBOE Rules 4.2 – Adherence to Law and 15.1 – Maintenance, Retention and Furnishing of Books, Records and Other Information; and Section 17(a) Securities and Exchange Act of 1934, as amended (the "Act") and Rules 17a-3 –

Records to be Made by Certain Exchange Members, Brokers and Dealers and 17a-4 – Records to be Preserved by Certain Exchange Members, Brokers and Dealers)

In the Matter of Sparta Group of Chicago, L.P., File No. 12-0036 (Offer of Settlement, Decision Issued November 12, 2012)
Sparta Group of Chicago, L.P. ("Sparta"), a Trading Permit Holder, was censured and fined $7,500 for the following conduct. Sparta failed to register 4 of 6 appropriate individuals as Approved Persons by the required date of January 11, 2011 and failed to identify a Chief Compliance Officer on its Form BD. (CBOE Rules 3.6A – Qualification and Registration of Trading Permit Holders and Associated Persons and 15.1 – Maintenance, Retention and Furnishing of Books, Records and Other Information)

In the Matter of ABN AMRO Clearing Chicago, LLC, File No. 12-0064 (Offer of Settlement, Decision Issued November 12, 2012)
ABN AMRO Clearing Chicago, LLC ("ABN AMRO"), a TPH organization, was censured and fined $200,000 for the following conduct. ABN AMRO under-reserved its customer reserve bank account for its April 2011 month-end customer reserve computation. (CBOE Rules 4.2 - Adherence to Law; 15.1 - Maintenance, Retention and Furnishing of Books, Records and Other Information; 15(c) of the Securities Exchange Act of 1934, as amended, (the "Act") and Rule 15c3-3 – Customer Protection – Reserves and Custody of Securities thereunder, and Section 17(a) of the Act and Rule 17a-3 - Records to Be Made by Certain Exchange Members, Brokers and Dealers and 17a-5 – Reports to be Made by Certain Exchange Members, Brokers and Dealers)

In the Matter of Optiver US, LLC, File No. 12-0055 (Letter of Consent, Decision Issued November 12, 2012)
Optiver US, LLC ("Optiver"), a Trading Permit Holder, was censured and fined $75,000 for the following conduct. Optiver exceeded the maximum allowable quote widths established by the Exchange in various option classes and Optiver failed to adequately supervise to achieve compliance for the conduct described above. (CBOE Rules 4.2 – Adherence to Law and Exchange Rule 8.7 – Obligations of Market-Makers)

In the Matter of MNR Executions LLC, File No. 12-0066 (Letter of Consent, Decision Issued November 12, 2012)
MNR Executions LLC ("MNR"), a Trading Permit Holder, was censured and fined $7,500 for the following conduct. MNR failed to designate a Chief Compliance Officer on Schedule A of Form BD in a timely manner and MNR failed to register and qualify its Chief Compliance Officer as a Proprietary Trader Compliance Officer (CT). (CBOE Rules 3.6A – Qualification and Registration of Trading Permit Holders and Associated Persons and 15.1 – Maintenance, Retention and Furnishing of Books and Records and Other Information)