To: Trading Permit Holders
From: Trading Operations
Date: June 29, 2011
Re: Availability of Qualified Contingent Cross (QCC)

Effective Friday, July 1, 2011, CBOE will enable QCC functionality in all multiple-list equity, ETF, ETN and HOLDRS classes. Details are as follows:

QCC Order Type:

A qualified contingent cross order is an order to buy (sell) at least 1000 contracts that is identified as being part of a qualified contingent trade coupled with a contra-side order to sell (buy) an equal number of contracts. Such orders may only be entered in the standard price increments applicable to simple orders in the options class under Rule 6.42. For purposes of this order type:

(i) A "qualified contingent trade" is a transaction consisting of two or more component orders, executed as agent or principal, where:

(1) at least one component is an NMS stock, as defined in Rule 600 of Regulation NMS under the Exchange Act;

(2) all components are effected with a product or price contingency that either has been agreed to by all the respective counterparties or arranged for by a broker-dealer as principal or agent;

(3) the execution of one component is contingent upon the execution of all other components at or near the same time;

(4) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined by the time the contingent order is placed;

(5) the component orders bear a derivative relationship to one another, represent different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or cancelled; and

(6) the transaction is fully hedged (without regard to any prior existing position) as a result of other components of the contingent trade.

(ii) Qualified contingent cross orders may execute without exposure provided the execution (1) is not at the same price as a public customer order resting in the electronic book and (2) is at or between the NBBO. A qualified contingent cross order will be cancelled if it cannot be executed.

QCC Order Entry Mechanics:

QCC Orders may be submitted electronically from on or off the CBOE floor using FBW, the CBOE OMT or directly via the FIX and CMI APIs. API message specifications and testing are available through the API Group at 312-786-7300/api@cboe.com.

In order to effect proprietary orders (including QCC Orders) electronically from on the floor of the Exchange, Trading Permit Holders must ensure that they qualify for an exemption from Section 11(a)(1) of the Exchange Act. Generally, Section 11(a)(1) restricts any member of a national securities exchange (which are referred to as "Trading Permit Holders" in the CBOE Rules) from effecting any transaction on such exchange for (i) the member's own account, (ii) the account of a person associated with the member, or (iii) an account over which the member or a person associated with the member exercises discretion, unless a specific exemption is available. For additional information about Section 11(a)(1), including examples of common exemptions, please refer to Regulatory Circular RG11-079 (please take note of footnote 3 regarding the QCC Order type and the "G" exemption).

Reporting Requirement:

For each QCC that is executed at the CBOE, the executing TPH must provide the Department of Market Regulation with a spreadsheet containing the following stock and option information:

Stock information:	Option Information:
Symbol	Class Symbol & Series Information
Share Quantity	Contract Quantity
Execution Date & Time	Execution Date & Time
Execution Price	Execution Price
Exchange of execution	Correspondent firm code
Buy & Sell Clearing Firm	Branch ID & Sequence number
	Executing Firm
	CMTA (if applicable)
	Indicate whether the QCC was entered from on or off the CBOE trading floor

The information must be submitted to the Department of Market Regulation via email at qcctrade@cboe.com no later than the opening of trading on the day following the execution date.

Questions regarding this matter may be directed to Anthony Montesano at 312-786-7365/montesan@cboe.com or the CBOE Help Desk at 866-728-2263/helpdesk@cboe.com.