Regulatory Circular RG12-097

DATE: July 16, 2012

TO: Trading Permit Holders

FROM: Business Development Division

RE: All-Or-None (AON) Orders

CBOE has determined that, as of September 2012, it will no longer accept All-Or-None ("AON") orders in any class of options traded on the Exchange. Specifically, in September, 2012, CBOE will rollout a system modification to prevent acceptance of single-leg and complex orders with an AON contingency. The software modification will be rolled out over several days. As the software modification is installed on each trade server, also referred to as a Business Cluster (BC), any new orders with an AON contingency received by CBOE in option classes traded on that BC will be rejected back to the submitter, and any resting GTC AON orders from prior days will be cancelled by the Exchange. Exceptions pertaining to paired orders submitted via the Automated Improvement Mechanism (AIM) and the Solicitation Auction Mechanism (SAM), also referred to as "AON AIM", are described below.

AIM paired orders submitted wherein the primary order contains an AON contingency and "A:AIM" in the OPTIONAL DATA field <u>will not</u> be rejected as part of this modification. However, AIM paired orders submitted wherein the primary order contains an AON contingency and "A:AIR" in the OPTIONAL DATA field will be rejected.

SAM paired order formats require that an AON contingency be included on both the primary and match/contra order. Such orders will not be rejected as part of this modification.

The Exchange intends to issue another circular announcing the specific rollout schedule closer to September, 2012.

Questions regarding this matter may be directed to the Help Desk at 866-728-2263 or helpdesk@cboe.com.