



SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

**Form 19b-4 Information**

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change**

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

PARTIAL AMENDMENT

Chicago Board Options Exchange, Incorporated ("CBOE" or the "Exchange") submits this Amendment, constituting Amendment No. 1, to rule filing SR-CBOE-2010-021 in which the Exchange proposes to (i) expand the delta hedging exemption available for equity options position limits, (ii) amend the reporting requirements applicable to members relying on the delta hedging exemption, and (iii) adopt a delta hedging exemption from certain index options position limits. The purpose of this Amendment No. 1 is to strike the proposed rule text in Rule 4.11.04(c)(C) as set forth in Exhibit 5 of SR-CBOE-2010-021. Specifically, in the original rule filing, the Exchange had proposed to insert the word "or" into the first sentence of Rule 4.11.04(c)(C). However, the Exchange has determined to no longer seek that amendment and thus the Exchange is no longer proposing to make any changes to Rule 4.11.04(c)(C). In connection with the elimination of the proposed rule text, the Exchange has determined to delete footnote 7 from the Purpose section of the 19b-4, as well as the corresponding footnote 9 from the Exhibit 1 of SR-CBOE-2010-021.

The rule text below reflects the text of Rule 4.11.04(c)(C). Additions that had been proposed in the original filing are underlined and deletions proposed in this Amendment No. 1 are [bracketed]. No other changes to the original rule filing are being proposed through this Partial Amendment.

**Chicago Board Options Exchange, Incorporated***Rules*

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## CHAPTER IV

## BUSINESS CONDUCT

\*\*\*\*\*

**Rule 4.11 - Position Limits**

\* \* \* \* \*

*... Interpretations and Policies:*

**.01 - .03** *No change.*

**.04**

\* \* \* \* \*

(C) A “permitted pricing model” means -

(1) OCC Model;

(2) A pricing model maintained and used by a member subject to consolidated supervision by the Commission [or] pursuant to Appendix E of Commission Rule 15c3-1, or by an affiliate that is part of such member's consolidated supervised holding company group, in accordance with its internal risk management control system and consistent with the requirements of Appendices E or G, as applicable, to SEC Rule 15c3-1 and SEC Rule 15c3-4 under the Act, as amended from time to time, in connection with the calculation of risk-based deductions from capital or capital allowances for market risk thereunder, provided that the member or affiliate of a member relying on this exemption in connection with the use of such model is an entity that is part of such member's consolidated supervised holding company group;

\* \* \* \* \*